



บริษัท ดีมีเตอร์ คอร์ปอเรชั่น จำกัด (มหาชน)

Demeter Corporation Public Company Limited

เลขที่ 191/43 อาคารซีทีไอ ทาวเวอร์ ชั้น 21 ถนนรัชดาภิเษก แขวงคลองเตย เขตคลองเตย กรุงเทพฯ 10110

โทรศัพท์ 0 2204 2601 โทรสาร 0 2204 2616

191/43 CTI Tower 21st Floor, Ratchadapisek Road, Klongtoey Subdistrict, Klongtoey District, Bangkok, 10110

บมจ.0107537002109

Tel. 0 2204 2601 Fax. 0 2204 2616

DCORP 148/2017

November 13, 2017

Subject: Report on the overall operation for the first nine-month of the year 2017 ended September 30, 2017 and the decrease in the overall operation more than 20 percent.

Attention: President
Stock Exchange of Thailand

Demeter Corporation Public Company Limited (“DCORP”) (“The Company”) would like to submit the reviewed financial statements for the first nine-month of the year 2017 ended September 30, 2017. Such financial statements comprise of the consolidated financial statements and the separate financial statements as compared with the financial statements for the first nine-month of the year 2016 ended September 30, 2016. The Company’s overall performance can be summarized as follows.

DCORP would like to summarize the overview of the consolidated company’s performance for the first nine-month of the year 2017 ended September 30, 2017 as follows:

Company’s Performance (unit: million Baht)	2017 first 9 months	Percent age (%)	2016 first 9 months	Percentage (%)
Total income and other income	53.24	100.00	188.89	100.00
Costs	20.59	38.67	114.29	60.51
Administrative expenses, impairment finance costs and share of loss from associates	108.96	204.66	50.22	26.58
Management benefit expenses	17.84	33.51	24.25	12.84
Profit (Loss) before tax	(94.15)	(176.84)	0.13	0.07
Tax	-	-	-	-
Net Profit (loss) for the period	(94.15)	(176.84)	0.13	0.07
Profit (Loss) attributable to owners of the Company	(92.17)	(173.12)	0.13	0.07

Based on the performance of DCORP from the consolidated financial statements for the first nine-month of the year 2017 ended September 30, 2017, the total income was Baht 53.24 million, comprised of income from programmed co-production of Baht 25.06 million, income from broadcasting rights, which was income from the movie rights of Baht 16.71 million, and other incomes of Baht 11.47 million. It decreased by Baht 135.65 million, compared with the same period of the year 2016. This was mainly due to the termination of the satellite television co-production agreement before the due date with M.V. Television (Thailand) Co., Ltd. for 16 satellite television channels of DCORP by starting return the channels since the end of 2015 and ended on March 31, 2016. This matched with the decrease of costs in the first nine-month of the year 2017. In 2016, the Company had income from selling lighting and air conditioning systems in the amount of Baht 66.25



บริษัท ดีมีเตอร์ คอร์ปอเรชั่น จำกัด (มหาชน)

Demeter Corporation Public Company Limited

เลขที่ 191/43 อาคารซีทีไอ ทาวเวอร์ ชั้น 21 ถนนรัชดาภิเษก แขวงคลองเตย เขตคลองเตย กรุงเทพฯ 10110

โทรศัพท์ 0 2204 2601 โทรสาร 0 2204 2616

191/43 CTI Tower 21st Floor, Ratchadapisek Road, Klongtoey Subdistrict, Klongtoey District, Bangkok, 10110

บมจ.0107537002109

Tel. 0 2204 2601 Fax. 0 2204 2616

million and had gain on sale of investment in associates (Winchai Co., Ltd.) in the amount of Baht 19.80 million.

DCORP had total costs of Baht 20.59 million including the co-production cost of Baht 5.40 million and broadcasting costs of Baht 15.19 million. Thus, profit before expenses was Baht 21.18 million and after deducting the total expenses of Baht 126.80 million, which included administrative expenses of Baht 88.85 million, the impairment of intangible assets of Baht 16.87 million, finance costs of Baht 0.34 million, share of loss from associates of Baht 2.91 million and management benefit expenses of Baht 17.84 million. DCORP's loss before tax was Baht 94.15 million. Loss attributable to non-controlling interests and owners of the Company was Baht 1.98 million and Baht 92.17 million respectively. Compared with the consolidated financial statements for the same period of the year 2016, DCORP's net loss increased by Baht 92.30 million. This was mainly due to setting a provision and amortization of Baht 42.73 million for cancelling the project investment in solar power plant in Philippines and setting an allowance for impairment of intangible assets of Baht 16.87 million.

