

**Nation International Edutainment Public Company
Limited and its Subsidiaries**

Interim financial statements
for the three-month and nine-month periods ended
30 September 2017

and

Independent auditor's report
on review of interim financial information



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Independent Auditor's Report on Review of Interim Financial Information

To the Board of Directors of Nation International Edutainment Public Company Limited

I have reviewed the accompanying consolidated and separate statements of financial position of Nation International Edutainment Public Company Limited and its subsidiaries, and of Nation International Edutainment Public Company Limited, respectively, as at 30 September 2017; the consolidated and separate statements of comprehensive income for the three-month and nine-month periods ended 30 September 2017, and the consolidated and separate statements of changes in equity and cash flows for the nine-month period ended 30 September 2017; and condensed notes ("interim financial information"). Management is responsible for the preparation and presentation of this interim financial information in accordance with Thai Accounting Standard 34, "Interim Financial Reporting". My responsibility is to express a conclusion on this interim financial information based on my review.

Scope of Review

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



Conclusion

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

A handwritten signature in black ink, appearing to read 'Patamavan Vadhanakul'.

(Patamavan Vadhanakul)
Certified Public Accountant
Registration No. 9832

KPMG Phoomchai Audit Ltd.
Bangkok
8 November 2017

Nation International Edutainment Public Company Limited and its Subsidiaries
Statement of financial position

	<i>Note</i>	Consolidated financial statements		Separate financial statements	
		30 September 2017 (Unaudited)	31 December 2016	30 September 2017 (Unaudited)	31 December 2016
<i>(in thousand Baht)</i>					
Assets					
<i>Current assets</i>					
Cash and cash equivalents	4	94,963	20,829	90,788	13,826
Current investments	4	89,513	243,521	89,449	243,261
Trade accounts receivable	5	59,840	50,342	56,632	47,272
Accrued income	3	4,941	6,055	2,739	4,686
Other current receivables	3	14,770	6,557	53,640	53,700
Short-term loans to related party	3	-	-	-	36,000
Inventories		22,709	24,335	6,844	8,833
Other current assets		504	1,617	468	1,170
Total current assets		287,240	353,256	300,560	408,748
<i>Non-current assets</i>					
Restricted deposit		400	400	-	-
Investments in subsidiaries	6	-	-	163,410	61,410
Leasehold improvements and equipment		805	1,206	725	1,060
Intangible assets	7	13,383	4,202	11,960	2,065
Deferred tax assets		12,072	15,430	8,171	8,026
Other non-current assets		2,551	1,999	2,168	1,617
Total non-current assets		29,211	23,237	186,434	74,178
Total assets		316,451	376,493	486,994	482,926

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

Nation International Edutainment Public Company Limited and its Subsidiaries
Statement of financial position

	<i>Note</i>	Consolidated financial statements		Separate financial statements	
		30 September 2017 (Unaudited)	31 December 2016	30 September 2017 (Unaudited)	31 December 2016
<i>(in thousand Baht)</i>					
Liabilities and shareholders' equity					
Current liabilities					
Trade accounts payable	3	13,321	75,572	11,161	11,454
Other current payables	3	5,230	6,121	5,327	4,924
Accrued expenses	3	8,842	10,462	4,979	6,120
Current income tax payable		-	5	-	-
Other current liabilities		5,465	4,939	5,192	4,364
Total current liabilities		32,858	97,099	26,659	26,862
Non-current liabilities					
Non-current provisions for employee benefit		11,841	11,353	8,788	8,436
Other non-current liabilities		859	903	112	105
Total non-current liabilities		12,700	12,256	8,900	8,541
Total liabilities		45,558	109,355	35,559	35,403
Shareholders' equity					
Share capital					
Authorised share capital		259,250	259,250	259,250	259,250
Issued and paid share capital		170,048	170,048	170,048	170,048
Share premium on ordinary shares		272,706	272,706	272,706	272,706
Warrants	8	4,037	4,087	4,037	4,087
Deficit					
Appropriated					
Legal reserve		10,650	10,650	10,650	10,650
Deficit		(186,643)	(189,699)	(6,145)	(9,968)
Other components of shareholders' equity		139	-	139	-
Equity attributable to owners					
of the parent		270,937	267,792	451,435	447,523
Non-controlling interests		(44)	(654)	-	-
Total shareholders' equity		270,893	267,138	451,435	447,523
Total liabilities and shareholders' equity		316,451	376,493	486,994	482,926

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

Nation International Edutainment Public Company Limited and its Subsidiaries
Statement of comprehensive income (Unaudited)

		Consolidated		Separate	
		financial statements		financial statements	
		Three month period ended		Three month period ended	
		30 September		30 September	
	<i>Note</i>	2017	2016	2017	2016
		<i>(in thousand Baht)</i>			
Revenues	3				
Revenues from sales		20,684	23,745	7,679	8,793
Revenues from services		14,109	13,518	14,103	13,501
Interest income		1,327	2,741	1,325	3,001
Other income		2,509	3,154	3,180	3,586
Total revenues		38,629	43,158	26,287	28,881
Expenses					
Costs of sales of goods and rendering of services	3	15,040	21,082	12,229	13,941
Distribution costs	3	8,037	7,474	6,178	4,811
Administrative expenses	3	9,624	9,588	6,625	6,633
Finance costs		174	177	139	138
Total expenses		32,875	38,321	25,171	25,523
Profit before income tax expense		5,754	4,837	1,116	3,358
Tax (expense) income		(1,584)	(8,640)	190	(633)
Profit (loss) for the period		4,170	(3,803)	1,306	2,725
Other comprehensive income					
Components of other comprehensive income that will be reclassified to profit or loss					
Gains on remeasurement investments held as available for sale		1,107	-	1,107	-
Net change in fair value of available for sale investments transferred to profit or loss		(95)	-	(95)	-
Income tax relating to component of other comprehensive income that will be reclassified to profit or loss		(203)	-	(203)	-
Total components of other comprehensive income that will be reclassified to profit or loss		809	-	809	-

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

Nation International Edutainment Public Company Limited and its Subsidiaries
Statement of comprehensive income (Unaudited)

