

**BANGKOK POST PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES**

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**CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED DECEMBER 31, 2020**

## **INDEPENDENT AUDITOR'S REPORT**

To The Shareholders and Board of Directors of  
Bangkok Post Public Company Limited

### **Opinion**

I have audited the consolidated financial statements of Bangkok Post Public Company Limited and its subsidiaries (the Group), which comprise the consolidated statement of financial position as at December 31, 2020, the consolidated statement of comprehensive income, consolidated statement of changes in shareholders' equity and consolidated statement of cash flows for the year then ended, and notes to the consolidated financial statements, including a summary of significant accounting policies, and I have audited the separate financial statements of Bangkok Post Public Company Limited (the Company), which comprise the statement of financial position as at December 31, 2020, the statement of comprehensive income, statement of changes in shareholders' equity and statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In my opinion, the accompanying financial statements present fairly, in all material respects, the consolidated financial position of Bangkok Post Public Company Limited and its subsidiaries as at December 31, 2020, its consolidated financial performance and its consolidated cash flows for the year then ended and the separate financial position of Bangkok Post Public Company Limited as at December 31, 2020, its financial performance and its cash flows for the year then ended in accordance with Thai Financial Reporting Standards.

### **Basis for Opinion**

I conducted my audit in accordance with Thai Standards on Auditing. My responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of my report. I am independent of the Group and the Company in accordance with the Federation of Accounting Professions' Code of Ethics for Professional Accountants together with the ethical requirements that are relevant to my audit of the financial statements, and I have fulfilled my other ethical responsibilities in accordance with these requirements. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my opinion.

### **Material uncertainty related to going concern**

I draw attention to the matter as described in Note 1.2 to the financial statements. The Group has operating losses for a number of consecutive years. As at December 31, 2020, the Group's current liabilities exceeded current assets by a significant amount. The Group is moving towards digitization through its continuous business strategic and business model plans which including the plan to dispose of its assets to pay the said debt. Moreover, up to the audit report date, the securities of the Company have been posted with a "C" (Caution) sign. The Group is still receiving financial support from a major shareholder. The Group has paid loans interest and principal on schedule. The management therefore believes that the Group will be able to continue as a going concern. The financial statements have therefore been prepared on the going concern basis. However, the Group is in the process of executing changes in its business strategy and business model plans and to dispose of assets 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. In addition, I draw attention to Note 36.1 to the financial statements regarding a financial plan in the event that the securities of the Company are posted with a "C" (Caution) sign. My opinion is not qualified in respect of these matters.

### **Key Audit Matters**

Key audit matters are those matters that, in our professional judgment, were of most significance in my audit of the consolidated financial statements and separate financial statements of the current period. These matters were addressed in the context of my audit of the consolidated financial statements and separate financial statements as a whole, and in forming my opinion thereon, and I do not provide a separate opinion on these matters.

### **Revenue recognition**

The Company has various kinds of revenue from sales and services such as revenue from selling print media, revenue from advertisements and revenue from organizing events, etc. Additionally, the conditions specified in the agreement with the customer are varied such as sales promotion, discounts, etc. Therefore, the revenue recognition conditions differ in each form which affects the value and period of the Company's revenue recognition.

I obtained an understanding and tested the internal control system and information systems of the Company in respect of the revenue cycle by inquiring with the responsible officer, understanding the control system and sampling to test for compliance of the controls designed by the company. Attention is especially paid to the testing by extending the internal control test scope in response to the identified risk.

### **Goodwill, investment in subsidiaries and investment in associate**

As at December 31, 2020, the Company has investment in the subsidiaries net of impairment at Baht 12.12 million. There are no balance goodwill and intangible assets from the business combination net of impairment as disclosed by the company in the details of Notes 9, 15 and 16, respectively. In the impairment assessment of goodwill, investments in the subsidiaries and associates are regarded as significant accounting estimates that require the management to exercise significant judgment in identifying the cash generating asset and estimating future cash flow that the Company expects to receive from such asset group as well as defining significant assumptions used in estimating cash flows such as discount rate and appropriate growth rate in the long-term which will affect the appropriateness of the value of goodwill, investment in subsidiaries and associate.

