

**ASIASOFT CORPORATION PUBLIC COMPANY LIMITED**

**INTERIM CONSOLIDATED AND SEPARATE  
FINANCIAL INFORMATION**

**30 SEPTEMBER 2017**

## **AUDITOR'S REPORT ON THE REVIEW OF THE INTERIM FINANCIAL INFORMATION**

To the Shareholders and the Board of Directors of Asiasoft Corporation Public Company Limited

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

### **Scope of review**

I conducted my review in accordance with the 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 consolidated and separate financial information is not prepared, in all material respects, in accordance with Thai Accounting Standard 34, "Interim Financial Reporting".

PricewaterhouseCoopers ABAS Ltd.

**Nopanuch Apichatsatien**

Certified Public Accountant (Thailand) No. 5266

Bangkok

13 November 2017

Asiasoft Corporation Public Company Limited  
Statement of Financial Position  
As at 30 September 2017

	Notes	Consolidated financial information		Separate financial information	
		Unaudited 30 September 2017 Baht'000	Audited 31 December 2016 Baht'000	Unaudited 30 September 2017 Baht'000	Audited 31 December 2016 Baht'000
<b>Assets</b>					
<b>Current assets</b>					
Cash and cash equivalents	5	124,820	223,857	63,994	111,491
Trade and other receivables	6	102,987	97,909	97,228	47,416
Short-term loans to related parties	17 (d)	-	-	2,000	-
Inventories		89	124	86	113
Prepaid royalty fees - current		5,063	25,607	2,549	20,362
Other current assets	7	59,414	74,629	17,920	19,331
<b>Total current assets</b>		<b>292,373</b>	<b>422,126</b>	<b>183,777</b>	<b>198,713</b>
<b>Non-current assets</b>					
Restricted bank deposits	8	29,654	9,505	29,617	9,505
Investments in subsidiaries	9 (a)	-	-	29,757	14,157
Investments in associates	9 (b)	10,708	8,526	-	-
Long-term loans to related parties	17 (e)	-	-	2,260	-
Equipment	10	30,228	48,912	12,436	20,293
Intangible assets	10	66,150	81,294	56,153	58,954
Prepaid royalty fees		1,455	4,011	801	1,438
Deferred tax assets		-	281	-	-
Other non-current assets		3,722	7,225	3,068	3,369
<b>Total non-current assets</b>		<b>141,917</b>	<b>159,754</b>	<b>134,092</b>	<b>107,716</b>
<b>Total assets</b>		<b>434,290</b>	<b>581,880</b>	<b>317,869</b>	<b>306,429</b>

Director \_\_\_\_\_

Director \_\_\_\_\_

The accompanying notes are an integral part of this interim financial information.

**Asiasoft Corporation Public Company Limited**  
**Statement of Financial Position (Cont'd)**  
**As at 30 September 2017**

		Consolidated		Separate	
		financial information		financial information	
	Notes	Unaudited 30 September 2017 Baht'000	Audited 31 December 2016 Baht'000	Unaudited 30 September 2017 Baht'000	Audited 31 December 2016 Baht'000
<b>Liabilities and equity</b>					
<b>Current liabilities</b>					
Short-term borrowings from financial institutions	11	28,505	24,883	28,505	24,883
Trade and other payables	12	133,053	166,632	61,438	33,968
Short-term loans from directors	17 (f)	1,030	9,747	-	-
Short-term loans from related parties	17 (h)	-	-	7,000	11,000
Deferred revenue and license fees		141,969	219,545	100,762	154,648
Accrued income tax		823	-	-	-
Other current liabilities		8,498	28,633	1,392	2,926
<b>Total current liabilities</b>		<b>313,878</b>	<b>449,440</b>	<b>199,097</b>	<b>227,425</b>
<b>Non-current liabilities</b>					
Finance lease liabilities		523	889	523	889
Long-term loans from directors	17 (g)	-	3,500	-	-
Deferred tax liabilities		8	325	-	-
Employee benefit obligations		15,445	13,455	15,446	13,455
Other non-current liabilities		316	316	-	-
<b>Total non-current liabilities</b>		<b>16,292</b>	<b>18,485</b>	<b>15,969</b>	<b>14,344</b>
<b>Total liabilities</b>		<b>330,170</b>	<b>467,925</b>	<b>215,066</b>	<b>241,769</b>
<b>Equity</b>					
Share capital					
Authorised share capital					
512,346,270 ordinary shares of par Baht 1 each	14	512,346	409,877	512,346	409,877
(2016 : 409,877,016 ordinary shares of par Baht 1 each)					
Issued and paid-up share capital					
409,877,016 ordinary shares of paid-up Baht 1 each		409,877	409,877	409,877	409,877
Premium on paid-up capital	14	-	796,834	-	796,834
Retained earnings (deficits)					
Appropriated - legal reserve	14	-	31,600	-	31,600
Unappropriated		(299,368)	(1,122,011)	(307,074)	(1,173,651)
Other components of equity		(3,233)	(3,999)	-	-
Equity attributable to owners of the parent		107,276	112,301	102,803	64,660
Non-controlling interests		(3,156)	1,654	-	-
<b>Total equity</b>		<b>104,120</b>	<b>113,955</b>	<b>102,803</b>	<b>64,660</b>
<b>Total liabilities and equity</b>		<b>434,290</b>	<b>581,880</b>	<b>317,869</b>	<b>306,429</b>

The accompanying notes are an integral part of this interim financial information.

**Asiasoft Corporation Public Company Limited**  
**Statement of Comprehensive Income (Unaudited)**  
**For the three-month period ended 30 September 2017**

	Notes	Consolidated financial information		Separate financial information	
		30 September 2017	30 September 2016	30 September 2017	30 September 2016
		Baht'000	Baht'000	Baht'000	Baht'000
Revenues from sales and services	4	201,433	272,689	128,694	106,050
Cost of sales and services		(102,225)	(182,800)	(55,754)	(65,975)
<b>Gross profit</b>		99,208	89,889	72,940	40,075
Other income		1,808	4,834	12,288	1,489
Selling expenses		(39,987)	(62,573)	(24,802)	(23,582)
Administrative expenses		(35,247)	(50,998)	(24,112)	(26,878)
Loss on impairment of prepaid royalty fees		(2,433)	(8,482)	(1,743)	(8,482)
Loss on impairment of intangible assets		(17,916)	(9,166)	(17,465)	(7,743)
Loss on impairment of investments in subsidiaries	9 (a)	-	-	(100,900)	(9,223)
Reversal of (loss on) impairment of short-term loans to subsidiaries		-	-	15,325	(2,800)
Reversal of impairment of long-term loans to subsidiaries	17 (e)	-	-	100,914	-
Finance costs		(109)	(555)	(264)	(351)
Share of profit (loss) from investments in associates		997	(932)	-	-
<b>Profit (Loss) before income tax expense</b>		6,321	(37,983)	32,181	(37,495)
Income tax expense	13	(984)	(12,398)	-	(11,282)
<b>Net profit (loss) for the period</b>		5,337	(50,381)	32,181	(48,777)
<b>Other comprehensive income:</b>					
Items that will be reclassified subsequently to profit or loss:					
Exchange differences on translation of financial statements in foreign currencies		428	1,619	-	-
<b>Other comprehensive income for the period, net of tax</b>		428	1,619	-	-
<b>Total comprehensive income (expense) for the period</b>		5,765	(48,762)	32,181	(48,777)

The accompanying notes are an integral part of this interim financial information

Asiasoft Corporation Public Company Limited  
Statement of Comprehensive Income (Unaudited) (Cont'd)  
For the three-month period ended 30 September 2017