	Consolidated		Separate	
	financial statements		financial statements	
	Three month period ended		Three month period ended	
	30 September		30 September	
<i>Note</i>	2017	2016	2017	2016
	<i>(in thousand Baht)</i>			
<i>Component of other comprehensive income that will not be reclassified to profit or loss</i>				
Losses on remeasurements of defined benefit plan	-	-	-	-
Income tax relating to components of other comprehensive income that will not be reclassified to profit or loss	-	-	-	-
Total component of other comprehensive income that will not be reclassified to profit or loss	-	-	-	-
Other comprehensive income for the period, net of income tax	809	-	809	-
Total comprehensive income (expense) for the period	4,979	(3,803)	2,115	2,725
Profit (loss) attributable to				
Owners of parent	4,162	(4,546)	1,306	2,725
Non-controlling interests	8	743	-	-
Profit (loss) for the period	4,170	(3,803)	1,306	2,725
Total comprehensive income (expense) attributable to				
Owners of parent	4,971	(4,548)	2,115	2,725
Non-controlling interests	8	745	-	-
Total comprehensive income (expense) for the period	4,979	(3,803)	2,115	2,725
Earnings (loss) per share (in Baht)				
	<i>11</i>			
Basic and diluted earnings (loss) per share	0.02	(0.03)	0.01	0.02

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

Nation International Edutainment Public Company Limited and its Subsidiaries
Statement of comprehensive income (Unaudited)

		Consolidated		Separate	
		financial statements		financial statements	
		Nine month period ended		Nine month period ended	
		30 September		30 September	
	<i>Note</i>	2017	2016	2017	2016
		<i>(in thousand Baht)</i>			
Revenues					
	3				
Revenues from sales		60,200	73,379	18,504	21,554
Revenues from services		39,727	44,242	39,695	44,185
Interest income		5,259	6,857	6,243	7,204
Other income	6	9,224	7,947	15,277	12,031
Total revenues		114,410	132,425	79,719	84,974
Expenses					
Costs of sales of goods and rendering of services	3	52,529	80,734	35,988	52,040
Distribution costs	3	19,972	21,346	15,002	15,057
Administrative expenses	3	34,337	37,259	24,645	23,702
Loss on business restructuring		-	204,445	-	23,969
Finance costs		583	660	441	456
Total expenses		107,421	344,444	76,076	115,224
Profit (loss) before income tax expense		6,989	(212,019)	3,643	(30,250)
Tax (expense) income	10	(3,323)	34,723	180	5,600
Profit (loss) for the period		3,666	(177,296)	3,823	(24,650)
Other comprehensive income					
<i>Components of other comprehensive income that will be reclassified to profit or loss</i>					
Gains on remeasurement investments held as available for sale	4	599	-	599	-
Net change in fair value of available for sale investments transferred to profit or loss	4	(425)	-	(425)	-
Income tax relating to component of other comprehensive income that will be reclassified to profit or loss		(35)	-	(35)	-
Total components of other comprehensive income that will be reclassified to profit or loss		139	-	139	-

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

Nation International Edutainment Public Company Limited and its Subsidiaries
Statement of comprehensive income (Unaudited)

	Consolidated		Separate	
	financial statements		financial statements	
	Nine month period ended		Nine month period ended	
	30 September		30 September	
<i>Note</i>	2017	2016	2017	2016
	<i>(in thousand Baht)</i>			
<i>Component of other comprehensive income that will not be reclassified to profit or loss</i>				
Losses on remeasurements of defined benefit plan	-	(3,230)	-	(3,841)
Income tax relating to components of other comprehensive income that will not be reclassified to profit or loss	-	646	-	768
Total component of other comprehensive income that will not be reclassified to profit or loss	-	(2,584)	-	(3,073)
Other comprehensive income (expense) for the period, net of income tax	139	(2,584)	139	(3,073)
Total comprehensive income (expense) for the period	3,805	(179,880)	3,962	(27,723)
Profit (loss) attributable to				
Owners of parent	3,657	(176,332)	3,823	(24,650)
Non-controlling interests	9	(964)	-	-
Profit (loss) for the period	3,666	(177,296)	3,823	(24,650)
Total comprehensive income (expense) attributable to				
Owners of parent	3,796	(178,918)	3,962	(27,723)
Non-controlling interests	9	(962)	-	-
Total comprehensive income (expense) for the period	3,805	(179,880)	3,962	(27,723)
Earnings (loss) per share (in Baht)	<i>11</i>			
Basic and diluted earnings (loss) per share	0.02	(1.04)	0.02	(0.15)

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

Nation International Edutainment Public Company Limited and its Subsidiaries

Statement of changes in equity (Unaudited)

	Consolidated financial statements								
	Note	Issued and paid share capital	Share premium	Warrants	Legal reserve	Unappropriated (Deficit) <i>(in thousand Baht)</i>	Equity attributable to owners of parent	Non-controlling interests	Total shareholders' equity
Nine month period ended 30 September 2016									
Balance at 1 January 2016		170,048	272,706	3,800	10,650	29,648	486,852	181	487,033
Transactions with owners, recorded directly in equity									
<i>Contributions by and distributions to owners of the parent</i>									
Share-based payment transactions	8	-	-	267	-	-	267	-	267
Dividends to owners of the Company	12	-	-	-	-	(3,741)	(3,741)	-	(3,741)
Total contributions by and distributions to owners of the parent		-	-	267	-	(3,741)	(3,474)	-	(3,474)
<i>Change in ownership interest in subsidiary</i>									
Acquisition of non-controlling interest without a change in control		-	-	-	-	(320)	(320)	320	-
Total change in ownership interest in subsidiary		-	-	-	-	(320)	(320)	320	-
Total transactions with owners, recorded directly in equity		-	-	267	-	(4,061)	(3,794)	320	(3,474)
Comprehensive income (expense) for the period									
Profit or loss		-	-	-	-	(176,332)	(176,332)	(964)	(177,296)
Other comprehensive income (expense)		-	-	-	-	(2,586)	(2,586)	2	(2,584)
Total comprehensive income (expense) for the period		-	-	-	-	(178,918)	(178,918)	(962)	(179,880)
Balance at 30 September 2016		170,048	272,706	4,067	10,650	(153,331)	304,140	(461)	303,679

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

Nation International Edutainment Public Company Limited and its Subsidiaries

Statement of changes in equity (Unaudited)

	Consolidated financial statements									
	Note	Issued and paid share capital	Share premium	Warrants	Legal reserve	Deficit	Other component of shareholders' equity	Equity attributable to owners of parent	Non-controlling interests	Total shareholders' equity
						Deficit	Investments held as available for sale			
<i>(in thousand Baht)</i>										
Nine month period ended 30 September 2017										
Balance at 1 January 2017		170,048	272,706	4,087	10,650	(189,699)	-	267,792	(654)	267,138
Transactions with owners, recorded directly in equity										
<i>Contributions by and distributions to owners of the parent</i>										
Share-based payment transactions	8	-	-	(50)	-	-	-	(50)	-	(50)
Total contributions by and distributions to owners of the parent		-	-	(50)	-	-	-	(50)	-	(50)
<i>Change in ownership interest in subsidiary</i>										
Acquisition of non-controlling interest without a change in control		-	-	-	-	(601)	-	(601)	601	-
Total change in ownership interest in subsidiary		-	-	-	-	(601)	-	(601)	601	-
Total transactions with owners, recorded directly in equity		-	-	(50)	-	(601)	-	(651)	601	(50)
Comprehensive income for the period										
Profit or loss		-	-	-	-	3,657	-	3,657	9	3,666
Other comprehensive income		-	-	-	-	-	139	139	-	139
Total comprehensive income for the period		-	-	-	-	3,657	139	3,796	9	3,805
Balance at 30 September 2017		170,048	272,706	4,037	10,650	(186,643)	139	270,937	(44)	270,893

The accompanying notes are an integral part of these financial statement.