I obtained an understanding and made an assessment of the reasonableness of the estimation of the recoverable amount and assessed the appropriateness of the value assessment method, various assumptions, expectation of future cash flow of the subsidiaries and associates used by the Company's management to estimate the recoverable value testing calculation of goodwill and such investment. The effect of any significant change that may occur to the assumptions used by the management in considering the impairment of goodwill; impacts determination of whether investment in subsidiaries and associates is appropriate or reliable in the current situation.

### **Deferred tax assets**

As at December 31, 2020, the Group recorded deferred tax assets of Baht 236.75 million. The Group has disclosed the accounting policy and details of deferred tax assets in Note 17. Deferred tax asset can be recognized when it is probable that the Group will have sufficient tax profit to use the benefit of temporary difference in the future. Considering whether the Group has sufficient future tax profit to use the benefits of temporary difference or tax loss, requires considerable judgment of the management in preparing future tax profit estimates. Therefore, risks are involved with deferred tax assets.

I audited deferred tax assets by obtaining an understanding of controls, preparation of future tax profit estimates for deferred tax asset recognition by inquiring from the responsible officer, testing of controls to ensure that they are effective and properly followed pertaining to the preparation and approval of future tax profit estimates, assessing the reasonableness of such estimates by reviewing significant information and economic assumptions that affect revenue growth and gross profit such as economic growth rate, interest rate, consumer spending, etc. The calculation test of this estimate relies on the assumptions including significant information, comparison of past tax profit estimates and actual profit to assess the judgment of the management in estimating such tax profit. It also includes reviewing the information disclosure of temporary difference used to deduct tax and unused tax loss that the Company has not yet recorded deferred tax assets.

### **Impairment of printing plant, machinery, equipment and spare parts**

As at December 31, 2020, the Company records the impairment of printing plant of Baht 44.09 million, machinery and equipment of Baht 78.68 million and spare parts of Baht 15.23 million as disclosed in Notes 8 and 13, respectively. Consideration on printing plant, machinery, equipment and spare parts is a result of newspaper production shut down by the company and an outsource party was hired to take care of its production. This indicates an impairment of related assets. Furthermore, the Company had a plan to sell such assets and an independent appraiser was hired to assess the value of these assets. Such appraisal result significantly indicates that there may be an impairment loss on these assets. The management has considered the impairment of printing plant, machinery, equipment and spare parts based on all reference information and judgment.

I have audited impairment of assets by discussing with the management the value assessment and plan to sell such assets, assessing the use of work of the specialist, evaluating the appropriateness of the management's assumption on the expected selling price of printing plant, machinery, equipment and spare parts, testing the calculation of impairment to review the accuracy of the calculation and considering the adequacy of the information disclosure.

### **Other matters**

The consolidated financial statements of Bangkok Post Public Company Limited and its subsidiaries and the separate financial statement of Bangkok Post Public Company Limited for the year ended December 31, 2019, which are included as comparative information, were audited by another auditor who expressed an unqualified opinion thereon in her report dated February 25, 2020. There are observations of material uncertainty related to continuing as a going concern.

### **Other information**

Management is responsible for the other information. The other information comprises the information included in the annual report, but does not include the financial statements and my auditor's report thereon. The annual report is expected to be made available to me after the date of this auditor's report.

My opinion on the financial statements does not cover the other information and I will not express any form of assurance conclusion thereon.

In connection with my audit of the financial statements, my responsibility is to read the other information identified above when it becomes available and, in doing so, consider whether the other information is materially inconsistent with the financial statements or my knowledge obtained in the audit, or otherwise appears to be materially misstated.

When I read the annual report, if I conclude that there is a material misstatement therein, I am required to communicate the matter to those charged with governance in order for those charged with governance to correct the misstatement.