	Note	Consolidated financial information		Separate financial information	
		30 September 2017	30 September 2016	30 September 2017	30 September 2016
		Baht'000	Baht'000	Baht'000	Baht'000
<b>Profit (Loss) attributable to:</b>					
Owners of the parent		4,779	(59,741)	32,181	(48,777)
Non-controlling interests		558	9,360	-	-
		<u>5,337</u>	<u>(50,381)</u>	<u>32,181</u>	<u>(48,777)</u>
<b>Total comprehensive income (expense) attributable to:</b>					
Owners of the parent		5,184	(57,970)	32,181	(48,777)
Non-controlling interests		581	9,208	-	-
		<u>5,765</u>	<u>(48,762)</u>	<u>32,181</u>	<u>(48,777)</u>
		<u>Baht</u>	<u>Baht</u>	<u>Baht</u>	<u>Baht</u>
<b>Earnings (loss) per share</b>					
Basic earnings (loss) per share	15	<u>0.01</u>	<u>(0.19)</u>	<u>0.08</u>	<u>(0.16)</u>
Diluted earnings (loss) per share	15	<u>0.01</u>	<u>(0.19)</u>	<u>0.08</u>	<u>(0.16)</u>

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**Asiasoft Corporation Public Company Limited**  
**Statement of Comprehensive Income (Unaudited)**  
**For the nine-month period ended 30 September 2017**

	Notes	Consolidated financial information		Separate financial information	
		30 September 2017 Baht'000	30 September 2016 Baht'000	30 September 2017 Baht'000	30 September 2016 Baht'000
Revenues from sales and services	4	629,717	707,545	305,516	285,256
Cost of sales and services		(367,884)	(481,638)	(166,764)	(171,306)
<b>Gross profit</b>		261,833	225,907	138,752	113,950
Other income		9,009	13,265	38,261	9,084
Selling expenses		(113,926)	(171,857)	(50,561)	(54,986)
Administrative expenses		(121,724)	(153,491)	(81,072)	(85,233)
Loss on write off of prepaid royalty fees		-	(2,126)	-	-
Loss on impairment of prepaid royalty fees		(6,915)	(15,888)	(4,584)	(8,482)
Loss on impairment of intangible assets	10	(28,747)	(14,596)	(17,969)	(7,743)
Loss on impairment of investments in subsidiaries	9 (a)	-	-	(100,900)	(9,223)
Reversal of (loss on) impairment of short-term loans to subsidiaries	17 (d)	-	-	16,120	(40)
Reversal of impairment of long-term loans to subsidiaries	17 (e)	-	-	100,914	-
Finance costs		(957)	(1,738)	(818)	(836)
Share of profit from investments in associates	9 (b)	2,182	3,489	-	-
<b>Profit (Loss) before income tax expense</b>		755	(117,035)	38,143	(43,509)
Income tax expense	13	(1,266)	(30,352)	-	(28,899)
<b>Net profit (loss) for the period</b>		(511)	(147,387)	38,143	(72,408)
<b>Other comprehensive income:</b>					
Items that will be reclassified subsequently to profit or loss:					
Exchange differences on translation of financial statements in foreign currencies					
		803	1,591	-	-
<b>Other comprehensive income for the period, net of tax</b>					
		803	1,591	-	-
<b>Total comprehensive income (expense) for the period</b>					
		292	(145,796)	38,143	(72,408)

The accompanying notes are an integral part of this interim financial information

Asiasoft Corporation Public Company Limited  
Statement of Comprehensive Income (Unaudited) (Cont'd)  
For the nine-month period ended 30 September 2017

	Note	Consolidated financial information		Separate financial information	
		30 September 2017	30 September 2016	30 September 2017	30 September 2016
		Baht'000	Baht'000	Baht'000	Baht'000
<b>Profit (Loss) attributable to:</b>					
Owners of the parent		(5,791)	(149,744)	38,143	(72,408)
Non-controlling interests		5,280	2,357	-	-
		<u>(511)</u>	<u>(147,387)</u>	<u>38,143</u>	<u>(72,408)</u>
<b>Total comprehensive income (expense) attributable to:</b>					
Owners of the parent		(5,025)	(148,007)	38,143	(72,408)
Non-controlling interests		5,317	2,211	-	-
		<u>292</u>	<u>(145,796)</u>	<u>38,143</u>	<u>(72,408)</u>
		<u>Baht</u>	<u>Baht</u>	<u>Baht</u>	<u>Baht</u>
<b>Earnings (loss) per share</b>					
Basic earnings (loss) per share	15	<u>(0.01)</u>	<u>(0.49)</u>	<u>0.09</u>	<u>(0.24)</u>
Diluted earnings (loss) per share	15	<u>(0.01)</u>	<u>(0.49)</u>	<u>0.09</u>	<u>(0.24)</u>

The accompanying notes are an integral part of this interim financial information



Asiasoft Corporation Public Company Limited  
Statement of Changes in Equity (Unaudited)  
For the nine-month period ended 30 September 2017

Consolidated financial information (Unaudited)											
Attributable to owners of the parent											
Other components of equity											
	Note	Issued and paid-up share capital Baht'000	Premium on share capital Baht'000	Retained earnings (deficits)		Other comprehensive income		Total other components of equity Baht'000	Total owners of the parent Baht'000	Non-controlling interests Baht'000	Total equity Baht'000
				Appropriated - legal reserve Baht'000	Unappropriated Baht'000	Exchange differences on translation of financial statements in foreign currencies Baht'000	Change in parent's ownership interests in subsidiaries Baht'000				
<b>Opening balance at 1 January 2016</b>		307,408	796,834	31,600	(907,197)	(4,037)	(612)	(4,649)	223,996	(5,016)	218,980
<b>Change in equity for the period</b>											
Total comprehensive income (expense) for the period		-	-	-	(149,744)	1,737	-	1,737	(148,007)	2,211	(145,796)
<b>Closing balance at 30 September 2016</b>		<u>307,408</u>	<u>796,834</u>	<u>31,600</u>	<u>(1,056,941)</u>	<u>(2,300)</u>	<u>(612)</u>	<u>(2,912)</u>	<u>75,989</u>	<u>(2,805)</u>	<u>73,184</u>
<b>Opening balance at 1 January 2017</b>		409,877	796,834	31,600	(1,122,011)	(3,387)	(612)	(3,999)	112,301	1,654	113,955
<b>Change in equity for the period</b>											
Proceeds from shares issued		-	-	-	-	-	-	-	-	3,500	3,500
Dividends		-	-	-	-	-	-	-	-	(13,627)	(13,627)
Reclassify premium on share capital to offset deficits	14	-	(796,834)	-	796,834	-	-	-	-	-	-
Reclassify legal reserve to offset deficits	14	-	-	(31,600)	31,600	-	-	-	-	-	-
Total comprehensive income (expense) for the period		-	-	-	(5,791)	766	-	766	(5,025)	5,317	292
<b>Closing balance at 30 September 2017</b>		<u>409,877</u>	<u>-</u>	<u>-</u>	<u>(299,368)</u>	<u>(2,621)</u>	<u>(612)</u>	<u>(3,233)</u>	<u>107,276</u>	<u>(3,156)</u>	<u>104,120</u>

The accompanying notes are an integral part of this interim financial information

**Asiasoft Corporation Public Company Limited**  
**Statement of Changes in Equity (Unaudited) (Cont'd)**  
**For the nine-month period ended 30 September 2017**

	<b>Separate financial information (Unaudited)</b>					
	<b>Note</b>	<b>Issued and paid-up share capital Baht'000</b>	<b>Premium on paid-up capital Baht'000</b>	<b>Retained earnings (Deficits)</b>		<b>Total equity Baht'000</b>
				<b>Appropriated - legal reserve Baht'000</b>	<b>Unappropriated Baht'000</b>	
<b>Opening balance at 1 January 2016</b>		307,408	796,834	31,600	(962,328)	173,514
<b>Change in equity for the period</b>						
Total comprehensive expense for the period		-	-	-	(72,408)	(72,408)
<b>Closing balance at 30 September 2016</b>		<u>307,408</u>	<u>796,834</u>	<u>31,600</u>	<u>(1,034,736)</u>	<u>101,106</u>
<b>Opening balance at 1 January 2017</b>		409,877	796,834	31,600	(1,173,651)	64,660
<b>Change in equity for the period</b>						
Reclassify premium on share capital to offset deficits	14	-	(796,834)	-	796,834	-
Reclassify legal reserve to offset deficits	14	-	-	(31,600)	31,600	-
Total comprehensive income for the period		-	-	-	38,143	38,143
<b>Closing balance at 30 September 2017</b>		<u>409,877</u>	<u>-</u>	<u>-</u>	<u>(307,074)</u>	<u>102,803</u>

The accompanying notes are an integral part of this interim financial information.

