

SE-EDUCATION PUBLIC COMPANY LIMITED
and its subsidiaries
Review report and interim financial statements
For the three-month and nine-month periods ended
30 September 2017

Independent Auditor's Report on Review of Interim Financial Information

To the Shareholders of SE-EDUCATION PUBLIC COMPANY LIMITED

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

Scope of Review

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

Conclusion

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



Rosaporn Decharkom

Certified Public Accountant (Thailand) No. 5659

EY Office Limited

Bangkok: 10 November 2017

SE-EDUCATION PUBLIC COMPANY LIMITED and its subsidiaries

Statement of financial position

As at 30 September 2017

(Unit: Thousand Baht)

	Note	Consolidated financial statements		Separate financial statements	
		30 September 2017	31 December 2016	30 September 2017	31 December 2016
		(Unaudited but reviewed)	(Audited)	(Unaudited but reviewed)	(Audited)
Assets					
Current assets					
Cash and cash equivalents	3	128,882	159,057	103,285	92,917
Current investments	4	26,371	97,806	26,371	72,806
Trade and other receivables	2, 5	108,197	85,126	105,063	80,523
Short-term loan to subsidiary	2	-	-	3,000	3,000
Inventories	6	331,031	403,332	324,342	397,218
Other current assets	7	50,780	88,734	51,316	86,590
		645,261	834,055	613,377	733,054
Non-current assets held for sale	8	50,432	-	50,432	-
Total current assets		695,693	834,055	663,809	733,054
Non-current assets					
Restricted bank deposits and other investments	9	13,389	13,374	13,389	13,374
Investments in subsidiaries	10	-	-	70,295	70,295
Investments in associate	11	25,912	25,950	100	100
Property, plant and equipment	12	1,463,664	1,491,005	1,208,611	1,295,530
Leasehold rights on land	2, 13	6,028	5,696	-	-
Leasehold rights on buildings	14	53,497	62,084	53,497	62,084
Intangible assets	15	4,242	5,516	4,574	5,869
Prepaid book copyright and translation fee		16,184	17,179	16,184	17,179
Rental guarantee and deposit		99,779	100,755	99,779	100,755
Deferred tax assets		27,167	22,755	28,194	23,831
Other non-current assets		10,082	10,507	9,734	10,402
Total non-current assets		1,719,944	1,754,821	1,504,357	1,599,419
Total assets		2,415,637	2,588,876	2,168,166	2,332,473

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



SE-EDUCATION PUBLIC COMPANY LIMITED and its subsidiaries

Statement of financial position (continued)

As at 30 September 2017

(Unit: Thousand Baht)

		Consolidated financial statements		Separate financial statements	
	Note	30 September 2017	31 December 2016	30 September 2017	31 December 2016
		(Unaudited but reviewed)	(Audited)	(Unaudited but reviewed)	(Audited)
Liabilities and shareholders' equity					
Current liabilities					
Trade and other payables	2, 16	967,420	1,023,590	951,702	1,014,577
Income received in advance recognisable within one year	17	18,426	46,367	-	-
Current portion of long-term loans	19	116,608	93,090	60,408	71,520
Income tax payable		216	317	-	-
Current portion of provision for long-term employee benefits		7,260	8,832	7,260	8,443
Other current liabilities	18	30,335	71,868	25,621	69,826
Total current liabilities		1,140,265	1,244,064	1,044,991	1,164,366
Non-current liabilities					
Income received in advance, net of current portion	17	17,468	772	-	-
Long-term loans, net of current portion	19	234,252	318,250	223,702	261,600
Provision for long-term employee benefits, net of current portion		61,644	57,390	55,869	51,399
Other non-current liabilities		8,676	7,438	8,676	7,438
Total non-current liabilities		322,040	383,850	288,247	320,437
Total liabilities		1,462,305	1,627,914	1,333,238	1,484,803
Shareholders' equity					
Share capital					
Registered					
391,944,529 ordinary shares of Baht 1 each		391,945	391,945	391,945	391,945
Issued and paid-up					
391,944,418 ordinary shares of Baht 1 each		391,944	391,944	391,944	391,944
Share premium		149,421	149,421	149,421	149,421
Retained earnings					
Appropriated					
Statutory reserve - The Company		39,194	39,194	39,194	39,194
Statutory reserve - Subsidiary		632	-	-	-
Unappropriated		164,643	175,115	131,410	143,938
Other components of shareholders' equity		127,127	127,532	122,959	123,173
Equity attributable to owners of the Company		872,961	883,206	834,928	847,670
Non-controlling interests of the subsidiaries		80,371	77,756	-	-
Total shareholders' equity		953,332	960,962	834,928	847,670
Total liabilities and shareholders' equity		2,415,637	2,588,876	2,168,166	2,332,473

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



Directors



SE-EDUCATION PUBLIC COMPANY LIMITED and its subsidiaries

Statement of income

For the three-month period ended 30 September 2017

(Unit: Thousand Baht)

		Consolidated financial statements		Separate financial statements	
	Note	2017	2016	2017	2016
Revenues					
Revenues from sales		837,442	957,906	836,431	956,764
Tuition fees income	17	41,037	39,319	-	-
Interest and dividend income		175	159	3,688	171
Other income		16,016	4,588	14,192	3,122
Total revenues		894,670	1,001,972	854,311	960,057
Expenses					
Cost of sales		550,548	623,657	550,236	622,094
Cost of tuition fees		36,989	31,503	-	-
Selling expenses		210,075	230,687	210,046	230,688
Administrative expenses		119,146	126,321	112,836	118,659
Total expenses		916,758	1,012,168	873,118	971,441
Loss before finance cost and income tax		(22,088)	(10,196)	(18,807)	(11,384)
Finance cost		(4,582)	(5,723)	(3,529)	(4,392)
Loss before income tax		(26,670)	(15,919)	(22,336)	(15,776)
Income tax revenues	20	1,463	3,693	1,346	3,645
Loss for the period		(25,207)	(12,226)	(20,990)	(12,131)
Profit (loss) attributable to					
Equity holders of the Company		(24,810)	(12,226)	(20,990)	(12,131)
Non-controlling interests of the subsidiaries		(397)	-		
		(25,207)	(12,226)		
(Unit: Baht)					
Loss per share	21				
Basic loss per share					
Loss attributable to equity holders of the Company		(0.06)	(0.03)	(0.05)	(0.03)