DCORP would like to summarize the overview of the separate company's performance for the first nine-month of the year 2017 ended September 30, 2017 as follows:

Company's Performance (unit: million Baht)	2017 first 9 months	Percentage (%)	2016 first 9 months	Percentage (%)
Total income and other income	44.50	100.00	162.94	100.00
Costs	15.19	34.13	107.39	65.91
Administrative expenses, impairment, finance costs and share of loss from associates	108.54	243.91	47.90	29.40
Management benefit expenses	16.32	36.68	20.83	12.78
Loss before tax	(95.55)	(214.72)	(13.18)	(8.09)
Tax	-	-	-	-
Net loss for the period	(95.55)	(214.72)	(13.18)	(8.09)

The separate company's performance for the first nine-month of the year 2017 ended September 30, 2017, DCORP's net loss before tax was Baht 95.55 million, which the loss increased by Baht 82.37 million or 624.96 percent compared to the same period in 2016. This was due to the termination of the programmed co-production agreement before the due date at the beginning of 2016 but no revenue recognition from other business, which was in the investigation process. In addition, the administrative expenses had been increased as a result of a provision and an amortization of non-refundable deposits amounting to Baht 42.73 million due to the cancellation of project investment in solar power plant in Philippines, and also an allowance for impairment of investment in subsidiaries in the amount of Baht 9.21 million and allowance for impairment of intangible assets of Baht 16.87 million. However, the management benefit expenses decreased of Baht 4.51 million compared to the same period in last year.

The progress of receiving debt repayment from Media Agency Thai Co., Ltd.

All indebtedness and liabilities of Media Agency Thai Co., Ltd. ("MAT") owed to the Company under the Broadcasting Right Purchase Agreement between the Company and MAT, as at September 30, 2017, remain at Baht 299.45 million, comprising:



บริษัท ดีมีเตอร์ คอร์ปอเรชั่น จำกัด (มหาชน)

Demeter Corporation Public Company Limited

เลขที่ 191/43 อาคารซีทีไอ ทาวเวอร์ ชั้น 21 ถนนรัชดาภิเษก แขวงคลองเตย เขตคลองเตย กรุงเทพฯ 10110

โทรศัพท์ 0 2204 2601 โทรสาร 0 2204 2616

191/43 CTI Tower 21st Floor, Ratchadapisek Road, Klongtoey Subdistrict, Klongtoey District, Bangkok, 10110

บมจ.0107537002109

Tel. 0 2204 2601 Fax. 0 2204 2616

a. Receivables under the Debt Restructuring Agreement remain as at September 30, 2017, of Baht 72.01 million (included VAT). The details are as follows:

Details	(Unit : Million Baht)
Accounts receivable under the Debt Restructuring Agreement	98.16
<u>Less:</u> Payment received on December 30, 2015	(2.68)
Payment received on February 8, 2016	(2.68)
Payment received on March 9, 2016	(2.68)
Payment received on March 31, 2016	(2.68)
Payment received on May 10, 2016	(2.68)
Payment received on June 13, 2016	(2.68)
Payment received on July 26, 2016	(2.68)
Payment received on June 29, 2017	(5.35)
Payment received on June 30, 2017	(2.04)
Receivables under the Debt Restructuring Agreement as at September 30 2017	72.01

b. Value under the Repayment Agreement of Baht 227.44 million (excluded VAT). The details are as follows:

Details	(Unit : Million Baht)
Fair value of the right to sell the advertising time during the broadcasting of Golf European Tour Program	254.79
<u>Less:</u> Payment received from selling the advertising time	
March 8, 2016	(0.18)
March 25, 2016	(1.84)
March 31, 2016	(9.53)
June 30, 2016	(0.18)
August 17, 2016	(0.18)
September 27, 2016	(2.46)
October 13, 2016	(0.18)
November 30, 2016	(0.11)



บมจ.0107537002109

บริษัท ดีมีเตอร์ คอร์ปอเรชั่น จำกัด (มหาชน)

Demeter Corporation Public Company Limited

เลขที่ 191/43 อาคารซีทีไอ ทาวเวอร์ ชั้น 21 ถนนรัชดาภิเษก แขวงคลองเตย เขตคลองเตย กรุงเทพฯ 10110

โทรศัพท์ 0 2204 2601 โทรสาร 0 2204 2616

191/43 CTI Tower 21st Floor, Ratchadapisek Road, Klongtoey Subdistrict, Klongtoey District, Bangkok, 10110

Tel. 0 2204 2601 Fax. 0 2204 2616

January 17, 2017	(0.11)
June 28, 2017	(12.58)
Value under the Repayment Agreement as at September 30, 2017	227.44

The Company has taken the following legal actions.