Nation International Edutainment Public Company Limited and its Subsidiaries

Statement of changes in equity (Unaudited)

	Note	Issued and paid share capital	Share premium	Separate financial statements		Total shareholders' equity	
				Warrants	Retained earnings (Deficit)		
				Legal reserve	Unappropriated (Deficit)		
<i>(in thousand Baht)</i>							
Nine month period ended 30 September 2016							
Balance at 1 January 2016		170,048	272,706	3,800	10,650	22,807	480,011
Transactions with owners, recorded directly in equity							
<i>Contributions by and distributions to owners of the Company</i>							
Share-based payment transactions	8	-	-	267	-	-	267
Dividends to owners of the Company	12	-	-	-	-	(3,741)	(3,741)
<i>Total contributions by and distributions to owners of the Company</i>		<u>-</u>	<u>-</u>	<u>267</u>	<u>-</u>	<u>(3,741)</u>	<u>(3,474)</u>
Total transactions with owners, recorded directly in equity		<u>-</u>	<u>-</u>	<u>267</u>	<u>-</u>	<u>(3,741)</u>	<u>(3,474)</u>
Comprehensive income (expense) for the period							
Profit or loss		-	-	-	-	(24,650)	(24,650)
Other comprehensive income (expense)		-	-	-	-	(3,073)	(3,073)
Total comprehensive income (expense) for the period		<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(27,723)</u>	<u>(27,723)</u>
Balance at 30 September 2016		<u>170,048</u>	<u>272,706</u>	<u>4,067</u>	<u>10,650</u>	<u>(8,657)</u>	<u>448,814</u>

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

Nation International Edutainment Public Company Limited and its Subsidiaries

Statement of changes in equity (Unaudited)

	Note	Separate financial statements					Other component of shareholders' equity	Total shareholders' equity
		Issued and paid share capital	Share premium	Warrants	Deficit			
					Legal reserve	Deficit		
<i>(in thousand Baht)</i>								
Nine month period ended 30 September 2017								
Balance at 1 January 2017		170,048	272,706	4,087	10,650	(9,968)	-	447,523
Transactions with owners, recorded directly in equity								
<i>Contributions by and distributions to owners of the Company</i>								
Share-based payment transactions	8	-	-	(50)	-	-	-	(50)
<i>Total contributions by and distributions to owners of the Company</i>		-	-	(50)	-	-	-	(50)
Total transactions with owners, recorded directly in equity		-	-	(50)	-	-	-	(50)
Comprehensive income for the period								
Profit or loss		-	-	-	-	3,823	-	3,823
Other comprehensive income		-	-	-	-	-	139	139
Total comprehensive income for the period		-	-	-	-	3,823	139	3,962
Balance at 30 September 2017		170,048	272,706	4,037	10,650	(6,145)	139	451,435

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

Nation International Edutainment Public Company Limited and its Subsidiaries

Statement of cash flows (Unaudited)

	Consolidated		Separate	
	financial statements		financial statements	
	Nine month period ended		Nine month period ended	
	30 September		30 September	
	2017	2016	2017	2016
	<i>(in thousand Baht)</i>			
<i>Cash flows from operating activities</i>				
Profit (loss) for the period	3,666	(177,296)	3,823	(24,650)
<i>Adjustments to reconcile profit (loss) to cash receipts (payments)</i>				
Tax expense (income)	3,323	(34,723)	(180)	(5,600)
Finance costs	583	660	441	456
Depreciation	401	978	335	782
Amortisation of intangible assets	4,156	9,325	2,013	3,250
Non-current provisions for employee benefit	255	222	172	255
(Reversal of) share-based payment	(50)	267	(50)	267
Gain on fair value adjustment of investment in debt security	(123)	-	(123)	-
Gain on disposal of investment in debt security	(593)	(39)	(593)	(39)
Gain on return of investment in subsidiary	-	-	(3,264)	-
Bad and doubtful debts expense	207	929	35	44
Reversal of allowance for goods returned	(1,116)	(1,139)	(414)	(476)
Loss on inventories devaluation	1,586	148,973	517	18,560
Gain on disposal of equipment	-	(116)	-	(59)
Loss on written-off of intangible assets	-	12,354	-	4,521
Loss on written-off of withholding tax	61	-	-	-
Interest income	(5,259)	(6,857)	(6,243)	(7,204)
	<u>7,097</u>	<u>(46,462)</u>	<u>(3,531)</u>	<u>(9,893)</u>
<i>Changes in operating assets and liabilities</i>				
Trade accounts receivable	(8,589)	(1,545)	(8,981)	1,126
Accrued income	1,114	2,137	1,947	1,445
Other current receivables	(6,183)	(1,284)	2,092	(7,927)
Inventories	40	50,662	1,472	7,906
Other current assets	942	258	555	130
Restricted deposit	-	193	-	-
Other non-current assets	(89)	253	(88)	50
Trade accounts payable	(62,251)	(30,418)	(293)	(9,868)
Other current payables	632	248	451	1,930
Accrued expenses	(1,620)	(4,563)	(1,141)	(639)
Other current liabilities	526	257	828	(313)
Provisions for employee benefit	-	(767)	-	(767)
Other non-current liabilities	(44)	49	7	-
Net cash used in operating	<u>(68,425)</u>	<u>(30,982)</u>	<u>(6,682)</u>	<u>(16,820)</u>

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

Nation International Edutainment Public Company Limited and its Subsidiaries

Statement of cash flows (Unaudited)