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



SE-EDUCATION PUBLIC COMPANY LIMITED and its subsidiaries

Statement of comprehensive income

For the three-month period ended 30 September 2017

(Unit: Thousand Baht)

	Consolidated financial statements		Separate financial statements	
	2017	2016	2017	2016
Loss for the period	(25,207)	(12,226)	(20,990)	(12,131)
Other comprehensive income:				
Other comprehensive income to be reclassified to profit or loss in subsequent periods				
Gain (loss) on changes in value of available-for-sale investments	2	143	2	(39)
Less: Income tax effect	(1)	(28)	(1)	8
Other comprehensive income to be reclassified to profit or loss in subsequent periods - net of income tax	1	115	1	(31)
Other comprehensive income for the period	1	115	1	(31)
Total comprehensive income for the period	(25,206)	(12,111)	(20,989)	(12,162)
Total comprehensive income attributable to				
Equity holders of the Company	(24,809)	(12,186)	(20,989)	(12,162)
Non-controlling interests of subsidiaries	(397)	75		
Total comprehensive income for the period	(25,206)	(12,111)		

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



SE-EDUCATION PUBLIC COMPANY LIMITED and its subsidiaries

Statement of income

For the nine-month period ended 30 September 2017

(Unit: Thousand Baht)

		Consolidated financial statements		Separate financial statements	
	Note	2017	2016	2017	2016
Revenues					
Revenues from sales		2,756,703	3,060,228	2,752,694	3,057,822
Tuition fees income	17	132,109	125,055	-	-
Interest and dividend income		840	652	5,178	2,056
Other income		45,666	36,217	39,475	30,792
Total revenues		2,935,318	3,222,152	2,797,347	3,090,670
Expenses					
Cost of sales		1,794,886	2,011,665	1,790,292	2,008,511
Cost of tuition fees		99,052	93,214	-	-
Selling expenses		638,778	704,306	638,736	704,307
Administrative expenses		389,175	364,057	366,150	342,766
Total expenses		2,921,891	3,173,242	2,795,178	3,055,584
Profit before share of profit from investment					
in associate, finance cost and income tax		13,427	48,910	2,169	35,086
Share of profit from investment in associate	11	962	1,799	-	-
Profit before finance cost and income tax		14,389	50,709	2,169	35,086
Finance cost		(15,101)	(17,943)	(11,562)	(13,829)
Profit (loss) before income tax		(712)	32,766	(9,393)	21,257
Income tax revenues (expenses)	20	746	(6,347)	596	(6,314)
Profit (loss) for the period		34	26,419	(8,797)	14,943
Profit (loss) attributable to					
Equity holders of the Company		(6,300)	20,739	(8,797)	14,943
Non-controlling interests of the subsidiaries		6,334	5,680		
		34	26,419		
(Unit: Baht)					
Earnings per share	21				
Basic earnings (loss) per share					
Profit (loss) attributable to equity holders of the Company		(0.02)	0.05	(0.02)	0.04

(Unit: Baht)

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



SE-EDUCATION PUBLIC COMPANY LIMITED and its subsidiaries

Statement of comprehensive income

For the nine-month period ended 30 September 2017

(Unit: Thousand Baht)

	Consolidated financial statements		Separate financial statements	
	2017	2016	2017	2016
Profit (loss) for the period	34	26,419	(8,797)	14,943
Other comprehensive income:				
<i>Other comprehensive income to be reclassified to profit or loss in subsequent periods</i>				
Loss on changes in value of available-for-sale investments	(32)	(3,088)	(32)	(2,633)
Less: Income tax effect	6	618	6	527
Other comprehensive income to be reclassified to profit or loss in subsequent periods - net of income tax	(26)	(2,470)	(26)	(2,106)
Other comprehensive income for the period	(26)	(2,470)	(26)	(2,106)
Total comprehensive income for the period	8	23,949	(8,823)	12,837
Total comprehensive income attributable to				
Equity holders of the Company	(6,326)	18,454	(8,823)	12,837
Non-controlling interests of subsidiaries	6,334	5,495		
Total comprehensive income for the period	8	23,949		

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



SE-EDUCATION PUBLIC COMPANY LIMITED and its subsidiaries

Statement of changes in shareholders' equity

For the nine-month period ended 30 September 2017

(Unaudited but reviewed)

(Unit: Thousand Baht)

Consolidated financial statements										
Equity attributable to owners of the Company										
Other components of equity										
Other comprehensive income										
Surplus										
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Share premium										
Unappropriated										
Retained earnings										
Appropriated - statutory reserve										

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



SE-EDUCATION PUBLIC COMPANY LIMITED and its subsidiaries

Statement of changes in shareholders' equity (continued)

For the nine-month period ended 30 September 2017

(Unaudited but reviewed)

(Unit: Thousand Baht)

Separate financial statements

	Other components of equity									
	Other comprehensive income									
	Surplus					Total other components of shareholders' equity				
	Issued and paid-up share capital	Share premium	Retained earnings	on changes in value of available-for-sale investments	Surplus on revaluation of assets	Total other components of shareholders' equity	Total shareholders' equity			
			Appropriated	Unappropriated						
Balance as at 1 January 2016	391,944	149,421	39,194	187,766	2,150	123,385	893,860			
<u>Change during the period</u>										
Profit for the period	-	-	-	14,943	-	-	14,943			
Other comprehensive income for the period	-	-	-	-	(2,106)	(2,106)	(2,106)			
Total comprehensive income for the period	-	-	-	14,943	(2,106)	-	12,837			
Dividend paid (Note 22)	-	-	-	(47,033)	-	-	(47,033)			
Transferred surplus on revaluation of assets to retained earnings	-	-	-	200	-	(200)	-			
Balance as at 30 September 2016	391,944	149,421	39,194	155,876	44	123,185	859,664			
Balance as at 1 January 2017	391,944	149,421	39,194	143,938	55	123,118	847,670			
<u>Change during the period</u>										
Loss for the period	-	-	-	(8,797)	-	-	(8,797)			
Other comprehensive income for the period	-	-	-	-	(26)	(26)	(26)			
Total comprehensive income for the period	-	-	-	(8,797)	(26)	-	(8,823)			
Dividend paid (Note 22)	-	-	-	(3,919)	-	-	(3,919)			
Transferred surplus on revaluation of assets to retained earnings	-	-	-	188	-	(188)	-			
Balance as at 30 September 2017	391,944	149,421	39,194	131,410	29	122,930	834,928			

