

Bangkok Post Public Company Limited
and its subsidiaries
Review report and interim financial statements
For the three-month and nine-month periods ended
30 September 2019

Independent Auditor's Report on Review of Interim Financial Information

To the Shareholders of Bangkok Post Public Company Limited

I have reviewed the accompanying consolidated statement of financial position of Bangkok Post Public Company Limited and its subsidiaries as at 30 September 2019 and the related consolidated statements of comprehensive income for the three-month and nine-month periods then ended, the related consolidated 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 Bangkok Post 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*.

Emphasis of matter

Material Uncertainty Related to Going Concern

I draw attention to the matter as described in Note 1.2 and Note 21 to the financial statements. The Group has operating loss for a number of consecutive years. As at 30 September 2019 the Group's current liabilities exceeded current assets with significant amount. Moreover, the securities of the Company have been posted with "C" (Caution) sign. However, the Group is moving towards digitization through its continuous business strategic and business model plans. The Group has also received the confirmation for financial support from a major shareholder. Management therefore believes that the Group will be able to continue as a going concern. The financial statements have therefore been prepared under the going concern basis. However, the Group is in the process to execute the changes in its business strategic and business model plans in the future. These events indicate that a material uncertainty exists that may cast doubt on the Group's ability to continue as a going concern.

My conclusion is not qualified in respect of these matters.

Saifon Inkaew

Certified Public Accountant (Thailand) No. 4434

EY Office Limited

Bangkok: 13 November 2019

Bangkok Post Public Company Limited and its subsidiaries**Statement of financial position****As at 30 September 2019**

(Unit: Thousand Baht)

	Consolidated financial statements		Separate financial statements		
	Note	30 September 2019	31 December 2018	30 September 2019	31 December 2018
		(Unaudited but reviewed)	(Audited)	(Unaudited but reviewed)	(Audited)
Assets					
Current assets					
Cash and cash equivalents		5,584	8,780	3,731	6,963
Trade and other receivables	3	285,336	387,999	123,060	177,342
Inventories	4	28,998	69,858	6,337	33,584
Short-term loans to related parties	2	-	-	69,800	66,677
Corporate income tax deducted at source		99,493	90,707	57,411	52,422
Other current assets		25,519	31,395	9,577	10,944
Total current assets		444,930	588,739	269,916	347,932
Non-current assets					
Investments in subsidiaries	5	-	-	206,473	206,473
Investments in joint venture	6	6,722	10,116	-	-
Investments in associate	7	-	-	-	-
Other long-term investment	8	-	-	-	-
Property, plant and equipment	9	1,311,145	1,450,416	1,300,591	1,436,542
Goodwill		94,851	94,851	-	-
Intangible assets	10	72,631	86,449	41,609	49,934
Deferred tax assets	11	55,555	50,398	40,885	36,365
Other non-current assets		6,371	3,014	169	403
Total non-current assets		1,547,275	1,695,244	1,589,727	1,729,717
Total assets		1,992,205	2,283,983	1,859,643	2,077,649

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

Bangkok Post Public Company Limited and its subsidiaries

Statement of financial position (continued)

As at 30 September 2019

(Unit: Thousand Baht)

	Consolidated financial statements		Separate financial statements		
	Note	30 September 2019	31 December 2018	30 September 2019	31 December 2018
		(Unaudited but reviewed)	(Audited)	(Unaudited but reviewed)	(Audited)
Liabilities and shareholders' equity					
Current liabilities					
Bank overdrafts and short-term loans from					
financial institutions	12	976,943	936,176	923,755	873,719
Trade and other payables	13	165,883	198,390	79,936	111,565
Short-term loans from non-controlling interests					
of the subsidiary	14	5,880	5,880	-	-
Short-term loans from director	2	120,000	-	120,000	-
Current portion of long-term loans	15	91,000	64,000	87,000	60,000
Unearned subscription fee		35,529	46,252	32,860	40,844
Other current liabilities		41,327	56,201	25,210	34,058
Total current liabilities		1,436,562	1,306,899	1,268,761	1,120,186
Non-current liabilities					
Long-term loans, net of current portion	15	225,467	300,467	225,467	297,467
Deferred tax liabilities	11	187,931	188,617	183,780	183,780
Provision for long-term employee benefits	16	82,392	84,892	77,168	77,422
Total non-current liabilities		495,790	573,976	486,415	558,669
Total liabilities		1,932,352	1,880,875	1,755,176	1,678,855
Shareholders' equity					
Share capital					
Registered					
505,000,000 ordinary shares of Baht 1 each		505,000	505,000	505,000	505,000
Issued and fully paid up					
500,000,000 ordinary shares of Baht 1 each		500,000	500,000	500,000	500,000
Retained earnings					
Appropriated - statutory reserve		50,500	50,500	50,500	50,500
Unappropriated		(1,262,435)	(935,319)	(1,181,153)	(886,826)
Other components of shareholders' equity		735,120	735,120	735,120	735,120
Equity attributable to owners of the Company		23,185	350,301	104,467	398,794
Non-controlling interests of the subsidiaries		36,668	52,807	-	-
Total shareholders' equity		59,853	403,108	104,467	398,794
Total liabilities and shareholders' equity		1,992,205	2,283,983	1,859,643	2,077,649
		-	-	-	-

