

# 2016 ANNUAL REPORT



**THE POST PUBLISHING  
PUBLIC COMPANY LIMITED**

# VISION & MISSION

## VISION

The corporate vision of The Post Publishing Public Company Limited is to be “the leader in the media industry in Thailand” in providing, through a variety of print as well as digital media platforms, accurate news and information, business news and lifestyle features contents together with fashion and life-style titles, that are both timely and relevant to the ever-changing trends, requirements and interests of its targeted readers and audiences.

## MISSION

In order to realise the above stated ‘Vision’, The Post Publishing Plc. will undertake the following activities:

- Source and disseminate content that is accurate, timely, and relevant to the requirements and ever changing lifestyles of its various targeted readers and audience groups.
- Expand, in terms of breadth and depth of coverage, the current media platform portfolios and associated content, in order to reach the widest readership and audience base as possible.
- Leverage its media content portfolio together with its communications media expertise, brand name and distribution channels, through creating business partnerships in media publishing as well as digital content production and broadcasting, together with sponsoring a variety of associated events; all of which activities will result in constantly broadening its current businesses, as well as advertiser and customer base.
- Explore, on a continuing basis, new media and communications business opportunities in existing, new and emerging media communications or broadcasting platforms. This is to enable the Group to effectively widen and broaden its ‘reach’ into and provide relevant content of interests for its targeted reader and audience groups on a sustainable basis, as well as to sustain its financial performance for the longer term.
- As a publicly listed company, adopt good corporate governance principles and practices together with associated good business ethics in all aspects of its operations; and be a good corporate citizen in undertaking its corporate social responsibility related activities, in order to satisfy all Stakeholder groups and help protect and develop the wider society, local communities and the environment in a sustainable manner.

# CONTENTS

## OPERATIONS OVERVIEW

- 2 Vision & Mission
- 4 Report to the Shareholders of  
The Post Publishing Public Company Limited
- 6 Financial Highlights
- 6 Income Summary
- 7 Nature of the Business
- 8 Achievements in 2016 and Outlook for 2017
- 12 Awards Received in 2016
- 13 Products and Services
  - Bangkok Post
  - Post Today
  - M2F
  - Student Weekly
  - Magazines
  - Television
  - Book Publishing
  - Digital Media
  - Events

## CORPORATE SOCIAL RESPONSIBILITY

- 18 Corporate Social Activities Overview

## CORPORATE MANAGEMENT

- 20 Management Structure
- 23 Organisation Chart
- 24 Board of Directors
- 30 Executive Management
- 34 Management Post International Media
- 34 Management Mushroom Television
- 35 Board of Directors and Management Nomination and Selection
- 36 Independent Director Nomination and Selection
- 37 Attendance Record Year 2016
- 38 Remuneration for Directors and Executives
- 39 Good Corporate Governance

## INVESTOR INFORMATION

- 42 Internal Control and Internal Audit
- 43 Major Shareholders
- 43 Payment of Dividend Policy
- 43 Inside Information Usage Control
- 44 Risk Factors
- 44 Obligations in Issuing New Shares
- 44 Outstanding Debenture or Bill of Exchange
- 45 Related Party Transaction

## FINANCIAL REPORTS AND CONSOLIDATED FINANCIAL STATEMENTS

- 46 Statement of the Audit Committee
- 47 Statement of Responsibilities of the Board of Directors on  
Financial Statements
- 47 Management Discussion, Analysis, and Operating Results
- 49 Independent Auditor's Report
- 52 Statement of Financial Position
- 54 Statement of Comprehensive Income
- 55 Cash Flow Statement
- 57 Statement of Changes in Shareholders' Equity
- 58 Consolidated Notes to Financial Statements

## CORPORATE INFORMATION

- 83 Head Office & Facilities
- 83 Websites
- 83 Corporate Data
- 84 Companies Which The Post Publishing Public Company Limited  
Invests at 10 Per Cent or More of Paid-up Capital
- 85 Share Registrar
- 85 Independent Auditors
- 85 Legal Counsel

# REPORT TO SHAREHOLDERS OF THE POST PUBLISHING PUBLIC COMPANY LIMITED

## THE THAI ECONOMY AND MEDIA INDUSTRY ENVIRONMENT IN 2016

The Thai economy in the fourth quarter of 2016 saw gross domestic product increase by 3% from the same period the year before. Overall, the Thai economy grew 3.2% for the full year, up from growth of 2.9% in 2015. Economic growth was broad based, with exports, the largest component of the Thai economy, growing 3.4% year-on-year in the fourth quarter, helping raise full-year export performance into positive growth following three straight years of contraction.

Public investment rose 9.9% in 2016 from the year before, as the Thai government moved forward with its new infrastructure investment plans. Domestic spending also improved in 2016, with household consumption increasing 2.5% in the fourth quarter from the same period the year before. Private investment in the fourth quarter rose 1.8% year-on-year, the agricultural sector rose 2.9% while tourism rose 11%.

The media industry in 2016 however saw an overall contraction of 11% from the previous year, with total advertising spending of 107

billion baht. Hardest hit in terms of advertising spending were cable and satellite TV operators, with total advertising worth 3.49 billion baht in 2016, down 42.28% from the year before. Magazines were also heavily affected, with a 31.37% drop in advertising spending to 2.92 billion baht, followed by print advertising, down 20.12% year-on-year to 9.84 billion baht in 2016.

Television, which attracts the largest share of Thai advertising, had total advertising revenues of 67 billion baht. Analog TV advertising spending was 47.12 billion baht in 2016, down 17.92% from the year before, while digital TV advertising totalled 20.39 billion baht, down 2.57% from the year before.

Media segments reporting growth in advertising included internet media, up 63.61% year-on-year to 1.73 billion baht in 2016, outdoor media, up 35.2% to 5.66 billion, and transit media, up 18.39% to 5.31 billion. Digital media advertising increased 22% year-on-year in 2016 to 9.88 billion baht.

## ECONOMIC AND MEDIA INDUSTRY TRENDS FOR 2017

For 2017, the Thai economy is projected to grow from 3% to 4%, according to the National Economic and Social Development Board. Export growth in 2017 is forecast at 2.9%, based on assumptions of global trade growth of 3.6% and exchange rate projections for the baht of 35.5 to 36.5 baht to the US dollar.

Main drivers for the Thai economy include the government's plans to push forward with new public infrastructure investments, with 20 priority projects outlined for 2017 and expected investment of 500 billion baht for the year. The tourism sector is also expected to continue to expand in 2017.

For the media industry, advertising spending is expected to rise 10% in line with overall economic growth, driven by advertising from the beverage, consumer products, auto, retail, telecommunications and tourism sectors.

Media analysts forecast that the shift in consumer behaviour towards digital media is expected to continue, with advertising spending for digital media expected to rise 20% in 2017 from 2016. Transit and cinema media is also expected to continue to post strong growth in 2017, thanks to the opening of new mass transit routes in Bangkok and movie theatres nationwide.

## GROUP OPERATING PERFORMANCE FOR 2016

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Declines in advertising spending and a sluggish macroeconomy made 2016 a challenging year for the Thai print media industry and the Post Group. Fortunately, the Group's portfolio of print publications remains market leaders in their individual segments: the daily English-language Bangkok Post, which marked its 70th year and is Thailand's oldest newspaper, continues its leadership role as a trusted source of news and information about Thailand, the region and global current events and trends; Post Today, a Thai-language daily business-oriented newspaper; M2F, a free Thai-language daily newspaper with the largest circulation in its segment; Student Weekly, an education-oriented English-language weekly publication popular among Thai students as a language learning tool; and a broad range of leading Thai-language international magazines covering women's and men's fashion, business and lifestyle content.

The Post Group in 2016 also continued to develop its print media products and services through targeted special publications, events and activities to leverage its respected brand identity and content to reach out to new readers and advertisers. Strategic initiatives aimed at expanding its digital media services, applications and platforms continued to progress, building on the growing popularity and demand among Thai consumers for digital news and information. The 51 per cent acquisition in 2015 of Mushroom Television Co., Ltd., a content and TV programme production business, also remains a key initiative to help the Group diversify its business base and achieve synergies in developing new multimedia and video content for TV broadcasting and digital media.

The Post Group also undertook a number of initiatives to improve productivity, efficiency and streamline operations with the aim to

improve profitability, facilitate the transformation of the business into a more flexible, nimble organisation and boost shareholder value. At the same time, the Group reaffirmed its commitment towards acting as a good corporate citizen through the practice of good corporate governance and corporate social responsibility.

In 2016, The Post Publishing Plc. and subsidiary companies had consolidated net loss of 217.4 million baht, compared to consolidated net loss of 244.40 million baht in 2015, representing EPS of (0.43) baht for year 2016 compared to (0.51) baht for year 2015 (restated). Total consolidated revenue and income for the Post Group was 1,803.56 million baht, compared to 2,172.60 million baht in 2015, representing a year-on-year decrease of 16.98 per cent.

However, the company has restructured to increase efficiency in various fields by reducing costs and selling and administrative expenses. As a result, Earning before interest, taxes, depreciation, amortization, provision expense and share of profit investment in joint venture was 60.9 million baht compared to net loss of 24.5 million baht last year or increased 348.6 per cent.

From such operating results, the Board of Directors then resolved to omit the dividend payment for the year 2016 and resolved to call 2017 Annual General Shareholders Meeting to be held on Thursday 27<sup>th</sup> April 2017, at 14.00 pm, at the Conference Room, Bangkok Post Building, 8<sup>th</sup> Floor, 136 Sunthorn Kosa Road, Klomg Toey. Shareholders whose names appear in the Shareholder Register on Friday 17<sup>th</sup> March 2017 are cordially invited to attend the Meeting.

## LOOKING FORWARD

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The Post Group in 2017 will continue to build upon its leadership in the newspaper and magazine sectors and branch out into other channels to diversify the company's revenue streams and leverage its strengths as Thailand's leading news and information content provider.

The Post Group will maintain its focus on providing high-quality content to consumers through a variety of media, including new

initiatives in digital media services and platforms. Branded lifestyle, entertainment and business events will be expanded to meet growing needs from the company's consumer and client base.

The company will also expand its partnerships with other leading companies across a range of industries to meet its commitments and mission statement of serving as a trustworthy, reliable and informative source of information for the public.

## OPERATIONS OVERVIEW

# FINANCIAL HIGHLIGHTS

(Unit: Million Baht)

Consolidated Financial Statements	2012	2013	2014	2015 (reinstated)	2016
Sales and Service Income	2,376.1	2,446.9	2,184.3	2,172.6	1,803.6
Other Incomes	37.0	28.0	50.8	39.0	61.6
<b>Total Income</b>	<b>2,413.1</b>	<b>2,474.9</b>	<b>2,235.1</b>	<b>2,211.6</b>	<b>1,865.2</b>
Net Income (Loss) – Excl Comprehensive Income	126.4	128.9	(168.7)	(244.4)	(217.4)
<b>Return on Sales (%)</b>	<b>5.2</b>	<b>5.2</b>	<b>(7.5)</b>	<b>(11.1)</b>	<b>(11.7)</b>
Total Assets	1,981.8	2,082.7	2,164.4	3,113.0	2,576.9
Total Liabilities	1,137.5	1,225.6	1,560.1	2,103.1	1,797.0
Total Shareholders' Equity	844.3	857.1	604.3	1,009.8	779.9
<b>Return on Assets (%)</b>	<b>6.4</b>	<b>6.2</b>	<b>(7.8)</b>	<b>(7.8)</b>	<b>(8.4)</b>
<b>Return on Equity (%)</b>	<b>15.0</b>	<b>15.0</b>	<b>(27.9)</b>	<b>(24.2)</b>	<b>(27.9)</b>
Earnings per share (Baht)	0.25	0.26	(0.34)	(0.51)	(0.43)

## INCOME SUMMARY

(Unit: Million Baht)

	2012	2013	2014	2015 (reinstated)	2016
Advertising Sales	1,855.3	1,936.1	1,637.5	1,590.6	1,179.3
Publication Sales	437.5	424.6	388.7	343.8	346.7
Commercial Printing Service Income	82.4	86.3	84.5	71.6	56.5
Television and Digital Media Income	37.9	27.9	73.7	166.7	221.1
<b>Operating Income</b>	<b>2,413.1</b>	<b>2,474.9</b>	<b>2,184.3</b>	<b>2,172.6</b>	<b>1,803.6</b>
Share of profit from investments in joint ventures			24.9	11.3	11.0
Other Incomes			26.0	27.7	50.6
<b>Total Income</b>			<b>2,235.1</b>	<b>2,211.6</b>	<b>1,865.2</b>

## NATURE OF THE BUSINESS

**THE POST PUBLISHING PLC., NOW CELEBRATING ITS 71ST YEAR OF BUSINESS OPERATIONS IN 2017, IS THE PUBLISHER AND DISTRIBUTOR OF THE BANGKOK POST (A DAILY ENGLISH-LANGUAGE NEWSPAPER); POST TODAY (A DAILY THAI-LANGUAGE BUSINESS ORIENTED NEWSPAPER); M2F, A FREE THAI-LANGUAGE DAILY NEWSPAPER, PROVIDING NEWS AND LIFESTYLE FEATURES; AND STUDENT WEEKLY (A WEEKLY ENGLISH-LANGUAGE NEWSPAPER TARGETING PRIMARILY HIGH SCHOOL AND UNIVERSITY STUDENTS TOGETHER WITH OTHER READERS).**

Since its founding in 1946, the Group's news and information publishing and distribution business has been developed and expanded, through implementing ongoing strategic initiatives to include other popular media platforms and activities, together with various communications products or associated services – in both Thai and English – so as to remain relevant to, and significantly widen the overall 'reach' into, its targeted consumer bases, namely:

- Through its subsidiaries – Post International Media Co., Ltd., Post-IM Plus Co., Ltd., and the JV Post-ACP Co., Ltd. – the Group publishes, in Thai, and distributes popular international magazine titles, covering business and social news, fashions, home decoration, lifestyle and travel, such as: Elle, Elle Men, Elle Decoration, Science Illustrated, Cycling Plus, Forbes, and Cleo.
- The Group pioneered M2F, a free daily Thai-language weekday newspaper, distributed directly to urban professional workers and office commuters in Bangkok as well as to key urban cities located in major provinces of Thailand.
- Mushroom Television Co., Ltd. produces multimedia and video content for television and digital media, both for markets in Thailand and the region.
- Information services broadcasting and communications, via various subscriber-based digital media platforms and digital mobile device applications, in English and Thai for international and local readers alike, are aimed at making bangkokost.com and posttoday.com the world's window into Thailand. There are also additional digital media platforms and mobile applications – for office/home PC's and laptops together with other digital mobile devices that the younger generation of Thai consumers are addicted to – from which various local and global news, and business-related news, together with various lifestyle, and entertainment/food services contents, are available 24/7 to meet the growing Thai 'urbanised' lifestyle. Additionally, the M2F job website, in Thai, together with the English-language Bangkok Post Jobs Recruitment display and associated online recruitment portals, are targeting prospective employers and employees.
- The Group's book publishing arm, Post Books, publishes best-selling international titles translated into Thai, together with interesting titles in both Thai and English written by our own reporters and columnists or other well-known local authors. Such books cover a wide range of topics of interest, including business and management matters, as well as regional history, regional and local culture and art, and inspirational biographies.
- The Group's commercial printing business offers general printing services to various government and business organisations, in addition to serving the Group's own printing requirements.

The Post Publishing Plc. will continuously grow and develop its business activities, including launching other new print and media platforms, products and services together with new titles and ongoing refreshing of its various media platforms and respective presentation formats, so as to continue to be relevant and expand its reach into various existing and new readerships and audience bases. This will enable the Post Group to achieve its stated 'Vision and Mission' to become and remain the leading multi-media publisher and distributor in Thailand, as well as sustain its position in the Thai media industry as the 'most trusted source' of various news and timely features.

As such, the Group will continually seek out and acquire new sources of advertising revenues from various fast-emerging new digital media and communications platforms. This diversification of its media and communications businesses will enable the Group to achieve both a more balanced business readership/audience and revenue base and mix over the next 3-5 years, so as to ensure its ongoing business growth on a sustainable basis.

# ACHIEVEMENTS IN 2016 AND OUTLOOK FOR 2017

IN 2016, THE POST GROUP AIMED TO STRENGTHEN ITS BUSINESS BY IMPROVING ITS ORGANISATIONAL STRUCTURE AND ADJUSTING CONTENT AND DESIGN OF ITS PRINT MEDIA, DIGITAL PRODUCTS, AND SERVICES. THE OBJECTIVE WAS TO ENSURE THAT THE POST GROUP CONTINUES TO OFFER UP-TO-DATE, RELATABLE, AND VALUABLE SOURCES OF INFORMATION THAT COMPLEMENT THE PERSONALITY PROFILES OF ITS AUDIENCES.

THE POST GROUP CELEBRATED ITS 70TH ANNIVERSARY IN 2016 WITH A COMMITMENT TO CONTINUE TO BE A LEADER IN THE THAI MEDIA INDUSTRY. IT WILL CONTINUE TO DEVELOP DIFFERENT GENRES OF MEDIA, CONTENT, COMMUNICATIONS, AND ACTIVITIES, TO CREATE CONNECTIONS AND MEET THE NEEDS OF ITS TARGET AUDIENCES AS THEY CHANGE AND EXPAND.

## NEWSPAPER

### BANGKOK POST

**Bangkok Post**, also celebrating its 70th anniversary in 2016, remains the leading daily English-language newspaper in Thailand – in terms of circulation, readership base, and advertising revenues – in both print and digital formats. As one of the most respected and trusted news sources in Thailand and the Region, the Bangkok Post is known as being a highly trusted and quality medium for advertisers and marketers aiming to access affluent, sophisticated local Thai and foreign consumers. Ongoing online subscriber-based services continue to expand, in terms of popularity (achieving more than 70,000 hits per day), and reach into the growing readership base of the digital-savvy younger generation, and continually adds new services such as a five-year ‘backwards’ data archive search.

### POST TODAY

**Post Today**, which celebrated its 13th anniversary in February 2016, has continued to expand its readership base through initiating various new digital platforms and plans to refresh its presentation format in early 2017 in order to be more appealing to existing readers and to attract the younger, more digital media-savvy young generation of readers. Its online version achieves more than 12 million visits per month while through Facebook platform now reaches 3.2 million readers. However, despite this very significant increase in its online readership, the print media version is still popular and able to maintain growth in its readership base, due to continuing editorial content enhancements to better meet readers’ requirements – such as, since 2014, a more in-depth coverage of ASEAN Economic Community (AEC) related news and information due to its formal establishment at the end of December 2015. Further, in 2015, the Thai daily added more in-depth coverage of Thailand’s macroeconomic issues and trends, with the aim of highlighting associated issues and trends of interest to its readers together with the government’s key economic policies and measures to proactively manage the Thai economy.

### M2F

**M2F** free daily newspaper in Thai language continues to be popular and profitable. Currently it distributes 400,000 copies every day (as audited and certified by HK ABC). In 2016, following the emergence of the capital’s underground transportation network, M2F shifted its focus to expanding its readership in Bangkok and its vicinities to more than two million people. During 2016, its core aim of attracting both an expanded readership and advertiser base on a more nationwide basis, so as to capture new business operators and service providers, achieved more success and this will continue to drive increased advertising revenues.

Its ongoing success, as a pioneering free weekday Thai-language entertainment and lifestyle newspaper that offers relevant features for its readers together with value for money to its advertiser base through continuous contents and format enhancements, has also inspired other media companies to produce and publish similar free daily newspapers or lifestyle related print media. As such, the Post Group will continue, during 2017, to further develop the M2F product and media formats so as to remain a sustainable business that meets the requirements of its expanding targeted bases through providing more relevant and attractive lifestyle news and features as well as targeted advertiser bases.



## STUDENT WEEKLY

**Student Weekly**, a weekly English-language newspaper aimed at students and educators, now in its 47th year, continues to be popular. Student Weekly provides top-quality education-related and current affairs news and special features, together with relevant entertainment/lifestyle information aimed at its target student readership. Over the years, and especially during 2016, Student Weekly has continued to modernise in terms of format and available platforms. This process continues to enhance its position as a fun, attractive and staple English-language learning tool that attracts a continually expanding, loyal, and increasingly tech-savvy, readership and advertising base. Recent improvements in the publication are aimed at attracting the interest of existing readers who are loyal to the brand as well as those absorbed by new technologies. This new group of readers is growing continuously. During 2016, Student Weekly evolved and updated its website, its Twitter account and its Facebook page that now has some 80,000 followers and growing.

With the establishment of the AEC that directly challenges Thais to improve their English language skills, this weekly English-language publication is well-positioned as a fun and entertaining media that offers a well-planned English language learning experience to young Thais, so helping them improve their language skills. As such, Student Weekly is and will remain key to Thailand's successful coexistence within the AEC.

In 2016, Student Weekly changed its name to "S Weekly", with the aim of expanding its readership from junior high and high school students, to include general readers. "S Weekly" is inserted in the Sunday edition of Post Today. This rebranding is expected to increase the readership by four times and attract new advertisers.



## DIGITAL MEDIA

This business unit continues to be highly successful in its mission to become a leading online English- and Thai-language subscriber-based digital news and information portal, through initiating and operating various websites as well as mobile sites, based on social media and mobile application platforms that are available on digital tablets and smart phone devices used by always on-the-go urban lifestyle Thais and especially the new younger generation of tech-savvy consumers, and through strengthening its market position as a leading player in the digital media industry. The well-established Post Group's Bangkok Post online, Post Today online, Student Weekly online, and other popular associated websites offer instant news and information access to its readership base, together with more focused advertising opportunities for its advertiser base.

Continuing efforts will be made by this digital media business unit in the coming years to become a leading digital information services provider for the increasingly digital-dependent lifestyle of Thais, through leveraging the Post Group's news, business feature, travel and entertainment information, and lifestyle content of its traditional print media platforms and newly emerging digital media activities. This will enable the Post Group to expand its overall 'reach' into its targeted readership and audience bases.

## MAGAZINES

Within the Post Group, Post International Media Co., Ltd. together with the Post-ACP Co., Ltd., publishes numerous Thai-language versions of leading international lifestyle, fashion, and business magazine titles; namely: Elle (now in its 22nd year); Elle Men; Elle Decoration; Marie Claire; Science Illustrated; Cycling Plus; Forbes; and Cleo. These magazine products have all continued to perform satisfactorily in contributing significant revenue and gaining increased advertising revenue streams for the Post Group. As with previous years, this growing magazine Business Unit – as well as its sister Newspaper Business Unit – continues to implement core strategies that aim at increasing both readership and advertiser bases through undertaking sponsorship of various high-profile business forums and social events.

## MUSHROOM TELEVISION

In September 2015, the Post Group purchased 51 per cent of an existing and well-established medium-sized TV content production company, Mushroom Television Co., Ltd., that already produces various travel-tourism, food, entertainment, and lifestyle programme content. Through this new collaboration, the Post's TV business will be able to leverage its existing print and digital media content for broadcasting on Digital TV channels, and plans to co-develop and broadcast a reality business 'Academy' programme for ambitious SME/entrepreneurs. As such, this new joint venture will enable the Post Group to have an additional revenue stream based on the strongly emerging digital TV media platforms.



## BOOK PUBLISHING

With over 300 titles already launched, during 2016 the book publishing unit introduced new titles continuously. In 2016 and beyond Post Book planned to implement new initiatives to increase additional access points for readers and interested customers, such as [www.postbooksonline.com](http://www.postbooksonline.com) and [www.facebook.com/postbooks](http://www.facebook.com/postbooks). This is in order to remain ever-relevant to emerging consumer trends and customers' requirements, as well as to remain a leader in this business segment.

## SPECIAL PUBLICATIONS

On the October 2016 passing of His Majesty the late King Bhumibol Adulyadej, the Post Group published special editions of the Bangkok Post and Post Today. The company also published two bilingual special publications – “The King in the Hearts of Thai People” and “31 Days of Love and Loyalty” – all of which were very successful.

## EVENTS

To continuously leverage the strong umbrella of the “Bangkok Post” brand, and create greater brand awareness of the various print and magazine media titles, all business units within the Post Group continue to undertake key sponsored and co-sponsored business, lifestyle and sports-related events, in addition to joining high profile annual charity events for social benefits. These include: “Bangkok Post Luxury Living” showcasing high-end real estate, condominiums and premium resorts projects; The 8th Bangkok Post International Mini Marathon 2016, which has introduced the MYAPS system to ensure accurate timing and improved international standards of completion activities; Post Today Forum 2016 “Moving Thailand Forward”, featuring a keynote address by Thai Prime Minister General Prayut Chan-o-cha; and “SME Spring up 2,” a training session and seminar in collaboration with the Department of Industrial Promotion, Ministry of Industry, to support the government’s strategies for developing the potential of Thai SMEs.

## BUSINESS RESTRUCTURING

Faced with fierce competition, in 2016, the Post Group decided to close Post TV Company Limited and merge its commercial printing section – Post Print – with the Group’s printing business. The Company has subsequently continued to search for new ways to create value-added, profit-generating media products and services.