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



SE-EDUCATION PUBLIC COMPANY LIMITED and its subsidiaries

Statement of cash flows

For the nine-month period ended 30 September 2017

(Unit: Thousand Baht)

	Consolidated financial statements		Separate financial statements	
	2017	2016	2017	2016
Cash flows from operating activities				
Profit (loss) before tax	(712)	32,766	(9,393)	21,257
Adjustments to reconcile profit (loss) before tax to net cash provided by (paid from) operating activities				
Depreciation and amortisation	84,669	91,250	71,876	77,957
Allowance for doubtful accounts and estimated goods return (reversal)	5,316	(3,134)	5,488	(2,824)
Adjustment from clearing accounts receivable	(47)	(105)	(47)	(105)
Allowance for impairment of assets (reversal)	813	(1,251)	813	(1,251)
Expense from loss of inventories	7,898	8,491	7,898	8,491
Allowance for loss of inventories, dilapidated and slow moving	20,939	4,277	20,939	4,277
Expense for donation of goods and equipment	7,749	5,618	7,749	5,618
Provision for long-term employee benefits	12,614	7,397	12,606	6,045
Share of profit from investment in associate	(962)	(1,799)	-	-
Gain on disposal of current investments	(1,073)	(4,190)	(1,073)	(3,780)
Loss from stock destruction	9,120	10,023	9,120	10,023
Loss on sales and written-off equipment	1,574	3,676	1,407	3,455
Amortised leasehold rights on land and buildings	8,795	8,562	8,587	8,311
Loss on written-off leasehold rights on land	2,818	-	-	-
Adjustment from clearing coupon payable	(6,394)	-	(6,394)	-
Adjustment from clearing long outstanding payable	(1,440)	(3,573)	(1,440)	(3,573)
Interest expenses	15,101	17,943	11,562	13,829
Interest income	(840)	(652)	(609)	(556)
Dividend income	-	-	(4,569)	(1,500)
Profit from operating activities before changes in operating assets and liabilities	165,938	175,299	134,520	145,674
Operating assets (increase) decrease				
Trade and other receivables	(28,340)	(44,867)	(29,981)	(47,376)
Inventories	26,595	(65,085)	27,170	(63,098)
Other current assets	36,056	(9,143)	36,861	(8,755)
Prepaid book copyright and translation fee	995	(842)	995	(842)
Rental guarantee and deposit	976	(1,138)	976	(1,138)
Other non-current assets	425	(14,502)	668	(14,450)
Operating liabilities increase (decrease)				
Trade and other payables	(63,083)	5,519	(62,589)	5,839
Income received in advance	(11,245)	(30,506)	-	-
Cash paid for long-term employee benefits	(9,932)	(3,472)	(9,319)	(3,472)
Other current liabilities	(39,699)	11,909	(42,371)	11,402
Other non-current liabilities	1,238	(890)	1,238	(890)
Cash flows from operating activities	79,924	22,282	58,168	22,894
Cash receipt from tax refunded	5,992	-	5,992	-
Cash paid for interest expenses	(15,114)	(17,997)	(11,575)	(13,883)
Cash paid for income tax	(7,984)	(6,986)	(7,762)	(6,986)
Net cash flows from (used in) operating activities	62,818	(2,701)	44,823	2,025

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



SE-EDUCATION PUBLIC COMPANY LIMITED and its subsidiaries

Statement of cash flows (continued)

For the nine-month period ended 30 September 2017

(Unit: Thousand Baht)

	Consolidated financial statements		Separate financial statements	
	2017	2016	2017	2016
Cash flows from investing activities				
Increase in restricted bank deposits and other investments	(15)	(14)	(15)	(14)
Decrease in current investments	72,476	103,102	47,476	96,034
Increase in short-term loan to subsidiary	-	-	-	(2,000)
Dividend received	1,000	1,500	1,000	1,500
Interest income	969	714	600	521
Cash paid for purchase of property and equipment	(105,995)	(54,548)	(36,906)	(51,099)
Proceeds from sales of equipment	334	1,274	324	1,262
Cash receipt from advanced deposit	6,000	-	6,000	-
Cash paid for acquisition of leasehold right on land	(3,358)	-	-	-
Cash paid for purchase of intangible assets	(5)	(152)	(5)	(152)
Net cash flows from (used in) investing activities	(28,594)	51,876	18,474	46,052
Cash flows from financing activities				
Cash receipt from short-term loan from financial institution	-	50,000	-	50,000
Cash receipt from long-term loans	10,550	-	-	-
Repayment of long-term loans	(71,030)	(60,040)	(49,010)	(53,640)
Dividend paid	(3,919)	(47,033)	(3,919)	(47,033)
Net cash flows used in financing activities	(64,399)	(57,073)	(52,929)	(50,673)
Net increase (decrease) in cash and cash equivalents	(30,175)	(7,898)	10,368	(2,596)
Cash and cash equivalents at beginning of the period	159,057	131,672	92,917	86,443
Cash and cash equivalents at end of the period (Note 3)	128,882	123,774	103,285	83,847

Supplemental cash flows information

Non-cash transactions

Recognised loss in revaluation surplus on changes

in value of available-for-sale investments	(32)	(3,088)	(32)	(2,633)
Purchase of assets for which cash has not been paid	3,207	982	(273)	1,011
Transferred land and building to non-current assets held for sale	50,432	-	50,432	-
Dividend receivable	-	-	3,569	-
Dividend payable	3,719	-	-	-

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



SE-EDUCATION PUBLIC COMPANY LIMITED and its subsidiaries

Notes to interim financial statements

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

1. General information

1.1 Corporate information

SE-EDUCATION PUBLIC COMPANY LIMITED ("the Company") is a public company incorporated and domiciled in Thailand. The Company listed on the Stock Exchange of Thailand on 29 April 1993. The Company's registered office is located at No. 1858/87-90, Bangna-Trad Road, Bangna Sub-District, Bangna District, Bangkok. Its distribution center is situated at 118 Moo 1, Tambon Sisa Chorakhe Yai, Bang Sao Tong District, Samutprakarn.