On October 17, 2016, the Legal Department sent out a letter of payment request to MAT and the representative of MAT contacted for negotiation but there was no any conclusion.

On January 25, 2017, the Legal Department sent out the second letter of payment request and prepared a set of documents to lawyer for prosecution if the debt negotiation was failed.

On February 22, 2017, MAT contacted the Company to request time for 3 months for repayment of the loan due to MAT being in the process of restructuring and the new operating system setting. In addition, MAT was in the process of the capital increase and propose to partly repay Baht 200,000. During this time, the Legal Department has been monitoring the progress with MAT representative periodically.

On June 8, 2017, MAT has made a notice of the progress of the capital increase and the restructuring of the company and made the payment of Baht 7.39 million to the Company in June 2017.

On September 21, 2017, the Company filed a lawsuit against MAT to Thonburi Civil Court. The total amount of the lawsuit is 323,296,077.43 THB due to lack of clear guidelines from MAT.

In addition, the Company would like to report the status of debtors, which are in the legal process as follows:

1. Pending Cases - There are 3 lawsuits pending in the court's proceedings, 1 civil case and 2 criminal cases.

The civil cases, MAT is filed against the Civil Court of Thonburi according to the agreement to buy air time management rights by the court, mediation or examination of the plaintiff on November 20, 2060. In another case, the debtor has defaulted the money from the management of the company's financial investment amounted to Baht 86.43 million under the employment contract of Thailand Classic Golf Tournament. The Company filed a lawsuit against the Southern Bangkok Civil Court on July 15, 2016. The plaintiff and the defendant have been examined by the court hearing to hear the judgment dated November 27, 2560.

The rest 3 cases are the criminal lawsuit against the debtor under the Act on offenses arising from the use of checks in 1991 for 2 cases (the case of the North District Court and the Suphan Buri District Court) and one offense of creditors (Nonthaburi District Court), respectively. For these 3 cases, the Company did not complain to the inquiry officer but filing the case to the Court and the inquiry process has been completed. Two lawsuits have already been filed. The court has ordered that the lawsuits be adjudicated on the examination date. Debtors in the court case of the North Bangkok The confession was made throughout the allegations and will repay the debt to the company. The debtor is still repaying the debt. For, the debtor in the case of misleading creditors of the court case of Nonthaburi, the process is currently under court trial.

For the case under the Act on offenses arising from the use of checks in 1991, the remaining one lawsuits filed by the Company filed with the District Court Suphanburi, the debtor has negotiated debt settlement. The case is highly likely to be settled.



บมจ.0107537002109

บริษัท ดีมีเตอร์ คอร์ปอเรชั่น จำกัด (มหาชน)

Demeter Corporation Public Company Limited

เลขที่ 191/43 อาคารซีทีไอ ทาวเวอร์ ชั้น 21 ถนนรัชดาภิเษก แขวงคลองเตย เขตคลองเตย กรุงเทพฯ 10110

โทรศัพท์ 0 2204 2601 โทรสาร 0 2204 2616

191/43 CTI Tower 21st Floor, Ratchadapisek Road, Klongtoey Subdistrict, Klongtoey District, Bangkok, 10110

Tel. 0 2204 2601 Fax. 0 2204 2616

2. Cases with Final Judgment - There are 4 lawsuits, 1 case in the enforcement proceedings under the Bankruptcy Act and 3 cases in the enforcement process under civil law.

By lawsuit in the enforcement proceedings under the Bankruptcy Act., the debtor is owed according to the judgment of the South Bangkok Civil Court, about Baht 73 million excluding interest. The court has sentenced the debtor to bankruptcy on September 13, 2017. The current process is in the process of gathering assets of the debtor, such as a deposit account; in addition, there are other property found, such as buildings, large-scaled steel factory, machinery, etc. The Official Receiver has arranged a meeting of creditors to discuss about the debtor's property management again in August 2017. A detention order for the bankruptcy was set up to enforce the debtors' assets to be sold to the market on October 31, 2017.