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

Directors

(Unaudited but reviewed)

Bangkok Post Public Company Limited and its subsidiaries**Statements of comprehensive income****For the three-month period ended 30 September 2019**

(Unit: Thousand Baht except basic loss per share expressed in Baht)

	Note	Consolidated financial statements		Separate financial statements	
		2019	2018	2019	2018
Sales income		36,351	52,784	35,634	51,254
Services income		172,760	240,555	83,244	149,606
Cost of sales and services		(195,888)	(233,674)	(117,043)	(164,066)
Gross profit		13,223	59,665	1,835	36,794
Selling expenses		(27,596)	(37,522)	(16,521)	(22,556)
Administrative expenses		(35,734)	(51,732)	(27,519)	(39,344)
Loss on impairment of equipment and spare parts		(94,110)	-	(94,110)	-
Loss from sales and rendering of services		(144,217)	(29,589)	(136,315)	(25,106)
Share of profit (loss) from investments in joint venture		463	(1,919)	-	-
Other income		2,714	5,699	7,781	7,774
Loss before finance cost and income tax expenses		(141,040)	(25,809)	(128,534)	(17,332)
Finance cost		(19,831)	(18,354)	(18,825)	(17,408)
Loss before income tax expenses		(160,871)	(44,163)	(147,359)	(34,740)
Income tax revenues (expenses)	11	489	(16,892)	229	(17,877)
Loss for the period		(160,382)	(61,055)	(147,130)	(52,617)
Other comprehensive income:					
<i>Other comprehensive income not to be reclassified to profit or loss in subsequent periods</i>					
Surplus on revaluation of land		-	201,400	-	201,400
Less: Income tax effect		-	(40,280)	-	(40,280)
Other comprehensive income for the period		-	161,120	-	161,120
Total comprehensive income for the period		(160,382)	100,065	(147,130)	108,503
Profit (loss) attributable to:					
Equity holders of the Company		(156,340)	(59,223)	(147,130)	(52,617)
Non-controlling interests of the subsidiaries		(4,042)	(1,832)		
		(160,382)	(61,055)		
Total comprehensive income attributable to:					
Equity holders of the Company		(156,340)	101,897	(147,130)	108,503
Non-controlling interests of the subsidiaries		(4,042)	(1,832)		
		(160,382)	100,065		
Loss per share					
17					
Basic loss per share					
Loss attributable to equity holders of the Company		(0.31)	(0.12)	(0.29)	(0.11)

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

(Unaudited but reviewed)

Bangkok Post Public Company Limited and its subsidiaries**Statements of comprehensive income****For the nine-month period ended 30 September 2019**

(Unit: Thousand Baht except basic loss per share expressed in Baht)

	Note	Consolidated financial statements		Separate financial statements	
		2019	2018	2019	2018
Sales income		119,820	161,564	116,526	156,767
Services income		473,537	721,038	267,874	420,928
Cost of sales and services		(584,493)	(735,886)	(399,076)	(493,231)
Gross profit (loss)		8,864	146,716	(14,676)	84,464
Selling expenses		(97,008)	(109,898)	(70,453)	(74,369)
Administrative expenses		(138,251)	(155,500)	(104,944)	(120,651)
Loss on impairment of equipment and spare parts		(94,110)	-	(94,110)	-
Loss from sales and rendering of services		(320,505)	(118,682)	(284,183)	(110,556)
Share of loss from investments in joint venture	6	(3,394)	(937)	-	-
Other income		13,910	21,791	25,614	31,118
Loss before finance cost and income tax expenses		(309,989)	(97,828)	(258,569)	(79,438)
Finance cost		(57,135)	(51,200)	(54,333)	(48,763)
Loss before income tax expenses		(367,124)	(149,028)	(312,902)	(128,201)
Income tax revenues (expenses)	11	9,448	375	7,331	(922)
Loss for the period		(357,676)	(148,653)	(305,571)	(129,123)
Other comprehensive income:					
<i>Other comprehensive income not to be reclassified to profit or loss in subsequent periods</i>					
Surplus on revaluation of land		-	201,400	-	201,400
Actuarial Gain		18,026	-	14,055	-
Less: Income tax effect		(3,605)	(40,280)	(2,811)	(40,280)
Other comprehensive income for the period		14,421	161,120	11,244	161,120
Total comprehensive income for the period		(343,255)	12,467	(294,327)	31,997
Profit (loss) attributable to:					
Equity holders of the Company		(341,537)	(146,307)	(305,571)	(129,123)
Non-controlling interests of the subsidiaries		(16,139)	(2,346)		
		(357,676)	(148,653)		
Total comprehensive income attributable to:					
Equity holders of the Company		(327,116)	14,813	(294,327)	31,997
Non-controlling interests of the subsidiaries		(16,139)	(2,346)		
		(343,255)	12,467		
Loss per share					
17					
Basic loss per share					
Loss attributable to equity holders of the Company		(0.68)	(0.29)	(0.61)	(0.26)

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

(Unaudited but reviewed)

Bangkok Post Public Company Limited and its subsidiaries

Cash flow statements

For the nine-month period ended 30 September 2019

(Unit: Thousand Baht)