The Company and its subsidiaries operate their businesses in Thailand and are authorised to engage in the following:

1. Operate bookstores which consist of SE-ED Book Center and network stores and various university bookstores in Bangkok and other provinces as well as the network and sales area in various forms.
2. Distribute books for both published by SE-ED and other publishers to bookstores all over the country and to other sales channels.
3. Publish books as well as academic and educational journals and provide services for display advertisements to be published in the Company's monthly magazine.
4. SE-ED Learning Center, is an education center that provides services and activities aiming to develop potentials and aptitudes of Thai children such as supplementary math and English course.
5. Plearnpattana School, which operates a private school offering courses for students from pre-kindergarten to Matayom 6.
6. BaesLab Co., Ltd. (subsidiary), which operates in consulting, provision and distribution of software and hardware business.

1.2 Basis for preparation of the interim financial statements

These interim financial statements are prepared in accordance with Thai Accounting Standard No. 34 (revised 2016) Interim Financial Reporting, with the Company choosing to present condensed interim financial statements. However, the Company has presented the statements of financial position, income, comprehensive income, changes in shareholders' equity, and cash flows in the same format as that used for the annual financial statements.



A handwritten signature in blue ink, appearing to be a stylized name.

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

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

1.3 Basis of consolidation

These consolidated interim financial statements are prepared by applying the same basis as that applied for the preparation of the consolidated financial statements for the year ended 31 December 2016, with there being no changes in the structure of shareholding in subsidiaries during the current period, except for the decreasing of share capital of the subsidiary as described in Note 10.

1.4 New financial reporting standards

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

1.5 Significant accounting policies

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

2. Related party transactions

During the periods, the Company and its subsidiaries had significant business transactions with related parties. Such transactions, which are summarised below, arose in the ordinary course of business and were concluded on commercial terms and bases agreed upon between the Company, its subsidiaries and those related parties.



(Unit: Thousand Baht)

For the three-month periods					
ended 30 September					
	Consolidated		Separate		Transfer Pricing Policy
	financial statements		financial statements		
	2017	2016	2017	2016	
<u>Transactions with subsidiary companies</u>					
(being eliminated in the consolidated financial statements)					
Sales of goods	-	-	69	86	Market price
Service expenses	-	-	857	992	Mutually agreed agreement
Interest income	-	-	54	35	MOR per annum
Service revenue	-	-	42	-	Mutually agreed agreement
Dividend income	-	-	3,569	-	As declared
<u>Transactions with shareholder and directors of subsidiary</u>					
Lease land	303	306	-	-	Mutually agreed agreement
Amortised leasehold rights on land	73	85	-	-	Mutually agreed agreement
Interest expenses	16	8	-	-	5% - 6% per annum
<u>Transactions with related companies</u>					
Sales of goods	112	6,359	112	6,359	Market price
Purchases of goods	42	278	42	278	Market price

(Unit: Thousand Baht)

For the nine-month periods					
ended 30 September					
	Consolidated		Separate		Transfer Pricing Policy
	financial statements		financial statements		
	2017	2016	2017	2016	
<u>Transactions with subsidiary companies</u>					
(being eliminated in the consolidated financial statements)					
Sales of goods	-	-	578	775	Market price
Service expenses	-	-	2,557	2,692	Mutually agreed agreement
Interest income	-	-	162	67	MOR per annum
Service revenue	-	-	126	-	Mutually agreed agreement
Dividend income	-	-	3,569	-	As declared
<u>Transactions with associate company</u>					
Dividend income	-	-	1,000	1,500	As declared
<u>Transactions with shareholder and directors of subsidiary</u>					
Lease land	751	906	-	-	Mutually agreed agreement
Amortised leasehold rights on land	208	251	-	-	Mutually agreed agreement
Interest expenses	32	22	-	-	5% - 6% per annum
<u>Transactions with related companies</u>					
Sales of goods	168	28,338	168	28,338	Market price
Purchases of goods	1,645	477	1,645	477	Market price



As at 30 September 2017 and 31 December 2016, the balances of the accounts between the Company, its subsidiaries and those related parties are as follows:

			(Unit: Thousand Baht)	
	Consolidated		Separate	
	financial statements		financial statements	
	30 September	31 December	30 September	31 December
	2017	2016	2017	2016
<u>Short-term loan to subsidiary</u>				
Subsidiary	-	-	3,000	3,000
<u>Interest receivable</u>				
Subsidiary	-	-	54	46
<u>Dividend receivable</u>				
Subsidiary	-	-	3,569	-
<u>Leasehold rights on land</u>				
Shareholder/directors of subsidiary	6,028	5,696	-	-
<u>Trade accounts receivable (Note 5)</u>				
Subsidiary	-	-	47	-
Related companies (related by co-director)	9,642	13,432	9,642	13,432
Total	9,642	13,432	9,689	13,432
<u>Trade accounts payable (Note 16)</u>				
Related companies of shareholders	892	2,234	892	2,234

Short-term loan to subsidiary which is due within 1 year. The subsidiary obtained such loan for the purpose of funding product development. Interest is charged at MOR of a commercial bank per annum.

Directors and management's benefits

During the three-month and nine-month periods ended 30 September 2017 and 2016, the Company and its subsidiaries had employee benefit expenses payable to their directors and management as below.

			(Unit: Million Baht)	
	For the three-month periods ended 30 September			
	Consolidated		Separate	
	financial statements		financial statements	
	2017	2016	2017	2016
Short-term employee benefits	6.85	6.78	6.28	6.06
Post-employment benefits	0.14	0.27	0.08	0.10
Total	6.99	7.05	6.36	6.16



(Unit: Million Baht)

For the nine-month periods ended 30 September

	Consolidated financial statements		Separate financial statements	
	2017	2016	2017	2016
Short-term employee benefits	21.48	20.19	19.44	17.59
Post-employment benefits	0.50	0.57	0.36	0.30
Total	21.98	20.76	19.80	17.89

3. Cash and cash equivalents

(Unit: Thousand Baht)

	Consolidated financial statements		Separate financial statements	
	30 September 2017	31 December 2016	30 September 2017	31 December 2016
Cash	16,796	24,171	16,601	23,974
Bank deposits with maturity not over 3 months	112,086	134,886	86,684	68,943
Total	128,882	159,057	103,285	92,917

4. Current investments

(Unit: Thousand Baht)

	Consolidated financial statements			
	30 September 2017		31 December 2016	
	Cost	Fair value	Cost	Fair value
Available-for-sale securities				
Fixed income fund	26,335	26,371	72,738	72,806
Add: Unrealised gain from revaluation of investments	36	-	68	-
Total available-for-sale securities	26,371	26,371	72,806	72,806
Fixed deposit 3 months	-	-	25,000	25,000
Current investments - net	26,371	26,371	97,806	97,806