# AWARDS RECEIVED IN 2016

OVER THE PAST 70 YEARS SINCE THE ESTABLISHMENT OF THE POST GROUP, REPORTERS, WRITERS AND PHOTOGRAPHERS OF BANGKOK POST AND POST TODAY NEWSPAPERS HAVE BEEN HONOURED AND RECOGNISED FOR EXCELLENCE IN JOURNALISM AND CONTRIBUTIONS TO THAI SOCIETY. IN 2016, THE POST GROUP'S AWARD ACHIEVEMENTS INCLUDED:



**The 2015 Isra Amuntakul Award given by the Thai Journalists Association, Isra Amuntakul Association, and Environment Journalists Club of the Thai Journalists Association**



- Outstanding News: "Opening the Thai Airforce wounds... Defects of the Aviation Standards" article published in the Post Today newspaper
- Outstanding News Photography: "Robbed Votes" picture taken by Bangkok Post photographer Patipat Janthong
- Honourable Mention Photography: "Dividing traffic lanes" picture taken by Post Today photographer Prakrit Chuntawongse
- Outstanding Environmental Protection News: "Disclosure of Resort Invasion at Phu Tub Berk... Beginning of the Problem Solving Model for Tourism Spots" article published in Post Today newspaper



**Thailand Sustainable Tourism Award (TSTA) "Supporter of Sustainable Tourism (Media)" given by the Designated Areas for Sustainable Tourism Administration (Public Organisation)**

First runner-up: "Island in the Sun" article addressing sustainable tourism development at Koh Mak written by Bangkok Post writer Kamjana Karnjanatawe



**The 19<sup>th</sup> Outstanding Media Photography Award 2015-2016 given by the Mass Media Photographers Association of Thailand and Mass Media Photographers Foundation**

- Honourable Mention Photography: Royal duties photography the "Smiles", taken by Bangkok Post Photographer Apichart Jinakul
- Honourable Mention Photography: social news photography "The Warrior, Hero of the Teenagers", taken by Bangkok Post Photographer Thiti Wannamontha
- Honourable Mention Photography: sports news photography "One Hand", taken by Bangkok Post Photographer Wicharn Charoenkiatipakun
- Honourable Mention Photography from political news photography "Launch of Lower-Income Earners Support", taken by Kitja Apichonrajarak



**Thailand's Digital News Excellence Award 2016 given by On-Line News Producers Association**

Honourable Mention from Thai science and technological support on-line news "Free Sunlight on Earth... Will Lose, If You Do Not Use" article by solar cell tricycle owner Ekkachai Rattanasit, released in Post Today On-line



**Best Editorial Award 2015 given by The National Press Council of Thailand**

Honourable Mention: "More Slaughter, Greater Revenge" article in Post Today



**The Society of Publishers in Asia (SOPA) 2016 Award for Editorial Excellence**

- Winner in human rights section: "Military Mind Games Play Out Under Strict Security" article written by Bangkok Post Reporter Nanchanok Wongsamut
- First runner-up in explanatory reporting section: "Thailand's Junta Silencing Its Critics" article written by Bangkok Post Reporter Nanchanok Wongsamut and Chaiyot Yongcharoenchai



**Media Award 2016 for Human Rights given by Amnesty International Thailand**

- Best Media for human rights news and documentaries under international newspapers category: "Dispute of Rawai Land... Piracy of Lands from Fishermen" article, printed in Post Today
- Honourable Mention for on-line human rights news and documentaries: "Persons without Rights... 40 Years of Lao Immigrants Without Identification" article, released in Post Today On-line

# PRODUCTS AND SERVICES

## BANGKOK POST

THE BANGKOK POST CONTINUED TO BE THE PREEMINENT ENGLISH-LANGUAGE DAILY IN THAILAND IN 2016, AS IT CELEBRATED ITS 70TH YEAR OF CONTINUOUS PUBLICATION. AS EVER, THANKS TO ITS DIVERSE AND LOYAL READERS AND ADVERTISERS, THE NEWSPAPER RANKED NO. 1 IN READERSHIP, CIRCULATION AND ADVERTISING REVENUE.

Our reputation as a highly trusted source for news and information for English speaking readers in Thailand and across the world continued to be strong. On this score, it is interesting to note that as much as 60% of the 300,000 unique visitors daily to the Bangkok Post's online platform are from outside Thailand. Indeed, a new record for website traffic was reached on 13 October 2016 when we recorded some 1.04 million page views in a single 24-hour period.

With an average of over 8 million page views per month throughout the year, the emphasis during 2017 will be on tapping the digital media platform to provide the future growth the company continues to target.



## POST TODAY

POST TODAY IS A THAI-LANGUAGE DAILY BUSINESS NEWSPAPER CELEBRATING ITS 14TH ANNIVERSARY IN 2017. IN 2016, THE NEWSPAPER CONTINUED TO REPORT IN-DEPTH ECONOMIC AND BUSINESS NEWS AND OTHER STORIES OF PUBLIC INTEREST. IT CONTINUOUSLY DEVELOPED STYLE AND CONTENT, ADDING REPORTS ABOUT ASEAN, MACROECONOMIC ISSUES, AND SMES, CONSISTENT WITH THE THAI AND GLOBAL ECONOMIES. BESIDES ECONOMIC NEWS, POST TODAY REPORTS NEWS THAT SOCIETY IS INTERESTED IN AND OFFERS LIFESTYLE COLUMNS BOTH IN ITS DAILY PUBLICATION AND SPECIAL PUBLICATIONS INSERTED IN THE NEWSPAPER SUCH AS MAGZ AND @WEEKLY.

The Post Today website ([www.posttoday.com](http://www.posttoday.com)) is among the country's most popular Thai-language news websites. Its official Facebook page is followed by as many as 3.2 million people.





CELEBRATING ITS 5TH ANNIVERSARY IN 2016, M2F PUBLISHES NEWS FOR READERS IN BANGKOK AND THE VICINITY. FROM ITS FIRST DAY, THE NEWSPAPER HAS BEEN THE LEADING FREE THAI NEWSPAPER, ENJOYING GREAT POPULARITY AMONG ITS TARGET AUDIENCE OF WORKING PEOPLE IN BANGKOK. MOREOVER, M2F'S POPULARITY HAS MADE IT THE NUMBER ONE CHOICE FOR ADVERTISEMENTS AND PUBLIC RELATIONS CAMPAIGNS.

In 2016, M2F's circulation was 400,000 copies/day (audited by the international HKABC institution).

Besides publishing a free newspaper, M2F organises business activities to generate more revenue. Among these, several

events have been organised which have been highly successful in terms of visitors and proceeds.

M2F will continue to develop content and design to keep up with the fast-changing world and maintain its status as a leading free daily Thai newspaper.

## STUDENT WEEKLY

FOR MORE THAN FOUR DECADES, STUDENT WEEKLY HAS PRODUCED QUALITY ENTERTAINMENT AND NEWS STORIES AS A TOOL FOR THAI TEENAGERS TO IMPROVE THEIR ENGLISH SKILLS. TO REFLECT THE NEED OF A WIDER DEMOGRAPHIC TO PRACTICE AND IMPROVE ITS ENGLISH, STUDENT WEEKLY WAS REBRANDED AS S WEEKLY.

The content aims to reflect the interests of the wider demographic by including more lifestyle stories while still remaining essential for both educators and learners of English.

The magazine has migrated its online content to the Bangkok Post website, consolidated alongside its Learning content, The S Weekly team is also producing video of celebrity interviews both on the Bangkok Post website and on its 80,000+ follower Facebook page.

S Weekly's mix of interviews, news stories and English exercises is contemporary and able to reflect the shifting trends and interests of its expanded readership.



## MAGAZINES

SINCE 1994, POST INTERNATIONAL MEDIA CO., LTD. HAS PROUDLY PUBLISHED EIGHT LEADING MAGAZINES IN THAILAND—ELLE, ELLE MEN, ELLE DECORATION, MARIE CLAIRE, FORBES, CLEO, SCIENCE ILLUSTRATED, AND CYCLING PLUS. THIS MAKES THE POST GROUP THE BIGGEST AND MOST INFLUENTIAL MAGAZINE PUBLISHER IN THAILAND.

Post International Media is continuously expanding its network through several channels and is very active in organising events for each magazine.

The division is committed to developing its digital and online media assets and pursuing full digital integration.



## TELEVISION

MUSHROOM TELEVISION COMPANY LIMITED IS THAILAND'S LEADING TV CONTENT PRODUCER. WITH OVER 12 YEARS' EXPERIENCE IN THE TV PROGRAMME PRODUCTION SECTOR, THE COMPANY HAS CREATED MORE THAN 100 PROGRAMMES SO FAR. MOREOVER, IT ANNUALLY PRODUCES OVER 60 COMMERCIALS AND ARRANGES 16 SEMINARS FOR PUBLIC AND PRIVATE ORGANISATIONS.

Furthermore, the company produces and owns the popular TV programme about business, "Ayu Noi Roi Lan", whose Facebook fan page has more than 500,000 followers.

The company expanded to ASEAN and supported the government's drive to stimulate regional business by airing the programme in ASEAN countries.

Last but not least, Mushroom Television operates a studio for rent for photo and video shoots.

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## BOOK PUBLISHING



POST BOOKS, THE COMPANY'S BOOK PUBLISHING BUSINESS UNIT, HAS LAUNCHED OVER 300 ITEMS IN VARIOUS CATEGORIES SINCE 2008. DURING 2016, IT ADDED OVER 40 NEW TITLES TO ITS PORTFOLIO WHILE CONTINUING TO PRINT ITS BEST SELLER ITEMS.

The book "Rice Field University, Genius Farmer, 1 Rai 10 Thousand", by Parakoranam Tapthiang, won an outstanding award for non-fiction at the Bangkok International Book Fair 2016 and won the 13th "Seven Book" Award 2016.

This year, Post Books will continue to focus on launching good fiction and non-fiction titles. Even though the overall market in 2017 slowed due to several factors, Post Books will continue to publish good books, especially those about eastern philosophy and the thoughts of Thai, Asian, and Chinese businesspeople. Post Books will also increase channels to reach readers,

via [www.postbooksonline.com](http://www.postbooksonline.com) and [www.facebook.com/postbooks](http://www.facebook.com/postbooks), e-books and booths at book-related events, in order to make it easier for readers to buy from Post Books.

## DIGITAL MEDIA



THE POST GROUP'S DIGITAL MEDIA BUSINESS CONTINUED TO BE HIGHLY SUCCESSFUL IN SUPPORTING THE COMPANY'S MISSION TO BECOME THE LEADING ONLINE ENGLISH- AND THAI-LANGUAGE SUBSCRIBER-BASED DIGITAL NEWS AND JOB SEARCH PORTAL.

The number of subscribers to the online versions of Bangkok Post, Post Today and Student Weekly steadily increased throughout the year. The company's online recruitment service also kept growing throughout 2016, with the upward trend partially reflecting the impact of the official launch of the ASEAN Economic Community, which facilitates freer flow of certain categories of human resources between member countries. As such, the job search application is constantly being developed to be more user-friendly and faster in order to attract and reach employers and job hunters alike across the region.

The company's digital business includes websites, notably Bangkok Post, Post Today, and Student Weekly online versions, and mobile application platforms that are available on digital tablets and smartphone devices.

The digital media business unit will continue to strive in coming years to expand the breadth and depth of its content and products. In addition, the company will continue to expand its digital applications and improve their design to make them easier to use and more attractive to users. A diverse range of online products and services will also continue to be developed to increase opportunities to expand the advertiser base.

## EVENTS

THE POST GROUP CONTINUED ITS FOCUS ON EVENTS THROUGHOUT 2016 BY ORGANISING, SPONSORING, AND CO-SPONSORING VARIOUS MAJOR BUSINESS, FASHION, LIFESTYLE, SPORT AND CHARITY EVENTS. EVENTS CREATE GREATER BRAND AWARENESS OF NEWSPAPERS AND MAGAZINES PUBLISHED BY THE POST GROUP, MAINTAIN POSITIVE RELATIONS WITH CUSTOMERS, AND GENERATE REVENUE FROM ADVERTISEMENTS.



Bangkok Post organised the annual “Bangkok Post Forum” seminar on the topic of “Driving Thailand Forward”. The forum was attended by Prime Minister General Prayut Chan-ocha who delivered a special lecture. Minister of Finance Apisak Tantivorawong gave a keynote address at the seminar on “E-payment to Drive the Thai economy”. Other events included the “Bangkok Post International Mini Marathon” and an environmentally conscious “Bangkok Post Fantastic Green Rally”.

Events organised by Post Today last year included the annual “Post Forum” seminar, the “One Belt One Road: Thai-Chinese Opportunities” seminar, and a special lecture on government policy on investing in infrastructure projects. The opening ceremony of the special lecture was presided over by Minister of Transport Arkhom Termpittayapaisith, and Chinese Ambassador H.E. Mr. Ning Fu Kui joined the event. Post Today and the Department of Industrial Promotion, Ministry of Industry, collaborated to arrange “SMEs Spring Up” (Year 2) for more than 100 SMEs, with the objective of enhancing their knowledge and helping them to grow sustainably together. At “SME Matching Day 2016: National Business Matching” Post Today joined hands with partners in the public and private

sectors to match SMEs with traders and trade representatives. The event was aimed at expanding opportunities to access potential distribution channels in order to stimulate sales.

M2F organised: “M2F Bangkok Music Festival 2016”, a free concert performed by popular Thai artists; the annual “M2F Bangkok Songkran Festival 2016” celebrating the Songkran festival; the “M2F Cycling Championship, Princess’ Cup”, and; the Bangkok - Hua Hin rally, “M2F Adventure Rally Olympic World 2016”.

Events held by Post Group magazines in 2016 included Cycling Plus Thailand’s “Drive to Ride by Cheep Phachon Long Lo @ Phetchaburi”, to promote tourism and tourist sites in Phetchaburi province, and “CLEO Lady Runner”, a vertical race up 40 storeys of a building for ladies. Cleo continued its famous annual “The Cleo 50 Most Eligible Bachelors 2016”. ElleMen organised “ElleMen Fashion Week Fall/Winter 2016”, an annual fashion event, and Elle Decoration Thailand celebrated its 20th anniversary with “Elle Decoration The A List Design” and an exhibition showcasing masterpieces by 30 designers. Forbes Thailand organised the annual “Forum Thailand Forum 2016: The Next Tycoons”.



# CORPORATE SOCIAL ACTIVITIES OVERVIEW

THE POST GROUP IS FULLY COMMITTED TO CONDUCTING ALL ITS VARIOUS BUSINESSES WITH RESPONSIBILITY TO, AND FAIRNESS FOR, ALL STAKEHOLDERS, AND ESPECIALLY TO THE WIDER SOCIETY, ALL IN ACCORDANCE WITH THE PRINCIPLES AND PRACTICES OF GOOD CORPORATE GOVERNANCE. AS SUCH, THE POST GROUP PLACES GREAT IMPORTANCE ON THE ONGOING DEVELOPMENT OF LOCAL COMMUNITIES, THE WIDER SOCIETY, AND THE ENVIRONMENT THROUGH VARIOUS CSR ACTIVITIES. DURING 2016, THE POST GROUP'S CSR ACTIVITIES INCLUDED:



## The 9<sup>th</sup> Bangkok Post Charity Wine Dinner

The 9<sup>th</sup> Bangkok Post Charity Wine Dinner was held at Grand Hyatt Erawan Bangkok on 31 March 2016, with all proceeds being donated to the Bangkok Post Foundation to help and support disadvantaged children under responsibility of the foundation.

## 2016 Bangkok Post-Black Mountain Charity Golf and Gourmet Dinner

Bangkok Post Foundation, in collaboration with Black Mountain Golf Club, Hua Hin, organised the 2016 Bangkok Post-Black Mountain Charity Golf and Gourmet Dinner on 9 January 2016, at Black Mountain Club, Hua Hin. All proceeds from the event were donated to the Bangkok Post Foundation to support education for disadvantaged children.



## The 8<sup>th</sup> Bangkok Post International Mini Marathon 2016

The 8<sup>th</sup> Bangkok Post International Mini Marathon 2016, the Post's annual run for health and charity, was organised on 6 August 2016, as part of the celebrations of the Bangkok Post's anniversary. All proceeds from entry fees were donated to the Bangkok Post Foundation to help the needy children.



## Post Today Charity Rally 2016 – “Superhero the Adventure”

The organising team of Post Today Charity Rally 2016 followed a Bangkok-Pattaya route. Participants brought necessary items to share with senior citizens at the Social Welfare Development Center for the Elderly, Baan Banglamung, Chon Buri, on 18 June 2016.



## Buddhist Lent Candle Activity

The Post Publishing Plc., in collaboration with Colgate-Palmolive (Thailand) Ltd., Shell (Thailand) Co., Ltd., and Loxley Public Company Limited, jointly organised a Buddhist lent candle parade to Wat Khlong Toey Nai, on 15 July 2016.

## Blood Donation Tribute to His Majesty the King

The Post Publishing Plc., in collaboration with Colgate-Palmolive (Thailand) Ltd., Shell (Thailand) Co., Ltd., and Loxley Public Company Limited, jointly organised “Blood Donation Tribute to His Majesty the King”, at Bangkok Post building, on 15 November 2016.



## Bangkok Post Fantastic Green Rally 2016 – “Arabian the Adventure”

Bangkok Post Fantastic Green Rally 2016, The Post’s environment activities rally, followed a Bangkok-Hun Hin route, on 19 March 2016. The Post’s organising team and participants sailed along the river and planted cork trees at Tha Kha Floating Market, Samut Songkhram, to return the ecosystem to the community.

# MANAGEMENT STRUCTURE

## THE BOARD OF DIRECTORS

The Board of Directors consists of 13 persons as follows:

### NON-EXECUTIVE DIRECTORS, SEVEN PERSONS AS FOLLOWS:

1. Mr. Suthikiati Chirathivat, Chairman of the Board of Directors / Chairman of the Executive Committee
2. Mr. Chartsiri Sophonpanich
3. Mr. Ek-Rit Boonpiti
4. Mr. Siritaj Rojanapruk
5. Mr. Supakorn Vejajiva
6. Mr. Thirakiati Chirathivat (Appointed as director at the 2016 Annual General Meeting of Shareholders on 1<sup>st</sup> April 2016)
7. Mr. Worachai Bhicharnchitr

### INDEPENDENT DIRECTORS, SIX PERSONS AS FOLLOWS:

1. Mr. Charoon Intachan
2. Mr. John Thompson
3. Mr. Natdanai Indrasukhsri
4. Mr. Russell Leighton Kekuewa (Appointed as Independent director at the Meeting of the Board of Directors No. 3/2016 on August 15th 2016)
5. Dr. Siri Ganjarerndee
6. Mr. Wutisak Lapcharoensap

### FINANCIAL AND ACCOUNTING ADVISOR TO EXECUTIVE BOARD, ONE PERSON AS FOLLOWS:

Dr. Ronnachit Mahattanapreut

On 1st August 2016, The Executive Committee has appointed Mr. Umesh Pandey as the new Editor of Bangkok Post and Mr. Wut Nontarit as the new Editor of Post Today. On 1st February 2016, The Executive Committee has appointed Mr. Chokdee Wisansing as Chief Operating Officer- Newspaper Business and Mr. Pornchai Saengaron as Executive Vice President- Human Resources.

### AUTHORITIES OF THE BOARD OF DIRECTORS

The Board of Directors has responsibilities to manage the operation of the Company in accordance with the Articles of Association of the Company and resolutions of Shareholders' Meetings. The Board of Directors may delegate one or more directors or any other persons to carry out any task on behalf of the Board of Directors, and all such delegations shall be in writing signed by the authorised directors of the Company. At present, authorised directors of the Company comprise:

1. Mr. Suthikiati Chirathivat
2. Mr. Worachai Bhicharnchitr
3. Mr. Ek-Rit Boonpiti
4. Mr. Thirakiati Chirathivat

The Board of Directors has set up sub-committees in order to help it control and monitor the operation of the Company and report to the Board of Directors on a regular basis. There comprises of The Executive Committee, The Audit Committee, The Nomination and Remuneration Committee and The Risk Management Committee which each sub-committee has authorised as follows:

## THE EXECUTIVE COMMITTEE

The Executive Committee shall appoint one of its members as Chairman of the Executive Committee. The Chairman of the Executive Committee should not be a full-time employee of the Company.

## THE EXECUTIVE COMMITTEE COMPRISES THE FOLLOWING DIRECTORS:

1. Mr. Suthikiati Chirathivat, Chairman
2. Mr. Ek-Rit Boonpiti
3. Mr. Worachai Bhicharnchitr
4. Mr. Thirakiati Chirathivat

Mrs. Yupaphan Ekasittikul, Company Secretary, serves as the secretary of the committee.

### AUTHORITIES OF THE EXECUTIVE COMMITTEE

The Executive Committee will delegate to and define the responsibilities and authorities of the President and will have authority and responsibility in the following matters:

1. To review the current business and all activities of the Company and its subsidiaries on a monthly basis.
2. To authorise other items of expenditure not presented for approval to the Board of Directors in the annual budget and not exceeding in aggregate Baht 20 million.
3. To approve contracts, open bank accounts, borrow or lend money by means of overdraft or otherwise as deemed fit and to report such actions forthwith to the Board of Directors.
4. To determine the Company's organisation, employment policies and signatory authorities.
5. To appoint senior members of the management team and fix their remuneration and employment terms, except the President, Chief Operating Officer of the Company and the Bangkok Post Editor.

## THE AUDIT COMMITTEE

The Audit Committee consists of the following directors:

1. Dr. Siri Ganjarerndee, Chairman
2. Mr. John Thompson
3. Mr. Natdanai Indrasukhsri

Ms. Patarika Juttijudata, Internal Audit Director, serves as the secretary of the committee.

### AUTHORITIES OF THE AUDIT COMMITTEE

#### 1. Risk Management

Evaluate on a regular basis the adequacy and the efficiency of the Company and its subsidiaries' risk management process.

#### 2. INTERNAL CONTROLS

- 1) Evaluate whether management is performing adequately, providing strong leadership and setting the appropriate 'control environment' by communicating the importance of internal control and the management of risk and ensuring that all employees have a proper understanding of their roles and responsibilities.
- 2) Consider the efficiency and the adequacy of the Company's internal controls over annual and quarterly financial reporting and internal audit reports, including information technology security and control.
- 3) Consider how management is held to account for the evaluation and coverage of losses and the security of computer systems and applications, and the contingency plans for the financial or operational information processing in the event of a systems breakdown.
- 4) Satisfy themselves whether and to what extent internal control recommendations made by internal and external auditors have been implemented by management.

#### 3. Financial Reporting

##### 3.1 General

- 1) Gain an understanding of the current areas of the greatest financial risk and how management is managing these effectively.
- 2) Discuss with the internal and external auditors any potential or actual fraud, illegal acts, deficiencies in internal controls or other similar issues.
- 3) Review significant accounting and reporting issues, including recent professional and regulatory pronouncements, and understand their impacts on the financial statements.
- 4) Ask management and the internal and external auditors about significant risks and exposures and plans to minimize such risks.

- 5) Review any legal matters, which could significantly impact the financial statements.

### 3.2 Annual Financial Statements

- 1) Review the annual financial statements and determine whether they are complete and consistent with the information known to the Committee members; assess whether the financial statements reflect appropriate accounting principles.
- 2) Pay particular attention to complex and/ or unusual transactions.
- 3) Focus on judgmental areas, for example those involving valuation of assets and liabilities; warranty, product or environmental liability; litigation reserves; and other commitments and contingencies.
- 4) Meet with management and the external auditors to review the financial statements and the results of the audit, including any difficulties encountered.
- 5) Recommend to the Board whether or not to endorse the Accounts for the approval of shareholders.

### 3.3 Quarterly Financial Statements

Assess the fairness of quarterly statements and disclosures, and obtain explanations from management and internal and external auditors concerning actual financial results, changes in financial ratio in relation to changes in the Company's operations and financial practices, unusual events or transactions, financial and operating controls, and adequate and appropriate disclosures.

### 4. Internal Audit

- 1) Review the activities and organizational structure of the internal audit function and ensure that no unjustified restrictions or limitations are imposed.
- 2) To strengthen the independence of the internal audit function, the Audit Committee shall approve any selection, promotion, rotation or termination of the Chief Audit Executive. The Committee, in collaboration with the Chief Operating Officer, to whom the Chief Audit Executive administratively reports, will evaluate the performance of the Chief Audit Executive annually.
- 3) Review the effectiveness of the internal audit function. The Audit Committee shall consider other factors that might impact its independent performance including reporting and supervision processes.
- 4) Meet separately with the Chief Audit Executive to discuss any matters that the Committee or the internal auditors believe should be discussed privately.
- 5) Ensure that significant findings and recommendations made by the internal auditors are received and discussed on a timely basis.

- 6) Ensure that management timely responds to recommendations of the internal auditors.
- 7) Ensure that internal audit shares information and coordinates activities with external service providers, e.g. external auditor, consultant etc., of relevant assurance or consulting services for proper coverage and minimizing the duplication of efforts.

### 5. External Audit

- 1) To ensure the independence and objectivity of the external auditor, the Audit Committee shall consider any factors that may conflict with the auditor's efficient and professional operations.
- 2) Review the range of services provided in the context of all consulting services acquired by the Company.
- 3) Approve non-audit work performed by the external auditor.
- 4) Make recommendations to the Board regarding the appointment of the external auditors.
- 5) Review the external auditors' proposed audit scope and approach and ensure no unjustified restrictions or limitations have been placed on the scope.
- 6) Review the performance of the external auditors.
- 7) Monitor the external firm's compliance with applicable ethical guidance, and that the fees paid are reasonable.
- 8) Enquire as to the degree of coordination of work between the external auditor and internal audit function to ensure it is appropriate under the circumstances.
- 9) To discuss significant matters, the Audit Committee shall meet privately with the external auditors once a year, without management team being present.
- 10) Ensure that significant findings and recommendations made by the external auditors are received and discussed on a timely basis.
- 11) Review the representation letters to the external auditor before signing by the management and give particular consideration to matters where representation has been requested relating to non-standard issues.
- 12) As part of the ongoing monitoring process, the Audit Committee shall review the management letter and ensure that management timely responds to recommendations of the external auditors.
- 13) Ensure that, in case that the external auditor discovers any suspicious circumstance that the director, manager or any person responsible for the operation of the Company commits an offence under the prescribed laws, the external auditor shall inform the fact relating to such circumstance to the Audit Committee of the Company in order to continue the investigation without delay.