	Consolidated		Separate	
	financial statements		financial statements	
	Nine month period ended		Nine month period ended	
	30 September		30 September	
	2017	2016	2017	2016
	<i>(in thousand Baht)</i>			
Taxes paid	(358)	(580)	(316)	(537)
Withholding tax refunded	-	1,855	-	1,855
Net cash used in operating activities	(68,783)	(29,707)	(6,998)	(15,502)
<i>Cash flows from investing activities</i>				
Proceed from return on capital of subsidiary	-	-	4,264	-
Current investments	140,196	105,433	140,000	105,483
Acquisition of debt security in private fund	(89,275)	-	(89,275)	-
Proceeds from sale of other debt security	388,977	124,055	388,977	124,055
Acquisition of other debt security	(285,000)	(119,000)	(285,000)	(119,000)
Proceeds from sale of equipment	-	105	-	48
Acquisition of equipment	-	(48)	-	(44)
Acquisition of intangible assets	(14,860)	(5,318)	(11,956)	(1,317)
Short-term loan to related party	-	-	(3,000)	(30,000)
Proceeds from repayment of short-term loans to related party	-	-	39,000	-
Interest received	3,229	7,943	4,211	8,289
Net cash from investing activities	143,267	113,170	187,221	87,514
<i>Cash flows from financing activities</i>				
Bank overdrafts	-	(9,915)	-	-
Investment in subsidiary	-	-	(103,000)	-
Dividends paid to owners of the Company	-	(3,741)	-	(3,741)
Interest paid	(350)	(423)	(261)	(281)
Net cash used in financing activities	(350)	(14,079)	(103,261)	(4,022)
Net increase in cash and cash equivalents	74,134	69,384	76,962	67,990
Cash and cash equivalents at beginning of period	20,829	68,405	13,826	64,140
Cash and cash equivalents at ending of period	94,963	137,789	90,788	132,130
<i>Non-cash transactions</i>				
Payable for purchase of equipment	-	3	-	3
Payables for purchase of intangible assets	391	2,180	-	-

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

Nation International Edutainment Public Company Limited and its Subsidiaries
Notes to the interim financial statements
For the three-month and nine-month periods ended 30 September 2017 (Unaudited)

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Nation International Edutainment Public Company Limited and its Subsidiaries
Notes to the interim financial statements
For the three-month and nine-month periods ended 30 September 2017 (Unaudited)

These notes form an integral part of the interim financial statements.

The interim financial statements issued for Thai regulatory reporting purposes are prepared in the Thai language. These English language financial statements have been prepared from the Thai language financial statements, and were approved and authorised for issue by the Board of Directors on 8 November 2017.

1 General information

Nation International Edutainment Public Company Limited, the “Company”, is incorporated in Thailand and has its registered office at 1858/123-124, 29th Floor, Bangna-Trad Road, Kwang Bangna, Khet Bangna, Bangkok.

The Company was listed on the Market for Alternative Investment in November 2010.

The immediate parent company during the financial period was Nation Multimedia Group Public Company Limited (71.04% shareholding), which was incorporated in Thailand.

The principal activities of the Company are importing, publishing and distributing local and foreign publications, production of TV programmes and providing advertisements through TV media, digital media and character management.

At the Board of Directors’ meeting of the Company held on 3 August 2016, the Board of Directors approved the restructuring of the Group’s publishing and distributing of publications in accordance with the current situation by focusing on the publishing and distributing of certain profitable publications and expanding digital media business by collaboration within the Group. This included the implementation of plans to control expenses. In addition, the Group is in the process of negotiation with business alliances for the investment.

2 Basis of preparation of the interim financial statements

(a) Statement of compliance

The interim financial statements are prepared on a condensed basis in accordance with Thai Accounting Standard (TAS) No. 34 (revised 2016) *Interim Financial Reporting*; guidelines promulgated by the Federation of Accounting Professions (“FAP”); and applicable rules and regulations of the Thai Securities and Exchange Commission.

The interim financial statements are prepared to provide an update on the financial statements for the year ended 31 December 2016. They do not include all of the financial information required for full annual financial statements but focus on new activities, events and circumstances to avoid repetition of information previously reported. Accordingly, these interim financial statements should be read in conjunction with the financial statements of the Company and its subsidiaries for the year ended 31 December 2016.

The accounting policies and methods of computation applied in these interim financial statements are consistent with those applied in the financial statements for the year ended 31 December 2016 except that the Group has adopted all the revised TFRS that are effective for annual periods beginning on or after 1 January 2017. The adoption of these revised TFRS did not have any material effect on the accounting policies, methods of computation, financial performance or position of the Group or the Company.

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In addition to the above revised TFRS, the FAP has issued a number of other revised TFRS which are effective for annual financial periods beginning on or after 1 January 2018 and have not been adopted in the preparation of these interim financial statements. Those revised TFRS that are relevant to the Group's operations are disclosed in note 15.

(b) Functional and presentation currency

The interim financial statements are presented in Thai Baht, which is the Company's functional currency. All financial information presented in Thai Baht has been rounded to the nearest thousand unless otherwise stated.

(c) Use of judgements and estimates

The preparation of interim financial statements in conformity with TFRS requires management to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates.

In preparing these interim financial statements, the significant judgements made by management in applying the Group's accounting policies and the key sources of estimation uncertainty were the same as those that applied to the financial statements for the year ended 31 December 2016.

Measurement of fair values

Significant valuations are reported to the Group Audit Committee.

When measuring the fair value of an asset or a liability, the Group uses market observable data as far as possible. Fair values are categorised into different levels in a fair value hierarchy based on the inputs used in the valuation techniques as follows.

- *Level 1*: quoted prices (unadjusted) in active markets for identical assets or liabilities.
- *Level 2*: inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).
- *Level 3*: inputs for the asset or liability that are not based on observable market data (unobservable inputs).

If the inputs used to measure the fair value of an asset or liability might be categorised in different levels of the fair value hierarchy, then the fair value measurement is categorised in its entirety in the same level of the fair value hierarchy as the lowest level input that is significant to the entire measurement.

Further information about the assumptions made in measuring fair values is included in Note 13 - financial instruments.

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3 Related parties

For the purposes of these financial statements, parties are considered to be related to the Group if the Group has the ability, directly or indirectly, to control or joint control the party or exercise significant influence over the party in making financial and operating decisions, or vice versa, or where the Group and the party are subject to common control or common significant influence. Related parties may be individuals or other entities.