### **Responsibilities of management and those charged with governance for the financial statements**

Management is responsible for the preparation and fair presentation of the consolidated financial statements and separate financial statements in accordance with Thai Financial Reporting Standards, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements and separate financial statements, management is responsible for assessing the Group's and the Company's ability to continue as a going concern, disclosing, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Group and the Company or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Group's financial reporting process.

#### **Auditor's responsibilities for the audit of the financial statements**

My objectives are to obtain reasonable assurance about whether the consolidated financial statements and separate financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes my opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Thai Standards on Auditing will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements and separate financial statements.

As part of an audit in accordance with Thai Standards on Auditing, I exercise professional judgment and maintain professional skepticism throughout the audit. I also:

- Identify and assess the risks of material misstatement of the consolidated financial statements and separate financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for my opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's and the Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's and the Company's ability to continue as a going concern. If I conclude that a material uncertainty exists, I am required to draw attention in my auditor's report to the related disclosures in the consolidated financial statements and separate financial statements or, if such disclosures are inadequate, to modify my opinion. My conclusions are based on the audit evidence obtained up to the date of my auditor's report. However, future events or conditions may cause the Group and the Company to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the consolidated financial statements and separate financial statements, including the disclosures, and whether the consolidated financial statements and separate financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. I am responsible for the direction, supervision and performance of the group audit. I remain solely responsible for my audit opinion.

I communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that I identify during my audit.

I also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on my independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, I determine those matters that were of most significance in the audit of the consolidated financial statements and separate financial statements of the current period and are therefore the key audit matters. I describe these matters in my auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, I determine that a matter should not be communicated in my report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

The engagement partner responsible for the audit resulting in this independent auditor's report is Miss Sulalit Ardsawang.

(Miss Sulalit Ardsawang)

Certified Public Accountant

Registration No. 7517

Dharmniti Auditing Company Limited

Bangkok, Thailand

February 22, 2021

**BANGKOK POST PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES**  
**STATEMENT OF FINANCIAL POSITION**  
**AS AT DECEMBER 31, 2020**

**ASSETS**

		Baht				
		Consolidated financial statements		Separate financial statements		
Notes		2020	2019	2020	2019	
<b>Current assets</b>						
	Cash and cash equivalents	6	3,025,097	5,663,591	2,374,033	4,638,789
	Trade and other current receivables	7	85,138,522	218,777,074	55,618,029	94,118,338
	Short-term loans to related parties	5	-	-	64,300,000	66,000,000
	Inventories	8	3,807,882	13,067,368	1,172,307	3,580,809
	Other current assets		7,622,668	13,734,944	3,591,945	5,401,770
	<b>Total current assets</b>		<b>99,594,169</b>	<b>251,242,977</b>	<b>127,056,314</b>	<b>173,739,706</b>
<b>Non-current assets</b>						
	Investments in subsidiaries	9	-	-	12,124,370	15,140,450
	Investments in joint venture	10	7,973,683	7,481,207	-	-
	Investments in associate	11	-	-	-	-
	Other long-term investments	12	-	-	-	-
	Property, plant and equipment	13	1,322,191,243	1,609,645,826	1,322,580,991	1,609,737,997
	Righ-of-use assets	14	3,074,206	-	-	-
	Goodwill	15	-	32,171,227	-	-
	Intangible assets	16	31,193,193	44,093,920	26,893,896	38,554,574
	Deferred tax assets	17	236,753,957	230,463,530	204,963,957	204,287,784
	Corporate income tax deducted at source	18	65,921,818	103,567,356	25,902,886	59,610,445
	Other non-current assets		1,640,032	5,226,383	264,402	245,230
	<b>Total non-current assets</b>		<b>1,668,748,132</b>	<b>2,032,649,449</b>	<b>1,592,730,502</b>	<b>1,927,576,480</b>
	<b>Total assets</b>		<b>1,768,342,301</b>	<b>2,283,892,426</b>	<b>1,719,786,816</b>	<b>2,101,316,186</b>

Notes to the financial statements form an intergral part of these statements.