### 6. Compliance with Laws and Regulations

- 1) Review the effectiveness of the system for monitoring compliance with laws and regulations and the results of management's investigation and follow-up (including disciplinary action) of any fraudulent acts or non-compliance with laws and regulations.
- 2) Obtain regular updates from management and or Internal Audit regarding compliance matters.
- 3) Be satisfied that all regulatory compliance matters have been considered in the preparation of the financial statements.
- 4) Review the findings of any examinations by regulatory agencies.
- 5) Report the result of preliminary investigation of the suspicious circumstance involving the Company's director, manager, or any responsible person who commits the offence under the prescribed laws and regulations to the regulatory agency and the external auditor within the defined period.

### 7. Compliance with the Company's Policies, Procedures and Code of Conduct

- 1) Ensure that the Company's policies, procedures and the Code of Conduct are in writing and that arrangements are made for all employees to be aware of it.
- 2) Evaluate whether management is setting the appropriate 'tone at the top' by communicating the importance of the policies, procedures and the Code of Conduct and the guidelines for acceptable behaviour.
- 3) Review the process for monitoring compliance with the policies, procedures and the Code of Conduct.
- 4) Obtain regular updates from management regarding compliance with the above.

### 8. Whistle-blowing

- 1) The Audit Committee shall evaluate the effectiveness of the Company procedures for handling allegations from whistle-blowers.
- 2) The Audit Committee shall review arrangements by which staff of the Company may, in confidence, raise concerns about possible improprieties in matters of financial reporting, controls or any other matters.
- 3) The Audit Committee shall ensure that arrangements are in place for the proportionate and independent investigation of such matters and for appropriate follow-up action, and that any matters relevant to its own responsibilities are brought to its attention.

## 9. Reporting Responsibilities

- 1) Regularly update the Board about the Committee's activities and make appropriate recommendations.
- 2) Ensure the Board is aware of matters, which may significantly impact the financial condition or affairs of the business.
- 3) To ensure the full coverage of the Audit Committee's monitoring activities, the Audit Committee shall report its activities to the shareholders in the annual report. Details to be in the annual report include:
  - The number of the committee meetings and the attendance of each member.
  - Comments on:
    - Accurateness, completeness and credibility of the Company's financial reports;
    - Adequacy of the Company's internal control system;
    - Compliance with SEC's and SET's laws and regulations and other laws relevant to the Company's businesses;
    - Suitability of the external auditor;
    - Transaction that may cause conflict of interests;
    - Other concerns that have arisen as the Audit Committee performed its duties as defined in the Committee's Charter;
    - Anything else which should be made available to the shareholders and investors within the scope of duties and responsibilities assigned by the Board.

## 10. Other Responsibilities

- 1) Perform other oversight functions as requested by the Board.
- 2) If necessary, institute special investigations and, if appropriate, hire special counsel or experts to assist.

- 3) Review and update this charter and propose changes for the approval from the Board.
- 4) Evaluate the Committee's own performance on a regular basis.

## THE NOMINATION AND REMUNERATION COMMITTEE

The Nomination and Remuneration Committee consists of the following directors:

1. Mr. Worachai Bhicharnchitr, Chairman
2. Dr. Siri Ganjarende
3. Mr. Natdanai Indrasukhsri

Mrs. Yupaphan Ekasittikul, Company Secretary, serves as the secretary of the committee.

### AUTHORITIES OF THE NOMINATION AND REMUNERATION COMMITTEE

The Nomination and Remuneration Committee has responsibilities to review, evaluate, and make recommendation to the Board in relation to:

1. The process for the review of the performance and the evaluation of the Board and members of the Board.
2. The appropriate number and qualification of independent directors.
3. The selection process for independent directors.
4. The nomination of independent directors to the Board.
5. Remuneration and incentive policies for the Board and sub-committees of the Board.
6. Professional indemnity and liability insurance for members of the Board and senior executives.
7. The succession plan and selection process for the Chief Operating Officer and senior executives that shall be performed by the Executive Committee or the Chief Operating Officer.

8. The process for evaluation of the Chief Operating Officer and senior executives that shall be performed by the Executive Committee or the Chief Operating Officer.
9. Remuneration and incentive policies for the Chief Operating Officer and senior executives that shall be implemented by the Executive Committee or the Chief Operating Officer.
10. Other functions as requested by the Board.

## THE RISK MANAGEMENT COMMITTEE

The Risk Management Committee consists of the following directors:

1. Mr. Thirakiati Chirathivat, Chairman
2. Mr. Ek-Rit Boonpiti
3. Mr. Russell Leighton Kekuewa

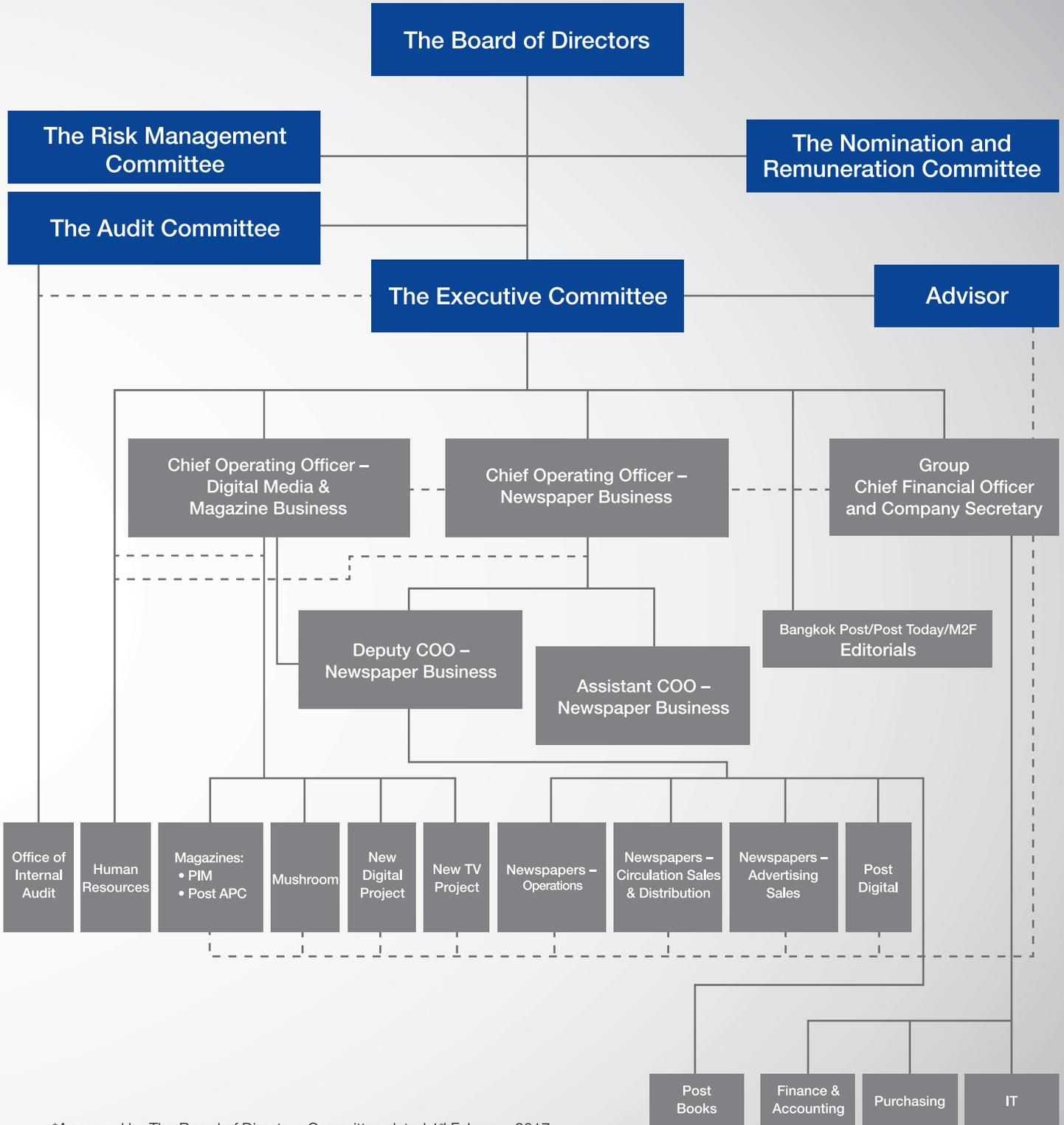
Mrs. Yupaphan Ekasittikul, Company Secretary, serves as the secretary of the committee.

### AUTHORITIES OF THE RISK MANAGEMENT COMMITTEE

1. Assessing and presenting the overall risk management policy, framework and acceptable risk levels for review and acceptance by the Board of Directors.
2. Review the policies, strategies and organisational structure relating to the overall management of risks by the organisation.
3. Support the overall operations and activities of the Risk Management Steering Committee.
4. Assess and evaluate the efficiency and effectiveness of the company's risk management activities.
5. Assess potential risks and make recommendations as necessary to the Risk Management Steering Committee and other departments about ways of improving the organisation's overall risk management.

# ORGANISATION CHART

## POST GROUP



\*Approved by The Board of Directors Committee dated 1<sup>st</sup> February 2017

# BOARD OF DIRECTORS



## MR. SUTHIKIATI CHIRATHIVAT

**Chairman of the Board of Directors and  
Chairman of the Executive Committee**

**Post Director for 35 years  
Thai, 74**

### Shareholding:

121,096,150 shares [24.22%]

**Relationship:** Father of  
Mr. Thirakiati Chirathivat and  
Mr. Patsarakorn Chirathivat

### Education:

- Honorary Doctor of Arts in Business Administration, College of Asian Scholars
- Honorary Doctor of Arts in Business Administration, Dhurakij Pundit University
- Honorary PhD in Hotel and Tourism Studies, Kasem Bundit University
- Honorary PhD in Mass Communications, Ramkhamhaeng University
- MA Political Science, Ramkhamhaeng University
- BA Political Science, Ramkhamhaeng University
- Diplomas in Mechanical Engineering, South-West Essex Technical College, UK
- National Defence College of Thailand (Joint Public and Private Sectors Class No. 1)

### Training:

- Thai Institute of Directors:
- Director Accreditation Program (DAP 68/2008)

### Position in other listed companies:

- Chairman of the Board, Central Plaza Hotel Plc.
- Director, Central Pattana Plc.

### Position in non-listed companies:

- Vice Chairman of Supervisory Board, Central Group of Companies
- Director, Post Holding Co., Ltd.
- Director, Post New Media Co., Ltd.
- Director, Post TV Co., Ltd.
- Director, Post International Media Co., Ltd.
- Director, Post-ACP Co., Ltd.
- Director, Post-IM Plus Co., Ltd.
- Since 2008 Honorary Council Member, Ramkhamhaeng University
- Since 2008 President, Alumni Association, Faculty of Political Science, Ramkhamhaeng University

### Position in other companies which materially compete directly or have any related business with the company (possible conflict of interest): None

### Meeting attendance in 2016:

- The Board of Directors' Meetings: 4/4
- The Executive Committee's Meetings: 8/8
- Shareholders' Meeting: 1/1



## DR. SIRI GANJARERNDÉE

**Independent Director, Chairman of the Audit Committee, and  
Member of the Nomination and Remuneration Committee**

**Post Director for 18 years  
Thai, 68**

**Shareholding:** None

**Relationship:** None

### Education:

- PhD in Monetary Economics, Econometrics & Operations Research, Monash University, Australia
- Master of Economics (Economic Statistics and Monetary Economics), University of Sydney, Australia
- Bachelor of Economics (Honours) Economic Statistics, University of Sydney, Australia

### Training:

- Certificate of Audit Committee Program (ACP), Class of 6/2005, Thai Institute of Directors Association
- Certificate of Director Certification Program (DCP), Class of 60/2005, Thai Institute of Directors Association
- Certificate of Director Accreditation Program (DAP), Class of 4/2003, Thai Institute of Directors Association
- Certificate of Executive Program, Capital Market Academy, Class of 5/2007
- Certificate of Advanced Management Program, Class 113/1995, Harvard Business School

### Position in other listed companies:

- December 2016: Chairman, Chairman of the Executive Committee, Chairman of

the Investment Committee, Bangkok Life Assurance Public Company Limited

- 2014-present: Chairman, Risk Management Committee, Raimon Land Public Company Limited
- 2013-present: Member of the Investment Committee, Bangkok Life Assurance Public Company Limited
- 2010-present: Chairman of the Nominating and Remuneration Committee, Bangkok Life Assurance Public Company Limited
- 2003-present: Executive Director, Bangkok Life Assurance Public Company Limited
- 1999-present: Independent Director, Bangkok Life Assurance Public Company Limited
- 2014-present: Independent Director, Member of the Audit Committee, Raimon Land Public Company Limited
- 2014-present: Independent Director, Member of the Audit Committee, Samitivaj Public Company Limited
- 2004-present: Independent Director, Member of the Audit Committee, Member of Nominating and Remuneration Committee and Corporate Governance Committee, Indorama Ventures Public Company Limited
- 2000-present: Independent Director, Chairman of the Audit Committee, and Member of Nominating and Remuneration Committee, The Post Publishing Plc.



- 2000-present: Vice Chairman, Chairman of the Audit Committee and Member of Corporate Governance, Nomination and Remuneration Committee, Thai Vegetable Oil Public Company Limited

**Position in non-listed companies:**

- Since 2016: Chairman, Chairman of the Compensation and Nomination Committee, TRIS Rating Co., Ltd.
- Since 2003: Director, Member of Audit Committee, Compensation Committee, Nomination Committee and Chairman of Investment Committee (2010), TRIS Corporation Co., Ltd.

**Position in other companies which materially compete directly or have any related business with the Company (possible conflict of interest):** None

**Career:**

- Since 2012: Member of the Public Sector Development Sub-Commission in Public Finance and Budgeting System Improvement, Office of the Public Sector Development Commission
- Since 2003: Member of the subcommittee for agreement drafting and evaluating state enterprises, State Enterprise Policy Office, Ministry of Finance
- 2005-2014: Vice Chairman of the Executive Board, Prasit Patana Plc.
- 2011-2014: Supervisory Committee for Risk Management, Bank of Thailand
- 2009-2014: The Bank of Thailand Board and Monetary Policy Committee, Bank of Thailand
- 2007-2012: Member of Board of Directors, Audit Committee, Nomination Committee & Compensation Committee, Thoresen Thai Agencies Plc.
- 2008-2009: Financial Institutions Policy Committee, Bank of Thailand

**Meeting attendance in 2016:**

- The Board of Directors' Meetings: 4/4
- The Audit Committee's Meetings: 4/4
- The Nomination and Remuneration Committee's Meetings: 2/2
- Shareholders' Meeting: 1/1

**MR. WORACHAI BHICHARNCHITR**

**Director, Member of the Executive Committee, and Chairman of the Nomination and Remuneration Committee**

**Post Director for 23 years**  
**Thai, 62**

**Shareholding:**

36,350,960 shares [7.27%]

**Relationship:** None

**Education:**

- National Defence College of Thailand, 1998
- Master of Law, New York University, NY, USA, 1979
- Bachelor of Law, Thammasat University, 1976

**Position in other listed companies:**

None

**Position in non-listed companies:**

- Since 2015: Chairman of the Board of Directors, Mushroom Television Co., Ltd.
- Since 2013: Director, Post Holding Co., Ltd.
- Since 2013: Director, Post New Media Co., Ltd.
- Since 2013: Director, Post TV Co., Ltd.
- Since 2011: Director, Post-ACP Ltd.
- Since 2008: Director, Post International Media Ltd.
- Since 2008: Director, Post-IM Plus Ltd.
- Since 1989: Managing Director, Vickery & Worachai Ltd.

**Position in other companies which materially compete directly or have any related business with the company (possible conflict of interest):** None

**Meeting attendance in 2016:**

- The Board of Directors' Meetings: 3/4
- The Executive Committee's Meetings: 8/8
- The Nomination and Remuneration Committee's Meetings: 2/2
- Shareholders' Meeting: 1/1

**MR. THIRAKIATI CHIRATHIVAT**

**Director and Chairman of the Risk Management Committee**

**Post Director for 1 year**  
**Thai, 47**

**Shareholding:** 3,339,755 shares [0.66%]

**Relationship:** Son of Mr. Suthikiati Chirathivat

**Education:**

- Master of Science in Hotel Management, Johnson and Wales University, USA
- Bachelor of Business Administration, Assumption University, Thailand
- Politics and Governance in Democratic Systems for Executives Program 15, King Prajadhipok's Institute, 2011
- Institute of Security Psychology Program 99, National Defence Studies Institute, 2006

**Training:**

Thai Institute of Directors:

- Director Accreditation Program (DAP 129/2016)

**Position in other listed companies:**

- 2002-present: Vice President Procurement, Centara Hotels and Resorts, Central Plaza Hotel Public Company Limited
- 1998-2002: Group Marketing Manager, Centara Hotels and Resorts, Central Plaza Hotel Public Company Limited
- 1996-1998: Sales Executive, Centara Hotels and Resorts, Central Plaza Hotel Public Company Limited

**Position in non-listed companies:**

- Since 2016: Director, Post International Media Co., Ltd.
- Since 2016: Director, Mushroom Television Co., Ltd.
- Since 2016: Director, Post Holding Co., Ltd.
- Since 2016: Director, Post New Media Co., Ltd.
- Since 2016: Director, Post TV Co., Ltd.
- Since 2016: Director, Post-IM Plus Co., Ltd.

**Position in other companies which materially compete directly or have any related business with the company (possible conflict of interest):** None

**Meeting attendance in 2016:**

- The Board of Directors' Meetings: 3/4 (Appointment date: 1<sup>st</sup> April 2016)
- The Executive Committee's Meetings: 4/8 (Appointment date: 1<sup>st</sup> April 2016)
- Shareholders' Meeting: 0/1 (Appointment date: 1<sup>st</sup> April 2016)



### MR. CHAROON INTACHAN

**Independent Director**

**Post Director for 3 years  
Thai, 72**

**Shareholding:** None

**Relationship:** None

**Education:**

- PhD (Public Administration), Eastern Asia University
- PhD (Public Administration), Western University
- MA (Political Science), Ramkhamhaeng University
- Barrister-at-law, The Thai Bar Association
- Bachelor of Laws, Thammasat University

**Training:**

Thai Institute of Directors:

- Director Certification Program (DCP 176/2013)
- Training Course of Capital Market Academy (DMA 13)
- Top Executive Program in Commerce and Trade (TEPCoT 4)

**Position in other listed companies:** None

**Position in non-listed companies:**

- Since 2016: Honorary Member, Suratthani Rajabhat University Council
- Since 2015: Council of State

**Position in other companies which materially compete directly or have any related business with the company (possible conflict of interest):** None

**Career:**

- 2014-September 2015: Constitution Drafting Committee, The Secretariat of the House of Representatives
- 2013-May 2014: President of the Constitutional Court
- 28 May 2008: Justice of the Constitutional Court
- 3 March 2006: Justice of the Supreme Administration Court
- 1 October 2003: Justice of the Supreme Court

**Meeting attendance in 2016:**

- The Board of Directors' Meetings: 4/4
- Shareholders' Meeting: 1/1



### MR. JOHN THOMPSON

**Independent Director and  
Member of the Audit Committee**

**Post Director for 12 years  
Thai, 52**

**Shareholding:** None

**Relationship:** None

**Education:**

- Bachelor (Honours), London University, England
- Associate Chartered Accountant (ACA), The Institute of Chartered Accountants in England & Wales (ICAEW)

**Training:**

Thai Institute of Directors:

- Director Accreditation Program (DAP 57/2006)

**Position in other listed companies:**

None

**Position in non-listed companies:**

- Since 2007: Executive Director, NTAsset (Thailand) Co., Ltd.

**Position in other companies which materially compete directly or have any related business with the company (possible conflict of interest):** None

**Career:**

- 2005-2007: Managing Director, TMB Macquarie Securities

**Meeting attendance in 2016:**

- The Board of Directors' Meetings: 3/4
- The Audit Committee's Meetings: 4/4
- Shareholders' Meeting: 0/1



### MR. CHARTSIRI SOPHONPANICH

**Director**

**Post Director for 25 years  
Thai, 57**

**Shareholding:** None

**Relationship:** None

**Education:**

- Master's Degree in Management, Sloan School of Management, Massachusetts Institute of Technology, USA
- Master's Degree in Chemical Engineering, Massachusetts Institute of Technology, USA
- Bachelor's Degree in Chemical Engineering, Worcester Polytechnic Institute, USA

**Training:**

Thai Institute of Directors:

- Ethical Leadership Program (ELP), Class 1/2015
- Director Accreditation Program (DAP), Class TG/2004
- The Role of the Chairman Program (RCP), Class 2/2001
- Director Certification Program (DCP), Class 3/2000

**Position in other listed companies:**

- Since 1994: President, Bangkok Bank
- Since 1992: Director, Bangkok Bank

**Position in non-listed companies:**

- Since 2014: Executive Board of Directors, Electronic Transactions Development Agency (Public Organization)
- Since 2013: Governing Board, National Science and Technology Development Agency



### MR. EK-RIT BOONPITI

**Director, Member of the Executive Committee and Member of the Risk Management Committee**

**Post Director for 11 years  
Thai, 54**

**Shareholding:** 38,194,380 shares [7.64%]

**Relationship:** None

**Education:**

- MS Marketing, Thammasat University, 1994
- B Business (Transport Economics), Royal Melbourne Institute of Technology (RMIT), Australia, 1988

**Training:**

- Thai Institute of Directors:
- Director Accreditation Program (DAP 66/2007)

**Position in other listed companies:** None

**Position in non-listed companies:**

- Since September 2016: Director, Post-IM Plus Co., Ltd.
- Since September 2015: Director, Mushroom Television Co., Ltd.
- Since August 2015: Director, Post TV Co., Ltd.
- Since August 2015: Director, Post New Media Co., Ltd.
- Since August 2015: Director, Post Holding Co., Ltd.
- Since August 2015: Director, Flash News Co., Ltd.
- Since September 2014: Director, Post International Media Co., Ltd.
- Since 2011: Advisor to President, Thai Central Chemical Plc.
- Since 2004: Executive Director and Managing Partner, Crystal Jade Restaurant Co., Ltd., Crystal Jade Confectionery Co., Ltd., and Crystal Jade La Mian Xiao Long Bao Co., Ltd.
- Since 1999: Executive Director, MC Broker Co., Ltd.
- Since 1996: Managing Director, Metro Resources Plc.

**Position in other companies which materially compete directly or have any related business with the company (possible conflict of interest):**  
None

**Career:**

- 2005-2009: Executive Director and Senior Executive Vice President, Thai Central Chemical Plc.

**Meeting attendance in 2016:**

- The Board of Directors' Meetings: 4/4
- The Executive Committee's Meetings: 8/8
- Shareholders' Meeting: 1/1

- Since 2010: Director, TRG Management LP
- Since 2010: Director, TRG Allocation LLC
- Since 2009: Chairman, Bangkok Bank (China) Co., Ltd.
- Since 2009: Member of the Board of Trustees, Bangkok University

**Position in other companies which materially compete directly or have any related business with the Company (possible conflict of interest):**  
None

**Career:**

- Since 2004-2016: Member of the Board of Trustees, Singapore Management University
- 2010-2014: Chairman, Thai Bankers' Association
- 2003-2009: Director, The Electronic Transactions Commission

**Meeting Attendance in 2016:**

- The Board of Directors' Meetings: 3/4
- Shareholders' Meeting: 0/1

### MR. NATDANAI INDRASUKHSRI

**Independent Director, Member of the Audit Committee and Member of the Nomination and Remuneration Committee**

**Post Director for 3 years  
Thai, 62**

**Shareholding:** None

**Relationship:** None

**Education:**

- MBA, Southern New Hampshire University, USA 1978
- Bachelor of Economics, Franklin Pierce College, USA 1976

**Training:**

- Thai Institute of Directors:
- Advanced Audit Committee Program (AACP 16/2014)
- Director Certification Program (DCP 92/2007)

**Position in other listed companies:**

- Since 2017: Independent Director, Chairman of the Audit Committee, Thiton Holding Public Company Limited

**Position in non-listed companies:**

- Since 2003: Director, Siam City Insurance Plc.