For the three remaining debtors under the verdicts, are the debtors under the programme co-production contract. The current procedure is in the process of executing for one case; while the other two are in the process of investigating additional property to further enforcement.

Progress Report of Q3/2017 Business Plan

The management has strongly set its goal to grow sustainably. We would like to present the progress of the following projects;

1. Media Business: For the investment in online live steaming business, the company invested 30% in Blue Finix Digital Company Limited ("**Blue Finix**") which operates business regarding application development on online live streaming platform. The application is now available in full version both iOS systems, Android systems on mobile phones and on PC. The application platform was officially launched in the 3rd quarter in Show DC Praram 9 and the road show was organized in THAILAND GAME SHOW BIG FESTIVAL 2017 at Siam Paragon Department Store. In the 3rd quarter, Blue Finix has revenue of Baht 5.59 million, operational cost of Baht 14.86 million and Baht 9.28 million net loss.

2. Investment in the Phillipines: The meeting of the Board of the Directors of the company held on January 26, 2017 has resolved to approve the purchase of the ordinary shares of Negro PH Solar Inc. ("**NPSI**"), in the Phillipines, which is the solar power operator, from the existing shareholders of NPSI in the amount of 10,000 ordinary shares, representing 40 percent of the total issued shares of NPSI, which is the maximum shareholding percentage allowed under the laws of the Phillipines. The shares acquisition transaction was subject to the approval from the meeting of the shareholders and upon certain conditions precedent under the share purchase agreement have been fulfilled. Currently, the status of the project is pending for the construction license approval process of the project, which delays due to change in policy on procedure and the license approval process of the licensing agency, which is the Department of Energy, Ministry of Energy, the Phillipines. It is still in the process of reviewing additional documentation from the Ministry of Energy and we have not been able to conclude any progress. Posting to the company's Board meeting which came to an agreement that NPSI is not able to complete the set criteria in the agreement, due to not being able to acquire the construction license which is a critical part that will take effect in many aspects of the project which resulted in an unsatisfied view by the company to further invest in this project. The company will proceed with recollection of the project deposit from NPSI board members in the amount of USD 600,000 or 21,234,000 THB which this amount, the shareholders of NPSI have forwarded to their (Escrow Agent). Posting to the informant to the Escrow Agent the company is expected to receive the tender amount within November 30, 2017



บมจ.0107537002109

บริษัท ดีมีเตอร์ คอร์ปอเรชั่น จำกัด (มหาชน)

Demeter Corporation Public Company Limited

เลขที่ 191/43 อาคารซีทีไอ ทาวเวอร์ ชั้น 21 ถนนรัชดาภิเษก แขวงคลองเตย เขตคลองเตย กรุงเทพฯ 10110

โทรศัพท์ 0 2204 2601 โทรสาร 0 2204 2616

191/43 CTI Tower 21st Floor, Ratchadapisek Road, Klongtoey Subdistrict, Klongtoey District, Bangkok, 10110

Tel. 0 2204 2601 Fax. 0 2204 2616

3. Investment in the Biogas Power Plant Project: Dcorp has executed the Share Purchase Agreement with the existing shareholders of Aukkarawat Plant Renewable Energies Co., Ltd (“**Akkarawat**”) in the amount of 25,000 shares, representing 50 percent of the total ordinary shares of Akkarawat. The transactions is divided in to 3 stages which currently, the company has yet to enter in to the third share purchase transactions, which specified in the share purchase agreement that the company will have to buy 8,181 shares from its existing shareholders representing 16.36 percent OF THE TOTAL ORDINARY SHARES OF AUKKARAWAT , the company have extended the completion of stage 3 investment by changing from within July 31st, 2017 to complete within November 30, 2017 due to the company’s negotiations with Akkarawat shareholders are still in process, of which the result of the negotiations and its criteria will be used and abide by the detail of the company’s operations issued by the board of directors and shareholders

Regarding the business operation and progress tracking of the Company, the Company shall conduct in accordance with the laws, regulation and relevant notification of the Securities and Exchange Commission and the SET.

Please be informed accordingly.

Sincerely Yours,

Cholapan Vongsing
(Mr. Cholapan Vongsing)
Chief Financial Officer