Relationships with subsidiaries are described in note 6. Relationship with key management and other related parties were as follows:

Name of entities	Country of incorporation /nationality	Nature of relationships
Key management personnel	Thailand	Persons having authority and responsibility for planning, directing and controlling the activities of the entity, directly or indirectly, including any director (whether executive or otherwise) of the Group.
Nation Multimedia Group Public Company Limited	Thailand	Parent, 71.04% shareholding, some common directors
Nation Broadcasting Corporation Public Company Limited	Thailand	71.45% shareholding by parent, some common directors
Nation News Network Co., Ltd.	Thailand	99.99% shareholding by parent, some common directors
NML Co., Ltd.	Thailand	99.99% shareholding by parent, some common directors
Kom Chad Luek Media Co., Ltd.	Thailand	99.99% shareholding by parent, some common directors
Krungthep Turakij Media Co., Ltd.	Thailand	99.99% shareholding by parent, some common directors
Bangkok Business Broadcasting Co., Ltd.	Thailand	99.93% shareholding by parent, some common directors
WPS (Thailand) Co., Ltd.	Thailand	84.50% shareholding by parent, some common directors
Nation University	Thailand	University, a license holding by Nation U Co., Ltd.
NBC Next Vision Co., Ltd.	Thailand	99.99% shareholding by Nation Broadcasting Corporation Public Company Limited, some common directors
Yomiuri-Nation Information Service Limited	Thailand	45.00% shareholding by parent, some common directors

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The pricing policies for transactions with related parties are explained further below:

Transactions	Pricing policies
Revenues from sales and services	General market price
Costs of sales of goods and rendering of services	Negotiable rate which approximates market price
Sale of equipment	Book value plus margin
Purchase of equipment	Book value plus margin
Interest income on loan	Approximated loan rate of financial institutions
Other income	Negotiable rate
Distribution costs and administrative expenses	Negotiable rate

Significant transactions for the three-month and nine-month periods ended 30 September with related parties were as follows:

<i>Three-month period ended 30 September</i>	Consolidated financial statements		Separate financial statements	
	2017	2016	2017	2016
	<i>(in thousand Baht)</i>			
Parent				
Revenues from sales and services	3,891	4,393	3,891	4,029
Costs of sales of goods and rendering of services	2,402	3,091	2,310	3,057
Sale of equipment	-	28	-	28
Other income	601	985	601	291
Distribution costs and administrative expenses	1,382	1,409	870	929
Subsidiaries				
Interest income on loan	-	-	-	260
Other income	-	-	1,129	1,163
Distribution costs and administrative expenses	-	-	313	314
Other related parties				
Revenues from sales and services	771	983	771	983
Costs of sales of goods and rendering of services	6,017	6,861	4,456	4,855
Sale of equipment	-	1	-	1
Purchase of equipment	-	3	-	3
Other income	1,057	1,369	1,045	1,355
Distribution costs and administrative expenses	536	926	221	511
Key management personnel				
Key management personnel compensation				
Wages and salaries	1,560	2,484	1,560	2,484
Defined contribution plan	115	184	115	184
Total key management personnel compensation	<u>1,675</u>	<u>2,668</u>	<u>1,675</u>	<u>2,668</u>

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<i>Nine-month period ended 30 September</i>	Consolidated financial statements		Separate financial statements	
	2017	2016	2017	2016
	<i>(in thousand Baht)</i>			
Parent				
Revenues from sales and services	6,329	7,084	5,686	6,114
Costs of sales of goods and rendering of services	7,001	10,069	6,651	9,760
Sale of equipment	-	794	-	737
Other income	2,522	1,002	1,455	308
Distribution costs and administrative expenses	4,073	4,420	2,529	2,996
Subsidiaries				
Revenues from sales and services	-	-	-	4
Costs of sales of goods and rendering of services	-	-	-	139
Interest income on loan	-	-	989	356
Other income	-	-	4,576	5,281
Distribution costs and administrative expenses	-	-	948	1,030
Other related parties				
Revenues from sales and services	1,932	6,961	1,922	6,959
Costs of sales of goods and rendering of services	18,695	26,725	13,570	14,990
Sale of equipment	-	28	-	28
Purchase of equipment	-	3	-	3
Other income	3,233	3,840	3,197	3,779
Distribution costs and administrative expenses	1,612	2,861	405	1,239
Key management personnel				
Key management personnel compensation				
Wages and salaries	4,680	7,615	4,680	7,615
Defined contribution plan	343	559	343	559
Total key management personnel compensation	<u>5,023</u>	<u>8,174</u>	<u>5,023</u>	<u>8,174</u>

Balances as at 30 September 2017 and 31 December 2016 with related parties were as follows:

<i>Trade accounts receivable - related parties</i>	Consolidated financial statements		Separate financial statements	
	30 September 2017	31 December 2016	30 September 2017	31 December 2016
	<i>(in thousand Baht)</i>			
Parent	24,755	15,745	23,463	15,095
Subsidiary	-	-	3,287	3,645
Other related parties	13,524	12,695	13,518	12,690
	<u>38,279</u>	<u>28,440</u>	<u>40,268</u>	<u>31,430</u>
Less allowance for doubtful accounts	(67)	(67)	(67)	(67)
allowance for goods returned	-	-	-	-
Net	<u>38,212</u>	<u>28,373</u>	<u>40,201</u>	<u>31,363</u>
	2017	2016	2017	2016
	<i>(in thousand Baht)</i>			

Bad and doubtful debts expense for the:
- Three-month period ended 30 September
- Nine-month period ended 30 September

	-	-	-	-
	-	-	-	-

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<i>Accrued income - related parties</i>	Consolidated		Separate	
	financial statements		financial statements	
	30 September	31 December	30 September	31 December
	2017	2016	2017	2016
	<i>(in thousand Baht)</i>			
Parent	-	671	-	671
Other related parties	-	435	-	435
Total	-	1,106	-	1,106

<i>Other current receivables - related parties</i>	Consolidated		Separate	
	financial statements		financial statements	
	30 September	31 December	30 September	31 December
	2017	2016	2017	2016
	<i>(in thousand Baht)</i>			
Parent	6,816	2,938	4,815	2,123
Subsidiary	-	-	41,670	48,779
Other related parties	3,389	1,966	3,214	1,882
	10,205	4,904	49,699	52,784
Less allowance for doubtful accounts	-	-	-	-
Net	10,205	4,904	49,699	52,784

	2017	2016	2017	2016
	<i>(in thousand Baht)</i>			
Bad and doubtful debts expense for the:				
- Three-month period ended 30 September	-	-	-	-
- Nine-month period ended 30 September	-	-	-	-

<i>Short-term loans to related party</i>	Interest rate		Consolidated		Separate	
	2017	2016	financial statements		financial statements	
			30 September	31 December	30 September	31 December
			2017	2016	2017	2016
	<i>(% per annum)</i>					
	<i>(in thousand Baht)</i>					
Subsidiary	-	6.35	-	-	-	36,000

Movements during the nine-month periods ended 30 September 2017 and 2016 of short-term loans to related party were as follows:

<i>Short-term loans to related party</i>	Consolidated		Separate	
	financial statements		financial statements	
	2017	2016	2017	2016
	<i>(in thousand Baht)</i>			
Subsidiary				
At 1 January	-	-	36,000	3,000
Increase	-	-	3,000	30,000
Decrease	-	-	(39,000)	-
At 30 September	-	-	-	33,000

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<i>Trade accounts payable - related parties</i>	Consolidated financial statements		Separate financial statements	
	30 September 2017	31 December 2016	30 September 2017	31 December 2016
	<i>(in thousand Baht)</i>			
Parent	1,654	1,398	1,576	1,340
Other related parties	3,692	67,284	2,475	3,781
Total	5,346	68,682	4,051	5,121