**Position in other companies which materially compete directly or have any related business with the company (possible conflict of interest):** None

**Career:**

- 2003-December 2014: Managing Director, Siam City Insurance Plc.
- 2003-September 2014: Director, Road Accident Victims Protection Co., Ltd.
- 2010-2011: Director, Executive Director, Thai Credit Guarantee Corporation
- 2006-2010: Director and Executive Director, T.I.I. Co., Ltd. (Thailand Insurance Institute)

**Meeting attendance in 2016:**

- The Board of Directors' Meetings: 4/4
- The Audit Committee's Meetings: 4/4
- The Nomination and Remuneration Committee Meeting: 2/2
- Shareholders' Meeting: 1/1



## MR. WUTISAK LAPCHAROENSAP

**Independent Director**

**Post Director for 3 years**  
Thai, 67

**Shareholding:** None

**Relationship:** None

**Education:**

- Master of Arts (Political Science), University of Chicago, USA, 1979
- Bachelor's Degree in Political Science, Hons., Chulalongkorn University, 1971

**Training:**

Thai Institute of Directors:

- Director Accreditation Program (DAP 80/2009)
- Director Certification Program (DCP 126/2009)

**Position in other listed companies:**  
None

**Position in non-listed companies:**

- Since 2014: Member of the National Legislative Assembly
- Since 2012-2014: National Education Council, Ministry of Education
- Since 2011-2015: President, Ramkhamhaeng University
- Since 2016: President, Ramkhamhaeng University

**Position in other companies which materially compete directly or have any related business with the company (possible conflict of interest):** None

**Career:**

- 2010-2011: Board of Dhanarak Asset Development Co., Ltd., Ministry of Finance
- 2009-2014: Independent Director, Chairman of Corporate Governance Committee and Member of Nomination Committee, Airports of Thailand Plc.
- 2009-2011: Chairman of the Executive Committee of Bangkok Market Office, Bangkok Metropolitan Administration (BMA)
- 2008-2009: Chairman of the Board of Thai Post Co., Ltd.
- 2005-2011: Dean, Faculty of Political Science, Ramkhamhaeng University
- 2004-2009: Ramkhamhaeng University Council
- 2003-2012: Chairman of the Master of Arts Program in Political Science (Political Management Curriculum), Ramkhamhaeng University
- 1998-2012: Chairman of the Executive Program of Master of Arts in Political Science, Ramkhamhaeng University

**Meeting attendance in 2016:**

- The Board of Directors' Meetings: 4/4
- Shareholders' Meeting: 0/1



## MR. SIRITAJ ROJANAPRUK

**Director**

**Post Director for 3 years**  
Thai, 71

**Shareholding:** None

**Relationship:** None

**Education:**

- Honorary Doctorate Degree of Arts in Business Administration, Sripatum University, 2016
- Honorary Doctorate Degree in Information Technology Management, King Mongkut's University of Technology North Bangkok, 2006
- Honorary Doctorate Degree in Business Administration, Chiang Rai Rajabhat University, 2005
- Accounting, Assumption Commercial College, 1964

**Training:**

Thai Institute of Directors:

- Director Accreditation Program (DAP), 2008

**Position in other listed companies:**

- Since 2007: Chairman, Eternal Energy Plc.

**Position in non-listed companies:**

- Since 2010: Chairman, SSUT Co., Ltd.
- Since 2009: Chairman, PPTC Co., Ltd.
- Since 2007: Chairman, Hi-Tech Network Co., Ltd.
- Since 2004: Chairman, I-Tower Co., Ltd.
- Since 1995: Director, Excel Link Co., Ltd.
- Since 1992: Chairman, Prida Pramote Co., Ltd.
- Since 1991: CEO, Com-Link Co., Ltd.

**Position in other companies which materially compete directly or have any related business with the company (possible conflict of interest):** None

**Meeting attendance in 2016:**

- The Board of Directors' Meetings: 2/4
- Shareholders' Meeting: 1/1



**MR. RUSSELL  
LEIGHTON KEKUEWA**

**Independent Director and Member of  
the Risk Management Committee**

**Post Director since August 2016  
American, 62**

**Shareholding:** None

**Relationship:** None

**Education:**

- Master of Science, Industrial Engineering and Engineering Management, Stanford University, USA
- Bachelor of Science, Civil Engineering, University of the Pacific, USA

**Training:**

Thai Institute of Directors:

- Director Certification Program (DCP 196/2014)

**Position in other listed companies:**

- Independent Director, Indorama Ventures Public Company Limited

**Position in non-listed companies:**

- Independent Director, Boutique Corporation Public Company Limited

**Position in other companies which materially compete directly or have any related business with the company (possible conflict of interest):** None

**Meeting attendance in 2016:**

- The Board of Directors' Meetings: 1/4
- Shareholders' Meeting: 0/1 (Appointment date: 15<sup>th</sup> August 2016)



**MR. SUPAKORN  
VEJJAJIVA**

**Director**

**Post Director for 11 years  
Thai, 49**

**Shareholding:** None

**Relationship:** None

**Education:**

- BA in International Relations (Honours), Gonville and Caius College, Cambridge University, England, 1988

**Training:**

Thai Institute of Directors:

- The Characteristics of Effective Directors
- Director Accreditation Program (DAP 66/2007)

**Position in other listed companies:**

- Since 2016: Executive Consultant, Sansiri Public Company Limited

**Position in non-listed companies:**

- Since 2010: Chairman of the Board of Directors, Post News Co., Ltd.
- Since 2007: Director, Flash News Co., Ltd.

**Position in other companies which materially compete directly or have any related business with the Company (possible conflict of interest):** None

**Meeting Attendance in 2016:**

- The Board of Directors' Meetings: 1/4
- Shareholders' Meeting: 0/1



**DR. RONNACHIT  
MAHATTANAPREUT**

**Financial and Accounting Advisor to  
Executive Board**

**Thai, 61**

**Shareholding:** None

**Relationship:** None

**Education:**

- Doctor of Management (Business Administration), Suan Dusit Rajabhat University, 2008
- Master in Business Administration, Thammasart University, 1985
- Bachelor in Accounting, Thammasart University, 1976

**Training:**

- Director Certification Program (DCP) 20/2002
- Audit Committee Program (ACP) 30/2010
- TLCA Executive Development Program (EDP) 5/2010
- Corporate Governance for Capital Market Intermediaries (CGI) 6/2015

**Career:**

- Since February 1999, Chief Financial Officer (CFO), Central Plaza Hotel Plc.
- 1994-January 1999, Corporate Finance Director, Prasit Patana Plc.
- 1989-1994, Area Group Controller, Central Plaza Hotel Plc.

# EXECUTIVE MANAGEMENT



## MR. CHOKDEE WISANSING

**Chief Operating Officer –  
Newspaper Business  
Thai, 51**

**Shareholding:** None

**Relationship:** None

**Education:**

- Bachelor of Commerce (1st Class Honours), Lincoln University, New Zealand, 2002
- Graduate Certificate in Commerce, Lincoln University, New Zealand, 2001
- Bachelor of Arts (Economics), Thammasat University, 1986
- Primary and Secondary Education, Assumption College, 1981

**Training:**

- Professional Coach Certification Program #14, Thailand Coaching Institute, 2016
- Certificate, Hospitality Management Programme, Cornell-National University, Singapore, 1997

**Career:**

- Since 2017: Chief Operating Officer – Newspaper Business, The Post Publishing Plc.
- Since 2016: Director, Restaurant Business Consultancy Co., Ltd.
- 2016-2017: Independent Director and Audit Committee Member, Eastern Printing Public Company Limited
- 2014-2016: Chief Operating Officer – Food Business Group, Evolution Capital Public Company Limited
- 2011-2014: Chief Operations Officer – KFC, Yum Restaurants International (Thailand) Co., Ltd.
- 2004-2011: Senior Vice President Operations – Food, Central Restaurants Group Co., Ltd.
- 1993-2004: Various management and executive positions – Centara Hotels & Resorts



## MR. PATSARAKORN CHIRATHIVAT

**Chief Operating Officer –  
Digital Media & Magazine Business  
Thai, 31**

**Shareholding:** 3,000,000 shares [0.60%]

**Relationship:** Son of Mr. Suthikiati Chirativat

**Education:**

- Master of Business Administration, Sasin Graduate Institute of Business Administration, 2015
- Bachelor of Science in Economics, Northeastern University, Boston, USA, 2010

**Career:**

- Since February 2016: Chief Operating Officer – Digital Media & Magazine Business, The Post Publishing Plc.



## MS. YUPAPHAN EKASITTIKUL

**Group Chief Financial Officer and  
Company Secretary  
Thai, 50**

**Shareholding:** None

**Relationship:** None

**Education:**

- Master in Accounting, Thammasat University, 1994
- Higher Certification in Auditing, Thammasat University, 1991
- Bachelor of Accounting, 2nd Honour, Thammasat University, 1990

**Training:**

- Director Accreditation Program (DAP) 96/2012
- Company Secretary Program (CSP) 53/2013
- Board Reporting Program (BRP) 12/2013

**Career:**

- Since January 2016: Chief Financial Officer, The Post Publishing Plc.
- 2010-2015: Deputy Managing Director – Support Departments, Erawan Sugar Group which is a subsidiary of TOA Group
- 2010-2013: Vice President, Finance and Accounting Department, TOA Paint (Thailand) Co., Ltd.



**MR. NHA-KRAN  
LOAHAVILAI**

**Deputy Chief Operating Officer  
Newspaper Business of Post Group  
Thai, 51**

**Shareholding:** None

**Relationship:** None

**Education:**

- MS Computer Science, Rangsit University, 1997
- BA Journalism, Chulalongkorn University, 1985

**Training:**

- Thailand Energy Academy: TEA 3, 2013
- Advanced Certificate Course in Politics and Governance in Democratic Systems for Executives Program 16, 2013
- Advanced Retail Management Program 12, 2013
- OIC Advanced Insurance Institute Program 2, 2012
- TEPCoT2, 2009
- Capital Market Academy 7, 2008

**Career:**

- Since 2016: Deputy Chief Operating Officer for Newspaper Business of Post Group, The Post Publishing Plc.
- 2013-2016: Deputy Editor in Chief of Post Group, The Post Publishing Plc.
- 2006-2013: Editor – Post Today, The Post Publishing Plc.
- 2011-2012: Editor – M2F, The Post Publishing Plc.



**MR. CHIRATAS  
NIVATPUMIN**

**Assistant Chief Operating Officer  
Newspaper Business  
Thai, 47**

**Shareholding:** None

**Relationship:** None

**Education:**

- BA English, University of California, Los Angeles, USA, 1992

**Career:**

- Since 2016 Assistant Chief Operating Officer Newspaper Business, Bangkok Post, The Post Publishing Plc.
- 2010-2016 Managing Editor, Bangkok Post, The Post Publishing Plc.
- 2002-2010 Business Editor, Bangkok Post, The Post Publishing Plc.
- 1996-2002 Finance Editor, Bangkok Post, The Post Publishing Plc.
- 1995-1996 Deputy Business Editor, Bangkok Post, The Post Publishing Plc.



**MR. UMESH  
N. PANDEY**

**Editor – Bangkok Post  
Thai, 44**

**Shareholding:** 1,000 (Common Share)

**Relationship:** None

**Education:**

- BA Finance, Bentley University, Massachusetts, USA, 1995

**Career:**

- Since August 2016: Editor – Bangkok Post, The Post Publishing Plc.
- 2005-July 2016: Asia Focus Editor – Bangkok Post, The Post Publishing Plc.



**MR. MONTRI  
PUSHATRIRAT**

**Editor – M2F**  
Thai, 57

**Shareholding:** None

**Relationship:** None

**Education:**

- Diploma Economics, College of Commerce, 1983

**Career:**

- Since 2012: Editor – M2F, The Post Publishing Plc.
- 2011-2012: Deputy Editor – M2F, The Post Publishing Plc.
- 2008-2011: Assistant News Editor – Post Today, The Post Publishing Plc.

**MR. WUT  
NONTARIT**

**Editor – Post Today**  
Thai, 49

**Shareholding:** None

**Relationship:** None

**Education:**

- BA Communication Arts, Bangkok University, 1991

**Training:**

- Political Leadership in the New Era Program 4, King Prajadhipok's Institute, 2007
- Mini MBA Program, Faculty of Commerce and Accountancy, Chulalongkorn University, 2009
- Mass Communication under Financial Globalization Program, Faculty of Commerce and Accountancy, Chulalongkorn University, 2009
- OIC Advanced Insurance Institute Program 5, 2015
- Executive Relations Development Program 13, Royal Thai Navy, 2016

**Career:**

- Since 2016: Editor – Post Today, The Post Publishing Plc
- 2011-2016: News Editor & Assistant Editor – Post Today, The Post Publishing Plc.
- 2010-2011: News Director – Post News Co., Ltd.
- 2006-2010: Political News Editor – Post Today, The Post Publishing Plc.
- 2003-2006: Chief Reporter (Political News Desk) – Post Today, The Post Publishing Plc.
- 1994-2003: Reporter – Bangkok Post, The Post Publishing Plc.

**MR. PORNCHAI  
SAENGAROON**

**Executive Vice President –  
Human Resources**  
Thai, 64

**Shareholding:** None

**Relationship:** None

**Education:**

- MBA (Executive Programme) Kasetsart University, 1999
- BA Political Science, Chulalongkorn University, 1974

**Training:**

- HR Management, Toyota Corp and Mitsubishi, Japan
- The Boss Programme, Management and Psychology Institute
- KOILAF 2008 Tripartite Leaders Invitation Program, Korea

**Career:**

- 2005-2013: Executive Vice President – Human Resources, The Post Publishing Plc.
- 2014-January 2017: Human Resources Consultant, Doi Kham Food Products Co., Ltd.
- Since 2017: Executive Vice President – Human Resources, The Post Publishing Plc.



**MS. PATARIKA  
JUTTIJUDATA**

**Internal Audit Director**  
Thai, 45

**Shareholding:** None

**Relationship:** None

**Education:**

- Certified Internal Auditor (CIA), USA, 2005
- Master of Science in Business Concentrate in Finance, Wichita State University, Kansas, USA, 1996
- Bachelor of Accounting, Chulalongkorn University, 1993

**Training:**

- Post Mini MBA 2011 Program, Faculty of Commerce and Accountancy, Chulalongkorn University

**Career:**

- 2006-Present: Office of Internal Audit, The Post Publishing Plc.



**MR. TAWATCHAI  
CHAORATTANA**

**IT Director**  
Thai, 62

**Shareholding:** None

**Relationship:** None

**Education:**

- BA Faculty of Commerce and Accountancy, Cost Accounting Chulalongkorn University, 1979
- MBA School of Business Administration, Business Computer Information Systems, University of North Texas, 1983

**Career:**

- Since 2016: IT Director, The Post Publishing Plc.
- 2011-2015: IT Consultant
- 1997-2014: CIS and Planning Director of Central Restaurants Group

MANAGEMENT

**POST INTERNATIONAL MEDIA**

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**Ms. Thathathai Thamprapas**

General Manager

**Ms. Poomchit Balankura**

General Manager

MANAGEMENT

**MUSHROOM TELEVISION**

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**Mr. Akarat Nitibhon**

Chief Executive Officer

**M.L. Poryot Kalyanavongs**

Chief Operations Office

# BOARD OF DIRECTORS AND MANAGEMENT NOMINATION AND SELECTION

THE ARTICLES OF ASSOCIATION OF THE COMPANY STATE THAT THE DIRECTORS OF THE COMPANY SHALL BE ELECTED AT THE SHAREHOLDERS' MEETING IN ACCORDANCE WITH THE FOLLOWING RULES AND PROCEDURES:

1. Each shareholder shall have one vote for each share for which the shareholder is the registered holder.
2. A shareholder or proxy may vote only for as many persons as there are vacancies on the Board of Directors to be filled. A shareholder or proxy may not cast more than one vote for any person in respect of each share that the shareholder holds or that their proxy represents, and may not allot any portion of their votes to other persons.
3. After the vote, the candidates shall be ranked in descending order from the highest number of votes received to the lowest, and shall be appointed as directors in that order until all of the director positions are filled. Where the votes cast for candidates in descending order are tied in such a way as the number of directors is exceeded, lots shall be drawn to fill the remaining appointments.

At each Annual General Meeting, one-third of the directors, or if the number is not a multiple of three, then the number closest to one-third, must retire from office. The directors who have been longest in office shall retire. A retiring director is eligible for re-election.

Any vacancy occurring in the Board of Directors otherwise than by completion of a vacating director's term of office shall be filled by resolution of the Board of Directors, unless the remaining period of the vacating director's term of office is less than two months. The resolution of the Board of Directors to such effect shall be adopted by the affirmative votes of at least three-fourths of the remaining directors. However, in the event that the number of vacancies in the Board of Directors is such that the number of remaining directors does not constitute a quorum, the remaining directors may act on behalf of the Board of Directors only to summon a General Meeting solely for the

purpose of electing replacement directors. The said General Meeting must be held within one month from the date on which the number of vacancies resulted in the number of remaining directors being less than a quorum. Any person appointed or elected as a replacement director shall retain his or her office only during such time as the vacating director was entitled to retain the same.

The Nomination and Remuneration Committee has responsibilities to make recommendations to the Board of Directors in relation to the selection process for independent directors and nomination of independent directors.

The Company shall facilitate shareholders who hold shares and have the right to vote amounting to not less than 5 percent of the total number of the voting rights of the Company and who provide evidence of such shareholding to the Company in the form of copies of share certificates, a confirmation letter issued by a securities brokerage company, Thailand Securities Depository Company Limited or The Stock Exchange of Thailand, and identification papers such as copy of identification card or passport, and all necessary corporate documents to nominate candidates who have appropriate qualifications and do not possess any characteristics prohibited for directors of the Company. Full details of the procedure are posted on the Company's website.

Except for the positions of President, Chief Operating Officer of the Company and Bangkok Post Editor, where the Board of Directors must approve the appointments, the Executive Committee is authorised to approve the appointment of senior members of Management and fix their remuneration and employment terms.

# INDEPENDENT DIRECTOR NOMINATION AND SELECTION

**THE COMPANY DOES NOT USE A STRICTER DEFINITION OF “INDEPENDENT DIRECTOR” THAN THE MINIMUM QUALIFICATION SPECIFIED BY THE OFFICE OF THE SECURITIES AND EXCHANGE COMMISSION, THAILAND. AN INDEPENDENT DIRECTOR SHOULD HAVE THE FOLLOWING QUALIFICATIONS:**

1. Holding not more than one per cent of the total voting shares of the Company, a subsidiary, an affiliate, a major shareholder, or a controlling person, including shares held by related persons.
2. Neither taking nor having taken part in management, or being an employee, staff member, advisor receiving a regular salary, or controlling person of the Company, a subsidiary, an affiliate, other associate company, a major shareholder, or a controlling person in the past two years unless the foregoing relationship has ended not less than two years.
3. Not being a close relative by birth or by legal registration as a parent, a spouse, a brother or sister, a son or daughter, of management, a major shareholder, a controlling person, or a person nominated as management or a controlling person of the Company and a subsidiary.
4. Neither being nor having been involved in a business relationship with the Company, a subsidiary, an affiliate, a major shareholder, or a controlling person in such a way that will obstruct his independent judgment including not being a shareholder holding 10 per cent or more or a controlling person of the person who has a business relationship with the Company, a subsidiary, an affiliate, a major shareholder, or a controlling person unless the foregoing relationship has ended not less than two years.
5. Neither being nor having been an external auditor of the Company, a subsidiary, an affiliate, a major shareholder, or a controlling person of the Company and not being a shareholder holding 10 per cent or more or a partner in an audit office of an external auditor of the Company, a subsidiary, an affiliate, a major shareholder, or a controlling person in the past two years.
6. Neither being nor having been a provider of professional service such as legal or financial services and receiving a professional fee of more than two million baht per year from the Company, a subsidiary, an affiliate, a major shareholder, or a controlling person and not being a shareholder holding 10 per cent or more or a partner such a provider of professional service in the past two years.
7. Not being a director representing another director of the Company, a major shareholder, or a shareholder related to a major shareholder.
8. Not being in a business substantially the same and compete with the Company, or a subsidiary, or not being a principal partner in a business partnership or being a director involving in management, employee, staff member, advisor receiving a regular salary, or holds of shares with voting right more than one per cent of total number of voting right of other company that engages in a business substantially the same and compete with the Company and a subsidiary.
9. Be able to express an independent opinion with respect to the operation of the Company.

A business relationship includes a normal cause of business transaction, a rent or lease of property, a transaction related to assets, service, providing or receiving financial support such as borrowing, lending, guarantee, or assignment resulting in the Company or other party being in debt obligation of more than three per cent of net tangible assets of the Company or twenty million baht, whichever is lower. The Calculation of debt obligation shall be in accordance with the calculation of value of related party transaction specified by the Capital Market Supervisory Board's Announcement of Related Party Transaction including debt obligation one year prior to the date that business relationship starts.

After an appointment, an independent director may be assigned by the Board of Directors to make collective decision with respect to the operation of the Company, a subsidiary, an affiliate, other associate company, a major shareholder, or a controlling person of the Company.

It is the responsibility of the Nomination and Remuneration Committee to make recommendations to the Board of Directors in relation to the appropriate number and qualification of independent directors, the process by which they are selected and nomination of independent directors to the Board of Directors.

## ATTENDANCE RECORD YEAR 2016

Name	Board of Directors	Executive Committee	Audit Committee	Nomination and Remuneration Committee
1. <b>Mr. Suthikiati Chirathivat</b> Chairman of the Board of Directors and Chairman of the Executive Committee	4/4	8/8		
2. <b>Ms. Kuok Hui Kwong</b> Director and Member of the Executive Committee (Resigned as director at the Meeting of the Board of Directors No. 3/2016 on August 15th 2016)	0/4	0/8		
3. <b>Mr. Charoon Intachan</b> Independent Director	4/4			
4. <b>Mr. John Thompson</b> Independent Director & Member of the Audit Committee	3/4		4/4	
5. <b>Mr. Chartsiri Sophonpanich</b> Director	3/4			
6. <b>Ms. Cheung Hoi Sze Elsie</b> Director and Member of the Executive Committee (Resigned as director at the 2016 Annual General Meeting of Shareholders on April 1st 2016)	0/4	0/8		
7. <b>Mr. Natdanai Indhasukhsri</b> Independent Director, Member of the Audit Committee and Member of the Nomination and Remuneration Committee	4/4		4/4	2/2
8. <b>Mr. Worachai Bhicharnchitr</b> Director, Member of the Executive Committee and Chairman of the Nomination and Remuneration Committee	3/4	8/8		2/2
9. <b>Mr. Wutisak Lapcharoensap</b> Independent Director	4/4			
10. <b>Dr. Siri Ganjarendeek</b> Independent Director, Chairman of the Audit Committee & Member of the Nomination and Remuneration Committee	4/4		4/4	2/2
11. <b>Mr. Siritaj Rojanapruk</b> Director	2/4			
12. <b>Mr. Ek-Rit Boonpiti</b> Director and Member of the Executive Committee	4/4	8/8		
13. <b>Mr. Hu Yee Cheng Robin</b> Director and Member of the Executive Committee (Resigned as director at the 2016 Annual General Meeting of Shareholders on April 1st 2016)	0/4	0/8		
14. <b>Mr. Supakorn Vejajiva</b> Director	1/4			
15. <b>Mr. Thirakiati Chirathivat</b> Director and Member of the Executive Committee (Appointed as director at the 2016 Annual General Meeting of Shareholders on April 1st 2016)	3/4	4/8		
16. <b>Mr. Russell Leighton Kekuewa</b> Independent Director	1/4			

## REMARKS:

- Mr. Chartsiri Sophonpanich, Mr. John Thompson, Mr. Charoon Intachan were reelected as directors at the 2016 Annual General Meeting of Shareholders on 1st April 2016.
- Mr. Thirakiati Chirathivat was appointed as director at the 2016 Annual General Meeting of Shareholders on 1st April 2016.

# REMUNERATION FOR DIRECTORS AND EXECUTIVES

a) Cash compensation for directors in 2016

Name	Position	Director's Fee (Bht '000)
1. Mr. Suthikiati Chirathivat	Chairman of the Board of Directors and Chairman of the Executive Committee	971
2. Ms. Kuok Hui Kwong	Director and Member of the Executive Committee	286
3. Mr. Charoon Intachan	Independent Director	464
4. Mr. John Thompson	Independent Director and Member of the Audit Committee	644
5. Mr. Chartsiri Sophonpanich	Director	444
6. Ms. Cheung Hoi Sze Elsie	Director and Member of the Executive Committee	156
7. Mr. Natdanai Indhasukhsri	Independent Director, Member of the Audit Committee and Member of the Nomination and Remuneration Committee	704
8. Mr. Worachai Bhicharnchitr	Director, Member of the Executive Committee and Chairman of the Nomination and Remuneration Committee	865
9. Mr. Wutisak Lapcharoensap	Independent Director	464
10. Dr. Siri Ganjarerndee	Independent Director, Chairman of the Audit Committee & Member of the Nomination and Remuneration Committee	824
11. Mr. Siritaj Rojanapruk	Director	424
12. Mr. Ek-Rit Boonpiti	Director and Member of the Executive Committee	845
13. Mr. Hu Yee Cheng Robin	Director and Member of the Executive Committee	156
14. Mr. Supakorn Vejajiva	Director	0
15. Mr. Thirakiati Chirathivat	Director and Member of the Executive Committee	589
16. Mr. Russell Leighton Kekuewa	Independent Director	164
		8,000

b) Compensation is paid executives in 2016 = Baht 33,131,954 million

c) Other compensation of executives in 2016, such as contributions to the provident fund = Baht 1,941,899 million

# GOOD CORPORATE GOVERNANCE

THE COMPANY TRIES TO PRACTICE THE PRINCIPLES OF GOOD CORPORATE GOVERNANCE AS DESCRIBED IN THE PRINCIPLES OF GOOD CORPORATE GOVERNANCE FOR LISTED COMPANIES 2006, PUBLISHED BY THE STOCK EXCHANGE OF THAILAND. IN THE LATEST EDITION, NEW PRINCIPLES HAVE BEEN ADDED TO BRING IT IN LINE WITH THE PRINCIPLES OF CORPORATE GOVERNANCE OF THE ORGANISATION FOR ECONOMIC COOPERATION AND DEVELOPMENT 2004.