**BANGKOK POST PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES**  
**STATEMENT OF FINANCIAL POSITION (CONT.)**  
**AS AT DECEMBER 31, 2020**

**LIABILITIES AND SHAREHOLDERS' EQUITY**

		Baht			
		Consolidated financial statements		Separate financial statements	
Notes		2020	2019	2020	2019
<b>Current liabilities</b>					
	Bank overdrafts and short-term loans from				
	financial institutions	19	965,125,108	981,784,968	922,184,957
	Trade and other current payables	5, 20	105,664,607	124,054,561	67,884,041
	Current portion of lease liabilities	21	574,822	-	-
	Current portion of long-term loans from				
	financial institutions	23	132,000,000	99,000,000	132,000,000
	Short-term loans from non-controlling interests				
	of the subsidiary	22	5,880,000	5,880,000	-
	Short-term loans from director	5	305,000,000	161,000,000	290,000,000
	Unearned subscription fee		24,834,970	30,892,847	23,345,803
	Other current liabilities		17,786,119	29,395,498	13,232,332
	<b>Total current liabilities</b>		<b>1,556,865,626</b>	<b>1,432,007,874</b>	<b>1,448,647,133</b>
<b>Non-current liabilities</b>					
	Lease liabilities	21	2,504,692	-	-
	Long-term loans from financial institutions	23	141,467,400	201,467,400	141,467,400
	Deferred tax liabilities	17	208,000,059	252,420,014	208,000,059
	Provision for long-term employee benefits	24	100,803,462	99,538,547	91,280,768
	<b>Total non-current liabilities</b>		<b>452,775,613</b>	<b>553,425,961</b>	<b>440,748,227</b>
	<b>Total liabilities</b>		<b>2,009,641,239</b>	<b>1,985,433,835</b>	<b>1,889,395,360</b>

Notes to the financial statements form an intergral part of these statements.

**BANGKOK POST PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES**  
**STATEMENT OF FINANCIAL POSITION (CONT.)**  
**AS AT DECEMBER 31, 2020**

**LIABILITIES AND SHAREHOLDERS' EQUITY (CONT.)**

		Baht			
		Consolidated financial statements		Separate financial statements	
Notes		2020	2019	2020	2019
<b>Shareholders' equity</b>					
Share capital					
Authorized share capital					
	505,000,000 ordinary shares of Baht 1 each	505,000,000	505,000,000	505,000,000	505,000,000
Issued and paid-up					
	500,000,000 ordinary shares of Baht 1 each	500,000,000	500,000,000	500,000,000	500,000,000
Difference from change in shareholding					
	proportion in subsidiary	9	(1,957,808)	-	-
Retained earnings (deficits)					
	Appropriated - statutory reserve	50,500,000	50,500,000	50,500,000	50,500,000
	Unappropriated	(1,610,749,454)	(1,249,280,369)	(1,552,108,778)	(1,271,315,004)
	Other components of shareholders' equity	25	832,000,234	993,986,378	832,000,234
	Equity attributable to owners of the Company	(230,207,028)	295,206,009	(169,608,544)	273,171,374
	Non-controlling interests of the subsidiaries	(11,091,910)	3,252,582	-	-
	<b>Total shareholders' equity</b>	(241,298,938)	298,458,591	(169,608,544)	273,171,374
	<b>Total liabilities and shareholders' equity</b>	1,768,342,301	2,283,892,426	1,719,786,816	2,101,316,186

Notes to the financial statements form an intergral part of these statements.