	Consolidated financial statements		Separate financial statements	
	<u>2019</u>	<u>2018</u>	<u>2019</u>	<u>2018</u>
Cash flows from operating activities				
Loss before tax	(367,124)	(149,028)	(312,902)	(128,201)
Adjustments to reconcile loss before tax to net cash provided by (paid from) operating activities:				
Allowance for doubtful debts (reversal)	1,727	(6,985)	14,202	7,141
Reversal of allowance for sales returns	(1,194)	(2,911)	(1,194)	(2,911)
Reduction of inventory to net realisable value (reversal)	2,836	339	(2,645)	339
Loss on impairment of spare parts	15,432	-	15,432	-
Loss on impairment of machines	78,678	-	78,678	-
Reversal of allowance for imparment of loan and interest to subsidiary	-	-	(323)	-
Depreciation and amortisation	75,907	89,437	66,820	74,274
Gain on disposal and write-off of equipment and computer software	(1,698)	(1,094)	(907)	(1,094)
Share of loss from investments in joint venture	3,394	937	-	-
Provision for long-term employee benefits	15,526	4,517	13,801	3,510
Interest expenses	57,135	51,200	54,333	48,763
Profit (loss) from operating activities before changes in operating assets and liabilities	(119,381)	(13,588)	(74,705)	1,821
Operating assets (increase) decrease				
Trade and other receivables	102,130	61,290	41,274	38,880
Inventories	22,592	8,374	14,460	6,618
Other current assets	4,476	(931)	1,367	455
Other non-current assets	(3,357)	3,385	234	(473)
Operating liabilities increase (decrease)				
Trade and other payables	(30,737)	(40,905)	(29,867)	(24,115)
Other current liabilities	(25,597)	(24,656)	(16,832)	(16,496)
Cash flows from (used in) operating activities	(49,874)	(7,031)	(64,069)	6,690
Cash paid for interest expenses	(58,172)	(44,914)	(55,362)	(47,685)
Cash paid for corporate income tax	(8,786)	(15,226)	(4,989)	(9,082)
Cash received from refund of withholding tax deducted at source	1,400	-	-	-
Net cash flows used in operating activities	(115,432)	(67,171)	(124,420)	(50,077)

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

(Unaudited but reviewed)

Bangkok Post Public Company Limited and its subsidiaries

Cash flow statements (continued)

For the nine-month period ended 30 September 2019

(Unit: Thousand Baht)

	Consolidated financial statements		Separate financial statements	
	<u>2019</u>	<u>2018</u>	<u>2019</u>	<u>2018</u>
Cash flows from investing activities				
Decrease (increase) in short-term loans to related parties	-	-	(2,800)	400
Dividend received from joint venture	-	6,326	-	-
Proceeds from sales of equipment	2,232	1,196	1,314	1,196
Cash paid for purchase of equipment	(2,094)	(3,506)	(1,693)	(2,089)
Cash paid for purchase of computer software	(669)	(262)	(669)	(16)
Net cash flows from (used in) investing activities	(531)	3,754	(3,848)	(509)
Cash flows from financing activities				
Increase in bank overdrafts and short-term loans				
from financial institutions	40,767	72,613	50,036	59,034
Cash received from short-term loans from director	120,000	-	120,000	-
Repayment of long-term loans	(48,000)	(9,000)	(45,000)	(7,500)
Net cash flows from financing activities	112,767	63,613	125,036	51,534
Net increase (decrease) in cash and cash equivalents	(3,196)	196	(3,232)	948
Cash and cash equivalents at beginning of period	8,780	12,091	6,963	8,509
Cash and cash equivalents at end of period	5,584	12,287	3,731	9,457
	-	-	-	-
Supplemental cash flows information:				
Non-cash item:				
Purchase of equipment and computer software				
for which cash has not been paid	632	1,392	632	1,392

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

(Unaudited but reviewed)

Bangkok Post Public Company Limited and its subsidiaries

Statements of changes in shareholders' equity

For the nine-month period ended 30 September 2019

(Unit: Thousand Baht)

Consolidated financial statements

	Equity attributable to the owners of the Company							
	Issued and fully paid-up share capital	Retained earnings		Other components of equity		Total equity attributable to the owners of the Company	Equity attributable to non-controlling interests of the subsidiaries	Total shareholders' equity
		Appropriated - statutory reserve	Unappropriated	Other comprehensive				
				Surplus on revaluation of land	income			
Balance as at 31 December 2017	500,000	50,500	(771,893)	577,379	577,379	355,986	52,732	408,718
Loss for the period	-	-	(146,307)	-	-	(146,307)	(2,346)	(148,653)
Other comprehensive income for the period	-	-	-	161,120	161,120	161,120	-	161,120
Total comprehensive income for the period	-	-	(146,307)	161,120	161,120	14,813	(2,346)	12,467
Balance as at 30 September 2018	<u>500,000</u>	<u>50,500</u>	<u>(918,200)</u>	<u>738,499</u>	<u>738,499</u>	<u>370,799</u>	<u>50,386</u>	<u>421,185</u>
Balance as at 31 December 2018	500,000	50,500	(935,319)	735,120	735,120	350,301	52,807	403,108
Loss for the period	-	-	(341,537)	-	-	(341,537)	(16,139)	(357,676)
Other comprehensive income for the period	-	-	14,421	-	-	14,421	-	14,421
Total comprehensive income for the period	-	-	(327,116)	-	-	(327,116)	(16,139)	(343,255)
Balance as at 30 September 2019	<u>500,000</u>	<u>50,500</u>	<u>(1,262,435)</u>	<u>735,120</u>	<u>735,120</u>	<u>23,185</u>	<u>36,668</u>	<u>59,853</u>
	-	-	-	-	-	-	-	-