## 1. RIGHTS OF SHAREHOLDERS

The Company provided shareholders with advance information on the date, time, venue, and all agenda items of the Annual General Meeting of Shareholders, including election of directors and complete support data. The Notice of Meeting and support data were sent to shareholders at least seven days prior to the date of the meeting. The Company facilitated all shareholders including institutional investors to attend shareholders' meetings. Proxy Form A and B were provided with the Notice of Meeting. Custodians for institutional investors could download Proxy Form C from the Company's website.

At the 2016 Annual General Meeting of Shareholders, there were directors who were due to retire by rotation and directors who offered themselves for reelection, which the Company sent their details including experiences and of persons that the Meeting deemed appropriate to reelect as directors to shareholders together with the Notice of Meeting. The Company posted the Notice of Meeting and support data on its website for shareholders to study prior to the distribution of the Notice of Meeting.

The Company facilitated shareholders' participation and voting in the meeting. The timing of the meeting was during office hours. The meeting took place at the Bangkok Post Building and sufficient parking space was provided for shareholders and their proxies who attended the meeting. The Bangkok Post Building is easily accessible from the MRT Queen Sirikit National Convention Center station. Shareholders who could not attend the meeting or could not appoint a proxy had the option of appointing an independent director to attend the meeting as their proxy. The Company also provided a duty stamp to affix onto the proxy forms.

At the 2016 Annual General Meeting of Shareholders, Mr. Suthikiati Chirathivat, Chairman of the Board of Directors chaired the Meeting. He allocated appropriate time for discussion and encouraged shareholders to express their opinions and ask questions about each agenda item. A half number of the Board of Directors attended the meeting, including Chairman of the Executive Committee, and Chairman of the Nomination and Remuneration Committee.

## 2. EQUITABLE TREATMENT OF SHAREHOLDERS

The Company facilitates shareholders who wish to propose additional appropriate agenda items to the Annual General Meeting of Shareholders and nominate candidates who have appropriate qualifications to be directors of the Company prior to each Annual General Meeting of Shareholders that shall normally be held in April. A shareholder or a group of shareholders who wishes to propose any appropriate additional agenda item for the Annual General Meeting of Shareholders and/or to nominate candidates who have appropriate qualifications to be directors of the Company, must possess the following qualifications:

- Hold shares and have the right to vote amounting to not less than 5 per cent of the total number of the voting rights of the Company.

- Provide evidence of the said holding of shares to the Company, including copies of share certificates and confirmation letters issued by a securities brokerage company, Thailand Securities Depository Company Limited, and The Stock Exchange of Thailand.
- Provide such identification papers as copies of identification card, passport, and all necessary corporate documents.

A qualified shareholder may submit a proposal for an additional agenda item for the Annual General Meeting of Shareholders and/or a proposal to nominate a candidate to be a director of the Company, together with a resume of the candidate nominated for director of the Company, as the case may be, to the Company Secretary within a specific deadline in order to allow the Company, relevant sub-committees of the Board and the Board of Directors sufficient time to review and evaluate all proposals and to proceed with the necessary procedures of the Annual General Meeting of Shareholders.

The Company encourages the use of proxy forms on which shareholders are able to specify their vote. The Company provides shareholders with a list of proxies under the Announcement of the Business Development Department, Ministry of Commerce. Shareholders may appoint an independent director as their proxy. The election of directors utilises a process in which shareholders are able to vote for an individual nominee.

The Company provides voting cards for each agenda item. For transparency and future reference, the Company collects voting cards for disapprovals and abstentions.

The Company presents reports of shareholdings by directors, management, and independent auditors of the Company to each meeting of the Board of Directors for acknowledgement.

## 3. ROLE OF STAKEHOLDERS

The Company promotes cooperation among stakeholders to ensure the Company's financial stability and sustainability. Stakeholders include but are not limited to shareholders, readers, advertisers, employees, agents, lenders, and corporate social responsibility.

### SHAREHOLDERS

The Company operates to ensure reasonable profits and dividends to shareholders in the long-run. Certain profits will be maintained within the Company to repay bank loans and to finance future investments. The rest will be distributed to shareholders as dividends.

### READERS

Since establishment in 1946, Bangkok Post has become one of Asia's leading English-language dailies because of the trust and respect it has earned from its readers. This is the result of adhering to a longstanding tradition of reporting the news and analysis in an accurate, fair, and balanced manner. This tradition has become our editorial code of conduct that extended to our other publications, namely Student Weekly, Post Today, and recently M2F.

The Company regularly conducts readership surveys to find out the preferences of our readers so that we can adjust our design and content to make our newspapers and magazines more attractive to them.

The Company is also committed to providing value-added benefits for our readers and subscribers to marketing activities.

#### **ADVERTISERS**

The Company continues to make improvements in its printing facilities and thus the final quality of the newspapers and advertisements in the newspapers. Events were planned throughout the year so that advertisers would be able to meet directly with our readers and customers. Our reorganisations of the editorial departments ensured that we could expand to delivery of our content of news and information through multimedia channels. These also allow us to serve our advertisers in both print media and non-print media via radio, television, and electronic media.

#### **EMPLOYEES**

The Company recognises the vital role its employees play in the success of the company and their importance in attaining its goals. Our process of transformation from a print media based business to a multimedia business call for a number of organisation development schemes. The Company provided more than 50 training programmes, such as Microsoft office programmes and multimedia and social media programmes for reporters, writing and reporting news programme, Burmese language training programme and standard accounting courses.

The Company performs staff performance evaluation annually and staff are rewarded and promoted accordingly.

The Company delegates the Audit Committee to review the Company's procedures for handling allegations, for example arrangements for Company staff to raise concerns about possible improprieties in matters of financial reporting, controls or any other matter in confidence. The Audit Committee also ensures that arrangements are in place for independent investigation, follow-up action and proper reports.

#### **AGENTS**

One of the most important channels for distribution of our newspapers is newsstand sales. We continue to expand our agents in Bangkok and other provinces to increase our circulation base and sales of our newspapers. Reasonable commissions and credit terms are offered to our agents, and our staff is in continuous contact with newsstand and agents to increase publication sales and reduce returns.

#### **LENDERS**

The Company maintains business relationships with several commercial banks. Their services to us include both short-term and long-term lending, issuance of guarantees and letters of credit especially for purchase of newsprint from overseas. We maintain our reasonable level of total borrowing, a reasonable mixture of short-term and long-term borrowing. All loans are on clean basis, and loan conditions are monitored and strictly followed.

### **OUR SOCIETY AND CORPORATE SOCIAL RESPONSIBILITY ACTIVITIES**

The Company, subsidiaries, and The Bangkok Post Foundation have continued their activities in various educational programmes and will be pursuing our main objective of ensuring that needy gain continual support. The programmes include "Bangkok Post-Black Mountain Charity Golf & Gourmet Dinner 2015", "Bangkok Post-Foundation Charity Raffle 2015", "Bangkok Post International Mini Marathon 2015", "Season's Greetings Gifts for Children - 2015", "The 8th Bangkok Post Charity Wine Dinner".

## **4. DISCLOSURES AND TRANSPARENCY**

In addition to disclosing annual filings, annual reports and other information as specified in relevant regulations through The Stock Exchange of Thailand, the Company discloses information, both in Thai and English, via other channels, including the Company's website. For example, the Company has already posted its annual reports, financial statements and annual registration statements (form 56-1) on its website. The Company also posts procedures for shareholders or groups of shareholders who wish to propose any appropriate additional agenda item for the Annual General Meeting of Shareholders and/or to nominate candidates who have appropriate qualifications to be directors of the Company on the Company's website and encourages shareholders to fully exercise their rights.

The Company discloses the roles and responsibilities of the Board of Directors and its various sub-committees in the annual report under Structure of the Board of Directors. The Company also discloses the number of meetings attended by each director in the annual report under Attendance Record.

The Annual General Meetings of Shareholders approved in advance to pay remuneration for the year to directors on a lump-sum basis and empowered the Board of Directors to consider the allocation of such remuneration to each director as it deems fit. The Company disclosed the remuneration of each director in its annual report under Remuneration for Directors and Executives.

## **5. RESPONSIBILITIES OF THE BOARD**

### **5.1 Board Structure**

The Company had fourteen directors and five directors qualified as independent directors. Every year, one-third of the directors must retire from office at the Annual General Meeting of Shareholders. The directors who have been longest in office shall retire. A retiring director is eligible for re-election. The Company does not use stricter definition of independent directors than the minimum qualification specified by the Office of the Securities and Exchange Commission and The Stock Exchange of Thailand. An independent director should have the following qualifications: not hold more than 1 per cent of total outstanding shares of the Company; not be an executive, employee or advisor who receives compensation from the Company; not have any family relationship with an executive, employee or advisor who receives compensation from the Company; and not have any material business relationship with the Company that might compromise the independent director's ability to express an independent opinion.

The Company discloses sufficient information about directors, including type of director, education and work experience, in the Annual Report under the heading Board of Directors.

The Company separates the roles and responsibilities of the Chairman of the Board of Directors and Chief Operating Officer in order to achieve a balance of power. The Board of Directors has appointed an independent director as the Chairman of the Board of Directors. To ensure independence of each subcommittee of the Board of Directors, the Chairman of the Board of Directors does not serve as either chairman or a member of any committee of the Board of Directors

The Company's Company Secretary serves the Board of Directors in areas of providing legal advice, taking care of Board of Directors' activities, and monitoring compliance with Board of Directors' resolutions.

## 5.2 Sub-Committees of the Board of Directors

In addition to the Audit Committee required by The Stock Exchange of Thailand's listing rules, the Company, in compliance with the practice of good corporate governance, has established a Nomination and Remuneration Committee, which is authorised to review, evaluate and make recommendations to the Board of Directors in relation to:

- The process for reviewing and evaluating the performance of the Board and members of the Board
- The appropriate number and qualifications of independent directors, the selection process for independent directors and nomination of independent directors to the Board
- Remuneration and incentive policies for the Board and subcommittees of the Board
- Professional indemnity and liability insurance for members of the Board and senior executives
- The succession plan and selection process for the Chief Operating Officer and senior executives that shall be performed by the Executive Committee or the Chief Operating Officer, as the case may be.
- The process for evaluation of the Chief Operating Officer and senior executives that shall be performed by the Executive Committee or the Chief Operating Officer, as the case may be.
- Remuneration and incentive policies for the Chief Operating Officer and senior executives that shall be implemented by the Executive Committee or the Chief Operating Officer, as the case may be.

To ensure that it performs its duties transparently and independently, the Committee consists of two independent directors and one non-executive director. In order to ensure independence of the Nomination and Remuneration Committee, the Chairman of the Board of Directors does not serve either as the Chairman or as a member of the Nomination and Remuneration Committee.

## 5.3 Roles and Responsibilities of the Board of Directors

The Board of Directors has responsibilities to manage the operation of the Company in accordance with the Articles of Association of the Company and resolutions of Shareholders' Meetings. The Board of Directors reviews and approves key business matters and monitors implementation by the management to ensure efficiency and effectiveness. The Board of Directors has a Code of Conduct in place so that all management and staff understand the business ethics standards of the Company.

## 5.4 Board Meetings

Meetings of the Board of Directors, the Executive Committee, and the Audit Committee are set in advance each year and each director is notified of the schedules so that directors can manage their time to attend the meetings.

Primarily, the Board of Directors meets every three months and the Executive Committee meets every month except the month in which the Board of Directors holds its meeting, so that the Board of Directors can monitor management performance continuously and promptly.

The Chairman of the Executive Committee and Chief Operating Officer ensure that agendas for meetings of the Board of Directors include all-important issues. Each director is free to propose issues to the meetings.

The Company sends the Notice of Meeting and relevant documents to each director seven days in advance of the meeting date. Additional documents may be distributed during the meeting.

The Company allocates an appropriate meeting time for the management to make a complete presentation and for comprehensive discussion by the directors. The Board of Directors encourages the Chief Operating Officer to invite the Management to attend the Board of Directors' meetings to present issues in which they are directly responsible. This gives the Board of Directors the chance to get to know senior managers better so that they are better prepared for succession planning.

The Company provides up-to-date contact information for each director, including telephone number and email address, so that all directors have access to necessary information via the Chief Operating Officer or the Company Secretary, and non-executive directors are able to conveniently contact each other directly.

## 5.5 Board Self-assessment

The Audit Committee has conducted a self assessment. The Board of Directors has not conducted a self-assessment.

## 5.6 Remuneration

The Annual General Meeting of Shareholders approves remuneration for the Board of Directors on a lump-sum basis and empowers the Board of Directors to consider the allocation of such remuneration to each director as it deems fit. The Company disclosed the remuneration of each individual director in its annual report under Remuneration for Directors and Executives.

The Chief Operating Officer approves the remuneration of the management, and the Executive Committee approves remuneration of the Chief Operating Officer. The remuneration is in accordance with the annual budget approved by the Board of Directors. Remuneration is in the form of salary and bonus and corresponds to the Company's performance and the performance appraisals of the Chief Operating Officer and each senior manager.

## 5.7 The Board of Directors and Management Training

The Company encourages training for directors, management and staff. Training may be in-house or arranged at other institutions.

In 2015, the Company arranged seminar – POST Mini MBA 2015 for management and staff. A director and management also participated in Advanced Audit Committee Programme which was organised by Thai Institute of directors association.

The Management and the Company Secretary provides to new directors all necessary documents and useful introductory information concerning the Company.

The Company does not have a succession plan. However, the Chief Operating Officer encourages executive development and prepares training and development programmes for management and staff on a regular basis.

## INTERNAL CONTROL AND INTERNAL AUDIT

The Post Publishing PLC always places importance on the transparent and efficient operations of its own and subsidiaries. Thus, the Company has established appropriate controls to manage potential risks in its operations. As laid down in the Company's Audit Committee Charter, the Audit Committee discharges its duties and responsibilities within its authority delegated from the Board of Directors. The Audit Committee Charter is in accordance with the Audit Committee Best Practices and Good Corporate Governance Guidelines set out by The Stock Exchange of Thailand and related laws and regulations.

The Audit Committee determines the adequacy and appropriateness of the Company's internal control systems in close consultation with the Office of Internal Audit and independent external auditor, so as to ensure that the Company's financial reporting is reliable and that the business operations are efficient and in accordance with relevant laws, regulations and related policies. The Executives are invited to attend Audit Committee meeting to provide information as well as discuss the recommendations. When the Audit Committee finds material deficiencies and makes recommendations, it reports to the Board of Directors to ensure prompt corrective actions.

The Office of Internal Audit directly reports to the Audit Committee. It is responsible for the internal auditing various processes of the Company and the subsidiaries for the purpose of evaluating the appropriateness of the internal controls of units and activities, including finance, operations, risk management, and governance. The observations and recommendations are reported to the Audit Committee and the Executives. The internal audit services are in conformity with the Internal Audit Charter and the Internal Audit Professional Practices Framework, which includes the Code of Ethics and International Standards for the Professional Practices of Internal Auditing.

To promote the effectiveness of the internal control, the Office of Internal Audit supports employees in all levels, from staff to management to gain knowledge, better understanding, and good attitude toward the internal control and internal audit. All personnel in operations need to realize their important roles in efficient operations with ethics and proper controls. The concern will lead to better internal control awareness and ethical working environment.

In the part of performing the internal audit function, the Office of Internal Audit plans the assignments according to risk-based prioritisation and also taking into account the management's concerns. In performing its duties, Internal Audit applies a systematic and disciplined approach to reviewing, evaluating, and improving the effectiveness of the governance, risk management, and internal control. Audit reports are presented to the management and parties concerned. The Office of Internal Audit monitors and follows up the corrective actions from its recommendations and regularly reports to the Audit Committee and the executive management for acknowledgement and further guidance.

In the year 2016, the Office of Internal Audit performed auditing, provided recommendations, and reported to the executive management. The assignments were such as information gathering and cost analysis related to the upcountry newspaper distribution, and the review of sales processes, which led to improvement of involved functions e.g. revenue recognition, collection, and commission calculation. The recommendations were well received by and proposed to the Audit Committee and the executive management for consideration.

The continuous improvement of internal auditors' knowledge and proficiency is important to maintain the quality of the internal audit services. The Company gives full support to the adequate development of professional and business knowledge of the internal auditors by encouraging them to attend both in-house and appropriate public training courses and seminars of professional internal auditor.

## MAJOR SHAREHOLDERS

The top ten major shareholders of The Post Publishing Public Company Limited as of 16 February 2017 are as follows:

Name	Number of Shares	Percentage
1. Mr. Suthikiati Chirathivat	121,096,150	24.22
2. Com-Link Company Limited	56,000,000	11.20
3. Bangkok Bank Public Company Limited	43,463,480	8.69
4. Mr. Ek-Rit Boonpiti	38,194,380	7.64
5. Mr. Worachai Bhicharnchitr	36,350,960	7.27
6. Mr. Thirayuth Chirathivat	21,245,255	4.25
7. Mrs. Suchittra Mongkolkiti	19,767,000	3.95
8. Vacharapol Company Limited	13,911,790	2.78
9. Mrs. Nijaporn Charanajit	11,866,420	2.37
10. Mrs. Arunee Chan	8,672,590	1.73

Source: Thailand Securities Depository Company Limited

## PAYMENT OF DIVIDEND POLICY

The Post Publishing Public Company Limited is to maintain approximately 60% of its net profits for the payment of dividends each year. The fluctuation of payment will depend on capital spending commitment and liquidity of the company's cash flows.

## INSIDE INFORMATION USAGE CONTROL

The Company presented reports of shareholdings submitted to them by directors, management, and independent auditors of the Company to each Meeting of the Board of Directors for acknowledgement.

## RISK FACTORS

RISK FACTORS THAT ARE SIGNIFICANT FOR THE COMPANY ARE NAMELY:

### 1. RISKS FROM THE ADVERTISING INDUSTRY

The Company's main source of revenue is advertising but its cost structure is largely fixed. The Company's performance therefore depends on the advertising business. If the economy has a tendency to grow, more budget will be spent on advertising through various channels. On the other hand, if the economy slows down, advertising will decrease as well. To cushion the effects of such uncertainty, the Company has laid out strategies and policies to create more advertising spaces in other media, besides print media, while maintaining its competitiveness and strictly managing expenses accordingly.

### 2. RISKS FROM CHANGES IN TECHNOLOGY AND CONSUMER BEHAVIOR

Technological development in broadcasting and wireless and digital technology enables dissemination of information through more media channels.

Consumers have many more choices for receiving information and news. They do not have to pay for information anymore. This affects the Company's print media sales and prompts it to continuously develop more media outlets for information dissemination apart from print, its core business, so that both consumers and advertisers have more options.

To maintain its market share, the Company has published new magazines which better meet the needs of target groups, and created new advertising methods for value-added products and services. Its customers, therefore, receive value for their money.

### 3. RAW MATERIALS SHORTAGE AND PRICE FLUCTUATION

The Company's business is essentially publishing, for which newsprint is the most essential raw material. Newsprint prices vary depending on supply and demand in the world market. The Company follows a careful purchasing plan and maintains a reasonable stock to reduce risk of raw material shortage.

The Company also has a strict policy of controlling paper and production usage and cost in order to minimise waste. Cost control policies also include optimising distribution management to minimise returns of publications.

### 4. INTEREST RATE RISK

Interest rate risk derived from fluctuations in the money market will affect the Company's operating results and cash flow. The Company's exposure to interest rate risk relates primarily to deposits with financial institutes, loans to subsidiary and associate companies, short-term loans from banks and long-term borrowings. However the interest rate risk is minimal since interest rates on deposits and loans fluctuate following the current market rates or are fixed at or similar to the current market rates.

### 5. CREDIT RISK

The Company is exposed to credit risk primarily with respect to trade accounts receivable and loans to subsidiary and associate companies. The Company manages the risk by adopting appropriate credit control and credit terms; 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 has a diversified customer base, with a lot of trade accounts spread across many fields of businesses.

### 6. RISKS FROM NOT RECEIVING RETURNS FROM INVESTMENT

The Company has invested in subsidiary and associate companies. Therefore, there is some risk that investment returns may not be received from any such investment as per the set target. In order to reduce such risk, the Company closely follows up the performances of its subsidiary and associate companies. It also analyses and compares the results of its investments with the set target and reports its findings to Management and the Board as scheduled. In so doing, any necessary improvements or amendments can be made in good time.

### 7. RISKS FROM NATURAL CATASTROPHES AND POLITICAL UNREST

Thailand has experienced its heaviest flooding and political unrest for several consecutive years. These events adversely affected advertising revenues of all our media, including print, radio, television and online. If these events occur again in the future, it is unavoidable that businesses will cut back their advertising spending drastically, resulting in a sharp drop in our advertising revenues.

### 8. RISKS FROM DEVELOPING AND KEEPING EXPERIENCED AND CAPABLE PERSONNEL

Human resources are a main factor in producing quality content. The company has invested in developing its personnel to have more knowledge and higher skills. However, due to economic expansion and growing media, it is increasingly challenging to retain experienced and capable personnel.

## OBLIGATIONS IN ISSUING NEW SHARES

None.

## OUTSTANDING DEBENTURE OR BILL OF EXCHANGE

None.

# RELATED PARTY TRANSACTION

DURING THE YEARS, THE COMPANY AND ITS SUBSIDIARIES HAD SIGNIFICANT BUSINESS TRANSACTIONS WITH RELATED PARTIES. SUCH TRANSACTIONS AROSE IN THE ORDINARY COURSE OF BUSINESS AND WERE CONCLUDED ON COMMERCIAL TERMS AND BASES AGREED UPON BETWEEN THE COMPANY AND THOSE RELATED PARTIES. THE TRANSFER PRICING POLICY IS BASED ON MARKET PRICE OR BY COMPARISON WITH OTHER BUSINESSES CONDUCTING SIMILAR TRANSACTIONS. DETAILS ARE AS SHOWN BELOW:

## 1. Post International Media Co., Ltd.

**Nature of Business:** Publishing and distribution of magazines “Elle”, “Elle Men”, “Elle Decoration”, “Science Illustrated”, “Cycling Plus”, “Forbes” and “Marie Claire”

**Relationship:** The Company holds 100 per cent of Post International Media’s shares.

**Transaction:** Sale of magazines to the Company worth Baht 24.4 million. Interest paid Baht 3.4 million for loan from the Company worth Baht 44.0 million. Rental of office space from the Company plus other related charge worth Baht 7.6 million.

**Transfer Pricing Policy:** Fixed rate for interest on loan and market price for the others

## 2. Post-IM Plus Co., Ltd.

**Nature of Business:** Publishing and distribution of magazine

**Relationship:** The Company directly holds 49 per cent of Post- IM Plus’s shares and Post International Media holds the other 51 per cent.

**Transaction:** None

**Transfer Pricing Policy:** None

## 3. Post News Co., Ltd.

**Nature of Business:** Production of television programming

**Relationship:** The Company holds 51 per cent of Post News’s shares.

**Transaction:** Interest paid Baht 0.4 million for loan from the Company worth Baht 6.1 million.

**Transfer Pricing Policy:** Fixed rate for interest on loan

## 4. Post-ACP Co., Ltd.

**Nature of Business:** Publishing and distribution of CLEO magazine

**Relationship:** Post International Media holds 70 per cent of Post-ACP’s shares.

**Transaction:** Sale of magazine to the Company worth Baht 7.0 million. Management fee, rental of office space from the Company plus other related charge worth Baht 7.4 million.

**Transfer Pricing Policy:** Market price

## 5. Flash News Co., Ltd.

**Nature of Business:** Production of radio programming.

**Relationship:** The Company holds 40 per cent of Flash News’s shares.

**Transaction:** None

**Transfer Pricing Policy:** None

## 6. Post TV Co., Ltd.

**Nature of Business:** Production of television content and programmes, and rental of studio space

**Relationship:** Post Holding Co., Ltd. holds 100 per cent of Post TV’s shares.

**Transaction:** Sale of television air-time to the Company worth Baht 13.1 million. Purchase of advertising space from the Company worth Baht 0.9 million. Rental of office space from the Company plus other related charge worth Baht 4.4 million. Interest paid Baht 17.9 million for loan from the Company worth Baht 344.9 million. Selling of office equipment to the Company worth Baht 15.1 million.

**Transfer Pricing Policy:** Fixed rate for interest on loan and market price for the others.

## 7. Post Holding Co., Ltd.

**Nature of Business:** Investment

**Relationship:** Post New Media Co., Ltd. holds 100 per cent of Post Holding’s shares.

**Transaction:** None

**Transfer Pricing Policy:** None

## 8. Post New Media Co., Ltd.

**Nature of Business:** Investment

**Relationship:** The Company holds 100 per cent of Post New Media’s shares.

**Transaction:** None

**Transfer Pricing Policy:** None

## 9. Mushroom Television Co., Ltd.

**Nature of Business:** Production of television content and programmes

**Relationship:** The Company holds 51 per cent of Mushroom Television’s shares.

**Transaction:** None

**Transfer Pricing Policy:** Market price

# STATEMENT OF THE AUDIT COMMITTEE

## To: The Shareholders of The Post Publishing Public Company Limited

The Audit Committee of The Post Publishing Public Company Limited comprises three committee members who are independent directors, namely Dr. Siri Ganjarerndee, the Chairman of the Audit Committee, Mr. John Thompson, and Mr. Natdanai Indrasukhsri.