(Unit: Thousand Baht)

	Separate financial statements			
	30 September 2017		31 December 2016	
	Cost	Fair value	Cost	Fair value
Available-for-sale securities				
Fixed income fund	26,335	26,371	72,738	72,806
Add: Unrealised gain from revaluation of investments	36	-	68	-
Total available-for-sale securities	26,371	26,371	72,806	72,806
Current investments - net	26,371	26,371	72,806	72,806

5. Trade and other receivables

(Unit: Thousand Baht)

	Consolidated financial statements		Separate financial statements	
	30 September 2017	31 December 2016	30 September 2017	31 December 2016
<u>Trade accounts receivable - related parties</u>				
Aged on the basis of due dates				
Not yet due	9,642	13,432	9,677	13,432
Past due				
Up to 6 months	-	-	12	-
Total trade accounts receivable - related parties	9,642	13,432	9,689	13,432
<u>Trade accounts receivable - unrelated parties</u>				
Aged on the basis of due dates				
Not yet due	52,518	43,333	51,532	43,261
Past due				
Up to 6 months	53,121	26,857	51,700	23,048
6 - 12 months	2,807	5,385	2,378	4,729
Over 12 months	3,428	3,985	2,705	3,193
Total trade accounts receivable - unrelated parties	111,874	79,560	108,315	74,231
Less: Allowance for doubtful debts	(11,314)	(8,017)	(10,379)	(6,910)
Allowance for goods return	(6,345)	(4,326)	(6,345)	(4,326)
Total trade accounts receivable - unrelated parties, net	94,215	67,217	91,591	62,995
<u>Other receivables</u>				
Advances	1,892	839	1,760	803
Others	2,448	3,638	2,023	3,293
Total other receivables	4,340	4,477	3,783	4,096
Trade and other receivables - net	108,197	85,126	105,063	80,523



The movements in transactions of allowance for doubtful accounts and allowance for goods return during the nine-month period ended 30 September 2017, are as follows:

	(Unit: Thousand Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	Allowance for doubtful debts	Allowance for goods return	Allowance for doubtful debts	Allowance for goods return
Balance as at 31 December 2016	8,017	4,326	6,910	4,326
Add: Allowance made during the period	3,469	2,019	3,469	2,019
Less: Allowance reversed during the period	(172)	-	-	-
Balance as at 30 September 2017	11,314	6,345	10,379	6,345

6. Inventories

	(Unit: Thousand Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	30 September	31 December	30 September	31 December
	2017	2016	2017	2016
Raw material	3,375	4,628	3,375	4,628
Work in process	11,342	10,979	6,835	7,063
Finished goods	545,622	596,094	543,340	593,796
Total	560,339	611,701	553,550	605,487
Less: Allowance for loss				
of inventories	(3,383)	(4,389)	(3,383)	(4,389)
Allowance for dilapidated				
and slow moving	(225,925)	(203,980)	(225,825)	(203,880)
Inventories - net	331,031	403,332	324,342	397,218

Movements in transactions of allowance for loss of inventories and allowance for dilapidated and slow moving during the nine-month period ended 30 September 2017 are summarised below.

	(Unit: Thousand Baht)	
	Consolidated	Separate
	financial statements	financial statements
Balance as at 31 December 2016	208,369	208,269
Add: Allowance for diminution in value of inventories made during the period	34,732	34,732
Less: Reversal of allowance for diminution in value of inventories during the period	(13,793)	(13,793)
Balance as at 30 September 2017	229,308	229,208



7. Other current assets

(Unit: Thousand Baht)

	Consolidated		Separate	
	financial statements		financial statements	
	30	31	30	31
	September	December	September	December
	2017	2016	2017	2016
Supplies	16,984	17,647	16,026	17,025
Prepaid expenses	18,138	15,941	16,257	14,699
Advance payment				
for purchasing books	111	37,400	111	37,400
Other current assets	15,547	17,746	18,922	17,466
Total	50,780	88,734	51,316	86,590

8. Non-current assets held for sale

As at 30 September 2017, details of non-current assets held for sale are as follows:

(Unit: Thousand Baht)

	Consolidated/Separate financial statements		
	Land	Buildings	Total
Revalued amount	42,000	12,354	54,354
Less: Accumulated depreciation	-	(3,922)	(3,922)
Net book value	42,000	8,432	50,432

A reconciliation of the net book value of non-current assets held for sale for the nine-month period ended 30 September 2017 is presented below.

(Unit: Thousand Baht)

	Consolidated/ Separate financial statements
Net book value as at 31 December 2016	-
Add: Transfer from land and building	50,432
Net book value as at 30 September 2017	50,432



On 15 September 2017 the Company entered into an agreement to sell land and building with an unrelated party ("the buyer") at a price of Baht 60 million and the Company received deposits for the sale of the land and building amounting to Baht 6 million from the buyer.

9. Restricted bank deposits and other investments

(Unit: Thousand Baht)

	Consolidated/Separated financial statements		Interest rate (% p.a.)
	30 September 2017	31 December 2016	
Fixed deposits with 12 months maturity	8,000	8,000	0.80
Government bonds with 7 years maturity	5,389	5,374	3.625
Total	13,389	13,374	

The Company pledged such fixed deposits and other investments to guarantee electricity use, area rental and distributor as discussed in Note 24.2.

10. Investments in subsidiaries

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

Company's name	Paid-up capital		Shareholding percentage		Cost		Allowance for impairment of investments		Carrying amounts based on cost method - net	
	30 September 2017	31 December 2016	30 September 2017 (%)	31 December 2016 (%)	30 September 2017	31 December 2016	30 September 2017	31 December 2016	30 September 2017	31 December 2016
SE-ED Book Center Co.,Ltd.	1,000	1,000	99.99	99.99	1,000	1,000	(187)	(187)	813	813
BaesLab Co., Ltd.	250	250	60.00	60.00	150	150	-	-	150	150
Plearn Patt Co.,Ltd.	151,850	169,476	48.97	48.97	83,000	83,000	(13,668)	(13,668)	69,332	69,332
					84,150	84,150	(13,855)	(13,855)	70,295	70,295

During the periods, the Company recognised dividend income from subsidiary as detailed below.