**Asiasoft Corporation Public Company Limited**  
**Statement of Cash Flows (Unaudited)**  
**For the nine-month period ended 30 September 2017**

	Consolidated		Separate	
	financial information		financial information	
	30 September	30 September	30 September	30 September
	2017	2016	2017	2016
Notes	Baht'000	Baht'000	Baht'000	Baht'000
<b>Cash flows from operating activities</b>				
Profit (Loss) before income tax expense	755	(117,035)	38,143	(43,509)
Adjustments for:				
Depreciation and amortisation	10	57,061	81,860	40,900
Increase (Decrease) in doubtful accounts		(2,001)	92	1,911
Reversal of allowance for inventory		(569)	(2,123)	(1,992)
Loss on (reversal of) impairment of short-term loans to subsidiaries	17 (d)	-	-	(16,120)
Reversal of loss on impairment of long-term loans to subsidiaries	17 (e)	-	-	(100,914)
Share of profit from investments in associates	9 (b)	(2,182)	(3,489)	-
Loss on impairment of investment in associates		-	369	-
Loss on write-off of prepaid royalty fees		-	2,126	-
Loss on impairment of prepaid royalty fees		6,915	15,888	4,584
Loss on impairment of intangible assets	10	28,747	14,596	17,969
Loss on impairment of investment in subsidiaries	9 (a)	-	-	100,900
Gain on disposals of equipment		(230)	(154)	(239)
Loss on sales of short-term investments		-	836	-
Gain on revaluation of short-term investments		-	(65)	(54)
Unrealised loss (gain) on exchange rate		3,793	(4,040)	2,093
Dividend income		-	-	(21,422)
Employee benefits expenses		1,991	219	1,991
Finance costs		957	1,738	818
		95,237	(9,182)	60,341
Changes in operating assets and liabilities				
Trade and other receivables		(5,607)	38,507	(50,878)
Inventories		604	3,967	601
Prepaid license fees		15,801	(34,622)	10,207
Other current assets		13,403	(4,617)	1,410
Other non-current assets		3,503	5,348	303
Trade and other payables		(34,495)	32,512	23,952
Deferred revenue and license fees		(77,576)	(35,695)	(53,886)
Other current liabilities		(20,151)	(3,714)	(1,534)
Other non-current liabilities		(366)	1,255	(366)
Cash generated from operations		(9,647)	(6,241)	(9,850)
Interest received		1,225	4,245	1,411
Interest paid		(957)	(1,738)	(820)
Income tax paid		(478)	(1,731)	-
<b>Net cash (used in) generated from operating activities</b>		<b>(9,857)</b>	<b>(5,465)</b>	<b>(9,259)</b>

The accompanying notes are an integral part of this interim financial information.

**Asiasoft Corporation Public Company Limited**  
**Statement of Cash Flows (Unaudited) (Cont'd)**  
**For the nine-month period ended 30 September 2017**

	<b>Consolidated</b>		<b>Separate</b>	
	<b>financial information</b>		<b>financial information</b>	
	<b>30 September</b>	<b>30 September</b>	<b>30 September</b>	<b>30 September</b>
	<b>2017</b>	<b>2016</b>	<b>2017</b>	<b>2016</b>
<b>Notes</b>	<b>Baht'000</b>	<b>Baht'000</b>	<b>Baht'000</b>	<b>Baht'000</b>
<b>Cash flows from investing activities</b>				
Increase in restricted bank deposits	(20,149)	(250)	(20,113)	(250)
Decrease in short-term investments	-	160,455	-	77,208
Cash paid for short-term investments	-	(67,949)	-	(67,949)
Cash paid for short-term loans to related parties	17 (d)	-	(2,000)	(41,493)
Cash received from short-term loans to related parties	17 (d)	-	16,120	43,047
Cash paid for long-term loans to related parties	17 (e)	-	(2,260)	-
Cash received from long-term loans to related parties	17 (e)	-	100,914	-
Dividends received from subsidiaries	-	-	21,422	-
Dividends received from associates	-	2,122	-	-
Purchase of investments in subsidiaries	9 (a)	-	(116,500)	-
Purchase of equipment		(4,697)	(1,841)	(6,307)
Purchase of intangible assets		(45,764)	(33,852)	(49,357)
Proceeds from disposals of equipment		824	250	510
<b>Net cash (used in) generated from investing activities</b>	<b>(69,786)</b>	<b>12,278</b>	<b>(37,860)</b>	<b>(44,591)</b>
<b>Cash flows from financing activities</b>				
Cash received from short-term loans from directors	17 (f)	330	11,944	-
Cash received from short-term loans from related parties		-	-	11,000
Increase from short-term borrowings from financial institutions		3,622	2,327	3,622
Repayment of short-term loans from directors	17 (f)	(9,047)	(39,024)	-
Repayment of long-term loans from directors	17 (g)	(3,500)	-	-
Repayment of short-term loans from related parties	17 (h)	-	(4,000)	-
<b>Net cash (used in) generated from financing activities</b>	<b>(8,595)</b>	<b>(24,753)</b>	<b>(378)</b>	<b>13,327</b>
<b>Translation adjustments</b>	<b>(10,508)</b>	<b>13,288</b>	<b>-</b>	<b>-</b>
<b>Net decrease in cash and cash equivalents</b>	<b>(98,746)</b>	<b>(4,652)</b>	<b>(47,497)</b>	<b>(19,678)</b>
Cash and cash equivalents at the beginning of the period	223,857	121,193	111,491	49,425
Unrealised exchange gain (loss) on cash and cash equivalents	(291)	1,915	-	(31)
<b>Cash and cash equivalents at the end of the period</b>	<b>124,820</b>	<b>118,456</b>	<b>63,994</b>	<b>29,716</b>
<b>Non-cash transactions</b>				
Acquisitions of intangible assets by other payables	5,868	25,520	5,868	10,114
Disposals of prepaid royalty fee by other receivables	-	-	3,425	-
Disposals of intangible assets by other receivables	-	-	-	4,910
Acquisitions of equipment under finance lease agreements	-	1,621	-	1,621
Transfer intangible assets to prepaid license fees	-	5,903	-	5,903

The accompanying notes are an integral part of this interim financial information.

## **1 General information**

Asiasoft Corporation Public Company Limited (“the Company”) is a public limited company which is listed on the Stock Exchange of Thailand and is incorporated and domiciled in Thailand. The address of the Company’s registered office is as follows:

9/283-5, 28th floor, UM Tower Building, Ramkhamhaeng Road, Suanluang, Suanluang, Bangkok.

For reporting purposes, the Company and its subsidiaries are referred to as “the Group”.

The Group is principally engaged in the distributor and provider of both online and offline game services.

This interim consolidated and separate financial information was authorised for issue by the Board of Directors on 13 November 2017.

This interim consolidated and separate financial information has been reviewed, not audited.

## **2 Accounting policies**

### **2.1 Basis of preparation**

The interim financial information has been prepared in accordance with Thai Accounting Standard 34 Interim Financial Reporting. The primary financial information (statements of financial position, statements of comprehensive income, changes in shareholders’ equity and cash flows) is presented in a format consistent with the annual financial statements complying with Thai Accounting Standard 1 Presentation of Financial Statements. The notes to the financial information are prepared in a condensed format. Additional notes are presented as required by the Securities and Exchange Commission under the Securities and Exchange Act.

The interim financial information should be read in conjunction with the annual financial statements for the year ended 31 December 2016.

An English version of the interim consolidated and separate financial information has been prepared from the interim financial information that is in the Thai language. In the event of a conflict or a difference in interpretation between the two languages, the Thai language interim financial information shall prevail.