The Audit Committee performed its duties as empowered by the Board of Directors in accordance with the requirements of The Stock Exchange of Thailand, the Principles of Good Corporate Governance and relevant laws and regulations. These include the review of the annual and interim financial statements, internal control procedures, and possible conflicts of interest. It also recommends the appointment and fees of the external auditors. In 2016, the Committee held four official Audit Committee meetings with 100% attendance of all members.

The Audit Committee reviewed information contained in the quarterly and annual financial statements of the Company for the year 2016, together with the consolidated financial statements of The Post Publishing Public Company Limited and its subsidiaries, which were prepared according to the Thai Financial Reporting Standards (TFRS) and the other regulatory requirements. The preparation of these statements complies in all material respects with the relevant laws and financial reporting standards. The Committee recommended that the Board of Directors proposes the Consolidated and Separate Financial Statements for the year ended 31<sup>st</sup> December 2016 to the shareholders.

The year 2016 was a difficult period for the media industry, especially the publishing business. Many publishers have downsized or even discontinued their businesses due to relatively harsh economic conditions. To cope with the situation, the Company has rationalized costs by cancelling certain operations, e.g. upcountry distribution of M2F, TV projects, and commercial printing. In response to these changes, the Audit Committee has discussed the relevant risks and its management, and communicated with the management in respect to the actions undertaken. The recommendations regarding risks and strategies to deal with them have been elaborated in the Board of Director meetings on a number of occasions. The Audit Committee will continuously and closely monitor the operational risks and effectiveness of the business strategies launched by the management.

It is to be noted that the management is in the process of formulating the policy for connected transactions to be in line with the governance

issued by the SEC and SET. With such developments, the upcoming connected transactions would be dealt with in a systematic manner.

The Audit Committee, in collaboration with the internal and external auditors, reviewed the efficiency and adequacy of the Company's internal controls on a regular basis. The Audit Committee discussed the recommendations raised by Internal Audit. Consequently the follow-ups on the recommendations were made to ensure their implementation for the effectiveness of the internal controls. In the Audit Committee's opinion, overall controls were generally adequate for the current business environment. During the past year, the internal controls in some areas such as sales and procurement have been significantly strengthened. There have been no noncompliance that could have any material effect on the financial statements.

Despite changes in the organization structure in 2016, the Office of Internal Audit was not affected with a direct reporting line to the Audit Committee. The Audit Committee supervised closely Internal Audit activities by approving the Internal Audit Plan, and giving recommendations on Internal Audit activities, when and where appropriate. The Audit Committee meetings were held with representatives from the Office of Internal Audit, while the executive management presented as per the invitation in order to explain and provide information to the Audit Committee when necessary. In addition, a meeting was also held privately with the external auditors without the presence of the executive management.

Based on the past satisfactory performances, professional knowledge and experience in business of the Company and subsidiaries, of the external auditors, the Audit Committee recommended the same set of auditors to the Board for approval in the coming year. The Board of Directors agreed to seek approval at the Shareholders' Meeting for the appointment of Mrs. Saifon Inkaew, Certified Public Accountant Registration No. 4434, and/or Miss Thipawan Nananuwat, Certified Public Accountant Registration No. 3459, and/or Mrs. Sumalee Reewarabandith Certified Public Accountant Registration No. 3970; all of EY Office Limited, as the Company's auditors for the year 2017. The proposed professional fee for the fiscal year 2017 for annual audit and quarterly review of The Post Publishing Public Company Limited and consolidated financial statements is at 1.2 million baht and that of the subsidiaries and joint venture excluding Mushroom Television totally at 1.31 million baht.



Dr. Siri Ganjarerndee  
Chairman of the Audit Committee  
16 February 2017

# STATEMENT OF RESPONSIBILITIES OF THE BOARD OF DIRECTORS ON FINANCIAL STATEMENTS

The Board of Directors is responsible for the preparation of the financial statements of the Company, and the consolidated financial statements of the Company and its subsidiaries, and for having them audited by the independent auditor prior to submission to the Annual General Meeting of Shareholders.

The Board of Directors supports the practice of good corporate governance within the Company to increase efficiency, transparency and credibility. The Audit Committee was established as a sub-committee of the Board of Directors. Their primary responsibilities are to review the financial reporting, internal control and internal audit functions. The Audit Committee's report on these matters is published in the Company's annual report.

It is the opinion of the Board of Directors that the Company's internal controls are adequate for its business and operation and that the financial statements for the year ended 31 December 2016 are fairly presented with adequate disclosure in accordance with generally accepted accounting principles.

## MANAGEMENT DISCUSSION, ANALYSIS, AND OPERATING RESULTS

### Overall Picture

The table below shows advertising expenditure in all media from 2012 to 2016

Media	2012 (million baht)	2013 (million baht)	2014 (million baht)	2015 (million baht)	2016 (million baht)
TV	68,105	69,249	63,775	57,526	47,121
Cable TV	–	–	6,546	6,055	3,495
Digital TV	–	–	12,726	20,930	20,933
Newspaper	18,604	19,243	16,276	15,042	11,743
Cinema	7,906	5,369	4,352	5,134	5,445
Radio	6,358	6,321	5,610	5,675	5,262
Magazines	5,626	5,706	4,857	4,231	2,928
Outdoor	4,544	4,167	3,989	4,265	5,665
Transit	2,960	3,529	3,813	4,478	5,311
In-Store	2,732	2,656	1,970	639	700
Internet	573	877	950	1,058	1,731
<b>Total</b>	<b>117,406</b>	<b>117,118</b>	<b>124,860</b>	<b>125,033</b>	<b>110,331</b>

(Source: Nielsen Thailand)

In 2016, the country was still experiencing an economic slowdown, especially in the first and second quarter. Consumers slowed the growth in their spending as they lacked confidence in economic recovery, therefore it made a big impact. Together with the passing away of Phra Bat Somdet Phra Paramintra Maha Bhumibol Adulyadej Mahitalathibet Ramathibodi Chakkrinaruebodin Sayaminthrahirat Borommanatthabopit in October 2016, for which the government declared the mourning period and asked for cooperation from the private and public sectors to refrain from organising entertainment events. As a result, there was a slowdown in spending in various areas, affecting the overall image of the Company in year 2016.

## Sales

Consolidated sales and service income decreased 16.99 per cent from 2,172.63 million baht in 2015 to 1,803.56 million baht in 2016

Revenue for newspaper sales increased 6.49 per cent as consumers followed the news about the passing away of Phra Bat Somdet Phra Paramintra Maha Bhumibol Adulyadej Mahitalathibet Ramathibodi Chakkrinaruebodin Sayamminthrathirat Borommanatthabophit. Revenue for advertising in newspapers was down 20.64 per cent and sales of magazines decreased 22.02 per cent. However, revenue from television business increased 25.61 per cent as in September 2015, the Company has invested in Mushroom Television Company Limited which produces content and television programs.

## Costs and expenses

Consolidated costs of sales and services decreased 13.52 per cent from 1,730.30 million baht in 2015 to 1,496.24 million baht in 2016. Expenditure for sales decreased 31.67 per cent from 353.33 million baht to 241.40 million baht.

Administrative expenditures decreased 20.56 per cent from 338.06 million baht in 2015 to 268.55 million baht in 2016. Loss from impairment of equipment and intangible assets was 44.23 million baht. In 2016, financial expenses increased 33.78 per cent from 42.83 million baht to 57.30 million baht as the Company increased long-term loan from investing in subsidiaries, a decrease in cost of sales and service including selling and administrative expenses. The company restructured to optimise performance and raw material cost control which has helped lower production costs. While other expenses were controlled to spend appropriately.

## Operating Results

Consolidated loss attributable to equity holders of the Company for the year 2016 was (215.33) million baht or (0.43) baht per share compared to consolidated loss attributable to equity holders of the Company for the year 2015 of (253.35) million baht or (0.51) baht per share.

Total comprehensive income for the year 2016, consolidated net loss was (212.79) million baht compared to consolidated net loss for the year 2015 of 332.97 million baht. As in 2015, there was the Group's land valuation to reflect the present value of land. Capital surplus from land prices amounted to 721.73 million reduced by 144.34 million baht of related income taxes resulted in a profit of 577.38 million baht on the statements of comprehensive income in 2015.

## Profitability

Earnings (loss) before interest, tax, depreciation, amortisation, provision and share of profit from investment, (EBITDA) increased 348.6 per cent or 85.40 million baht, from (24.5) million baht in 2015 to 60.9 million baht in 2016.

The percentage of consolidated loss attributable to equity holders of the Company to consolidated sales and service income in 2016 was (11.95) per cent, compared to (11.66) per cent (restated) of the same period in the previous year.

The return on assets in 2016 was (8.43) per cent, compared (7.85) per cent (restated) of the same period in the previous year. The return on equity was (27.87) per cent in 2016, compared to (24.20) per cent in 2015 (restated).

## Trade Receivables and Inventories

Total trade receivables before allowances for doubtful accounts and sales returns decreased 39.67 per cent, from 776.32 million baht in 2015 (35.73 per cent of sales) to 468.31 million baht in 2016 (25.96 per cent of sales).

In 2016, trade receivables not yet due of 200.46 million baht or 46.44 per cent of the total trade receivables, compared to 239.38 million baht or 32.35 per cent of the total trade receivables in 2015.

In 2016, trade receivables passed due up to 3 months of 183.47 million baht or 42.50 per cent of the total trade receivables, compared to 379.90 million baht or 51.34 per cent of the total trade receivables in 2015. For trade receivables passed due from 3 to 6 months of 27.31 million baht or 6.32 per cent of the total trade receivables, compared to 76.48 million baht or 10.34 per cent of the total trade receivables in 2015.

In 2016, trade receivables passed due from 6 to 12 months of 27.93 million baht or 6.47 per cent of the total trade receivables, compared to 50.98 million baht or 6.89 per cent of the total trade receivables in 2015. For trade receivable passed due over 12 months of 29.15 million baht or 6.75, compared to 29.58 million baht or 4.00 per cent of the total trade receivables in 2015.

The majority of our top 50 clients were government agencies and advertising agencies. The company believed that current provision was sufficient and that the trade receivables net of current provision would be collectable in the future.

Inventories net of allowance to reduce cost to net realisable value decreased from 82.91 million baht at the end of 2015 to 54.32 million baht in 2016. The Company believed that raw materials were in good and usable condition and would utilise them in producing newspapers and books for sale in the future. The Company also believed that the allowance to reduce cost of inventories to net realisable value was adequate.

## Liquidity

Total borrowing from banks decreased 202.65 million baht from 1,366.15 million baht at the end of 2015 to 1,163.50 million baht at the end of 2016. Long-term loans decreased 26.70 million baht from 494.34 million baht at the end of 2015 to 467.63 million baht at the end of 2016, while bank overdrafts and short-term loans decreased 175.95 million baht from 871.82 million baht at the end of 2015 to 695.87 million baht at the end of 2016.

The decrease in selling and administrative expenses to sales has helped the Company to have the ability to repay loans to financial institutions from 1,366.15 million baht in 2015 to 1,163.50 million baht in 2016 or a decrease of 14.83 per cent

The debt to equity ratio was 2.30 times in 2016. However, if impairment losses on equipment and intangible assets of the subsidiaries are not included, the debt to equity ratio will be 2.14 compared to 2.08 in 2015 (revised).

The Company was allowed by the lender to maintain the financial ratio at a rate higher than that prescribed in the loan agreement in respect of the 2016 financial statements.

There was no dividend payment in 2015 and 2016.

# INDEPENDENT AUDITOR'S REPORT

To: The Shareholders of  
The Post Publishing Public Company Limited

## Opinion

I have audited the accompanying consolidated financial statements of The Post Publishing Public Company Limited and its subsidiaries (the Group), which comprise the consolidated statement of financial position as at 31 December 2016, 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 The Post Publishing 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 The Post Publishing Public Company Limited and its subsidiaries and of The Post Publishing Public Company Limited as at 31 December 2016, 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 under the Royal Patronage of His Majesty the King 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.

## Material Uncertainty Related to Going Concern

As described in Note 1.2 to the financial statements, the Group has operating loss and as at 31 December 2016 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 which has resulted in an improvement in its earnings from previous years. In addition, financial institutions agreed to waive compliance with certain covenants in loan agreements and as at 31 December 2016 the Group's total assets exceeded total liabilities and it had positive operating cash flows for the year 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 and discussion to obtain continuous financial support from financial creditors. 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 judgment, 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.

### 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 revenue. This will affect amount and timing of revenue recognition.

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

- 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.

## Business combination

As discussed in Note 12 to the financial statements, in September 2015 the Company invested in Mushroom Television Co., Ltd, which is engaged in the television production and advertising media, amounted Baht 138 million. This transaction is a business combination so the Company has to recognise and measure the assets acquired and liabilities assumed at their fair value and recognise goodwill from the business combination by applying the acquisition method. The measurement of the assets acquired and liabilities assumed, including goodwill, has been completed in 2016. I have focused on this business acquisition since it is material to the financial statements as a whole, and management was required to exercise judgement when appraising the fair value of the assets acquired and liabilities assumed, including recognised goodwill.

I reviewed the terms and conditions of the agreement and inquired with the management as to the nature and objectives of the acquisition in order to determine whether the acquisition meets the definition of a business combination under Thai Financial Reporting Standard 3 (Revised: 2015) Business combinations. In addition, I checked the value of the acquisition to supporting documents and related payments to assess whether it reflected the fair value of the consideration transferred and did not include acquisition-related costs. I also assessed the fair value of assets acquired and liabilities assumed specified in the documentation of measurement under the acquisition method as prepared by the management, by considering the methods and significant assumptions used by the management in calculating the fair value of assets and liabilities, reviewing the components of the financial model, comparing significant assumptions with the Company's historical information and industry and related economic information such as interest rate and inflation rate, comparing discount rate with the Company's financial costs and industry. I also tested the calculation of the fair value, assessed the rationale of goodwill recognised from the business combination, and reviewed the disclosures related to the business combination in the notes to financial statements.

## Goodwill

As at 31 December 2016, the Company recorded goodwill from business combination amounted Baht 157 million as discussed in Note 17 to the financial statements. The assessment of impairment of goodwill is a significant accounting estimate requiring the 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, and setting an appropriate discount rate and long-term growth rate. This will affect the appropriate values of goodwill.

I assessed the identification of cash generating units and the financial models selected by the management by gaining an understanding of the management's decision-making process and assessing whether the decisions made were consistent with how assets are utilised. In addition, I tested the significant assumptions in preparing estimates of the cash flows expected to be realised from the assets, through comparison those assumptions with information from both internal and external sources and comparing past cash flow projections to actual operating results in order to evaluate the exercise of the management

judgment in estimating the cash flow projections. I also evaluated the discount rate applied by the management through analysis of the weighted average costs of the Company and of the industry, tested the calculation of the realisable values of the assets using the selected financial model and considered the impact of changes in key assumptions on those realisable values, especially changes in the discount rate and long-term revenue growth rates. Moreover, I reviewed 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

The Company and its subsidiaries recorded deferred tax assets from temporary differences and taxable losses as at 31 December 2016 amounted Baht 89 million (The Company only: Baht 72 million) as discussed in Note 28 to the financial statements. A deferred tax asset is recognised when it is highly probable that the Company's and its subsidiaries taxable profit will be sufficient to allow utilisation of the deferred tax in the future. Determining whether there will be sufficient future taxable profit to utilise temporary differences or taxable losses requires the management judgement with respect to preparation of business plans and projections of future taxable profit based on approved business plans. This will affect the amount of deferred tax assets.

I made enquiry of responsible executives, gained an understanding of and tested the key related controls over the preparation and approval of the estimates of future taxable profit for the purposes of deferred tax asset recognition. I assessed the estimates of future taxable profit by checking the required information and key economic assumptions used in the projections against information from both internal and external sources, with consideration of information and assumptions that directly affect revenue growth and gross profit margin. Furthermore, I performed comparative analysis based on industry information from external sources, and compared the past projections with actual taxable profits to assess the exercise of management judgment in estimating taxable profits. I also tested the calculation of future taxable profit based on the above information and assumptions, and considered the effects of changes to key assumptions on the projected future taxable profit, especially in respect of long-term revenue growth. In addition, I reviewed the disclosure of information regarding temporary differences and unused tax losses for which deferred tax assets were not recognised by the Company.

## Other Information

Management is responsible for the other information. The other information comprises 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.

## 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.
- 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.

The engagement partner on the audit resulting in this independent auditor's report is Mrs. Saifon Inkaew.

### Saifon Inkaew

Certified Public Accountant (Thailand) No. 4434  
EY Office Limited  
Bangkok: 16 February 2017

# The Post Publishing Public Company Limited and its subsidiaries

## STATEMENT OF FINANCIAL POSITION

As at 31 December 2016

(Unit: Baht)

	Note	Consolidated financial statements		Separate financial statements	
		31 December 2016	31 December 2015 (restated)	31 December 2016	31 December 2015
<b>Assets</b>					
<b>Current assets</b>					
Cash and cash equivalents	7	69,571,330	79,302,753	47,045,579	14,860,033
Trade and other receivables	8, 9	475,737,813	756,564,205	304,248,347	561,913,689
Inventories	10	54,320,328	82,913,483	51,986,505	77,125,435
Short-term loans to related parties	8	–	–	82,751,310	179,257,000
Corporate income tax deducted at source		75,679,362	66,467,368	50,471,658	53,424,173
Other current assets		47,300,782	69,723,903	18,540,690	32,219,401
<b>Total current assets</b>		<b>722,609,615</b>	<b>1,054,971,712</b>	<b>555,044,089</b>	<b>918,799,731</b>
<b>Non-current assets</b>					
Restricted bank deposits	11	10,375,019	10,233,312	–	–
Investments in subsidiaries	12	–	–	279,582,450	279,582,450
Investment in joint ventures	13	23,057,796	32,919,178	–	–
Investment in associate	14	–	–	–	–
Other long-term investment	15	–	–	–	–
Property, plant and equipment	16	1,424,140,687	1,589,666,798	1,408,062,258	1,504,895,055
Goodwill	17	156,880,812	156,880,812	–	–
Other intangible assets	18	144,562,994	195,614,249	82,963,082	98,781,320
Deferred tax assets	28	89,037,760	64,992,879	71,529,449	53,320,607
Other non-current assets		6,208,833	7,680,184	1,271,321	1,097,701
<b>Total non-current assets</b>		<b>1,854,263,901</b>	<b>2,057,987,412</b>	<b>1,843,408,560</b>	<b>1,937,677,133</b>
<b>Total assets</b>		<b>2,576,873,516</b>	<b>3,112,959,124</b>	<b>2,398,452,649</b>	<b>2,856,476,864</b>

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

# The Post Publishing Public Company Limited and its subsidiaries

## STATEMENT OF FINANCIAL POSITION (CONTINUED)

As at 31 December 2016

(Unit: Baht)

	Note	Consolidated financial statements		Separate financial statements	
		31 December 2016	31 December 2015 (restated)	31 December 2016	31 December 2015
<b>Liabilities and shareholders' equity</b>					
<b>Current liabilities</b>					
Bank overdrafts and short-term loans from					
Financial institutions	19	695,869,095	871,817,382	695,869,095	867,000,000
Trade and other payables	8, 20	265,479,328	311,446,924	198,023,535	262,314,545
Short-term loans from non-controlling interests					
of the subsidiary	21	5,880,000	5,880,000	-	-
Current portion of long-term loans	22	192,332,400	191,666,000	192,332,400	191,666,000
Current portion of liabilities under					
hire purchase agreements		-	74,886	-	-
Current portion of liabilities under					
finance lease agreements	23	-	3,424,864	-	3,424,864
Income tax payable		-	2,019,981	-	-
Unearned subscription fee		59,985,887	72,237,390	50,752,241	58,814,213
Other current liabilities		65,714,609	93,944,732	47,151,047	67,464,231
<b>Total current liabilities</b>		<b>1,285,261,319</b>	<b>1,552,512,159</b>	<b>1,184,128,318</b>	<b>1,450,683,853</b>
<b>Non-current liabilities</b>					
Long-term loans, net of current portion	22	275,301,100	302,667,500	275,301,100	302,667,500
Deferred tax liabilities	28	154,750,644	157,845,849	144,344,859	144,344,859
Provision for long-term employee benefits	24	81,660,299	90,096,082	77,557,802	82,841,797
<b>Total non-current liabilities</b>		<b>511,712,043</b>	<b>550,609,431</b>	<b>497,203,761</b>	<b>529,854,156</b>
<b>Total liabilities</b>		<b>1,796,973,362</b>	<b>2,103,121,590</b>	<b>1,681,332,079</b>	<b>1,980,538,009</b>
<b>Shareholders' equity</b>					
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	25	50,500,000	50,500,000	50,500,000	50,500,000
Unappropriated		(407,245,669)	(196,522,900)	(410,758,864)	(251,940,579)
Other components of shareholders' equity		577,379,434	577,379,434	577,379,434	577,379,434
Equity attributable to owners of the Company		720,633,765	931,356,534	717,120,570	875,938,855
Non-controlling interests of the subsidiaries		59,266,389	78,481,000	-	-
<b>Total shareholders' equity</b>		<b>779,900,154</b>	<b>1,009,837,534</b>	<b>717,120,570</b>	<b>875,938,855</b>
<b>Total liabilities and shareholders' equity</b>		<b>2,576,873,516</b>	<b>3,112,959,124</b>	<b>2,398,452,649</b>	<b>2,856,476,864</b>

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

# The Post Publishing Public Company Limited and its subsidiaries

## STATEMENT OF COMPREHENSIVE INCOME

For the year ended 31 December 2016

				(Unit: Baht)	
		Consolidated financial statements		Separate financial statements	
Note	2016	2015 (restated)	2016	2015	
<b>Profit or loss:</b>					
<b>Revenues</b>					
Sales and service income	26	1,803,560,232	2,172,630,902	1,327,235,108	1,698,199,758
Cost of sales and services		(1,496,236,350)	(1,730,303,865)	(1,086,261,027)	(1,326,373,099)
<b>Gross profit</b>		307,323,882	442,327,037	240,974,081	371,826,659
Selling expenses		(241,402,089)	(353,328,988)	(170,248,537)	(261,121,876)
Administrative expenses		(268,556,490)	(338,063,083)	(223,033,714)	(245,973,073)
Loss on impairment of equipment and intangible assets		(44,226,448)	-	-	-
Doubtful debts on loans to subsidiaries		-	-	(56,395,420)	(155,993,000)
<b>Loss from sales and rendering of services</b>		(246,861,145)	(249,065,034)	(208,703,590)	(291,261,290)
Dividend from subsidiary	12	-	-	17,850,000	-
Share of profit from investments in joint ventures	13	11,009,898	11,296,849	-	-
Other income		50,578,889	27,665,148	66,643,967	59,107,826
<b>Loss before finance cost and income tax expenses</b>		(185,272,358)	(210,103,037)	(124,209,623)	(232,153,464)
Finance cost		(57,301,304)	(42,832,107)	(56,829,252)	(42,397,962)
<b>Loss before income tax expenses</b>		(242,573,662)	(252,935,144)	(181,038,875)	(274,551,426)
Income tax revenues (expenses)	28	25,175,813	8,525,621	19,011,192	20,908,199
<b>Loss for the year</b>		(217,397,849)	(244,409,523)	(162,027,683)	(253,643,227)
<b>Other comprehensive income:</b>					
<i>Other comprehensive income not to be reclassified to profit or loss in subsequent periods</i>					
Actuarial gain	24	5,763,086	-	4,011,748	-
Surplus on revaluation of assets	16	-	721,724,293	-	721,724,293
Less: Related income tax effect	28	(1,152,617)	(144,344,859)	(802,350)	(144,344,859)
<b>Other comprehensive income for the year</b>		4,610,469	577,379,434	3,209,398	577,379,434
<b>Total comprehensive income for the year</b>		(212,787,380)	332,969,911	(158,818,285)	323,736,207
<b>Profit attributable to:</b>					
Equity holders of the Company		(215,333,238)	(253,347,991)	(162,027,683)	(253,643,227)
Non-controlling interests of the subsidiaries		(2,064,611)	8,938,468		
		(217,397,849)	(244,409,523)		
<b>Total comprehensive income attributable to:</b>					
Equity holders of the Company		(210,722,769)	324,031,443	(158,818,285)	323,736,207
Non-controlling interests of the subsidiaries		(2,064,611)	8,938,468		
		(212,787,380)	332,969,911		
<b>Earnings per share</b>					
Basic earnings per share	29				
Loss attributable to equity holders of the Company		(0.43)	(0.51)	(0.32)	(0.51)

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

# The Post Publishing Public Company Limited and its subsidiaries

## CASH FLOW STATEMENT

For the year ended 31 December 2016

(Unit: Baht)