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

(Unaudited but reviewed)

Bangkok Post Public Company Limited and its subsidiaries

Statements of changes in shareholders' equity (continued)

For the nine-month period ended 30 September 2019

(Unit: Thousand Baht)

	Separate financial statements					
	Issued and fully paid-up share capital	Retained earnings		Other components of equity		Total shareholders' equity
Appropriated - statutory reserve		Unappropriated	Other comprehensive income Surplus on revaluation of land	Total other components of shareholders' equity		
Balance as at 31 December 2017	500,000	50,500	(727,463)	577,379	577,379	400,416
Loss for the period	-	-	(129,123)	-	-	(129,123)
Other comprehensive income for the period	-	-	-	161,120	161,120	161,120
Total comprehensive income for the period	-	-	(129,123)	161,120	161,120	31,997
Balance as at 30 September 2018	<u>500,000</u>	<u>50,500</u>	<u>(856,586)</u>	<u>738,499</u>	<u>738,499</u>	<u>432,413</u>
Balance as at 31 December 2018	500,000	50,500	(886,826)	735,120	735,120	398,794
Loss for the period	-	-	(305,571)	-	-	(305,571)
Other comprehensive income for the period	-	-	11,244	-	-	11,244
Total comprehensive income for the period	-	-	(294,327)	-	-	(294,327)
Balance as at 30 September 2019	<u>500,000</u>	<u>50,500</u>	<u>(1,181,153)</u>	<u>735,120</u>	<u>735,120</u>	<u>104,467</u>
	-	-	-	-	-	-

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

Bangkok Post Public Company Limited and its subsidiaries

Notes to interim consolidated financial statements

For the three-month and nine-month periods ended 30 September 2019

1. General information

1.1 Corporate information

Bangkok Post Public Company Limited (“the Company”) is a public company incorporated and domiciled in Thailand. The Company is principally engaged in the publishing and distribution of newspapers, magazines and books. The registered office of the Company is at address is 136 Sunthorn Kosa Road, Kwang Klong Toey, Khet Klong Toey, Bangkok.

1.2 Fundamental accounting assumptions

The Group has operating loss for a number of consecutive years. As at 30 September 2019 the Group's current liabilities exceeded current assets with significant amount. Moreover, since 14 August 2019, the Company's securities have been posted with “C” (Caution) sign. However, the Group is moving towards digitization through its continuous business strategic and business model plans. The Group has also received the confirmation for financial support from a major shareholder. Management therefore believes that the Group will be able to continue as a going concern. The financial statements have therefore been prepared under the going concern basis. However, the Group is in the process to execute the changes in its business strategic and business model plans in the future. These events indicate that a material uncertainty exists that may cast doubt on the Group’s ability to continue as a going concern, which assets and liabilities are recorded on a basis whereby the Group will be able to realize its assets and meet its obligations in the ordinary course of business.

1.3 Basis for the preparation of interim financial statements

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

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.

1.4 Basis of consolidation

These consolidated interim financial statements include the financial statements of Bangkok Post Public Company Limited and its subsidiaries and are prepared on the same basis as the consolidated financial statements for the year ended 31 December 2018, with no structural changes related to subsidiaries occurring during the current period.

1.5 New financial reporting standards

(a) Financial reporting standards that became effective in the current period

During the period, the Company and its subsidiaries have adopted the revised (revised 2018) and new financial reporting standards and interpretations which are effective for fiscal periods beginning on or after 1 January 2019. These financial reporting standards were aimed at alignment with the corresponding International Financial Reporting Standards with most of the changes directed towards clarifying accounting treatment and providing accounting guidance for users of the standards. The adoption of these financial reporting standards does not have any significant impact on the Company's and its subsidiaries' financial statements. However, the new standard involves changes to key principles, which are summarised below:

TFRS 15 Revenue from Contracts with Customers

TFRS 15 supersedes the following accounting standards together with related interpretations.

TAS 11 (revised 2017)	Construction Contracts
TAS 18 (revised 2017)	Revenue
TSIC 31 (revised 2017)	Revenue - Barter Transactions Involving Advertising Services
TFRIC 13 (revised 2017)	Customer Loyalty Programmes
TFRIC 15 (revised 2017)	Agreements for the Construction of Real Estate
TFRIC 18 (revised 2017)	Transfers of Assets from Customers

Entities are to apply this standard to all contracts with customers unless those contracts fall within the scope of other standards. The standard establishes a five-step model to account for revenue arising from contracts with customers, with revenue being recognised at an amount that reflects the consideration to which an entity expects to be entitled in exchange for transferring goods or services to a customer. The standard requires entities to exercise judgement, taking into consideration all of the relevant facts and circumstances when applying each step of the model.

This standard does not have any significant impact on the Company's and its subsidiaries' financial statements.