The accounting policies used in the preparation of the interim financial information are consistent with those used in the annual financial statements for the year ended 31 December 2016.

Costs that are incurred unevenly during the financial year are anticipated or deferred in the interim report only if it would also be appropriate to anticipate or defer such costs at the end of the financial year.

Taxes on income in the interim periods are accrued using the tax rate that would be applicable to expected total annual profit or loss.

2 Accounting policies (Cont'd)

2.2 Reclassifications

During the period, the Group made the reclassification in presentation of distribution fees to be more conformable to nature of accounts. Comparative figures have been reclassified to conform with the current year as follows:

	Consolidated financial information			Separated financial information		
	Previously presented Baht'000	Reclassification increase Baht'000	After reclassification Baht'000	Previously presented Baht'000	Reclassification increase Baht'000	After reclassification Baht'000
<b>Statement of Comprehensive Income for the three-month period ended 30 September 2016</b>						
Revenues from sales and services	254,968	17,721	272,689	97,662	8,388	106,050
Selling expenses	44,852	17,721	62,573	15,194	8,388	23,582
<b>Statement of Comprehensive Income for the nine-month period ended 30 September 2016</b>						
Revenues from sales and services	625,282	82,263	707,545	262,663	22,593	285,256
Selling expenses	89,594	82,263	171,857	32,393	22,593	54,986

## 2 Accounting policies (Cont'd)

### 2.3 Revised accounting standards, revised financial reporting standards, and related interpretations

2.3.1 The following revised accounting standards, revised financial reporting standards, and related interpretations are effective on 1 January 2017. These standards are relevant to the Group.

TAS 1 (revised 2016)	Presentation of financial statements
TAS 16 (revised 2016)	Property, plant and equipment
TAS 19 (revised 2016)	Employee benefits
TAS 27 (revised 2016)	Separate financial statements
TAS 34 (revised 2016)	Interim financial reporting
TAS 38 (revised 2016)	Intangible assets
TFRS 10 (revised 2016)	Consolidated financial statements
TFRS 12 (revised 2016)	Disclosure of interests in other entities

Commencing 1 January 2017, the Group has applied these financial reporting standards. There are no material impacts to the Group as a result of such adoption.

2.3.2 Revised financial reporting standards effective on 1 January 2018 have significant changes and are relevant to the Group. The Group has not yet adopted these revised standards.

TAS 7 (revised 2017)	Statement of cash flows
TAS 12 (revised 2017)	Income taxes
TFRS 12 (revised 2017)	Disclosure of interests in other entities

The group management has assessed and considered that the above revised standards will not have a material impact on the Group.

## 3 Estimates

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

In preparing this interim financial information, 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 consolidated financial statements for the year ended 31 December 2016.

#### **4 Operating segments**

Board of Directors is the Group's chief operating decision-maker. Management has determined the operating segments based on the information reviewed by Board of Directors for the purposes of allocating resources and assessing performance.

Board of Directors considers the business from both a geographic and product and service perspective. Geographically, management considers the performance in Thailand, Singapore, Malaysia, Philippines and other countries. From a product and service perspective, management separately considers the online game services, distribution activities and advertising services in these geographies. The Group derives their revenue primarily from the online game services.

Board of Directors assesses the performance of the operating segments based on a measure of adjusted EBITDA. This measurement basis excludes discontinued operations and the effects of non-recurring expenditure from the operating segments such as restructuring costs, legal expenses and goodwill impairments when the impairment is the result of an isolated, non-recurring event. The measure also excludes the effects of equity-settled share-based payments and unrealised gains/losses on financial instruments. Interest income and expenditure are not allocated to segments, as this type of activity is driven by the central treasury function, which manages the cash position of the Group.

Sales between segments are carried out at arm's length. The revenue from external parties reported to Board of Directors is measured in a manner consistent with that in profit or loss.

Operating segment information is reported in a manner consistent with the internal reports that are regularly reviewed by the chief operating decision maker in order to make decision about the allocation of resource to the segment and assess its performance. The chief operating decision maker has been identified as the Board of Directors of the Group.

For management purposes, the Group are organised into business units based on its products and services and have 3 reportable segments as follows:

- The online game segment is a business segment which provides online game services through the server of the Group;
- The distribution segment is a business which distributes PC offline games and provides payment channel services; and
- The advertising segment is a business which provides marketing services through internet and advertising services.

The chief operating decision maker monitors the operating results of the business units separately for the purpose of making decisions about resource allocation and assessing performance. Segment performance is measured based on operating profit or loss and total assets and on a basis consistent with that used to measure operating profit or loss and total assets in the financial information.

The basis of accounting for any transactions between reportable segments is consistent with that for third party transactions.



**Asiasoft Corporation Public Company Limited**  
**Condensed Notes to Interim Financial Information (Unaudited)**  
**For the interim period ended 30 September 2017**

**4 Operating segments (Cont'd)**

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

	Unit: Baht'000									
	For the three-month periods ended 30 September									
	Online game segment <sup>1)</sup>		Distribution segment <sup>2)</sup>		Advertising segment <sup>3)</sup>		Others		Consolidation	
	2017	2016	2017	2016	2017	2016	2017	2016	2017	2016
Revenue from sales and services from external customers	176,064	253,351	4,982	656	8,105	4,769	12,282	13,913	201,433	272,689
Segment profit (loss)	92,517	102,608	2,874	(8,988)	831	(3,458)	2,986	(273)	99,208	89,889
Loss on impairment of prepaid royalty fees	(2,433)	(8,482)	-	-	-	-	-	-	(2,433)	(8,482)
Loss on impairment of intangible assets	(17,916)	(9,166)	-	-	-	-	-	-	(17,916)	(9,166)
Unallocated income (expenses):										
Interest income									282	341
Other income									1,526	4,493
Other expenses									(75,234)	(113,571)
Finance costs									(109)	(555)
Share of profit (loss) from investments in associates									997	(932)
Income tax expense									(984)	(12,398)
Non-controlling interests									(558)	(9,360)
Profit (loss) attributable to equity holders of the parent company for the period									4,779	(59,741)

1) The online game segment is a business segment which provides online game services through the server of the group.

2) The distribution segment is a business segment which distributes PC offline games and provides payment channel services.

3) The advertising segment is a business segment which provides marketing services through internet and advertising services.

**Asiasoft Corporation Public Company Limited**  
**Condensed Notes to Interim Financial Information (Unaudited)**  
**For the interim period ended 30 September 2017**

**4 Operating segments (Cont'd)**

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

	For the nine-month periods ended 30 September								Unit: Baht'000	
	Online game segment <sup>1)</sup>		Distribution segment <sup>2)</sup>		Advertising segment <sup>3)</sup>		Others		Consolidation	
	2017	2016	2017	2016	2017	2016	2017	2016	2017	2016
Revenue from sales and services from external customers	572,720	631,741	16,385	21,558	16,592	16,388	24,020	37,858	629,717	707,545
Segment profit (loss)	256,850	251,503	4,850	(6,635)	3,028	(8,575)	(2,895)	(10,386)	261,833	225,907
Loss on write-off and impairment of prepaid royalty fees	(6,915)	(18,014)	-	-	-	-	-	-	(6,915)	(18,014)
Loss on impairment of intangible assets	(28,747)	(14,596)	-	-	-	-	-	-	(28,747)	(14,596)
Unallocated income (expenses):										
Interest income									1,225	775
Other income									7,784	12,490
Other expenses									(235,650)	(325,348)
Finance costs									(957)	(1,738)
Share of profit from investments in associates									2,182	3,489
Income tax expense									(1,266)	(30,352)
Non-controlling interests									(5,280)	(2,357)
Loss attributable to equity holders of the parent company for the period									(5,791)	(149,744)

<sup>1)</sup> The online game segment is a business segment which provides online game services through the server of the Group.

<sup>2)</sup> The distribution segment is a business segment which distributes PC offline games and provides payment channel services.