**BANGKOK POST PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES**  
**STATEMENT OF COMPREHENSIVE INCOME**  
**FOR THE YEAR ENDED DECEMBER 31, 2020**

		Baht			
		Consolidated financial statements		Separate financial statements	
Notes		2020	2019	2020	2019
	Sales income	119,331,120	155,157,290	86,887,530	151,303,411
	Services income	335,793,411	645,682,853	222,139,209	369,268,605
	Cost of sales and services	(481,212,410)	(748,410,250)	(348,652,128)	(508,957,116)
	<b>Gross profit (loss)</b>	<b>(26,087,879)</b>	<b>52,429,893</b>	<b>(39,625,389)</b>	<b>11,614,900</b>
	Selling expenses	(81,275,295)	(136,866,056)	(54,833,582)	(97,468,378)
	Administrative expenses	(124,436,520)	(197,854,100)	(92,433,517)	(129,311,191)
	Loss on impairment of investments in subsidiaries	-	-	(10,638,000)	(191,333,000)
	Loss on impairment of equipment and spare parts	(44,090,244)	(103,766,355)	(44,090,244)	(94,029,138)
	Loss on impairment of intangible assets	-	(23,659,694)	-	-
	Loss on impairment of goodwill	(32,171,226)	(62,679,585)	-	-
	<b>Loss from operation activities</b>	<b>(308,061,164)</b>	<b>(472,395,897)</b>	<b>(241,620,732)</b>	<b>(500,526,807)</b>
	Share of profit (loss) from investments in joint venture	492,477	(2,634,784)	-	-
	Other income	10,811,651	14,541,179	30,419,931	28,991,972
	Finance cost	(83,932,893)	(78,625,992)	(79,748,326)	(74,378,846)
	<b>Loss before income tax (expenses)</b>	<b>(380,689,929)</b>	<b>(539,115,494)</b>	<b>(290,949,127)</b>	<b>(545,913,681)</b>
	Income tax (expenses)	5,922,751	179,903,401	(260,026)	166,622,836
	<b>Loss for the year</b>	<b>(374,767,178)</b>	<b>(359,212,093)</b>	<b>(291,209,153)</b>	<b>(379,290,845)</b>
	<b>Other comprehensive income:</b>				
	<b>Items not to be reclassified to profit or loss in subsequent</b>				
	Actuarial gain	-	(5,378,761)	-	(6,497,869)
	Revaluation of fixed assets	(188,322,499)	323,582,680	(188,322,499)	323,582,680
	Income tax effect of items not to be reclassified to profit or loss in subsequent	40,496,536	(63,640,784)	40,496,536	(63,416,962)
	<b>Other comprehensive income (loss) for the year</b>	<b>(147,825,963)</b>	<b>254,563,135</b>	<b>(147,825,963)</b>	<b>253,667,849</b>
	<b>Total comprehensive loss for the year</b>	<b>(522,593,141)</b>	<b>(104,648,958)</b>	<b>(439,035,116)</b>	<b>(125,622,996)</b>
	<b>Loss attributable to:</b>				
	Equity holders of the Company	(364,940,632)	(308,762,653)	(291,209,153)	(379,290,845)
	Non-controlling interests of the subsidiaries	(9,826,546)	(50,449,440)	-	-
		<b>(374,767,178)</b>	<b>(359,212,093)</b>	<b>(291,209,153)</b>	<b>(379,290,845)</b>

Notes to the financial statements form an intergral part of these statements.

**BANGKOK POST PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES**  
**STATEMENT OF COMPREHENSIVE INCOME (CONT.)**  
**FOR THE YEAR ENDED DECEMBER 31, 2020**

		Baht			
		Consolidated financial statements		Separate financial statements	
Notes		2020	2019	2020	2019
<b>Total comprehensive loss attributable to:</b>					
	Equity holders of the Company	(512,766,595)	(55,094,804)	(439,035,116)	(125,622,996)
	Non-controlling interests of the subsidiaries	(9,826,546)	(49,554,154)	-	-
		(522,593,141)	(104,648,958)	(439,035,116)	(125,622,996)
 <b>Loss per share</b>					
	Basic loss per share	27			
	Attributable to equity holders of the Company	(0.73)	(0.62)	(0.58)	(0.76)

Notes to the financial statements form an intergral part of these statements.