(Unit: Thousand Baht)

Company's name	For the three-month period ended 30 September		For the nine-month period ended 30 September	
	2017	2016	2017	2016
Plearn Patt Co., Ltd.	3,569	-	3,569	-
	3,569	-	3,569	-



Changes in investments in subsidiary during the period are as follows: -

On 28 March 2017, the Annual General Meeting of Shareholder of the Plearn Patt Company Limited, a subsidiary in which the Company hold 48.97% of shares, passed a resolution to decrease its registered capital, from the registered capital of Baht 169,475,500 (16,947,550 ordinary shares at Baht 10 each) to Baht 151,850,048 (16,947,550 ordinary shares at Baht 8.96 each) in order to reduce the subsidiary's accumulated loss. The subsidiary registered its decrease in share capital to the Ministry of Commerce on 18 May 2017. However, the Company's proportionate holding in the equity of such subsidiary does not change.

11. Investments in an associate

(Unit: Thousand Baht)

Company's name	Nature of business	Shareholding percentage		Consolidated financial statements		Separate financial statements		Dividend recognised during the period	
				Carrying amounts based on equity method		Carrying amounts based on cost method			
		30	31	30	31	30	31	30	31
		September	December	September	December	September	December	September	December
		2017	2016	2017	2016	2017	2016	2017	2016
		(%)	(%)						
M AND E Co., Ltd.	Printing office, production of technical magazines and engineering manuals	25	25	25,912	25,950	100	100	1,000	1,500
				25,912	25,950	100	100	1,000	1,500

12. Property, plant and equipment

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

(Unit: Thousand Baht)

	Consolidated financial statements	Separate financial statements
Net book value as at 31 December 2016	1,491,005	1,295,530
Transferred land and building to non-current assets held for sale (Note 8)	(50,432)	(50,432)
Acquisitions during period - at cost	109,202	36,633
Disposal during period - net book value at disposal date	(248)	(71)
Written - off during period - net book value at written - off date	(1,649)	(1,649)
Depreciation for the period	(83,401)	(70,587)
Impairment for the period	(813)	(813)
Net book value as at 30 September 2017	<u>1,463,664</u>	<u>1,208,611</u>



The Company mortgaged the land and constructions thereon where the distribution center is situated to secure against credit facilities granted by the bank as discussed in Note 19.

13. Leasehold rights on land

The whole amount of the leasehold rights consisted of two land lease agreements which the subsidiary entered into with its shareholders totalling Baht 10 million. It is related to the lease of land area of approximately 20 rais for the period of 30 years for the purpose of operating an education institute.

Movement of the leasehold rights on land during the nine-month period ended 30 September 2017 is summarised below:

	(Unit: Thousand Baht)
	Consolidated financial statements
Net book value as at 31 December 2016	5,696
Acquisitions during period - at cost	3,358
Written - off during period - net book value at written - off date	(2,818)
Amortisation for the period	(208)
Net book value as at 30 September 2017	6,028

14. Leasehold rights on buildings

The whole amount of the leasehold on buildings represented leased areas in leading shopping centers in order to open SE-ED Book Center. The terms of these leaseholds range between 10 to 30 years. During the nine-month period ended 30 September 2017, the Company amortised leasehold rights as expenses totalling Baht 8.59 million (2016: Baht 8.31 million).

15. Intangible assets

Movements of the intangible assets which are software license fee during the nine-month period ended 30 September 2017 are summarised below.

	(Unit: Thousand Baht)	
	Consolidated financial statements	Separate financial statements
Net book value as at 31 December 2016	5,516	5,869
Acquisitions during period - at cost	5	5
Written - off during period - net book value at written - off date	(11)	(11)
Amortisation for the period	(1,268)	(1,289)
Net book value as at 30 September 2017	4,242	4,574



16. Trade and other payables

	Consolidated		(Unit: Thousand Baht)	
	financial statements		Separate	
			financial statements	
	30	31	30	31
	September	December	September	December
	2017	2016	2017	2016
Trade accounts payable - related parties	892	2,234	892	2,234
Trade accounts payable - unrelated parties	844,014	903,320	842,321	902,704
Accrued expenses	71,741	69,320	61,549	61,158
Other payables for purchase of assets	8,337	5,130	4,645	4,918
Notes payable	7,863	6,583	7,842	6,566
Other payables	34,573	37,003	34,453	36,997
Total	967,420	1,023,590	951,702	1,014,577

17. Income received in advance / income from tuition fees

	(Unit: Thousand Baht)	
	Consolidated financial statements	
	30 September	31 December
	2017	2016
Income received in advance - not yet recognised	35,894	47,139
Less: Income received in advance recognisable within one year	(18,426)	(46,367)
Net	17,468	772

During the nine-month period ended 30 September 2017, movements of income received in advance are as follows:

	(Unit: Thousand Baht)		
	Consolidated financial statements		
	Initial	Education	Total
	entrance fee	supporting fee	
Balance as at 31 December 2016	6,048	41,091	47,139
Add: Increase during the period	6,855	116,062	122,917
Less: Income recognition during the period	(10,283)	(121,826)	(132,109)
Less: Returned due to resignation of students	(20)	(2,033)	(2,053)
Balance as at 30 September 2017	2,600	33,294	35,894



18. Other current liabilities

	(Unit: Thousand Baht)	
	Consolidated	Separate
	financial statements	financial statements
	30 September 2017	31 December 2016
Coupon payable	11,111	17,239
Accrued withholding tax	2,287	2,359
Unearned income	6,029	3,355
Advance received for purchasing books	1,386	44,291
Advanced deposit	6,000	-
Others	3,522	4,624
Total	30,335	71,868

19. Long-term loans

Loan	Interest rate (%)	Repayment schedule	(Unit: Thousand Baht)	
			Consolidated	Separate
			financial statements	financial statements
			30 September 2017	31 December 2016
1	THBFD 3M+3.85*	Monthly installment as from 31 July 2014 with the last installment in 30 June 2021	133,780	160,600
2	MLR-1.5	Monthly installment as from 30 November 2014 with the last installment in 31 December 2023	150,330	172,520
3	6.00 - 7.50	Settlement at maturity date of the contracts	66,750	78,220
Total			350,860	411,340
Less: Current portion			(116,608)	(93,090)
Long-term loans, net of current portion			234,252	318,250

* Interest expense rate in swap transaction agreement

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

	(Unit: Thousand Baht)	
	Consolidated	Separate
	financial statements	financial statements
Balance as at 31 December 2016	411,340	333,120
Add: Loans	10,550	-
Less: Repayment	(71,030)	(49,010)
Balance as at 30 September 2017	350,860	284,110



The loan agreements contain covenants as specified in the agreements that, among other things, require the Company to maintain certain gearing and debt service coverage ratios specified in the agreements.