<i>Other current payables - related parties</i>	Consolidated financial statements		Separate financial statements	
	30 September 2017	31 December 2016	30 September 2017	31 December 2016
	<i>(in thousand Baht)</i>			
Parent	1,495	1,528	947	1,142
Subsidiary	-	-	1,136	1,190
Other related parties	125	165	36	30
Total	1,620	1,693	2,119	2,362

<i>Accrued expenses - related parties</i>	Consolidated financial statements		Separate financial statements	
	30 September 2017	31 December 2016	30 September 2017	31 December 2016
	<i>(in thousand Baht)</i>			
Parent	56	61	53	59
Other related parties	190	684	107	530
Total	246	745	160	589

Significant agreements with related parties

Short-term loans agreement

The Company entered into short-term loans agreements with a subsidiary (“Nation Global Edutainment Co., Ltd”) amounting to Baht 39 million. The loans were promissory notes and repayable at call. The loans bear interest rate at the average Minimum Loan Rate (average MLR) of four local financial institutions. The Company fully received the short-term loans from the subsidiary during the second quarter of 2017.

Other agreements

The Company and a subsidiary entered into agreements with a parent company to be granted services in relating to management, operations, marketing and other services. The Company and the subsidiary committed to pay the service fees as specified in the agreements.

The Company entered into agreements with a subsidiary to provide services in relation to management, operations and other services. The Company will receive the service fees as specified in the agreements.

A subsidiary entered into agreements with a parent company and a related party for rent spaces and related services. The subsidiary committed to pay rental and service fees as specified in the agreements.

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4 Current investments

	Consolidated financial statements		Separate financial statements	
	30 September 2017	31 December 2016	30 September 2017	31 December 2016
	<i>(in thousand Baht)</i>			
Short-term deposits at financial institutions	64	260	-	-
Promissory notes	-	140,000	-	140,000
Debt security held for trading	-	103,261	-	103,261
Debt security available for sale (Private fund)	89,449	-	89,449	-
Total	89,513	243,521	89,449	243,261

During the second quarter of 2017, the Company established a private fund by engaging an independent assets management company for the purpose of cash management of the Company. This private fund invested in equity and debt securities in response to capital market conditions. As at 30 September 2017, the value of private fund outstanding totalling Baht 102.39 million (including cash and cash equivalents of Baht 10.93 million).

Movements during the nine-month periods ended 30 September 2017 and 2016 of the marketable debt securities were as follows:

	Consolidated financial statements		Separate financial statements	
	2017	2016	2017	2016
	<i>(in thousand Baht)</i>			
Trading security				
At 1 January	103,261	5,016	103,261	5,016
Purchases during the period	83,000	119,000	83,000	119,000
Sales during the period	(54,832)	(124,016)	(54,832)	(124,016)
Transfer during the period	(131,552)	-	(131,552)	-
Valuation adjustment	123	-	123	-
At 30 September	-	-	-	-
Available for sale security				
At 1 January	-	-	-	-
Purchases during the period	202,000	-	202,000	-
Sales during the period	(333,552)	-	(333,552)	-
Transfer during the period	131,552	-	131,552	-
At 30 September	-	-	-	-
Available for sale security (Private fund)				
At 1 January	-	-	-	-
Purchases during the period	89,275	-	89,275	-
Valuation adjustment	174	-	174	-
At 30 September	89,449	-	89,449	-

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5 Trade accounts receivable

	Note	Consolidated financial statements		Separate financial statements	
		30 September 2017	31 December 2016	30 September 2017	31 December 2016
		<i>(in thousand Baht)</i>			
Related parties	3	38,279	28,440	40,268	31,430
Other parties		30,433	31,684	17,104	16,961
Total		68,712	60,124	57,372	48,391
Less allowance for doubtful accounts		(6,513)	(6,307)	(154)	(119)
allowance for goods returned		(2,359)	(3,475)	(586)	(1,000)
Net		59,840	50,342	56,632	47,272
		2017	2016	2017	2016
		<i>(in thousand Baht)</i>			
(Reversal of) bad and doubtful debts expense for the:					
- Three-month period ended 30 September		<u>21</u>	<u>235</u>	<u>(13)</u>	<u>15</u>
- Nine-month period ended 30 September		<u>207</u>	<u>929</u>	<u>35</u>	<u>44</u>

Aging analyses for trade accounts receivable were as follows:

	Consolidated financial statements		Separate financial statements	
	30 September 2017	31 December 2016	30 September 2017	31 December 2016
	<i>(in thousand Baht)</i>			
Related parties				
Within credit terms	7,256	3,066	7,256	2,850
Overdue:				
Less than 3 months	867	4,759	706	4,396
3-6 months	2,276	1,052	1,794	976
6-12 months	7,265	16,714	6,686	16,772
Over 12 months	20,615	2,849	23,826	6,436
	38,279	28,440	40,268	31,430
Less allowance for doubtful accounts	(67)	(67)	(67)	(67)
allowance for goods returned	-	-	-	-
	38,212	28,373	40,201	31,363
Other parties				
Within credit terms	21,792	19,770	16,687	16,525
Overdue:				
Less than 3 months	2,125	5,339	217	320
3-6 months	55	188	75	44
6-12 months	30	294	75	41
Over 12 months	6,431	6,093	50	31
	30,433	31,684	17,104	16,961
Less allowance for doubtful accounts	(6,446)	(6,240)	(87)	(52)
allowance for goods returned	(2,359)	(3,475)	(586)	(1,000)
	21,628	21,969	16,431	15,909
Net	59,840	50,342	56,632	47,272

The normal credit term granted by the Group ranges from 15 days to 90 days.

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6 Investments in subsidiaries

<i>Nine-month period ended 30 September</i>	Separate financial statements	
	2017	2016
	<i>(in thousand Baht)</i>	
At 1 January	61,410	61,410
Addition	103,000	-
Disposal	(1,000)	-
At 30 September	<u>163,410</u>	<u>61,410</u>

Addition

At the extraordinary meeting of the shareholders of a subsidiary (“Nation Global Edutainment Co., Ltd.”) held on 20 May 2017, the shareholders of the subsidiary approved an increase in the registered share capital from Baht 97 million (divided into 97,000 ordinary shares at Baht 1,000 per share) to Baht 200 million (divided into 200,000 ordinary shares at Baht 1,000 per share). The subsidiary registered the increase in share capital with the Ministry of Commerce on 5 June 2017.