(b) Financial reporting standards that became effective for fiscal years beginning on or after 1 January 2020

The Federation of Accounting Professions issued a number of new and revised financial reporting standards and interpretations, which are effective for fiscal years beginning on or after 1 January 2020. These financial reporting standards were aimed at alignment with the corresponding International Financial Reporting Standards with most of the changes directed towards clarifying accounting treatment and providing accounting guidance for users of the standards except the following new standards which involve changes to key principles, which are summarised below.

Financial reporting standards related to financial instruments

A set of TFRSs related to financial instruments consists of five accounting standards and interpretations, as follows:

Financial reporting standards:

TFRS 7	Financial Instruments: Disclosures
TFRS 9	Financial Instruments

Accounting standard:

TAS 32	Financial Instruments: Presentation
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Financial Reporting Standard Interpretations:

TFRIC 16	Hedges of a Net Investment in a Foreign Operation
TFRIC 19	Extinguishing Financial Liabilities with Equity Instruments

These TFRSs related to financial instruments make stipulations relating to the classification of financial instruments and their measurement at fair value or amortised cost (taking into account the type of instrument, the characteristics of the contractual cash flows and the Company's business model), calculation of impairment using the expected credit loss method, and hedge accounting. These include stipulations regarding the presentation and disclosure of financial instruments. When the TFRSs related to financial instruments are effective, some accounting standards, interpretations and guidance which are currently effective will be cancelled.

The management of the Company and its subsidiaries is currently evaluating the impact of these standards to the financial statements in the year when they are adopted.

IFRS 16 Leases

IFRS 16 supersedes TAS 17 Leases together with related Interpretations. The standard sets out the principles for the recognition, measurement, presentation and disclosure of leases, and requires a lessee to recognise assets and liabilities for all leases with a term of more than 12 months, unless the underlying asset is low value.

Accounting by lessors under IFRS 16 is substantially unchanged from TAS 17. Lessors will continue to classify leases as either operating or finance leases using similar principles to those used under TAS 17.

The management of the Company and its subsidiaries is currently evaluating the impact of this standard on the financial statements in the year when it is adopted.

1.6 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 2018.

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 and those related parties.

(Unit: Million Baht)

	For the three-month periods ended 30 September				For the nine-month periods ended 30 September				Transfer pricing policy
	Consolidated financial statements		Separate financial statements		Consolidated financial statements		Separate financial statements		
	<u>2019</u>	<u>2018</u>	<u>2019</u>	<u>2018</u>	<u>2019</u>	<u>2018</u>	<u>2019</u>	<u>2018</u>	
Transactions with subsidiaries									
(eliminated from the consolidated financial statements)									
Purchase of goods	-	-	1	5	-	-	5	10	Market price
Advertising income	-	-	-	1	-	-	-	2	Market price
Rental income	-	-	3	3	-	-	8	9	Contract price
Management income	-	-	2	2	-	-	6	6	Contract price
Transactions with joint venture									
Purchase of goods	-	-	-	-	1	2	1	2	Market price
Advertising income	-	-	-	-	-	1	-	1	Market price
Management income	-	2	-	1	4	7	2	3	Contract price

(Unaudited but reviewed)

The balances of the accounts as at 30 September 2019 and 31 December 2018 between the Company and those related companies are as follows:

(Unit: Thousand Baht)

	Consolidated		Separate	
	financial statements		financial statements	
	30 September	31 December	30 September	31 December
	2019	2018	2019	2018
	(Audited)		(Audited)	
<u>Trade and other receivables - related parties (Note 3)</u>				
Subsidiaries	-	-	70,014	51,085
Joint venture	34	2,487	-	1,211
Less: Allowance for doubtful accounts	-	-	(62,635)	(48,199)
Total trade and other receivables - related parties	34	2,487	7,379	4,097
<u>Trade and other payables - related parties (Note 13)</u>				
Subsidiaries	-	-	2,488	2,940
Joint venture	570	2,964	220	1,871
Total trade and other payables - related parties	570	2,964	2,708	4,811

Short-term loans to related parties and short-term loans from director

As at 30 September 2019 and 31 December 2018, the balance of short-term loans between the Company and those related parties and loans from director and the movement are as follows:

(Unit: Thousand Baht)

		Separate financial statements		
		Balance as at	Increase (decrease)	Balance as at
Loans to related parties	Related by	31 December 2018	during the period	30 September 2019
Post International Media Co., Ltd.	Subsidiary	61,000	8,800	69,800
Post News Co., Ltd.	Subsidiary	6,120	-	6,120
Post TV Co., Ltd.	Subsidiary	338,659	(6,000)	332,659
		405,779	2,800	408,579
Less: Allowance for doubtful accounts		(339,102)	323	(338,779)
Total		66,677	3,123	69,800

(Unit: Thousand Baht)

		Separate financial statements		
		Balance as at	Increase	Balance as at
Loans from related party	Related by	31 December 2018	during the period	30 September 2019
Director	Directorship	-	120,000	120,000

During the period, the Company received short-term unsecured loans from director amounting to Baht 120 million which carries interest at the rate of 5.25 percent per annum. The principal is due at call.