On 11 April 2017, the Company entered into loan agreements and combined credit line agreement with a commercial bank to obtain long-term loan facilities and credit lines totalling Baht 525 million. The loans are secured by the mortgage of land and constructions thereon.

On 28 April 2017, the Company mortgaged the land and constructions thereon where the distribution center is situated to secure any debts or burdens that already exist or to arise under such agreements.

The Company had entered into an Interest Rate Swap Transaction Agreement with the a bank covering these loan amounts, whereby a rate stipulated in the agreement is to be swapped at a floating rate plus stipulated rate as discussed in Note 24.4.

20. Income tax

Interim corporate income tax was calculated on profit before income tax for the period, using the estimated effective tax rate for the year.

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

	(Unit: Thousand Baht)			
	For the three-month periods ended 30 September			
	Consolidated		Separate	
	financial statements		financial statements	
	2017	2016	2017	2016
Current income tax:				
Interim corporate income tax charge	(3,338)	(2,151)	(3,237)	(2,116)
Deferred tax:				
Relating to origination and reversal of temporary differences	1,875	(1,542)	1,891	(1,529)
Income tax revenues reported in the statement of income	<u>(1,463)</u>	<u>(3,693)</u>	<u>(1,346)</u>	<u>(3,645)</u>



(Unit: Thousand Baht)

	For the nine-month periods ended 30 September			
	Consolidated		Separate	
	financial statements		financial statements	
	2017	2016	2017	2016
Current income tax:				
Interim corporate income tax charge	3,660	7,068	3,761	6,986
Deferred tax:				
Relating to origination and reversal of temporary differences	(4,406)	(721)	(4,357)	(672)
Income tax expenses (revenues) reported in the statement of income	<u>(746)</u>	<u>6,347</u>	<u>(596)</u>	<u>6,314</u>

21. Earnings per share

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

The following table sets forth the computation of basic earnings per share:

	For the three-month periods ended 30 September			
	Consolidated		Separate	
	financial statements		financial statements	
	2017	2016	2017	2016
Loss for the period (Thousand Baht)	(24,810)	(12,226)	(20,990)	(12,131)
Weighted average number of ordinary shares (Thousand shares)	391,944	391,944	391,944	391,944
Loss per share (Baht/share)	(0.06)	(0.03)	(0.05)	(0.03)

	For the nine-month periods ended 30 September			
	Consolidated		Separate	
	financial statements		financial statements	
	2017	2016	2017	2016
Profit (loss) for the period (Thousand Baht)	(6,300)	20,739	(8,797)	14,943
Weighted average number of ordinary shares (Thousand shares)	391,944	391,944	391,944	391,944
Earnings (loss) per share (Baht/share)	(0.02)	0.05	(0.02)	0.04



22. Dividends

Dividends	Approved by	Total dividends (Million Baht)	Dividend per share (Baht)
Dividend from the operating results of the year 2015	Annual General Meeting of the shareholders on 21 April 2016	47.03	0.12
Total dividend paid for the nine-month period ended 30 September 2016		47.03	0.12
Dividend from the operating results of the year 2016	Annual General Meeting of the shareholders on 20 April 2017	3.92	0.01
Total dividend paid for the nine-month period ended 30 September 2017		3.92	0.01

23. Segment information

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

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

(Unit: Thousand Baht)

For the three-month period ended 30 September 2017						
	Retail business	Other distribution channels	Institution of private education business	Total reportable segments	Adjustments and eliminations	Consolidated
Revenue from external customers	664,474	172,062	41,943	878,479	-	878,479
Inter-segment revenue	-	919	-	919	(919)	-
Depreciation and amortisation	(17,303)	(6,560)	(3,909)	(27,772)	-	(27,772)
Loss on written-off assets	(928)	-	-	(928)	-	(928)
Segment loss from operations	(16,519)	(5,432)	(312)	(22,263)	-	(22,263)
Interest and dividend revenues						175
Interest expenses						(4,582)
Loss before income tax revenues						(26,670)
Income tax revenues						1,463
Loss for the period						(25,207)



(Unit: Thousand Baht)

For the three-month period ended 30 September 2016

	Retail business	Other distribution channels	Institution of private education business	Total reportable segments	Adjustments and eliminations	Consolidated
Revenue from external customers	760,774	196,635	39,816	997,225	-	997,225
Inter-segment revenue	-	853	-	853	(853)	-
Depreciation and amortisation	(18,596)	(7,187)	(4,464)	(30,247)	-	(30,247)
Loss on written-off assets	(1,839)	-	-	(1,839)	-	(1,839)
Segment profit (loss) from operations	(20,526)	8,387	1,784	(10,355)	-	(10,355)
Interest and dividend revenues						159
Interest expenses						(5,723)
Loss before income tax revenues						(15,919)
Income tax revenues						3,693
Loss for the period						(12,226)

(Unit: Thousand Baht)

For the nine-month period ended 30 September 2017

	Retail business	Other distribution channels	Institution of private education business	Total reportable segments	Adjustments and eliminations	Consolidated
Revenue from external customers	2,089,503	664,642	134,667	2,888,812	-	2,888,812
Inter-segment revenue	-	3,128	-	3,128	(3,128)	-
Depreciation and amortisation	(52,230)	(19,742)	(12,697)	(84,669)	-	(84,669)
Loss on written-off assets	(1,660)	-	-	(1,660)	-	(1,660)
Segment profit (loss) from operations	(38,257)	35,208	15,636	12,587	-	12,587
Share of profit from investment in associate						962
Interest and dividend revenues						840
Interest expenses						(15,101)
Loss before income tax revenues						(712)
Income tax revenues						746
Profit for the period						34

(Unit: Thousand Baht)

For the nine-month period ended 30 September 2016

	Retail business	Other distribution channels	Institution of private education business	Total reportable segments	Adjustments and eliminations	Consolidated
Revenue from external customers	2,335,398	722,451	127,434	3,185,283	-	3,185,283
Inter-segment revenue	-	3,203	-	3,203	(3,203)	-
Depreciation and amortisation	(56,878)	(21,026)	(13,346)	(91,250)	-	(91,250)
Loss on written-off assets	(3,785)	-	-	(3,785)	-	(3,785)
Segment profit (loss) from operations	(48,556)	81,474	15,340	48,258	-	48,258
Share of profit from investment in associate						1,799
Interest and dividend revenues						652
Interest expenses						(17,943)
Profit before income tax expenses						32,766
Income tax expenses						(6,347)
Profit for the period						26,419



The basis of pricing between the Company and its subsidiaries is consistent with that for third party transactions.