Return of investment

At the extraordinary meeting of the shareholders of a subsidiary (“Nation Kids Co., Ltd.”) held on 26 December 2016, the shareholders of the subsidiary approved the extraordinary resolution of the liquidation. The subsidiary registered the liquidation with the Ministry of Commerce on 27 December 2016 and completed to liquidate on 29 June 2017. The Company received payment made out of the accumulated profits in the proportionate interest of shareholding of the subsidiary amounted to Baht 4.26 million and recognised gain on return of such investment of Baht 3.26 million in the separate statement of comprehensive income for the nine-month period ended 30 September 2017.

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Investments in subsidiaries as at 30 September 2017 and 31 December 2016, and dividend income from those investments for the nine-month periods ended 30 September 2017 and 2016 were as follows:

Name of subsidiaries	Type of business	Separate financial statements										Dividend income for the nine-month periods ended	
		Ownership interest		Paid-up capital		Cost		Impairment		At cost - net		30	30
		30	31	30	31	30	31	30	31	30	31	September	September
		September	December	September	December	September	December	September	December	September	December	2017	2016
		(%)						(in thousand Baht)					
Nation Kids Co., Ltd. (liquidated and completed the liquidation on 29 June 2017)	Production of TV programmes and providing advertisements through TV media	-	99.99	-	1,000	-	1,000	-	-	-	1,000	-	-
Nation Global Edutainment Co., Ltd.	Importing, publishing and distributing children's books for edutainment	99.74	99.47	200,000	97,000	163,410	60,410	-	-	163,410	60,410	-	-
Total						<u>163,410</u>	<u>61,410</u>	<u>-</u>	<u>-</u>	<u>163,410</u>	<u>61,410</u>	<u>-</u>	<u>-</u>

All subsidiaries were incorporated in Thailand. None of the Company's subsidiaries is publicly listed and consequently does not have published price quotations.

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7 Intangible assets

During the nine-month period ended 30 September 2017, the Company acquired computer programmes and software licences at a total cost of Baht 10.97 million. There was no other significant additions to or disposals of intangible assets during the period.

8 Warrants

NINE-WA

At the annual general meeting of the shareholders of the Company held on 23 April 2013, the shareholders approved an issuance of warrants to the directors, management and/or employees of the Company and/or its subsidiaries of 4,250,000 units.

On 15 August 2013, the Company granted the rights and notified terms and conditions for exercising the rights to the directors, management and/or employees of the Company and/or its subsidiaries.

The Company had made a reversal of the expenses for share-based payment transactions for the nine-month period ended 30 September 2017 were Baht 0.05 million and Baht 0.05 million in the consolidated and separate financial statements, respectively (*2016: expenses for share-based payment transactions amounting to Baht 0.27 million and Baht 0.27 million, respectively*).

Movements during the nine-month periods ended 30 September 2017 and 2016 of warrants were as follows:

	Consolidated financial statements / Separate financial statements			
	2017		2016	
	Number of warrants	Grant date fair value	Number of warrants	Grant date fair value
	<i>(in thousand units / in thousand Baht)</i>			
At 1 January	1,492	4,087	1,387	3,800
Issued warrants during the period	406	908	642	1,200
Forfeited warrants during the period	(424)	(958)	(545)	(933)
At 30 September	<u>1,474</u>	<u>4,037</u>	<u>1,484</u>	<u>4,067</u>

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NINE-W1

The outstanding unexercised warrants as at 30 September 2017 were as follows:

Unexercised warrants as at 1 January 2017	Issued warrants (million units)	Exercised warrants	Unexercised warrants as at 30 September 2017	Exercise price (Baht / share)	Expiry date
84.96	-	-	84.96	4	5 years from the grant date

At the annual general meeting of the shareholders of the Company held on 23 April 2013, the shareholders approved an issuance and offering of warrants to the Company's existing shareholders who subscribe for additional ordinary shares in a ratio of 1 warrant for 1 existing ordinary share, without the offering price and approved an increase in the registered share capital from Baht 85 million (divided into 85,000,000 ordinary shares at Baht 1 per share) to Baht 259.25 million (divided into 259,250,000 ordinary shares at Baht 1 per share) by issuing of not exceeding 174,250,000 ordinary shares at Baht 1 per share to reserve for the increase in share capital and exercise of warrants as referred above.

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9 Segment information

Information about reportable segments

<i>Nine-month period ended 30 September</i>	Publishing and services		TV and new media		Others		Total	
	2017	2016	2017	2016	2017	2016	2017	2016
External revenue	93,953	111,515	4,421	4,570	1,553	1,536	99,927	117,621
Other income	12,458	12,455	176	77	1,849	2,272	14,483	14,804
Total segment revenues	106,411	123,970	4,597	4,647	3,402	3,808	114,410	132,425
Segment profit (loss) before income tax	11,558	(206,066)	(3,656)	(4,539)	(913)	(1,414)	6,989	(212,019)
Segment assets as at 30 September / 31 December	231,504	323,969	31,434	25,259	16,464	3,893	279,402	353,121
Segment liabilities as at 30 September / 31 December	29,411	94,309	1,138	224	1,028	2,022	31,577	96,555

The Group has reconsidered an information about reportable segments in relevant to its business restructuring according to the operation plan in note 1.

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Reconciliations of reportable segment assets and liabilities

	30 September 2017	31 December 2016
	<i>(in thousand Baht)</i>	
Assets		
Total assets for reportable segments	279,402	353,121
Other unallocated amounts	37,049	23,372
Consolidated total assets	<u>316,451</u>	<u>376,493</u>
Liabilities		
Total liabilities for reportable segments	31,577	96,555
Other unallocated amounts	13,981	12,800
Consolidated total liabilities	<u>45,558</u>	<u>109,355</u>

10 Income tax expense

Income tax expense is recognised based on management's best estimate of the weighted average annual income tax rate expected for the full financial year multiplied by the pre-tax income of the interim reporting period. The Group's consolidated and the Company's effective tax rates in respect of continuing operations for the nine-month period ended 30 September 2017 were 47.55% and 4.94%, respectively (*30 September 2016: 16.38% and 18.51%, respectively*). These changes in effective tax rates were mainly caused by taxable loss carry forward, which will expire in 2018 - 2022. Deferred tax assets have not been recognised in respect of these items because management considered that it is not probable that future taxable profit of a subsidiary will be available against which they can utilise the benefits therefrom and the different treatment for accounting and taxation purposes of allowance for inventories devaluation.