(Unaudited but reviewed)

Directors and management's benefits

During the three-month and nine-month periods ended 30 September 2019 and 2018, the Company and its subsidiaries incurred employee benefits expenses payable to their directors and management as follows:

(Unit: Million Baht)

	For the three-month periods ended 30 September			
	Consolidated financial statements		Separate financial statements	
	<u>2019</u>	<u>2018</u>	<u>2019</u>	<u>2018</u>
Short-term employee benefits	7	15	4	5
Post-employment benefits	-	1	-	-
Total	<u>7</u>	<u>16</u>	<u>4</u>	<u>5</u>

(Unit: Million Baht)

	For the nine-month periods ended 30 September			
	Consolidated financial statements		Separate financial statements	
	<u>2019</u>	<u>2018</u>	<u>2019</u>	<u>2018</u>
Short-term employee benefits	25	32	12	14
Post-employment benefits	-	2	-	-
Total	<u>25</u>	<u>34</u>	<u>12</u>	<u>14</u>

3. Trade and other receivables

(Unit: Thousand Baht)

	Consolidated		Separate	
	financial statements		financial statements	
	30 September 2019	31 December 2018	30 September 2019	31 December 2018
		(Audited)		(Audited)
<u>Trade receivables - related parties</u>				
Aged on the basis of due dates				
Not yet due	-	17	135	132
Past due				
Up to 3 months	32	35	13	-
3 - 6 months	-	-	343	-
6 - 12 months	2	578	-	578
Total trade receivables - related parties	<u>34</u>	<u>630</u>	<u>491</u>	<u>710</u>

(Unaudited but reviewed)

(Unit: Thousand Baht)

	Consolidated		Separate	
	financial statements		financial statements	
	30 September	31 December	30 September	31 December
	2019	2018	2019	2018
		(Audited)		(Audited)
<u>Trade receivables - unrelated parties</u>				
Aged on the basis of due dates				
Not yet due	66,476	141,770	25,831	68,174
Past due				
Up to 3 months	112,579	115,929	72,778	84,159
3 - 6 months	13,493	10,731	10,472	8,709
6 - 12 months	8,041	21,019	2,029	3,390
Over 12 months	34,126	34,983	10,600	15,372
Total	234,715	324,432	121,170	179,804
Less: Allowance for doubtful debts	(16,806)	(18,135)	(11,793)	(15,083)
Allowance for sales returns	(1,102)	(2,296)	(1,102)	(2,296)
Total trade receivables - unrelated parties, net	216,807	304,001	108,815	162,425
Total trade receivables - net	216,841	304,631	109,306	163,135
<u>Other receivables</u>				
Unbilled revenue	68,495	81,511	6,866	10,820
Amounts due from related parties	-	1,857	69,523	51,586
Less: Allowance for doubtful debts	-	-	(62,635)	(48,199)
Total other receivables - net	68,495	83,368	13,754	14,207
Trade and other receivables - net	285,336	387,999	123,060	177,342

4. Allowance to reduce cost to net realisable value

Movements in the allowance to reduce cost of the inventory to net realisable value during the nine-month period ended 30 September 2019 are summarised below.

(Unit: Thousand Baht)

	Consolidated	Separate
	financial statements	financial statements
Balance as at 1 January 2019	49,141	33,396
Add: Reduce cost to net realisable value of inventory account	18,268	12,787
Balance as at 30 September 2019	67,409	46,183

(Unaudited but reviewed)

5. Investments in subsidiaries

(Unit: Thousand Baht)

Company's name	Separate financial statements	
	Carrying amount based on cost method	
	30 September 2019	31 December 2018
		(Audited)
Post-IM Plus Company Limited	2	2
Post International Media Company Limited	100,890	100,890
Post News Company Limited ⁽¹⁾	5,100	5,100
Mushroom Group Company Limited	178,690	178,690
Post New Media Company Limited	25,000	25,000
Total	309,682	309,682
Less: Allowance for loss from investments	(103,209)	(103,209)
Investments in subsidiaries - net	206,473	206,473

⁽¹⁾ Post News Company Limited is in the process of liquidation.**6. Investments in joint venture**

(Unit: Thousand Baht)

Joint venture	Consolidated financial statements			
	Cost		Carrying amount based on equity method	
	30 September 2019	31 December 2018	30 September 2019	31 December 2018
		(Audited)		(Audited)
Bangkok Post-Bauer Media Co., Ltd.	11,500	11,500	6,722	10,116

The Company recognised its share of comprehensive income from investments in the joint venture and dividend income in the consolidated financial statements for the nine-month period ended 30 September 2019 and 2018 as follows:

(Unit: Thousand Baht)

Joint venture	Consolidated financial statements					
	Share of loss from investments in joint venture during the period		Share of other comprehensive income from investments in joint venture during the period		Dividend received during the period	
	2019	2018	2019	2018	2019	2018
Bangkok Post-Bauer Media Co., Ltd.	(3,394)	(937)	-	-	-	6,326

(Unaudited but reviewed)

7. Investment in associate

(Unit: Thousand Baht)

Carrying amount based
on equity method

Company's name	Cost		Carrying amount based on equity method	
	30 September 2019	31 December 2018	30 September 2019	31 December 2018
		(Audited)		(Audited)
Flash News Co., Ltd.	10,000	10,000	2,704	2,704
Less: Allowance for loss from investment	(10,000)	(10,000)	(2,704)	(2,704)
Net	-	-	-	-

8. Long-term investment

(Unit: Thousand Baht)

	Paid up Capital	Equity interest Percent	Cost	
			30 September 2019	31 December 2018
				(Audited)
Singapore Press Holdings Limited	27,393	-	16	16
Less: Allowance for loss from investment			(16)	(16)
Net			-	-

9. Property, plant and equipment

Movements of the property, plant and equipment account during the nine-month period ended 30 September 2019 are summarised below.