24. Commitments and contingent liabilities

24.1 Operating lease commitments

- a) As 30 September 2017, the Company has entered into space rental agreements for use as branch offices, totalling 394 branches (31 December 2016: 414 branches). The lease periods ranged from 1 to 20 years. During the nine-month period ended 30 September 2017, the total rental and utility fees were approximately Baht 371 million per annum (31 December 2016: Baht 405 million per annum). Some of rental fees were calculated from the percentage of sales amounts of that branch, while others were fixed rate.
- b) The Company and its subsidiaries have entered into several lease agreements in respect of the lease of office building space, land, warehouses, vehicles and costs service related with the operations. The terms of the agreements are generally between 1 and 30 years.

As at 30 September 2017, future minimum lease payments required under operating leases contracts were as follows.

	(Unit: Million Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	30 September 2017	31 December 2016	30 September 2017	31 December 2016
Payable:				
In up to 1 year	25.2	22.9	24.3	21.7
In over 1 and up to 5 years	36.1	54.6	31.5	49.3
In over 5 years	32.2	29.1	8.3	8.7

During the nine-month period ended 30 September 2017, the Company and its subsidiaries recognised rental expenses of Baht 10.1 million (2016: Baht 10.2 million).

24.2 Guarantees

As at 30 September 2017, the Company has pledged the bank deposit of Baht 4.0 million (31 December 2016: Baht 4.6 million) to guarantee contractual performance and guarantee rental. In addition, other investments of Baht 1.1 million (31 December 2016: Baht 0.9 million) were pledged to guarantee the electricity usage and rental of head office.



24.3 Long-term service commitments

- a) The Company entered into agent appointment agreement with a foreign company for the contractual period of three years commencing from 1 September 2016 to 31 May 2019. Upon expiration of the term, the Agreement shall be automatically renewed for successive one year unless either party notifies the other of its intention in writing to terminate the Agreement.
- b) The Company entered into three-year contracts allowing the use of copyrights with various authors which can be automatically renewed for successive three years, and agreed to pay remuneration at the percentage of the number of books published or sold.

24.4 Interest Rate Swap Transaction Agreement

The Company has the detail of the interest rate swap agreement outstanding as at 30 September 2017 as follow:

Principal amount	Interest Revenue Rate	Interest Expenses	Termination date
	Swap Agreement	Rate Swap Agreement	
Baht 133.8 million	THBFIX 1 M + 1.74%	THBFD 3 M + 3.85%	June 2021

25. Foreign currency assets and liabilities

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

Foreign currency	Consolidated / Separate financial statements					
	Financial assets		Financial liabilities		Average exchange rate	
	30 September	31 December	30 September	31 December	30 September	31 December
	2017	2016	2017	2016	2017	2016
	(Thousand)	(Thousand)	(Thousand)	(Thousand)	(Baht per 1 foreign currency unit)	
USD	-	-	84	18	33.5324	36.0025
SGD	-	-	39	4	24.8438	25.0755
GBP	-	-	794	685	45.2583	44.4775



Foreign exchange contracts outstanding are summarised below.

Consolidated / Separate financial statements					
As at 30 September 2017					
Foreign currency	Bought amount	Sold amount	Contractual exchange rate		Contractual maturity date
	(Thousand)	(Thousand)	Bought	Sold	
			(Baht per 1 foreign currency unit)		
GBP	613	-	43.24 - 43.72	-	October 2017 - January 2018

Consolidated / Separate financial statements					
As at 31 December 2016					
Foreign currency	Bought amount	Sold amount	Contractual exchange rate		Contractual maturity date
	(Thousand)	(Thousand)	Bought	Sold	
			(Baht per 1 foreign currency unit)		
GBP	129	-	44.25 - 45.29	-	April - June 2017

26. Fair value of financial instruments

The Company and its subsidiary use the market approach to measure their assets and liabilities that are required to be measured at fair value by relevant financial reporting standards, except that the cost approach or income approach is used when there is no active market or when a quoted market price is not available.

Fair value hierarchy

In applying the above-mentioned valuation techniques, the Company and its subsidiary endeavor to use relevant observable inputs as much as possible. TFRS 13 *Fair Value Measurement* establishes a fair value hierarchy categorising such inputs into three levels 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



As of 30 September 2017 and 31 December 2016, the Company and its subsidiary had the following assets that were measured at fair value using different levels of inputs as follows:

(Unit: Million Baht)

Consolidated / Separate financial statements

As of 30 September 2017

	Level 1	Level 2	Level 3	Total
Assets measured at fair value				
Available-for-sale investments				
Investment units	-	26.4	-	26.4

(Unit: Million Baht)

Consolidated Financial Statements

As at 31 December 2016

	Level 1	Level 2	Level 3	Total
Assets measured at fair value				
Available-for-sale investments				
Investment units	-	72.8	-	72.8
Property, plant and equipment	-	-	660.4	660.4
Liabilities for which fair value are disclosed				
Derivatives				
Interest rate swap agreement	-	6.7	-	6.7
Foreign exchange forward contracts	-	0.1	-	0.1

(Unit: Million Baht)

Separate Financial Statements

As at 31 December 2016

	Level 1	Level 2	Level 3	Total
Assets measured at fair value				
Available-for-sale investments				
Investment units	-	72.8	-	72.8
Property, plant and equipment	-	-	478.7	478.7
Liabilities for which fair value are disclosed				
Derivatives				
Interest rate swap agreement	-	6.7	-	6.7
Foreign exchange forward contracts	-	0.1	-	0.1



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31

Valuation techniques and inputs to Level 2 valuation

The fair value of investments in investment units has been determined by using the net asset values of the last working day of the reporting period as announced by the asset management company.

27. Approval of interim financial statements

These interim financial statements were authorised for issue by the Company's Board of Directors on 10 November 2017.



A handwritten signature in blue ink, appearing to be a cursive or stylized name, located to the right of the circular stamp.