11 Earnings (loss) per share

Basic earnings (loss) per share

The calculations of basic earnings (loss) per share for the three-month and nine-month periods ended 30 September 2017 and 2016 were based on the profit (loss) for the periods attributable to ordinary shareholders of the Company and the number of ordinary shares outstanding during the periods as follows:

	Consolidated		Separate	
	financial statements		financial statements	
<i>Three-month period ended 30 September</i>	2017	2016	2017	2016
	<i>(in thousand Baht / thousand shares)</i>			
Profit (loss) attributable to ordinary shareholders of the Company (basic)	<u>4,162</u>	<u>(4,546)</u>	<u>1,306</u>	<u>2,725</u>
Number of ordinary shares outstanding	<u>170,048</u>	<u>170,048</u>	<u>170,048</u>	<u>170,048</u>
Earnings (loss) per share (basic) (in Baht)	<u>0.02</u>	<u>(0.03)</u>	<u>0.01</u>	<u>0.02</u>

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<i>Nine-month period ended 30 September</i>	Consolidated financial statements		Separate financial statements	
	2017	2016	2017	2016
	<i>(in thousand Baht / thousand shares)</i>			
Profit (loss) attributable to ordinary shareholders of the Company (basic)	3,657	(176,332)	3,823	(24,650)
Number of ordinary shares outstanding	170,048	170,048	170,048	170,048
Earnings (loss) per share (basic) (in Baht)	0.02	(1.04)	0.02	(0.15)

Diluted earnings (loss) per share

The Group and the Company did not assumed the conversion of the warrants (NINE-W1) and the warrants issued to the directors, management and/or employee of the Company and/or its subsidiaries (NINE-WA) in the calculation of diluted earnings (loss) per share, as the exercise prices (including fair value of services to be rendered per warrant) were higher than the weighted average market prices in the consolidated and separate financial statements for the three-month and nine-month periods ended 30 September 2017 and 2016.

12 Dividends

At the annual general meeting of the shareholders of the Company held on 25 April 2016, the shareholders approved the appropriation of dividends from the 2015 operating results of Baht 0.022 per share, amounting to Baht 3.74 million. The dividends were paid to the shareholders in May 2016.

13 Financial instruments

Carrying amounts and fair values

The following tables show the carrying amounts and fair values of financial assets and financial liabilities, including their levels in the fair value hierarchy for financial instruments measured at fair value. It does not include fair value information for financial assets and financial liabilities not measured at fair value if the carrying amount is a reasonable approximation of fair value.

	Carrying amount	Consolidated financial statements			
		Fair value			Total
		Level 1	Level 2	Level 3	
<i>(in thousand Baht)</i>					
30 September 2017					
<i>Financial assets measured at fair value</i>					
Debt security available for sale (Private fund)	89,449	-	89,449	-	89,449
31 December 2016					
<i>Financial assets measured at fair value</i>					
Debt security held for trading	103,261	-	103,261	-	103,261

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	Carrying amount	Separate financial statements			
		Fair value			Total
		Level 1	Level 2	Level 3	
<i>(in thousand Baht)</i>					
30 September 2017					
<i>Financial assets measured at fair value</i>					
Debt security available for sale (Private fund)	89,449	-	89,449	-	89,449
31 December 2016					
<i>Financial assets measured at fair value</i>					
Debt security held for trading	103,261	-	103,261	-	103,261

Measurement of fair values

Valuation techniques and significant unobservable inputs

The following table shows the valuation techniques used in measuring Level 2 fair values at 30 September 2017 and 31 December 2016 for financial instruments measured at fair value in the statement of financial position, as well as the significant unobservable inputs used. Related valuation processes are described in note 2 (c).

Financial instruments measured at fair value

Type	Valuation technique	Significant unobservable inputs	Inter-relationship between significant unobservable inputs and fair value measurement
Investments in marketable unit trusts classified as trading investments and available for sale investments	The net asset value as of the reporting date.	Not applicable	Not applicable

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14 Commitments with non-related parties

	Consolidated financial statements		Separate financial statements	
	30 September 2017	31 December 2016	30 September 2017	31 December 2016
	<i>(in thousand Baht)</i>			
<i>Future minimum lease payments under non-cancellable operating leases</i>				
Within one year	<u>1,144</u>	<u>5,237</u>	<u>442</u>	<u>2,429</u>
<i>Other commitment</i>				
Bank guarantees	<u>1,096</u>	<u>1,072</u>	<u>696</u>	<u>672</u>

- a) The Company entered into lease and service agreements for its office premises and facilities with a local company for the period of 3 years, commencing from 1 December 2014 to 30 November 2017 with an option for renewal. The Company agreed to pay rental and service fees at the rate as specified in the agreements.
- b) A subsidiary entered into a building rental agreement with a local company for use as warehouse. The subsidiary agreed to pay a rental fee at the rate as specified in the agreement. The agreement has a period of 1 year, expiring on 31 December 2017.

15 Thai Financial Reporting Standards (TFRS) not yet adopted

A number of revised TFRS have been issued but are not yet effective and have not been applied in preparing these interim financial statements. Those revised TFRS that may be relevant to the Group's operations, which become effective for annual financial periods beginning on or after 1 January 2018, are set out below. The Group does not plan to adopt these TFRS early.

TFRS	Topic
TAS 1 (revised 2017)	Presentation of Financial Statements
TAS 2 (revised 2017)	Inventories
TAS 7 (revised 2017)	Statement of Cash Flows
TAS 8 (revised 2017)	Accounting Policies, Changes in Accounting Estimates and Errors
TAS 10 (revised 2017)	Events After the Reporting Period
TAS 12 (revised 2017)	Income Taxes
TAS 16 (revised 2017)	Property, Plant and Equipment
TAS 17 (revised 2017)	Leases
TAS 18 (revised 2017)	Revenue
TAS 19 (revised 2017)	Employee Benefits
TAS 21 (revised 2017)	The Effects of Changes in Foreign Exchange Rates
TAS 24 (revised 2017)	Related Party Disclosures
TAS 27 (revised 2017)	Separate Financial Statements
TAS 33 (revised 2017)	Earnings Per Share
TAS 34 (revised 2017)	Interim Financial Reporting
TAS 36 (revised 2017)	Impairment of Assets
TAS 37 (revised 2017)	Provisions, Contingent Liabilities and Contingent Assets
TAS 38 (revised 2017)	Intangible Assets
TFRS 2 (revised 2017)	Share-based Payment
TFRS 3 (revised 2017)	Business Combinations
TFRS 8 (revised 2017)	Operating Segments

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TFRS	Topic
TFRS 10 (revised 2017)	Consolidated Financial Statements
TFRS 13 (revised 2017)	Fair Value Measurement
TSIC 27 (revised 2017)	Evaluating the Substance of Transactions in the Legal Form of a Lease
TSIC 31 (revised 2017)	Revenue – Barter Transactions Involving Advertising Services
TSIC 32 (revised 2017)	Intangible Assets – Web Site Costs
TFRIC 10 (revised 2017)	Interim Financial Reporting and Impairment

The Group has made a preliminary assessment of the potential initial impact on the consolidated and separate financial statements of these revised TFRS and expects that there will be no material impact on the financial statements in the period of initial application.