	Consolidated financial statements		Separate financial statements	
	2016	2015 (restated)	2016	2015
<b>Cash flows from operating activities</b>				
Loss before tax	(242,573,662)	(252,935,144)	(181,038,875)	(274,551,426)
Adjustments to reconcile loss before tax to net cash provided by (paid from) operating activities:				
Allowance for doubtful debts	15,135,687	11,444,462	26,427,258	5,911,884
Allowance for sales returns	3,684,877	3,927,253	3,684,877	3,927,253
Reduction of inventory to net realisable value	9,250,307	771,134	2,764,183	3,698,432
Allowance for diminution in value of loans to subsidiaries	–	–	56,395,420	155,993,000
Dividend received from subsidiary	–	–	(17,850,000)	–
Depreciation and amortisation	180,277,742	172,879,857	130,678,121	135,286,149
Gain on disposal of equipment	(1,659,330)	(740,074)	(1,661,368)	(740,074)
Loss on impairment of equipment and intangible assets	44,226,448	–	–	–
Share of profit from investments in joint ventures	(11,009,898)	(11,296,849)	–	–
Adjustment of contingent consideration	–	8,800,000	–	8,800,000
Provision for long-term employee benefits	4,625,008	7,928,706	6,025,459	6,612,549
Interest expenses	57,301,304	63,247,804	56,829,252	42,397,962
Profit from operating activities before changes in operating assets and liabilities	59,258,483	4,027,149	82,254,327	87,335,729
Operating assets (increase) decrease				
Trade and other receivables	262,005,828	(125,367,676)	227,553,207	(36,789,182)
Inventories	19,342,848	1,180,673	22,374,747	2,936,530
Other current assets	22,423,121	1,693,296	13,678,711	477,205
Other non-current assets	1,471,350	4,261,533	(173,620)	898,676
Operating liabilities increase (decrease)				
Trade and other payables	(44,951,541)	(91,371,944)	(63,751,897)	(80,311,690)
Other current liabilities	(40,481,626)	(7,723,446)	(28,375,156)	(13,197,533)
Other non-current liabilities	–	(8,411,673)	–	(8,411,673)
Cash flows from (used in) operating activities	279,068,463	(221,712,088)	253,560,319	(47,061,938)
Cash paid for interest expenses	(56,759,485)	(62,667,610)	(56,297,835)	(40,602,051)
Cash paid for corporate income tax	(43,371,332)	(30,000,839)	(26,069,954)	(25,046,272)
Cash received from refund of withholding tax deducted at source	29,022,469	–	29,022,469	–
Cash paid for long-term employee benefits	(7,297,706)	–	(7,297,706)	–
<b>Net cash flows from (used in) operating activities</b>	<b>200,662,409</b>	<b>(314,380,537)</b>	<b>192,917,293</b>	<b>(112,710,261)</b>

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

# The Post Publishing Public Company Limited and its subsidiaries

## CASH FLOW STATEMENT (CONTINUED)

For the year ended 31 December 2016

	Consolidated financial statements		Separate financial statements	
	2016	2015 (restated)	2016	2015
(Unit: Baht)				
<b>Cash flow from investing activities</b>				
Decrease (increase) in short-term loans to related party	-	-	40,110,270	(197,000,000)
Increase in restricted bank deposits	(141,707)	(188,762)	-	-
Dividend received from subsidiary	-	-	17,850,000	-
Net cash paid for investments in subsidiary	-	(147,195,936)	-	(121,000,000)
Cash paid for purchase of additional shares of subsidiary	-	-	-	(40,290,000)
Dividend received from joint venture	18,871,280	10,711,960	-	-
Cash receipt from investments in joint venture	2,000,000	-	-	-
Proceeds from sales of equipment	5,080,101	2,839,284	5,080,101	1,455,370
Cash paid for purchase of equipment	(7,349,819)	(50,428,697)	(17,070,698)	(28,528,947)
Cash paid for purchase of computer software	(5,455,645)	(12,622,243)	(5,356,048)	(5,636,422)
<b>Net cash flows from (used in) investing activities</b>	<b>13,004,210</b>	<b>(196,884,394)</b>	<b>40,613,625</b>	<b>(390,999,999)</b>
<b>Cash flows from financing activities</b>				
Bank overdrafts and short-term loans from financial institutions	(175,948,287)	423,817,382	(171,130,905)	419,000,000
Cash receipt from long-term loans	23,300,000	161,000,000	23,300,000	161,000,000
Repayment of long-term loans	(50,000,000)	(116,666,500)	(50,000,000)	(116,666,500)
Repayment of liabilities under hire purchase agreements	(85,288)	(53,435)	-	-
Repayment of liabilities under finance lease agreements	(3,514,467)	(5,288,613)	(3,514,467)	(5,288,613)
Share capital receipt from non-controlling interests of the subsidiary	-	38,710,000	-	-
Dividend paid	(17,150,000)	-	-	-
<b>Net cash flows from (used in) financing activities</b>	<b>(223,398,042)</b>	<b>501,518,834</b>	<b>(201,345,372)</b>	<b>458,044,887</b>
<b>Net increase (decrease) in cash and cash equivalents</b>	<b>(9,731,423)</b>	<b>(9,746,097)</b>	<b>32,185,546</b>	<b>(45,665,373)</b>
Cash and cash equivalents at beginning of year	79,302,753	89,048,850	14,860,033	60,525,406
<b>Cash and cash equivalents at end of year</b>	<b>69,571,330</b>	<b>79,302,753</b>	<b>47,045,579</b>	<b>14,860,033</b>
	-	-	-	-
<b>Supplemental cash flows information:</b>				
Non-cash item				
Purchase of equipment and computer software for which cash has not been paid	703,580	3,263,424	703,580	2,786,482

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

# The Post Publishing Public Company Limited and its subsidiaries

## STATEMENT OF CHANGES IN SHAREHOLDERS' EQUITY

For the year ended 31 December 2016

(Unit: Baht)

Consolidated financial statements								
Equity attributable to the owners of the Company								
	Ordinary shares – issued and fully paid	Retained earnings		Other components of 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	Other comprehensive income	Total other components of shareholders' equity			
<b>Balance as at 1 January 2015</b>	500,000,000	50,500,000	56,825,091	–	–	607,325,091	(3,072,024)	604,253,067
Loss for the year - restated	–	–	(253,347,991)	–	–	(253,347,991)	8,938,468	(244,409,523)
Other comprehensive income for the year	–	–	–	577,379,434	577,379,434	577,379,434	–	577,379,434
Total comprehensive income for the year	–	–	(253,347,991)	577,379,434	577,379,434	324,031,443	8,938,468	332,969,911
Increase in equity attributable to non-controlling interests from investments in subsidiary	–	–	–	–	–	–	72,614,556	72,614,556
<b>Balance as at 31 December 2015 – as restated</b>	500,000,000	50,500,000	(196,522,900)	577,379,434	577,379,434	931,356,534	78,481,000	1,009,837,534
<b>Balance as at 31 December 2015 – as previously reported</b>	500,000,000	50,500,000	(194,935,720)	577,379,434	577,379,434	932,943,714	52,019,057	984,962,771
Cumulative effect of adjustment (Note 4)	–	–	(1,587,180)	–	–	(1,587,180)	26,461,943	24,874,763
<b>Balance as at 31 December 2015 – as restated</b>	500,000,000	50,500,000	(196,522,900)	577,379,434	577,379,434	931,356,534	78,481,000	1,009,837,534
Loss for the year	–	–	(215,333,238)	–	–	(215,333,238)	(2,064,611)	(217,397,849)
Other comprehensive income for the year	–	–	4,610,469	–	–	4,610,469	–	4,610,469
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)
<b>Balance as at 31 December 2016</b>	500,000,000	50,500,000	(407,245,669)	577,379,434	577,379,434	720,633,765	59,266,389	779,900,154

(Unit: 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	Total other components of shareholders' equity	
<b>Balance as at 1 January 2015</b>	500,000,000	50,500,000	1,702,648	–	–	552,202,648
Loss for the year	–	–	(253,643,227)	–	–	(253,643,227)
Other comprehensive income for the year	–	–	–	577,379,434	577,379,434	577,379,434
Total comprehensive income for the year	–	–	(253,643,227)	577,379,434	577,379,434	323,736,207
<b>Balance as at 31 December 2015</b>	500,000,000	50,500,000	(251,940,579)	577,379,434	577,379,434	875,938,855
<b>Balance as at 1 January 2016</b>	500,000,000	50,500,000	(251,940,579)	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)
<b>Balance as at 31 December 2016</b>	500,000,000	50,500,000	(410,758,864)	577,379,434	577,379,434	717,120,570

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

# The Post Publishing Public Company Limited and its subsidiaries

## CONSOLIDATED NOTES TO FINANCIAL STATEMENTS

For the year ended 31 December 2016

### 1. General information

#### 1.1 Corporate information

The Post Publishing 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 production of television programmes. 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 2016 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 to remedy the situation, which has resulted in an improvement in its earnings compared to previous years. In addition, the Group has paid loan interest and principal on schedule. Therefore, during 2016 a financial institution granted an extension of loan repayment and in December 2016 the financial institution agreed to waive compliance with certain covenants in loan agreements. The Group is also in the process of discussing to receive the continuous financial support of its financial creditors and as at 31 December 2016 the Company’s total assets exceeded total liabilities and it had positive operating cash flows for the year with significant amount. 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, improve its future operations 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 realise 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 28 September 2011, issued under the Accounting Act B.E. 2543.

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

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

#### 2.2 Basis of consolidation

a) The consolidated financial statements include the financial statements of The Post Publishing Public Company Limited (“the Company”) and the following subsidiaries:

Company’s name	Nature of business	Percentage of shareholding		Country of incorporation
		2016 Per cent	2015 Per cent	
<b>Subsidiaries</b>				
Post TV Company Limited (owned by Post Holding Company Limited)	Production of television programmes	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 New Media Company Limited	Investment	100	100	Thailand
Post Holding Company Limited (owned by Post New Media Company Limited)	Investment	100	100	Thailand
Post News Company Limited	Production of television programmes	51	51	Thailand
Mushroom Television Company Limited	Production of television programmes	51	51	Thailand

- 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 subsidiaries have adopted the revised (revised 2015) and new financial reporting standards and accounting treatment guidance issued by the Federation of Accounting Professions which become effective for fiscal years beginning on or after 1 January 2016. 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.

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

During the current year, the Federation of Accounting Professions issued a number of the revised financial reporting standards and interpretations (revised 2016) and new accounting treatment guidance which is 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 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. 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.

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

### 4. Cumulative effects of adjustment for business combination transactions during the measurement period

During 2016, the Company has completed the assessment of the fair value of identifiable assets acquired and liabilities assumed at the acquisition date of Mushroom Television Company Limited. The assessment process has been completed within the period of twelve months from the acquisition date as allowed by Thai Financial Reporting Standard 3 (revised 2015), Business Combinations. The Company has restated the consolidated financial statements, as presented herein for comparative purposes, to reflect the provisional fair value.

The amounts of adjustments affecting the statements of financial position and the statements of comprehensive income are summarised below.

	(Unit: Million Baht)	
	As at 31 December 2015	
	Consolidated financial statements	Separate financial statements
<b>Statements of financial position:</b>		
Decrease in unallocated cost from business acquisition	(132)	–
Increase in goodwill	103	–
Increase in intangible assets	67	–
Increase in total non-current assets	38	–
Increase in deferred tax liabilities	13	–
Increase in total non-current liabilities	13	–
Decrease in retained earnings – unappropriated	(1)	–
Increase in non-controlling interests of the subsidiary	26	–
Increase in total shareholders' equity	25	–

	(Unit: Million Baht)	
	For the year ended 31 December 2015	
	Consolidated financial statements	Separate financial statements
<b>Statements of comprehensive income</b>		
<b>Profit or loss:</b>		
Increase in administrative expenses	(4)	–
Increase in Income tax revenues (expenses)	1	–
Increase in loss for the year	(3)	–
<b>Earnings per share (Baht)</b>		
Decrease in basic earnings per share	(0.01)	–

The adjustment does not have any impact on the statements of financial position as at 1 January 2015. Therefore, it is not necessary to disclose the amount of the correction at the beginning of the earliest prior period presented.

## 5. Significant accounting policies

### 5.1 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.

### 5.2 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.

### 5.3 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.

#### 5.4 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.

#### 5.5 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).

#### 5.6 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).

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.

#### 5.7 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.

#### 5.8 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.

No amortisation is provided for computer software under installation.

#### 5.9 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.

## 5.10 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.

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.

## 5.11 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.

## 5.12 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.

## 5.13 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.

Gains and losses on exchange are included in determining income.

## 5.14 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.

## 5.15 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.

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

### **5.16 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.

### **5.17 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.

## **6. 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 16.

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.

#### Litigation

The Company has contingent liabilities as a result of litigations. The Company's management has used judgment to assess of the results of the litigation and believes that no loss will result. Therefore no contingent liabilities are recorded as at the end of the reporting period.

### 7. Cash and cash equivalents

	(Unit: Thousand Baht)			
	Consolidated financial statements		Separate financial statements	
	<u>2016</u>	<u>2015</u> (restated)	<u>2016</u>	<u>2015</u>
Cash	1,484	48	48	48
Bank deposits	68,087	79,255	46,998	14,812
<b>Total</b>	<b>69,571</b>	<b>79,303</b>	<b>47,046</b>	<b>14,860</b>

As at 31 December 2016, bank deposits in savings accounts and fixed deposits carried interest at the rates between 0.3 and 1.05 per cent per annum (2015: between 0.1 and 1.75 per cent per annum).

### 8. 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)				Transfer Pricing Policy
	Consolidated financial statements		Separate financial statements		
	<u>2016</u>	<u>2015</u>	<u>2016</u>	<u>2015</u>	
<u>Transactions with subsidiaries</u>					
(eliminated from the consolidated financial statements)					
Purchase of goods	–	–	24	33	Market price
Purchase of equipment	–	–	15	–	Contract price
Rental income	–	–	12	22	Market price
Advertising income	–	–	7	1	Market price
Interest income	–	–	22	18	Rates between 5 to 7.125 per cent per annum
Service expenses of television production	–	–	13	19	Contract price

(Unit: Million Baht)

	Consolidated financial statements		Separate financial statements		Transfer Pricing Policy
	2016	2015	2016	2015	
<u>Transactions with joint venture</u>					
Purchase of goods	7	12	7	12	Market price
Management income	7	7	-	-	Contract price

The balances of the accounts as at 31 December 2016 and 2015 between the Company and those related companies are as follow:

	Consolidated financial statements		Separate financial statements	
	2016	2015	2016	2015
<b>Trade and other receivables – related parties (Note 9)</b>				
Subsidiaries	-	-	22,478	9,538
Joint venture	1,272	837	12	74
Less: Allowance for doubtful accounts	-	-	(14,443)	(533)
<b>Total trade and other receivables – related parties</b>	<b>1,272</b>	<b>837</b>	<b>8,047</b>	<b>9,079</b>

**Trade and other payables – related parties (Note 20)**

Subsidiaries	-	-	13,271	21,842
Joint venture	2,970	4,219	2,692	4,056
Subsidiary's directors	-	26,200	-	26,200
<b>Total trade and other payables – related parties</b>	<b>2,970</b>	<b>30,419</b>	<b>15,963</b>	<b>52,098</b>

Short-term loans to related parties

As at 31 December 2016 and 2015, the balance of short-term loans between the Company and those related parties and the movement are as follows:

Loans to	Related by	Separate financial statements		
		Balance as at 31 December 2015	Increase (decrease) during the year	Balance as at 31 December 2016
Post International Media Co., Ltd.	Subsidiary	92,000	(48,000)	44,000
Post News Co., Ltd.	Subsidiary	6,120	-	6,120
Post TV Co., Ltd.	Subsidiary	337,000	7,890	344,890
		435,120	(40,110)	395,010
Less: Allowance for doubtful accounts		(255,863)	(56,396)	(312,259)
Total		179,257	(96,506)	82,751

Post TV Company Limited received a loan of Baht 345 million from the Company. The loan is repayable on demand and carries interest at the rate of 5 per cent per annum.

Post International Media Company Limited received a loan of Baht 44 million from the Company. The loan is repayable on demand and carries interest at the rate of 5 per cent 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 2016 and 2015, the Company and its subsidiaries incurred employee benefit expenses payable to their directors and management as follows:

	Consolidated financial statements		Separate financial statements	
	(Unit: Million Baht)			
	2016	2015	2016	2015
Short-term employee benefits	70	90	34	51
Post-employment benefits	1	1	–	1
Total	71	91	34	52

## 9. Trade and other receivables

	Consolidated financial statements		Separate financial statements	
	(Unit: Thousand Baht)			
	2016	2015	2016	2015
<u>Trade receivables – related parties</u>				
Aged on the basis of due dates				
Not yet due	628	60	6,117	107
Past due				
Up to 3 months	–	–	–	111
Total trade receivables – related parties	628	60	6,117	218
<u>Trade receivables – unrelated parties</u>				
Aged on the basis of due dates				
Not yet due	200,460	239,385	128,333	150,645
Past due				
Up to 3 months	183,466	379,904	136,258	284,177
3-6 months	27,312	76,484	18,423	62,671
6-12 months	27,927	50,977	11,616	47,028
Over 12 months	29,148	29,577	23,449	18,684
Total	468,313	776,327	318,079	563,205
Less : Allowance for doubtful debts	(22,609)	(25,457)	(18,141)	(11,365)
Allowance for sales returns	(14,693)	(11,009)	(14,693)	(11,009)
Total trade receivables – unrelated parties, net	431,011	739,861	285,245	540,831
Total trade receivables – net	431,639	739,921	291,362	541,049
<u>Other receivables</u>				
Unbilled Revenue	43,455	15,866	10,956	12,004
Amounts due from related parties – net	644	777	16,373	9,394
Less : Allowance for doubtful debts	–	–	(14,443)	(533)
Total other receivables	44,099	16,643	12,886	20,865
Trade and other receivables – net	475,738	756,564	304,248	561,914

## 10. Inventories

	(Unit: Thousand Baht)					
	Consolidated financial statements					
	Cost		Allowance to reduce cost to net realisable value		Inventories – net	
2016	2015	2016	2015	2016	2015	
Finished goods	60,093	58,686	(43,199)	(38,483)	16,894	20,203
Raw materials	37,172	52,760	(2,922)	(1,333)	34,250	51,427
Raw materials in transit	–	30	–	–	–	30
Others	7,327	12,458	(4,151)	(1,205)	3,176	11,253
Total	104,592	123,934	(50,272)	(41,021)	54,320	82,913

(Unit: Thousand Baht)

	Separate financial statements					
	Cost		Allowance to reduce cost to net realisable value		Inventories – net	
	2016	2015	2016	2015	2016	2015
Finished goods	41,154	46,420	(24,267)	(26,037)	16,887	20,383
Raw materials	37,172	52,760	(2,922)	(1,333)	34,250	51,427
Raw materials in transit	–	30	–	–	–	30
Others	5,001	6,490	(4,151)	(1,205)	850	5,285
Total	83,327	105,700	(31,340)	(28,575)	51,987	77,125

**11. Restricted bank deposits**

These represent a subsidiary's fixed deposits pledged with the banks to secure credit facilities.

**12. 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		Carrying amount based on cost method		Dividend received during	
	2016	2015	2016 (%)	2015 (%)	2016	2015	2016	2015
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	–	–
Post News Company Limited	10,000	10,000	51	51	5,100	5,100	–	–
Mushroom Television 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	17,850	–
Less: Allowance for loss from investments					(30,100)	(30,100)	–	–
					279,582	279,582	17,850	–

Investment in Mushroom Television Company Limited

On 16 September 2015 ("acquisition date"), the Company purchased 5,100 ordinary shares of Mushroom Television Company Limited, representing 51% of the total issued and paid-up capital from the former's shareholders. The Company has assessed the fair value of identifiable assets acquired and liabilities assumed at the acquisition date and the assessment process has been completed in the third quarter of 2016 within the period of twelve months from the acquisition date as allowed by Financial Reporting Standard 3 (revised 2015), Business Combinations. During this measurement period, the Company obtained further information on the fair value of part of the assets and liabilities. Therefore, the Company has restated the consolidated financial statements, as presented herein for comparative purposes, to reflect the provisional amount recognised at the acquisition date.

The values of the acquired assets and liabilities of Mushroom Television Company Limited as at the acquisition date are summarised below.

(Unit: Thousand Baht)

Trade and other receivables	27,811
Other current assets	7,924
Plant and equipment	5,377

	(Unit: Thousand Baht)
Intangible assets	71,632
Restricted bank deposits	10,044
Deferred tax assets	368
Other non-current assets	2,500
Bank overdrafts	(26,196)
Trade and other payables	(10,407)
Other current liabilities	(3,740)
Deferred tax liabilities	(14,279)
Provision for long-term employee benefits	(1,841)
Net assets of the subsidiary	<u>69,193</u>
Net assets of the subsidiary in the company's proportion (51%)	35,288
Add: Goodwill from business combination	<u>103,112</u>
Business acquisition cost	<u><u>138,400</u></u>

Goodwill from business combination consists of the potential to expand customer bases and the business opportunity ready to operate immediately from the acquisition date, as well as the expected business efficiency from exchanging expertise between staff of the acquirer and the acquiree.

### 13. Investments in joint ventures

#### 13.1 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:

Joint venture	Nature of business	(Unit: Thousand Baht)					
		Consolidated financial statements				Carrying amounts based on equity method	
		Shareholding percentage		Cost		2016	2015
		2016	2015	2016	2015	2016	2015
		(%)	(%)				
Post-ACP Co., Ltd.	Publishing and distribution of magazines	70	70	11,500	11,500	22,707	30,568
Joint venture Kantana and Mushroom	Under liquidation	50	50	2,500	2,500	351	2,351
				<u>14,000</u>	<u>14,000</u>	<u>23,058</u>	<u>32,919</u>

#### 13.2 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 venture	(Unit: Thousand Baht)					
	Consolidated financial statements		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	
	2016	2015	2016	2015	2016	2015
Post-ACP Co., Ltd.	10,881	11,445	129	-	-	-
Joint venture Kantana and Mushroom	-	(148)	-	-	-	-
	<u>10,881</u>	<u>11,297</u>	<u>129</u>	<u>-</u>	<u>-</u>	<u>-</u>

### 13.3 Summarised financial information about 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		(Unit: Million Baht) Profit for the year ended	
	31 December		31 December		31 December		31 December		31 December	
	2016	2015	2016	2015	2016	2015	2016	2015	2016	2015
Post-ACP Co., Ltd.	16	16	64	104	25	51	87	132	21	22

### 14. Investment in associate

#### 14.1 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	
			2016	2015	2016	2015	2016	2015
			(%)	(%)				
Flash News Company Limited	Production of radio programmes	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					-	-	-	-

#### 14.2 Summarised financial information of associate

Financial information of the associate is summarised below:

Company's name	Paid-up capital as at		Total assets as at		Total liabilities as at		Total revenues for the year ended		(Unit: Million Baht) Profit for the year ended	
	31 December		31 December		31 December		31 December		31 December	
	2016	2015	2016	2015	2016	2015	2016	2015	2016	2015
Flash News Company Limited	23	23	1	8	-	8	3	17	1	(2)

### 15. Long-term investment

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

	Paid-up capital	Equity interest Per cent	(Unit: Thousand Baht) Cost	
			2016	2015
			Singapore Press Holdings Limited	27,393,300
Less: Allowance for loss from investments			(16)	(16)
			-	-

## 16. 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	
<b>Cost</b>						
1 January 2015	202,076	859,916	1,061,158	318,230	72,494	2,513,874
Additions	-	-	173	24,177	12,434	36,784
Disposals	-	-	(39,899)	(8,380)	-	(48,279)
Transfers	-	-	9,070	67,790	(83,778)	(6,918)
Surplus on revaluation of land	721,724	-	-	-	-	721,724
Acquisitions of subsidiary during the year	-	-	-	17,818	-	17,818
31 December 2015	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
<b>Accumulated depreciation</b>						
1 January 2015	-	690,261	705,702	131,164	-	1,527,127
Depreciation for the year	-	13,734	41,767	78,798	-	134,299
Depreciation on disposals	-	-	(25,502)	(6,345)	-	(31,847)
Acquisitions of subsidiary during the year	-	-	-	12,441	-	12,441
31 December 2015	-	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
<b>Allowance for impairment</b>						
31 December 2015	-	-	-	3,316	-	3,316
Increase during the year	-	-	-	30,929	-	30,929
31 December 2016	-	-	-	34,245	-	34,245
<b>Net book value</b>						
31 December 2015	923,800	155,921	308,535	200,261	1,150	1,589,667
31 December 2016	923,800	142,149	257,868	97,864	2,460	1,424,141
<b>Depreciation for the year</b>						
2015 (Baht 113 million included in manufacturing cost, and the balance in selling and administrative expenses)						134,299
2016 (Baht 109 million included in manufacturing cost, and the balance in selling and administrative expenses)						137,078

(Unit: Thousand Baht)

	Separate financial statements					
	Revaluation basis		Cost basis			
	Land	Buildings	Machinery and equipment	Office furniture, equipment and vehicles	Machinery and equipment under installation	Total
<b>Cost</b>						
1 January 2015	202,076	859,916	1,046,825	193,643	69,636	2,372,096
Additions	-	-	173	8,356	11,437	19,966
Disposals	-	-	(25,566)	(6,885)	-	(32,451)
Transfers	-	-	9,070	63,930	(79,711)	(6,711)
Surplus on revaluation of land	721,724	-	-	-	-	721,724
31 December 2015	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
<b>Accumulated depreciation</b>						
1 January 2015	-	690,261	695,305	104,743	-	1,490,309
Depreciation for the year	-	13,734	52,164	45,263	-	111,161
Depreciation on disposals	-	-	(25,501)	(6,240)	-	(31,741)
31 December 2015	-	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
<b>Net book value</b>						
31 December 2015	923,800	155,921	308,534	115,278	1,362	1,504,895
31 December 2016	923,800	142,149	257,867	83,986	260	1,408,062

**Depreciation for the year**

2015 (Baht 88 million included in production cost, and the balance in selling and administrative expenses)	111,161
2016 (Baht 86 million included in production cost, and the balance in selling and administrative expenses)	109,504

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 2016, 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 1,031 million (2015: Baht 894 million) (The Company only: Baht 999 million, 2015: Baht 877 million).