<sup>3)</sup> The advertising segment is a business segment which provides marketing services through internet and advertising services.

**4 Operating segments (Cont'd)**

**Geographic information**

Revenue from external customers for the three-month and nine-month periods ended 30 September 2017 and 2016, based on locations of the Company and subsidiaries, are made up as follows:

	<b>Unit : Baht'000</b>	
	<b>2017</b>	<b>2016</b>
<b>For the three-month period ended 30 September</b>		
Thailand	139,115	116,974
Singapore	29,021	51,703
Malaysia	27,860	85,286
Philippines	5,153	12,325
Others	284	6,401
Total	<u>201,433</u>	<u>272,689</u>

	<b>Unit : Baht'000</b>	
	<b>2017</b>	<b>2016</b>
<b>For the nine-month period ended 30 September</b>		
Thailand	346,643	361,883
Singapore	162,907	147,902
Malaysia	106,360	144,021
Philippines	13,523	31,963
Others	284	21,776
Total	<u>629,717</u>	<u>707,545</u>

**5 Cash and cash equivalents**

Cash and cash equivalents as at 30 September 2017 and 31 December 2016 comprise the following:

	<b>Consolidated</b>		<b>Separate</b>	
	<b>financial information</b>		<b>financial information</b>	
	<b>Unaudited</b>	<b>Audited</b>	<b>Unaudited</b>	<b>Audited</b>
	<b>30 September</b>	<b>31 December</b>	<b>30 September</b>	<b>31 December</b>
	<b>2017</b>	<b>2016</b>	<b>2017</b>	<b>2016</b>
	<b>Baht'000</b>	<b>Baht'000</b>	<b>Baht'000</b>	<b>Baht'000</b>
Cash on hand	205	285	44	75
Deposits held at call with banks	124,615	223,572	63,950	111,416
Total cash and cash equivalents	<u>124,820</u>	<u>223,857</u>	<u>63,994</u>	<u>111,491</u>

As at 30 September 2017, deposits held at call with banks bore interests at rates ranging from 0.05% to 2.50% per annum (31 December 2016: from 0.05% to 2.50% per annum).

**Asiasoft Corporation Public Company Limited**  
**Condensed Notes to Interim Financial Information (Unaudited)**  
**For the interim period ended 30 September 2017**

**6 Trade and other receivables**

Trade and other receivables as at 30 September 2017 and 31 December 2016 comprise the following:

	Note	Consolidated financial information		Separate financial information	
		Unaudited 30 September 2017 Baht'000	Audited 31 December 2016 Baht'000	Unaudited 30 September 2017 Baht'000	Audited 31 December 2016 Baht'000
Trade accounts receivable - third parties		57,762	70,514	45,253	37,156
<u>Less</u> Allowance for doubtful accounts		(5,456)	(8,137)	(2,136)	(2,136)
Trade accounts receivable, net		52,306	62,377	43,117	35,020
Trade accounts receivable - related parties	17 (c)	61,816	50,268	73,613	39,380
<u>Less</u> Allowance for doubtful accounts	17 (c)	(19,400)	(19,400)	(30,412)	(29,621)
Trade accounts receivable, net		42,416	30,868	43,201	9,759
Total trade accounts receivable - net		94,722	93,245	86,318	44,779
Amounts due from related parties	17 (c)	1,099	337	32,020	31,092
<u>Less</u> Allowance for doubtful accounts					
- related parties	17 (c)	-	-	(26,878)	(29,792)
Interest receivable - third parties		2	2	2	2
Interest receivable - related parties	17 (c)	-	-	17,304	10,247
<u>Less</u> Allowance for doubtful accounts					
- related parties	17 (c)	-	-	(12,545)	(10,197)
Accrued income from third parties		6,640	842	172	842
Accrued income from related parties	17 (c)	-	-	835	443
Other receivables from third parties		2,154	4,433	-	-
<u>Less</u> Allowance for doubtful accounts					
- third parties		(1,630)	(950)	-	-
Total trade and other receivables, net		102,987	97,909	97,228	47,416

6 Trade and other receivables (Cont'd)

Outstanding trade accounts receivable can be analysed as follows:

	Consolidated financial information		Separate financial information	
	Unaudited 30 September 2017 Baht'000	Audited 31 December 2016 Baht'000	Unaudited 30 September 2017 Baht'000	Audited 31 December 2016 Baht'000
	<b>Third parties</b>			
Trade accounts receivable				
Current	31,682	42,782	23,327	18,366
Overdue less than 3 months	20,632	18,757	19,686	15,566
3 - 6 months	132	-	39	-
6 - 12 months	36	3,324	61	1,085
Over 12 months	5,280	5,651	2,140	2,139
Total	57,762	70,514	45,253	37,156
<u>Less</u> Allowance for doubtful accounts	(5,456)	(8,137)	(2,136)	(2,136)
Trade accounts receivable - third parties, net	52,306	62,377	43,117	35,020
<b>Related parties</b>				
Trade accounts receivable				
Current	8,372	18,019	9,257	5,621
Overdue less than 3 months	7,931	3,330	7,439	4,454
3 - 6 months	20,522	689	21,330	2,078
6 - 12 months	4,512	690	9,007	3,590
Over 12 months	20,479	27,540	26,580	23,637
Total	61,816	50,268	73,613	39,380
<u>Less</u> Allowance for doubtful accounts	(19,400)	(19,400)	(30,412)	(29,621)
Trade accounts receivable - related parties, net	42,416	30,868	43,201	9,759

7 Other current assets

	Consolidated financial information		Separate financial information	
	Unaudited 30 September 2017 Baht'000	Audited 31 December 2016 Baht'000	Unaudited 30 September 2017 Baht'000	Audited 31 December 2016 Baht'000
	Accounts receivable			
- Revenue department	13,878	3,739	298	298
Withholding taxes refundable	20,891	20,616	7,788	6,201
Prepaid expenses	9,094	11,086	3,335	5,008
Undue input vat	2,366	21,205	317	377
Others	13,185	17,983	6,182	7,447
Total other current assets	59,414	74,629	17,920	19,331

**8 Restricted bank deposits**

These represent fixed deposits which have been pledged with the banks to secure credit facilities amount of Baht 25.47 million and with the Revenue Department as collateral for the appeal on value-added tax assessment lawsuit amount of Baht 4.13 million.

**9 Investments in subsidiaries and associates**

The details of investments of the Company and its subsidiaries as at the interim statements of financial position date are as follows:

**9 (a) Investments in subsidiaries**

Movements of investments in subsidiaries can be analysed as follows:

	<b>Separate financial information</b>
	<b>Baht'000</b>
<b>For the nine-month period ended 30 September 2017</b>	
Opening net book amount	14,157
Additions	116,500
Impairment charge	<u>(100,900)</u>
Closing net book amount	<u>29,757</u>
<b>As at 30 September 2017</b>	
Investments in subsidiaries - at cost	696,214
<u>Less</u> Allowance for impairment	<u>(666,457)</u>
Closing net book amount	<u>29,757</u>

**Increase of investment in Playpark Co., Ltd.**

On 1 September 2017, the Company increase its investment in Playpark Co., Ltd., its subsidiary, by the amount of Baht 110 million in the same proportion of investment previously held. Playpark Co., Ltd. used the investment amount of Baht 94.4 million to repay long-term loan to the Company which was previously fully impaired. As a result, the Company recorded a reversal of impairment on loan to subsidiary and recorded loss on impairment of investment in subsidiary by the amount of Baht 94.4 million in the separate statement of comprehensive income for the period.

**Increase of investment in Miryn Innovation Co., Ltd.**

On 26 September 2017, the Company increase its investment in Miryn Innovation Co., Ltd., its subsidiary, by the amount of Baht 6.5 million in the same proportion of investment previously held. Miryn Innovation Co., Ltd. used the investment amount of Baht 6.5 million to repay long-term loan to the Company which was previously fully impaired. As a result, the Company recorded a reversal of impairment on loan to subsidiary and recorded loss on impairment of investment in subsidiary by the amount of Baht 6.5 million in the separate statement of comprehensive income for the period.