(Unit: Thousand Baht)

	Consolidated financial statements	Separate financial statements
Net book value as at 1 January 2019	1,450,416	1,436,542
Acquisitions during period - at cost	1,361	960
Disposals during period - net book value at disposal date	(534)	(407)
Depreciation for the period	(61,420)	(57,826)
Allowance for impairment	(78,678)	(78,678)
Net book value as at 30 September 2019	1,311,145	1,300,591

The Company mortgaged its land with structure with net book value of Baht 615 million for credit facilities received from bank.

(Unaudited but reviewed)

10. Intangible assets

Movements of the intangible assets account during the nine-month period ended 30 September 2019 are summarised below.

	(Unit: Thousand Baht)	
	Consolidated	Separate
	financial statements	financial statements
Net book value as at 1 January 2019	86,449	49,934
Acquisitions during period - at cost	669	669
Amortisation for the period	(14,487)	(8,994)
Net book value as at 30 September 2019	<u>72,631</u>	<u>41,609</u>

11. Deferred tax / Income tax

Interim corporate income tax was calculated on loss before income tax for the period, after adding back disallowable expenses and deducting income which is exempted for tax computation purposes, using the estimated effective tax rate for the year.

Income tax expenses (income) for the three-month and nine-month periods ended 30 September 2019 and 2018 are made up as follows:

	(Unit: Thousand Baht)			
	For the three-month periods ended 30 September			
	Consolidated		Separate	
	financial statements	financial statements	financial statements	financial statements
	<u>2019</u>	<u>2018</u>	<u>2019</u>	<u>2018</u>
Current income tax:				
Interim corporate income tax charge	-	(292)	-	-
Deferred tax:				
Relating to origination of temporary differences during the period	(489)	11,462	(229)	12,155
A reversal of deferred tax assets of previous year	-	5,722	-	5,722
Income tax expenses (income) reported in the statements of comprehensive income	<u>(489)</u>	<u>16,892</u>	<u>(229)</u>	<u>17,877</u>

(Unaudited but reviewed)

(Unit: Thousand Baht)

For the nine-month periods ended 30 September

	Consolidated		Separate	
	financial statements		financial statements	
	<u>2019</u>	<u>2018</u>	<u>2019</u>	<u>2018</u>
Current income tax:				
Interim corporate income tax charge	-	716	-	-
Deferred tax:				
Relating to origination of temporary differences during the period	(9,447)	(6,813)	(7,331)	(4,800)
A reversal of deferred tax assets of previous year	-	5,722	-	5,722
Income tax expenses (income) reported in the statements of comprehensive income	<u>(9,447)</u>	<u>(375)</u>	<u>(7,331)</u>	<u>922</u>

12. Bank overdrafts and short-term loans from financial institutions

(Unit: Thousand Baht)

	Interest rate (percent per annum)	Consolidated		Separate	
		financial statements		financial statements	
		30 September 2019	31 December 2018 (Audited)	30 September 2019	31 December 2018 (Audited)
Bank overdrafts	MOR	79,442	51,176	29,755	3,719
Short-term loans from financial institutions	MMR	897,501	885,000	894,000	870,000
Total		<u>976,943</u>	<u>936,176</u>	<u>923,755</u>	<u>873,719</u>

13. Trade and other payables

(Unit: Thousand Baht)

	Consolidated		Separate	
	financial statements		financial statements	
	30 September 2019	31 December 2018 (Audited)	30 September 2019	31 December 2018 (Audited)
Trade payables - related parties	220	1,871	2,671	4,792
Trade payables - unrelated parties	78,732	100,175	15,024	35,126
Amounts due to related parties	350	1,093	37	19
Accrued expenses	61,599	66,644	38,553	43,796
Other payables	24,982	28,607	23,651	27,832
Total trade and other payables	<u>165,883</u>	<u>198,390</u>	<u>79,936</u>	<u>111,565</u>

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

As at 30 September 2019, a subsidiary had short-term Baht loans from its shareholders who have non-controlling interests. The loans carry interest at the rates with reference to Minimum Loan Rate a commercial bank charges to its prime customers, and repayable on demand.

15. Long-term loans

Movements in the long-term loans account during the nine-month period ended 30 September 2019 are summarised below.

	(Unit: Thousand Baht)	
	Consolidated financial statements	Separate financial statements
Balance as at 1 January 2019	364,467	357,467
Less: Repayment	(48,000)	(45,000)
Balance as at 30 September 2019	316,467	312,467
Less: Current portion	(91,000)	(87,000)
Long-term loans - net of current portion	<u>225,467</u>	<u>225,467</u>

The long-term loan agreements require the Company to maintain a debt-to-equity ratio of not more than 2.25 times. However, the Company has been permitted by the lender to maintain the ratio at a rate higher than that prescribed in the agreement in respect of the 2018 financial statement.