## 17. Goodwill

	(Unit: Million Baht)	
	Consolidated financial statements	
	2016	2015
Net book value at beginning of year	156,881	53,769
Add: Increase from acquisition of investment in subsidiaries (Note 12)	–	103,112
Net book value at end of year	<u>156,881</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 (Post International Media Co., Ltd.)	CGU 2 (Mushroom Television Co., Ltd.)	Total
	Goodwill	53,769	103,112

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: per cent per annum)	
	CGU 1 (Post International Media Co., Ltd.)	CGU 2 (Mushroom Television Co., Ltd.)
Growth rate	2	2
Discount rate before tax	11.25	15.15

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.

The management believes that there is no impairment loss for goodwill.

## 18. Intangible assets

The net book value of intangible assets as at 31 December 2016 and 2015 is presented below.

	Consolidated financial statements			Separate financial statements	
	Customer relationship	Computer software	Total	Computer software	Total
<b>Cost</b>					
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	<u>71,395</u>	<u>350,076</u>	<u>421,471</u>	<u>302,432</u>	<u>302,432</u>
<b>Accumulated amortisation</b>					
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 amortisation of disposals	–	(52)	(52)	(11)	(11)
31 December 2016	<u>19,366</u>	<u>243,930</u>	<u>263,296</u>	<u>219,155</u>	<u>219,155</u>
<b>Allowance for impairment</b>					
31 December 2015	–	314	314	314	314
Increase during the year	–	13,298	13,298	–	–
31 December 2016	<u>–</u>	<u>13,612</u>	<u>13,612</u>	<u>314</u>	<u>314</u>
<b>Net book value</b>					
31 December 2015	<u>67,505</u>	<u>128,109</u>	<u>195,614</u>	<u>98,781</u>	<u>98,781</u>
31 December 2016	<u>52,029</u>	<u>92,534</u>	<u>144,563</u>	<u>82,963</u>	<u>82,963</u>

	Consolidated financial statements			(Unit: Thousand Baht) Separate financial statements	
	Customer relationship	Computer software	Total	Computer software	Total
<b>Cost</b>					
31 December 2014	–	327,902	327,902	291,451	291,451
Additions	–	16,419	16,419	5,636	5,636
Additions from acquisitions of subsidiary	71,395	360	71,755	–	–
31 December 2015	71,395	344,681	416,076	297,087	297,087
<b>Accumulated amortisation</b>					
31 December 2014	–	182,110	182,110	173,868	173,868
Amortisation during the year	3,890	34,024	37,914	24,124	24,124
Additions from acquisitions of subsidiary	–	124	124	–	–
31 December 2015	3,890	216,258	220,148	197,992	197,992
<b>Allowance for impairment</b>					
31 December 2014	–	314	314	314	314
31 December 2015	–	314	314	314	314
<b>Net book value</b>					
31 December 2014	–	145,478	145,478	117,269	117,269
31 December 2015	67,505	128,109	195,614	98,781	98,781

As at 31 December 2016, the Company's computer software included computer software under installation amounting to Baht 5 million (2015: Baht 1 million).

As at 31 December 2016, 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 162 million (2015: Baht 107 million) (The Company only: Baht 152 million, 2015: Baht 97 million).

#### 19. Bank overdrafts and short-term loans from financial institutions

	Interest rate (per cent per annum)	Consolidated financial statements		(Unit: Thousand Baht) Separate financial statements	
		2016	2015	2016	2015
Bank overdrafts	MOR	869	4,817	869	–
Short-term loans from financial institutions	MMR	695,000	867,000	695,000	867,000
Total		695,869	871,817	695,869	867,000

#### 20. Trade and other payables

	Consolidated financial statements		(Unit: Thousand Baht) Separate financial statements	
	2016	2015	2016	2015
Trade payables – related parties	2,693	4,106	15,854	24,487
Trade payables – unrelated parties	154,656	148,045	90,346	100,799
Amount due to related parties	277	26,313	109	27,611
Accrued expenses	70,405	95,005	55,050	73,537
Other payables	37,448	37,978	36,665	35,881
Total trade and other payables	265,479	311,447	198,024	262,315

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

As at 31 December 2016, 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.

## 22. 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	2016	2015
1	Fixed rate for the first two years and thereafter at a rate referenced to the Minimum Loan Rate	Quarterly installments of Baht 25 million each, commencing September 2012	–	50,000
2	Fixed rate of 5.25 per cent per annum	Quarterly installment of Baht 16.7 and 18.7 million each, commencing December 2015 and March 2017	283,334	283,334
3	A rate referenced to the Minimum Loan Rate-1%	Quarterly installment of Baht 12.7 million each, commencing March 2017	184,300	161,000
Less: Current portion			(192,333)	(191,666)
Long-term loans - net of current portion			<u>275,301</u>	<u>302,668</u>

The long-term loan agreements require that the Company maintain a debt-to-equity ratio of not more than 2.25 times. However, in December 2016, the Company has been permitted by the lender to maintain the ratio at a rate higher than that prescribed in the agreement, but only in respect of the 2016 financial statements and the lender will review the maintenance of such financial ratio again in the first quarter of 2017.

During the period, the Company agreed amendments to loan agreements with a financial institution which grants a one-year extension of the loan repayment schedule for the loans with outstanding balance as at 31 December 2015 of Baht 283 million.

## 23. Liabilities under finance lease agreements

		(Unit: Thousand Baht)	
		2016	2015
Liabilities under finance lease agreements		–	3,515
Less: Deferred interest expenses		–	(90)
Total		–	3,425
Less: Portion due within one year		–	(3,425)
Liabilities under finance lease agreements - net of current portion		<u>–</u>	<u>–</u>

The Company has entered into the finance lease agreements with leasing companies for rentals of motor vehicles for use in its operation, whereby it is committed to pay rental on a monthly basis. The terms of the agreements are 4 years.

Future minimum lease payments required under the finance lease agreements were as follows:

				(Unit: Million Baht)		
				As at 31 December 2016		
				Less than 1 year	1-4 years	Total
Future minimum lease payments				–	–	–
Deferred interest expenses				–	–	–
Present value of future minimum lease payments				<u>–</u>	<u>–</u>	<u>–</u>
				(Unit: Million Baht)		
				As at 31 December 2015		
				Less than 1 year	1-4 years	Total
Future minimum lease payments				3.5	–	3.5
Deferred interest expenses				(0.1)	–	(0.1)
Present value of future minimum lease payments				<u>3.4</u>	<u>–</u>	<u>3.4</u>

## 24. Provision for long-term employee benefits

Provision for long-term employee benefits, which represents compensation payable to employees after they retire from the company, is made up as follows:

	(Unit: Thousand Baht)			
	Consolidated financial statements		Separate financial statements	
	2016	2015	2016	2015
<b>Provision for long-term employee benefits</b>				
<b>at beginning of year</b>	90,096	88,738	82,842	84,641
Acquisitions of subsidiary during the year	–	1,841	–	–
Included in profit or loss:				
Current service cost	5,354	6,383	4,451	5,128
Interest cost	1,711	1,546	1,574	1,485
Gains on settlement	(2,440)	–	–	–
Included in other comprehensive income:				
Actuarial loss arising from				
Demographic assumptions changes	(9,653)	–	(8,876)	–
Financial assumptions changes	2,663	–	2,592	–
Experience adjustments	1,227	–	2,273	–
Benefits paid during the year	(7,298)	(8,412)	(7,298)	(8,412)
<b>Provision for long-term employee benefits</b>				
<b>at end of year</b>	81,660	90,096	77,558	82,842

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

	(Unit: Thousand Baht)			
	Consolidated financial statements		Separate financial statements	
	2016	2015	2016	2015
Cost of sales	4,259	5,903	3,734	4,942
Selling and administrative expenses	366	2,026	2,291	1,671
<b>Total expense recognised in profit or loss</b>	4,625	7,929	6,025	6,613

The Company and its subsidiaries expect to pay Baht 9 million of long-term employee benefits over the next year (Separate financial statements: Baht 9 million) (2015: Baht 12 million, separate financial statements: Baht 12 million).

As at 31 December 2016, the weighted average duration of the liabilities for long-term employee benefits is between 8.5 and 29.6 years (Separate financial statements: 8.5 years) (2015: between 10.2 and 29.6 years, separate financial statements: 10.2 years).

Key actuarial assumptions used for the valuation are as follows:

	(Unit: per cent per annum)			
	Consolidated financial statements		Separate financial statements	
	2016	2015	2016	2015
Discount rate	1.5 - 3.7	2.0 - 3.8	1.5 - 3.5	2.0 - 3.8
Future salary increase rate	3.0	3.0	3.0	3.0
Employee turnover rate				
(dependent on age of employees)	3.9 - 35.6	3.4 - 27.4	3.9 - 35.6	3.4 - 27.4

The result of sensitivity analysis for significant assumptions that affect the present value of the long-term employee benefit obligation as at 31 December 2016 and 2015 are summarised below:

(Unit: Million Baht)

As at 31 December 2016

	Consolidated financial statements		Separate 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

(Unit: Million Baht)

As at 31 December 2015

	Consolidated financial statements		Separate financial statements	
	Increase 1%	Decrease 1%	Increase 1%	Decrease 1%
Discount rate	(5)	6	(4)	5
Salary increase rate	5	(4)	4	(3)
Turnover rate	(7)	7	(6)	7

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

## 26. Sales and service income

These include sales and advertising revenues of approximately Baht 10 million (2015: Baht 45 million) (Separate financial statements: Baht 6 million (2015: Baht 25 million)) arising from exchanges of dissimilar goods or services with other companies.

## 27. Expenses by nature

Significant expenses classified by nature are as follows:

(Unit: Million Baht)

	Consolidated financial statements		Separate financial statements	
	2016	2015	2016	2015
Salaries and wages and other employee benefits	688	767	481	539
Depreciation and amortisation	180	162	131	135
Advertising expenses	61	113	38	89
News service expenses	60	98	42	63
Travelling expenses	65	104	58	99
Allowance for diminution in value of loans to subsidiary	–	–	56	156
Allowance for doubtful debts	15	11	26	6
Allowance for loss on impairment of equipment and intangible assets	44	–	–	–
Raw materials and consumables used	520	660	470	597
Changes in inventories of finished goods and work in progress	2	4	(7)	3

## 28. Deferred tax assets/Income tax

Income tax expenses for the years ended 31 December 2016 and 2015 are made up as follows:

(Unit: Thousand Baht)

	Consolidated financial statements		Separate financial statements	
	2016	2015	2016	2015
<b>Current income tax:</b>				
Current income tax charge	3,117	6,048	-	-
<b>Deferred tax:</b>				
Relating to origination and reversal of temporary differences	(28,293)	(14,574)	(19,011)	(20,908)
<b>Income tax expense (revenue) reported in the statement of comprehensive income</b>	<b>(25,176)</b>	<b>(8,526)</b>	<b>(19,011)</b>	<b>(20,908)</b>

The amounts of income tax relating to each component of other comprehensive income for the years ended 31 December 2016 and 2015 are as follows:

(Unit: Thousand Baht)

	Consolidated financial statements		Separate financial statements	
	2016	2015	2016	2015
Deferred tax on gain from revaluation of land	-	(144,345)	-	(144,345)
Deferred tax on actuarial loss	(1,153)	-	(802)	-
	<b>(1,153)</b>	<b>(144,345)</b>	<b>(802)</b>	<b>(144,345)</b>

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

(Unit: Thousand Baht)

	Consolidated financial statements		Separate financial statements	
	2016	2015	2016	2015
Accounting loss before tax	(242,574)	(252,935)	(181,039)	(274,551)
Applicable tax rate	20%	20%	20%	20%
Accounting loss before tax multiplied by income tax rate	(48,515)	(50,587)	(36,208)	(54,910)
Adjustment in respect of deferred tax assets of previous year	(6,814)	10,851	(207)	-
Tax losses of subsidiaries for the year that have not been recognised as deferred tax assets	31,032	30,572	6,231	-
Tax effect of an allowance for diminution in value of loans to, and investment in subsidiary, not recognised as deferred tax assets	-	-	14,061	33,065
Effects of:				
Non-deductible expenses	2,024	2,790	733	801
Additional expense deductions allowed	(51)	-	(51)	-
Share of profit	(2,202)	(2,289)	-	-
Exempted dividend income	-	-	(3,570)	-
Others	(650)	137	-	136
Income tax expense (revenue) reported in the statement of comprehensive income	<b>(25,176)</b>	<b>(8,526)</b>	<b>(19,011)</b>	<b>(20,908)</b>

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

	(Unit: Thousand Baht)			
	Consolidated financial statements		Separate financial statements	
	<u>2016</u>	<u>2015</u>	<u>2016</u>	<u>2015</u>
<b>Deferred tax assets</b>				
Provision for long-term employee benefits	16,332	17,531	15,511	16,568
Tax loss carried forward	61,009	38,390	44,321	27,681
Allowance for doubtful debts	3,628	2,273	3,628	2,273
Allowance for sales returns	1,638	823	1,638	823
Allowance for diminution in value of inventories	6,268	5,715	6,268	5,715
Allowance for impairment of computer software	26	45	26	45
Others	137	216	137	216
<b>Total deferred tax assets</b>	<u>89,038</u>	<u>64,993</u>	<u>71,529</u>	<u>53,321</u>
<b>Deferred tax liabilities</b>				
Surplus on revaluation of land	10,406	13,501	-	-
<b>Total deferred tax liabilities</b>	<u>144,345</u>	<u>144,345</u>	<u>144,345</u>	<u>144,345</u>
	<u>154,751</u>	<u>157,846</u>	<u>144,345</u>	<u>144,345</u>

As at 31 December 2016, the Company and its subsidiaries had deductible temporary differences, unused tax losses and unused tax credits totaling Baht 350 million (2015: Baht 284 million) (Separate financial statements: Baht 31 million (2015: Nil)), on which deferred tax assets have not been recognised as the subsidiaries believes future taxable profits may not be sufficient to allow utilisation of the temporary differences and unused tax losses.

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

	(Unit: Million Baht)			
	Consolidated financial statements		Separate financial statements	
	<u>2016</u>	<u>2015</u>	<u>2016</u>	<u>2015</u>
31 December 2017	-	-	-	-
31 December 2018	8	5	-	-
31 December 2019	116	136	-	-
31 December 2020	118	143	-	-
31 December 2021	108	-	31	-
	<u>350</u>	<u>284</u>	<u>31</u>	<u>-</u>

## 29. 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.

## 30. Operating segment

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 programmes segment
- Others 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 2016 and 2015.

(Unit: Million Baht)

Year ended 31 December	Publishing and advertising segment		Production of television programmes segment		Other segments		Total segments		Adjustments and eliminations of inter-segment		Consolidated	
	2016	2015	2016	2015	2016	2015	2016	2015	2016	2015	2016	2015
	Revenue from external customers	1,417	1,872	221	152	166	149	1,804	2,173	-	-	1,804
Inter-segment revenue	31	34	14	20	1	-	46	54	(46)	(54)	-	-
<b>Segment profit (loss)</b>	88	202	(21)	(47)	(1)	(66)	66	89	-	-	66	89

(Unit: Million Baht)

	Publishing and advertising segment		Production of television programmes segment		Other segments		Unallocated		Adjustments and eliminations of inter-segment		Consolidated	
	2016	2015	2016	2015	2016	2015	2016	2015	2016	2015	2016	2015
	<b>Segment total assets</b>	2,163	2,629	682	936	30	69	269	155	(567)	(676)	2,577

Geographic information

The Company and its subsidiaries are operated 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 2016, the Company and its subsidiaries have earned revenue from one major customer in the amount of Baht 123 million, arising from sales by the publishing and advertising segment (2015: Baht 205 million derived from one major customer, arising from sales by publishing and advertising segment).

**31. 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 per cent to 8 per cent 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 2016 amounting to approximately Baht 29 million (2015: Baht 37 million) were recognised as expenses (Separate financial statements: Baht 23 million (2015: Baht 28 million)).

**32. Commitments and contingent liabilities****32.1 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	
	2016	2015
Payable:		
In up to 1 year	70	97
In over 1 up to 5 years	171	452
More than 5 years	123	-

**32.2 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.

**32.3 Guarantees**

As at 31 December 2016, there were outstanding bank guarantees of approximately Baht 10 million (2015: Baht 10 million) issued in the normal course of business of the Company and its subsidiaries.

### 33. Fair value hierarchy

As of 31 December 2016, 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
<b>Assets measured at fair value</b>				
Land	-	-	923	923

### 34. Financial instruments

#### 34.1 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 and long-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 and long-term loans to related parties as stated in the statements of financial position.

#### **Interest rate risk**

The Company and its subsidiaries' exposure to interest rate risk relates primarily to their cash at banks, short-term and long-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 2016					Effective Interest rate (% per annum)
	Fixed interest rates		Floating interest rate	Non- interest bearing	Total	
	Within 1 year	1 to 5 years				
<b>Financial Assets</b>						
Cash and cash equivalents	-	-	65	4	69	0.3 - 1.05
Trade and other receivables	-	-	-	476	476	-
	-	-	65	480	545	
<b>Financial Liabilities</b>						
Bank overdrafts and short-term loans from financial institutions	-	-	696	-	696	MMR, MOR
Trade and other payables	-	-	-	265	265	-
Long-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)

## Consolidated financial statements as at 31 December 2015

	Fixed interest rates		Floating interest rate	Non- interest bearing	Total	Effective Interest rate (% per annum)
	Within 1 year	1 to 5 years				
<u>Financial Assets</u>						
Cash and cash equivalents	-	-	46	33	79	0.1 - 1.75
Trade and other receivables	-	-	-	757	757	-
	-	-	46	790	836	
<u>Financial Liabilities</u>						
Bank overdrafts and short-term loans from financial institutions	-	-	872	-	872	MMR, MOR
Trade and other payables	-	-	-	311	311	-
Long-term loans from non-controlling interests of the subsidiary	-	-	6	-	6	Reference to MLR
Long-term loans	141	142	211	-	494	4.75, Reference to MLR
Liabilities under finance lease agreement	3	-	-	-	3	Fixed rates
	144	142	1,089	311	1,686	

(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				
<u>Financial Assets</u>						
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
	77	-	50	307	434	
<u>Financial Liabilities</u>						
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
	142	142	880	198	1,362	

(Unit: Million Baht)

	Separate financial statements as at 31 December 2015					Effective Interest rate (% per annum)
	Fixed interest rates		Floating interest rate	Non- interest bearing	Total	
	Within 1 year	1 to 5 years				
<b>Financial Assets</b>						
Cash and cash equivalents	-	-	1	14	15	0.25 - 1.75
Trade and other receivables	-	-	-	562	562	-
Short-term loan to related parties	179	-	-	-	179	5, MLR
	179	-	1	576	756	
<b>Financial Liabilities</b>						
Bank overdrafts and short-term loans from financial institutions	-	-	867	-	867	MMR, MOR
Trade and other payables	-	-	-	262	262	-
Long-term loans	141	142	211	-	494	4.75, Reference to MLR
Liabilities under finance lease agreement	3	-	-	-	3	Fixed rates
	144	142	1,078	262	1,626	

**Foreign currency risk**

The Company and its subsidiaries' exposure to foreign currency risk arise mainly from purcoods and services that are denominated in foreign currencies. The Company and its subsidiaries seek to reduce this risk by entering into forward exchange contracts when it considers appropriate. However, as at 31 December 2016 and 2015, there were no forward contracts outstanding.

**34.2 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.

**35. 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 2016, the Group's debt-to-equity ratio was 2.30:1 (2015: 2.08:1) (Separate financial statements 2.34:1 (2015: 2.26:1)).

**36. Approval of financial statements**

These financial statements were authorised for issue by the Company's authorised directors on 16 February 2017.

## HEAD OFFICE & FACILITIES

### The Post Publishing Public Company Limited

(Public Company Registration Number 0107536001583 Bor Mor Jor 232)

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## WEBSITES

- [www.postpublishing.co.th](http://www.postpublishing.co.th) ■ [www.bangkokpost.com](http://www.bangkokpost.com) ■ [www.posttoday.com](http://www.posttoday.com) ■ [www.m2fnews.com](http://www.m2fnews.com)
  - [www.student-weekly.com](http://www.student-weekly.com) ■ [www.mushroomtv.co.th](http://www.mushroomtv.co.th) ■ [www.postbooksonline.com](http://www.postbooksonline.com)
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    - [property.bangkokpost.com](http://property.bangkokpost.com) ■ [www.ellethailand.com](http://www.ellethailand.com) ■ [www.elledecorationthailand.com](http://www.elledecorationthailand.com)
    - [www.cleothailand.com](http://www.cleothailand.com) ■ [www.cyclingplusthailand.com](http://www.cyclingplusthailand.com) ■ [www.forbesthailand.com](http://www.forbesthailand.com)
  - [www.scienceillustratedthailand.com](http://www.scienceillustratedthailand.com) ■ [www.ellementhailand.com](http://www.ellementhailand.com) ■ [40plus.posttoday.com](http://40plus.posttoday.com)
    - [newsclear.posttoday.com](http://newsclear.posttoday.com) ■ [www.beatroot.cc](http://www.beatroot.cc)

## CORPORATE DATA

The Post Publishing Public Company Limited publishes and distributes the Bangkok Post, an English-language daily newspaper, Post Today, a Thai-language business daily newspaper, M2F, a free Thai-language daily newspaper, S Weekly by Student Weekly, a weekly English-language newspaper, and three English-language lifestyle magazines namely GURU, Muse and Brunch inserted in the Bangkok Post, and a Thai-language magazine namely @weekly inserted in Post Today.

The Company's news and information businesses in the last few years have expanded to include electronic and digital media and a job matching engine online, [www.m2fjob.com](http://www.m2fjob.com). The Company has also organised events and conferences under the names of Bangkok Post, Post Today and M2F.

The Company also engages in commercial printing and book publishing under the name Post Books. Its subsidiaries and a jointly controlled company, publish and distribute the Thai language editions of "Elle", "Elle Men", "Elle Decoration", "Science Illustrated", "Cycling Plus", "Forbes", "Marie Claire", and "Cleo".

- Ordinary shares of the company are traded on The Stock Exchange of Thailand (SET) under the symbol "POST".
- Share capital registered: 505,000,000 ordinary shares of Baht 1 per share
- Share capital issued and paid-up: 500,000,000 ordinary shares of Baht 1 per share

## COMPANIES WHICH THE POST PUBLISHING PUBLIC COMPANY LIMITED INVESTS AT 10 PER CENT OR MORE OF PAID-UP CAPITAL

Name & Address	Type of Business	Type of shares	No. of paid-up capital (shares)	Per cent of direct and indirect
<b>1. Post International Media Co., Ltd.</b> 136 Sunthorn Kosa Road, Klong Toey, Bangkok 10110, Thailand Tel +66 (0) 2616 4666 Fax +66 (0) 2671 3174	Produce and distribute magazine	Ordinary	250,000 (Baht 100 per share)	100
<b>2. Post-ACP Co., Ltd.</b> 136 Sunthorn Kosa Road, Klong Toey, Bangkok 10110, Thailand Tel +66 (0) 2616 4666 Fax +66 (0) 2671 3174	Produce and distribute magazine	Ordinary & Preferred	100,000 (Baht 100 per share) 64,000 (Baht 100 per share)	70
<b>3. Post-IM Plus Co., Ltd.</b> 136 Sunthorn Kosa Road, Klong Toey, Bangkok 10110, Thailand Tel +66 (0) 2616 4666 Fax +66 (0) 2671 3174	Produce and distribute magazine	Ordinary & Preferred	255,000 (Baht 100 per share) 245,000 (Baht 100 per share)	100
<b>4. Flash News Co., Ltd.</b> 48/5-6 Fl.8, Soi Rungreung, Ratchadapisek Road, Samsen nok, Huaykwang, Bangkok 10310, Thailand Tel +66 (0) 2693 4777 Fax +66 (0) 2693 3298	Operate radio programmes	Ordinary	255,000 (Baht 100 per share) 15,000 (Baht 100 per share) (80 per cent paid-up) 10,000 (Baht 100 per share) (25 per cent paid-up)	40
<b>5. Post TV Co., Ltd.</b> (Former Job Job Co., Ltd.) 136 Sunthorn Kosa Road, Klong Toey, Bangkok 10110, Thailand Tel +66 (0) 2616 4000 Fax +66 (0) 2240 3770	Produce television content and programmes	Ordinary	250,000 (Baht 100 per share)	100
<b>6. Post News Co., Ltd.</b> 136 Sunthorn Kosa Road, Klong Toey, Bangkok 10110, Thailand Tel +66 (0) 2616 4000 Fax +66 (0) 2240 3679	Produce TV news programmes	Ordinary	100,000 (Baht 100 per share)	51
<b>7. Post New Media Co., Ltd.</b> 136 Sunthorn Kosa Road, Klong Toey, Bangkok 10110, Thailand Tel +66 (0) 2616 4000 Fax +66 (0) 2240 3679	Investment	Ordinary	250,000 (Baht 100 per share)	100
<b>8. Post Holding Co., Ltd.</b> 136 Sunthorn Kosa Road, Klong Toey, Bangkok 10110, Thailand Tel +66 (0) 2616 4000 Fax +66 (0) 2240 3679	Investment	Ordinary	250,000 (Baht 100 per share)	100
<b>9. Mushroom Television Co., Ltd.</b> 23/104 R.C.A. Block G, Soi Soonvijai, Rama 9 Road, Bangkok, Huaykwang, Bangkok 10310, Thailand Tel +66 (0) 2203 1186-7 Fax +66 (0) 2641 4338	Produce TV news programmes	Ordinary	800,000 (Baht 100 per share)	51

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