**9 (b) Investments in associates**

Movements of investments in associates can be analysed as follows:

	<b>Consolidated financial information</b>	<b>Separate financial information</b>
	<b>Baht'000</b>	<b>Baht'000</b>
<b>For the nine-month period ended 30 September 2017</b>		
Opening net book amount	8,526	-
Share of profits	<u>2,182</u>	<u>-</u>
Closing net book amount	<u>10,708</u>	<u>-</u>

**Asiasoft Corporation Public Company Limited**  
**Condensed Notes to Interim Financial Information (Unaudited)**  
**For the interim period ended 30 September 2017**

**9 Investments in subsidiaries and associates (Cont'd)**

**9 (c) The details of investments in subsidiaries and associates are as follows:**

	Nature of business	Country of incorporation	% Ownership interest	
			30 September 2017	31 December 2016
<b>Subsidiaries</b>				
<b><u>Held by the Company</u></b>				
A Capital Co., Ltd.	Investment	Thailand	100.00	100.00
Asiasoft International Co., Ltd.	Investment	Thailand	100.00	100.00
Playcybergames Co., Ltd.	Publisher of online games	Thailand	99.99	99.99
CIB Development Sdn. Bhd.	Publisher of online games	Malaysia	61.68	61.68
Thinkplus Digital Co., Ltd.	Providing internet marketing and advertising media services	Thailand	59.99	59.99
Level Up! Inc.	Publisher of online games	Philippines	100.00	100.00
Miryn Innovation Co., Ltd.	Developer of game application on mobile phone	Thailand	65.00	65.00
Playpark Company Limited (Formerly known as Funbox Company Limited)	Publisher of online games	Thailand	99.99	99.99
<b><u>Held by Asiasoft International Company Limited</u></b>				
Asiasoft Online Pte. Ltd.	Publisher of online games	Singapore	100.00	100.00
AS Online Sdn. Bhd.	Publisher of online games	Malaysia	100.00	100.00
PT. Asiasoft	Publisher of online games	Indonesia	79.90	79.90
<b><u>Held by CIB Development Sdn. Bhd.</u></b>				
CIB Net Station Sdn. Bhd. and its subsidiary (Chinesego Sdn. Bhd.)	Publisher of online games	Malaysia	100.00	100.00
<b>Associates</b>				
Thaiware Communication Co., Ltd. (owned by A Capital Co., Ltd.)	Services on website	Thailand	40.00	40.00
Cybergames Corporation Co., Ltd. (owned by A Capital Co., Ltd.)	Services on network	Thailand	30.00	30.00
Playpark Inc. (owned by Level Up! Inc.)	Publisher of online games	Philippines	40.00	40.00
Pomelo Network Pte. Ltd. (owned by the Company)	Developer of mobile applications and mobile messenger	Taiwan/ Singapore	11.01	11.01

## 10 Equipment and intangible assets

	Consolidated financial information		Separate financial information	
	Equipment Baht'000	Intangible assets Baht'000	Equipment Baht'000	Intangible assets Baht'000
<b>For the nine-month period ended 30 September 2017</b>				
Opening net book amount	48,912	81,294	20,293	58,954
Additions	3,703	47,672	847	39,360
Disposal, net	(594)	-	(10)	-
Depreciation/amortisation	(21,009)	(36,052)	(8,694)	(24,192)
Allowance for impairment	-	(28,747)	-	(17,969)
Translation adjustment	(784)	1,983	-	-
Closing net book amount	<u>30,228</u>	<u>66,150</u>	<u>12,436</u>	<u>56,153</u>

## 11 Short-term borrowings from financial institutions

Movement of short-term borrowings from financial institutions during the period are as follows:

	Consolidated financial information	Separate financial information
	Baht'000	Baht'000
<b>For the nine-month period ended 30 September 2017</b>		
Beginning balance	24,883	24,883
Additions	32,918	32,918
Repayments	(29,292)	(29,292)
Exchange rate differences	(4)	(4)
Ending balance	<u>28,505</u>	<u>28,505</u>

As at 30 September 2017, the short-term borrowings from financial institutions bore interest at rates from 2.92% - 3.90% per annum and due within 1 - 5 months (31 December 2016: interest at rates from 4.00% - 5.50% per annum).

### Credit facility

As at 30 September 2017, the Group has outstanding unused credit facility at Baht 6.49 million (31 December 2016: no outstanding unused credit facility).

## 12 Trade and other payables

	Consolidated financial information		Separate financial information	
	Unaudited 30 September 2017 Baht'000	Audited 31 December 2016 Baht'000	Unaudited 30 September 2017 Baht'000	Audited 31 December 2016 Baht'000
Trade account payables - third party	23,381	58,664	1,595	262
Trade account payables - related parties (Note 17 (c))	18,287	10,744	22,049	7,260
Other payables - third party	44,295	50,480	4,205	5,733
Accrued royalty fee	22,895	16,499	17,915	13,540
Payables for license fees	-	7,201	-	-
Payables for purchases of equipment and intangible assets	5,868	3,960	5,868	360
Accrued expenses	<u>18,327</u>	<u>19,084</u>	<u>9,806</u>	<u>6,813</u>
Total trade and other payables	<u>133,053</u>	<u>166,632</u>	<u>61,438</u>	<u>33,968</u>



### 13 Income tax

The interim income tax expense is accrued based on management's estimate using the tax rate that would be applicable to expected total annual earnings. The estimated average annual tax rates used are 20% - 24% (the estimated tax rate for the prior interim period was 20%).

### 14 Share capital

At the Annual General Shareholders' Meeting held on 25 April 2017, the shareholders approved the following resolutions:

#### **Increase in authorised share capital**

Approved an increase in authorised share capital of the Company from Baht 409,877,016 to Baht 512,346,270 by the issuance of 102,469,254 new ordinary shares at a par value of Baht 1 each for the exercise of the warrants (AS-W1) which was allocated to the Company's existing shareholders proportionately to their shareholding (at an offering price of Baht 0.00), at an offering ratio of 4 existing ordinary shares per 1 unit of warrants. The Company registered the increase of the authorised share capital with the Ministry of Commerce on 5 May 2017.

#### **Elimination of deficits**

Approved the elimination of deficits by offsetting with the legal reserve amount of Baht 31,600,000 and the shares premium amount of Baht 796,833,756.

### 15 Earnings (loss) per share

Basic earnings (loss) per share attributable to shareholders of the parent is calculated by dividing net earnings (loss) attributable to shareholders of the parent by the weighted average number of paid-up ordinary shares in issue during the period.

The diluted earnings (loss) per share is calculated by adjusting the weighted average number of ordinary shares outstanding to assume conversion of all dilutive potential ordinary shares being warrants as detailed follow:

The Company has issued and offered warrants to shareholders of the Company, who are entitled in 16 March 2017 (record date). The warrants have no offered price and their terms do not exceed 3 years from the issued date (the issued date is 15 May 2017) at a maximum of 102,468,974 units. The exercise price is at Baht 2 per share. The exercise ratio is one warrant to one ordinary share. The warrants can be exercised on every 6 months, which will be on 25 June and 25 December throughout the term of warrants. The first exercise date will be on 25 December 2017.

The outstanding warrants as at 30 September 2017 which were issued and offered to shareholders of the Company affect the diluted earnings (loss) per share since the exercise price of the outstanding warrants is lower than the average market price of the Company's shares during the three-month and nine-month period ended 30 September 2017.