16. Provision for long-term employee benefits

On 5 April 2019, The Labor Protection Act (No. 7) B.E. 2562 was announced in the Royal Gazette. This stipulates additional legal severance pay rates for employees who have worked for an uninterrupted period of twenty years or more, with such employees entitled to receive not less than 400 days' compensation at the latest wage rate. The law is effective from 5 May 2019. As a result, during the nine-month periods ended 30 September 2019, the Group recognised past service costs of Baht 12 million (The Company only: Baht 10 million) as expenses in the income statement.

17. Loss per share

Basic loss per share is calculated by dividing 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.

18. Segment information

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

The following tables present revenue and profit information regarding the Company and its subsidiaries' operating segments for the three-month and nine-month periods ended 30 September 2019 and 2018, respectively.

(Unit: Thousand Baht)

	Publishing and advertising segment	Production of television programs segment	Other segments	Total segments	Adjustments and eliminations	Consolidated financial statements
For the three-month period ended 30 September 2019						
Revenue						
External customers	156,969	33,167	18,975	209,111	-	209,111
Inter-segment	907	86	-	993	(993)	-
Segment profit (loss)	(26,844)	(8,899)	19,427	(16,316)	1,943	(14,373)

(Unit: Thousand Baht)

	Publishing and advertising segment	Production of television programs segment	Other segments	Total segments	Adjustments and eliminations	Consolidated financial statements
For the three-month period ended 30 September 2018						
Revenue						
External customers	230,216	36,633	26,490	293,339	-	293,339
Inter-segment	4,631	429	-	5,060	(5,060)	-
Segment profit (loss)	(2,685)	4,488	18,914	20,717	1,426	22,143

(Unaudited but reviewed)

(Unit: Thousand Baht)

For the nine-month period ended 30 September 2019	Publishing and advertising segment	Production of television programs segment	Other segments	Total segments	Adjustments and eliminations	Consolidated financial statements
Revenue						
External customers	446,104	83,055	64,198	593,357	-	593,357
Inter-segment	6,606	364	-	6,970	(6,970)	-
Segment profit (loss)	(116,695)	(15,592)	39,387	(92,900)	4,756	(88,144)

(Unit: Thousand Baht)

For the nine-month period ended 30 September 2018	Publishing and advertising segment	Production of television programs segment	Other segments	Total segments	Adjustments and eliminations	Consolidated financial statements
Revenue						
External customers	660,247	157,844	64,511	882,602	-	882,602
Inter-segment	10,850	595	-	11,445	(11,445)	-
Segment profit (loss)	(33,858)	20,508	46,313	32,963	3,855	36,818

19. Commitments and contingent liabilities**19.1 Service commitments**

As at 30 September 2019 and 31 December 2018, the Company and its subsidiaries had commitments relating to information technology system service, accounting service, and other services as follows:

	(Unit: Million Baht)	
	<u>30 September 2019</u>	<u>31 December 2018</u>
Payable:		
In up to 1 year	5	66
In over 1 and up to 5 years	-	165
In over 5 years	-	51

19.2 Long-term service commitments

The subsidiary has entered into trademark agreements under which foreign companies granted their permission to use their trademarks. The subsidiary is obliged to pay the counterparties service fees, calculated in accordance with the conditions and at rates stipulated in the agreements.

19.3 Guarantees

As at 30 September 2019, there were outstanding bank guarantees of approximately Baht 13 million (31 December 2018: Baht 12 million) issued in the normal course of business of the Company and subsidiaries.

20. Reclassification

The Company has reclassified items in the comprehensive income for the three-month and nine-month periods ended 30 September 2018. The reclassifications have been made in accordance with the presentation of the financial statements of the current period as follows:

	(Unit: Thousand Baht)			
	<u>For the three-month period ended 30 September 2018</u>			
	Consolidated		Separate	
	financial statements		financial statements	
	As	As previously	As	As previously
	<u>reclassified</u>	<u>reported</u>	<u>reclassified</u>	<u>reported</u>
Statements of comprehensive income				
Sales and services income	-	295,797	-	203,318
Sales income	52,784	-	51,254	-
Service income	240,555	-	149,606	-
Selling expenses	(37,522)	(39,980)	(22,556)	(25,014)

(Unaudited but reviewed)

(Unit: Thousand Baht)

For the nine-month period ended 30 September 2018

	Consolidated		Separate	
	financial statements		financial statements	
	As reclassified	As previously reported	As reclassified	As previously reported
Statements of comprehensive income				
Sales and services income	-	889,688	-	584,781
Sales income	161,564	-	156,767	-
Service income	721,038	-	420,928	-
Selling expenses	(109,898)	(116,984)	(74,369)	(81,455)

The reclassifications had no effect to previously reported loss or shareholders' equity.

21. Event after the reporting period

As the securities of the Company were posted with "C" (Caution) sign, the Board of Directors' meeting on 13 November 2019 followed up with the study for corrective measures to deal with the issue and ensure full compliance with the regulations of the Stock Exchange of Thailand. The Company will submit the proposed measures to the Extraordinary General Meeting of Shareholders for approval.

22. Approval of interim financial statements

These interim financial statements were authorised for issue by the Company's authorised directors on 13 November 2019.