The basic earnings (loss) per share are calculated as follows:

	<b>Consolidated financial information</b>		<b>Separate financial information</b>	
	<b>(Unaudited) 2017</b>	<b>(Unaudited) 2016</b>	<b>(Unaudited) 2017</b>	<b>(Unaudited) 2016</b>
<b>For the three-month periods ended 30 September</b>				
Profit (Loss) attributable to shareholders (Baht'000)	4,779	(59,741)	32,181	(48,777)
Number of weighted average shares (Share'000)	409,877	307,408	409,877	307,408
Basic earnings (loss) per share (Baht)	0.01	(0.19)	0.08	(0.16)

15 Earnings (loss) per share (Cont'd)

The basic earnings (loss) per share are calculated as follows: (Cont'd)

	Consolidated financial information		Separate financial information	
	(Unaudited) 2017	(Unaudited) 2016	(Unaudited) 2017	(Unaudited) 2016
<b>For the nine-month periods ended 30 September</b>				
Profit (Loss) attributable to shareholders (Baht'000)	(5,791)	(149,744)	38,143	(72,408)
Number of weighted average shares (Share'000)	409,877	307,408	409,877	307,408
Basic earnings (loss) per share (Baht)	(0.01)	(0.49)	0.09	(0.24)

The diluted earnings (loss) per share are calculated as follows:

	Consolidated financial information		Separate financial information	
	(Unaudited) 2017	(Unaudited) 2016	(Unaudited) 2017	(Unaudited) 2016
<b>For the three-month periods ended 30 September</b>				
Profit (Loss) attributable to shareholders (Baht'000)	4,779	(59,741)	32,181	(48,777)
Number of weighted average shares (Share'000)	416,997	307,408	416,997	307,408
Diluted earnings (loss) per share (Baht)	0.01	(0.19)	0.08	(0.16)

	Consolidated financial information		Separate financial information	
	(Unaudited) 2017	(Unaudited) 2016	(Unaudited) 2017	(Unaudited) 2016
<b>For the nine-month periods ended 30 September</b>				
Profit (loss) attributable to shareholders (Baht'000)	(5,791)	(149,744)	38,143	(72,408)
Number of weighted average shares (Share'000)	417,319	307,408	417,319	307,408
Diluted earnings (loss) per share (Baht)	(0.01)	(0.49)	0.09	(0.24)

16 Commitments and contingencies

16 (a) License agreements

The Group has entered into software license agreements, agreements licensing it to provide online game services and distribution rights agreements with several local and overseas companies. The Group are committed to pay initial license fees, minimum guarantee based on agreements and royalty fees based on revenue as stated in the agreements. The minimum guarantee payment are due according to the payment terms in the agreements.

As at 30 September 2017 and 31 December 2016, the Group are committed to pay initial license fees and minimum guarantee as follows:

	Consolidated financial information		Separate financial information	
	Unaudited 30 September 2017 Baht'000	Audited 31 December 2016 Baht'000	Unaudited 30 September 2017 Baht'000	Audited 31 December 2016 Baht'000
Initial license fees	87,652	35,687	83,227	27,362
Minimum guarantee	101,492	91,566	87,894	51,454

16 Commitments and contingencies (Cont'd)

16 (b) Operating lease commitments - where a Group is the lessee

The Group entered into operating lease agreements related to the rental of office space, warehousing and server storage space, and other agreements. The agreements have 1 - 5 years terms and are renewable.

As at 30 September 2017 and 31 December 2016, future minimum lease payments required under these non-cancellable operating lease contracts are as follows:

	Consolidated financial information		Separate financial information	
	Unaudited 30 September 2017 Baht'000	Audited 31 December 2016 Baht'000	Unaudited 30 September 2017 Baht'000	Audited 31 December 2016 Baht'000
Not later than 1 year	25,967	29,851	19,271	16,251
Later than 1 year but not later than 5 years	7,959	22,606	5,901	15,146
	<u>33,926</u>	<u>52,457</u>	<u>25,172</u>	<u>31,397</u>

17 Related party transactions

The significant investments in subsidiaries and associates are set out in Note 9.

Other related companies are companies belonging to directors and directors' family of the Company and is therefore related parties.

The following significant transactions were carried out with related parties:

17 (a) Sales of goods and services and others

	Unit : Baht'000			
	Consolidated financial information		Separate financial information	
For the three-month periods ended 30 September	2017	2016	2017	2016
<b>Revenues from license fees and services</b>				
Subsidiaries	-	-	2,818	345
Associates	92	-	92	-
Related parties	-	261	-	261
	<u>92</u>	<u>261</u>	<u>2,910</u>	<u>606</u>
<b>Revenues from selling card</b>				
Subsidiaries	-	-	20,094	-
Associates	53	-	53	-
	<u>53</u>	<u>-</u>	<u>20,147</u>	<u>-</u>
<b>Dividend income</b>				
Subsidiaries	-	-	7,197	-
	<u>-</u>	<u>-</u>	<u>7,197</u>	<u>-</u>
<b>Interest income</b>				
Subsidiaries	-	-	2,317	1,994
	<u>-</u>	<u>-</u>	<u>2,317</u>	<u>1,994</u>

17 Related party transactions (Cont'd)

The following significant transactions were carried out with related parties: (Cont'd)

17 (a) Sales of goods and services and others (Cont'd)

	Unit : Baht'000			
	Consolidated financial information		Separate financial information	
	2017	2016	2017	2016
<b>For the nine-month periods ended 30 September</b>				
<b>Revenues from license fees and services</b>				
Subsidiaries	-	-	8,260	3,366
Associates	350	1,194	350	1,194
Related parties	-	1,100	-	1,100
	<u>350</u>	<u>2,294</u>	<u>8,610</u>	<u>5,660</u>
<b>Revenue from selling card</b>				
Subsidiaries	-	-	24,838	-
Associates	604	-	604	-
	<u>604</u>	<u>-</u>	<u>25,442</u>	<u>-</u>
<b>Dividend income</b>				
Subsidiaries	-	-	21,422	-
	<u>-</u>	<u>-</u>	<u>21,422</u>	<u>-</u>
<b>Interest income</b>				
Subsidiaries	-	-	7,749	5,606
	<u>-</u>	<u>-</u>	<u>7,749</u>	<u>5,606</u>

17 (b) Purchases of goods and services and others

	Unit : Baht'000			
	Consolidated financial information		Separate financial information	
	2017	2016	2017	2016
<b>For the three-month periods ended 30 September</b>				
<b>License fees and management fee</b>				
Subsidiaries	-	-	4,922	11,501
Related parties	52	-	52	-
	<u>52</u>	<u>-</u>	<u>4,974</u>	<u>11,501</u>
<b>Cost from selling card</b>				
Subsidiaries	-	-	14,473	-
Associates	50	-	50	-
	<u>50</u>	<u>-</u>	<u>14,523</u>	<u>-</u>
<b>Publisher fee</b>				
Subsidiaries	-	-	273	-
Associates	5,247	-	5,247	-
Related parties	64	-	64	-
	<u>5,311</u>	<u>-</u>	<u>5,584</u>	<u>-</u>



17 Related party transactions (Cont'd)

The following significant transactions were carried out with related parties: (Cont'd)

17 (c) Outstanding balances arising from sales/purchases of goods/services and others

	Consolidated financial information		Separate Financial information	
	Unaudited 30 September 2017 Baht'000	Audited 31 December 2016 Baht'000	Unaudited 30 September 2017 Baht'000	Audited 31 December 2016 Baht'000
<b>Trade accounts receivable (Note 6)</b>				
Subsidiaries	-	-	14,840	15,861
Associates	42,039	28,340	39,038	2,526
Related parties	19,777	21,928	19,735	20,993
Total	61,816	50,268	73,613	39,380
<u>Less</u> Allowance for doubtful accounts	(19,400)	(19,400)	(30,412)	(29,621)
	<u>42,416</u>	<u>30,868</u>	<u>43,201</u>	<u>9,759</u>
<b>Amounts due, accrued income and accrued interest from related parties (Note 6)</b>				
Subsidiaries - other receivables	-	-	31,532	31,092
- accrued interest	-	-	17,304	10,247
- accrued income	-	-	835	443
Associates - other receivables	1,099	337	488	-
Total	1,099	337	50,159	41,782
<u>Less</u> Allowance for doubtful accounts	-	-	(39,423)	(39,989)
	<u>1,099</u>	<u>337</u>	<u>10,736</u>	<u>1,793</u>
<b>Trade and other payables (Note 12)</b>				
Subsidiaries	-	-	4,983	5,297
Associates	17,395	9,439	16,931	1,474
Related parties	892	1,305	135	489
	<u>18,287</u>	<u>10,744</u>	<u>22,049</u>	<u>7,260</u>

17 Related party transactions (Cont'd)

The following significant transactions were carried out with related parties: (Cont'd)

17 (d) Short-term loans to related parties

	Consolidated financial information		Separate financial information	
	Unaudited 30 September 2017 Baht'000	Audited 31 December 2016 Baht'000	Unaudited 30 September 2017 Baht'000	Audited 31 December 2016 Baht'000
<b>Short-term loans to related parties</b>				
Subsidiaries	-	-	204,870	225,851
<u>Less</u> Allowance for impairment	-	-	(202,870)	(225,851)
	-	-	2,000	-

The movement of short-term loans to related parties is shown below:

	Separate financial information Baht'000
<b>For the nine-month period ended 30 September 2017</b>	
Opening balance	-
Loans advanced during the period	2,000
Loans repayments received during the period	(16,120)
Reversal of loss on impairment	16,120
Closing balance	2,000

Short-term loans to related parties are unsecured, repayable at call and bear interest at rates from 2.10% - 5.10% per annum.

17 (e) Long-term loans to related parties

	Consolidated financial information		Separate financial information	
	Unaudited 30 September 2017 Baht'000	Audited 31 December 2016 Baht'000	Unaudited 30 September 2017 Baht'000	Audited 31 December 2016 Baht'000
<b>Long-term loans to related parties</b>				
Subsidiaries	-	-	6,643	105,297
<u>Less</u> Allowance for impairment	-	-	(4,383)	(105,297)
	-	-	2,260	-

The movement of long-term loans to related parties is shown below:

	Separate financial information Baht'000
<b>For the nine-month period ended 30 September 2017</b>	
Opening balance	-
Loans advanced during the period	2,260
Loans repayments received during the period	(100,914)
Reversal of allowance for impairment	100,914
Closing balance	2,260

Long-term loans to related parties are unsecured, repayable within 2019 - 2020 and bear interest at rates from 4.00% - 5.60% per annum.

17 Related party transactions (Cont'd)

The following significant transactions were carried out with related parties: (Cont'd)

17 (f) Short-term loans from directors

	Consolidated financial information		Separate financial information	
	Unaudited 30 September 2017 Baht'000	Audited 31 December 2016 Baht'000	Unaudited 30 September 2017 Baht'000	Audited 31 December 2016 Baht'000
<b>Short-term loans from directors</b>				
Key management	1,030	9,747	-	-
	<u>1,030</u>	<u>9,747</u>	<u>-</u>	<u>-</u>

The movement of short-term loans from directors is shown below:

	Consolidated financial information Baht'000
<b>For the nine-month period ended 30 September 2017</b>	
Opening balance	9,747
Loans received during the period	330
Loans repayments during the period	(9,047)
Closing balance	<u>1,030</u>

Short-term loans from key management are due at call and bear interest at rates from 3.00% - 5.10% per annum.

17 (g) Long-term loans from directors

	Consolidated financial information		Separate financial information	
	Unaudited 30 September 2017 Baht'000	Audited 31 December 2016 Baht'000	Unaudited 30 September 2017 Baht'000	Audited 31 December 2016 Baht'000
<b>Long-term loans from directors</b>				
Key management	-	3,500	-	-
	<u>-</u>	<u>3,500</u>	<u>-</u>	<u>-</u>

The movement of long-term loans from directors is shown below:

	Consolidated financial information Baht'000
<b>For the nine-month period ended 30 September 2017</b>	
Opening balance	3,500
Loans repayments during the period	(3,500)
Closing balance	<u>-</u>

Long-term loans from key management are repayable within 2019 and bear interest at rates from 5.35% - 5.60% per annum.



17 Related party transactions (Cont'd)

The following significant transactions were carried out with related parties: (Cont'd)

17 (h) Short-term loans from related parties

	Consolidated financial information		Separate financial information	
	Unaudited 30 September 2017 Baht'000	Audited 31 December 2016 Baht'000	Unaudited 30 September 2017 Baht'000	Audited 31 December 2016 Baht'000
<b>Short-term loans from related parties</b>				
Subsidiaries	-	-	7,000	11,000
	-	-	7,000	11,000

The movement of short-term loans from related parties is shown below:

	Separate financial information Baht'000
<b>For the nine-month period ended 30 September 2017</b>	
Opening balance	11,000
Loans repayments during the period	(4,000)
Closing balance	7,000

Short-term loans from related parties are unsecured, repayable at call and bear interest at rate of 2.10% per annum.

17 (i) Key management's compensation

Key management compensation for the three-month periods ended 30 September 2017 and 2016 are as follow:

	Unit : Baht'000			
	Consolidated financial information		Separate financial information	
<b>For the three-month periods ended 30 September</b>	<b>2017</b>	<b>2016</b>	<b>2017</b>	<b>2016</b>
Short-term employee benefits	7,070	6,495	5,580	5,854
Retirement benefits	315	-	147	-
	7,385	6,495	5,727	5,854

## 17 Related party transactions (Cont'd)

The following significant transactions were carried out with related parties: (Cont'd)

### 17 (i) Key management's compensation (Cont'd)

Key management compensation for the nine-month periods ended 30 September 2017 and 2016 are as follow:

For the nine-month periods ended 30 September	Unit : Baht'000			
	Consolidated financial information		Separate financial information	
	2017	2016	2017	2016
Short-term employee benefits	21,790	21,770	16,367	17,385
Retirement benefits	1,011	-	421	-
	<u>22,801</u>	<u>21,770</u>	<u>16,788</u>	<u>17,385</u>

## 18 Financial assets and liabilities denominated in foreign currencies

The significant outstanding balances of the Group's financial assets and liabilities denominated in foreign currencies are as follows:

Foreign currency	Consolidated financial information					
	Financial assets		Financial liabilities		Average exchange rate	
	Unaudited 30 September 2017	Audited 31 December 2016	Unaudited 30 September 2017	Audited 31 December 2016	Unaudited 30 September 2017	Audited 31 December 2016
	Thousand	Thousand	Thousand	Thousand	(Baht per 1 unit of foreign currency)	
USD	4,215	5,559	655	2,266	33.3684	35.8307
EUR	-	20	-	-	39.3113	37.7577
MYR	5,818	73	167	678	7.9024	7.9896
SGD	3,100	1,659	406	884	24.5629	24.8010
PHP	59,384	5,045	30,325	8,074	0.6568	0.7248
IDR	-	112,656	406,694	394,694	0.0025	0.0027

  

Foreign currency	Separate financial information					
	Financial assets		Financial liabilities		Average exchange rate	
	Unaudited 30 September 2017	Audited 31 December 2016	Unaudited 30 September 2017	Audited 31 December 2016	Unaudited 30 September 2017	Audited 31 December 2016
	Thousand	Thousand	Thousand	Thousand	(Baht per 1 unit of foreign currency)	
USD	3,991	4,672	417	409	33.3684	35.8307
EUR	-	20	-	-	39.3113	37.7577
MYR	-	28	-	35	7.9024	7.9896
SGD	1,881	1,659	132	84	24.5629	24.8010
PHP	59,163	4,800	24,022	1,918	0.6568	0.7248
IDR	-	112,656	-	-	0.0025	0.0027

In addition, the Group are exposed to foreign exchange risk on their investments in overseas subsidiaries. These investments are currently not hedged by derivative financial instruments.

## 19 Events occurring after the reporting date

On 6 October 2017, A Capital Co., Ltd. invested with individuals in 24,500 shares totalling Baht 3,500,000 of Skynet Systems Co., Ltd. which is newly registered entity engaging in mobile application development. The Company holds Skynet Systems Co., Ltd's shares representing 70% of the registered share capital. The investing was approved by the Board of Directors' meeting held on 28 September 2017.