**BANGKOK POST PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES**  
**STATEMENT OF CHANGES IN SHAREHOLDERS' EQUITY**  
**FOR THE YEAR ENDED DECEMBER 31, 2020**

Baht

Consolidated financial statements									
Equity attributable to the owners of the Company									
Notes	Issued and	Difference from	Retained earnings (deficits)		Other components of shareholders' equity		Equity attributable	Non-controlling	Total
	paid-up	change in shareholding	Appropriated -	Unappropriated	Surplus on	Total other components	to the owners	interests of	shareholders' equity
	share capital	proportion in subsidiary	statutory reserve		revaluation of assets	of shareholders' equity	of the Company	the subsidiaries	
	500,000,000	-	50,500,000	(935,319,421)	735,120,234	735,120,234	350,300,813	52,806,736	403,107,549
	-	-	-	(308,762,653)	-	-	(308,762,653)	(50,449,440)	(359,212,093)
	-	-	-	(5,198,295)	258,866,144	258,866,144	253,667,849	895,286	254,563,135
	-	-	-	(313,960,948)	258,866,144	258,866,144	(55,094,804)	(49,554,154)	(104,648,958)
	500,000,000	-	50,500,000	(1,249,280,369)	993,986,378	993,986,378	295,206,009	3,252,582	298,458,591
	The cumulative effect of the changes in accounting policies								
	due to the adoption of new financial reporting standards								
4	-	-	-	(10,688,634)	-	-	(10,688,634)	(6,475,754)	(17,164,388)
	500,000,000	-	50,500,000	(1,259,969,003)	993,986,378	993,986,378	284,517,375	(3,223,172)	281,294,203
	Difference from purchasing shares in								
	subsidiary from non-controlling interest								
9	-	(1,957,808)	-	-	-	-	(1,957,808)	1,957,808	-
	-	-	-	(364,940,632)	-	-	(364,940,632)	(9,826,546)	(374,767,178)
	-	-	-	2,832,036	(150,657,999)	(150,657,999)	(147,825,963)	-	(147,825,963)
	-	-	-	(362,108,596)	(150,657,999)	(150,657,999)	(512,766,595)	(9,826,546)	(522,593,141)
	-	-	-	11,328,145	(11,328,145)	(11,328,145)	-	-	-
	500,000,000	(1,957,808)	50,500,000	(1,610,749,454)	832,000,234	832,000,234	(230,207,028)	(11,091,910)	(241,298,938)

Notes to the financial statements form an integral part of these statements.

**BANGKOK POST PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES**  
**STATEMENT OF CHANGES IN SHAREHOLDERS' EQUITY (CONT.)**  
**FOR THE YEAR ENDED DECEMBER 31, 2020**

Baht							
Separate financial statements							
	Notes	Issued and fully paid-up share capital	Retained earnings (deficits)		Other components of shareholders' equity		
			Appropriated - statutory reserve	Unappropriated	Surplus on revaluation of assets	Total other components of shareholders' equity	Total shareholders' equity
<b>Balance as at January 1, 2019</b>		500,000,000	50,500,000	(886,825,864)	735,120,234	735,120,234	398,794,370
Loss for the year		-	-	(379,290,845)	-	-	(379,290,845)
Other comprehensive income for the year		-	-	(5,198,295)	258,866,144	258,866,144	253,667,849
Total comprehensive loss for the year		-	-	(384,489,140)	258,866,144	258,866,144	(125,622,996)
<b>Balance as at December 31, 2019</b>		500,000,000	50,500,000	(1,271,315,004)	993,986,378	993,986,378	273,171,374
The cumulative effect of the changes in accounting policies due to the adoption of new financial reporting standards	4	-	-	(3,744,802)	-	-	(3,744,802)
<b>Balance as at January 1, 2020, as adjusted</b>		500,000,000	50,500,000	(1,275,059,806)	993,986,378	993,986,378	269,426,572
Loss for the year		-	-	(291,209,153)	-	-	(291,209,153)
Other comprehensive loss for the year		-	-	2,832,036	(150,657,999)	(150,657,999)	(147,825,963)
Total comprehensive loss for the year		-	-	(288,377,117)	(150,657,999)	(150,657,999)	(439,035,116)
Transferred surplus to retained earnings (deficits)		-	-	11,328,145	(11,328,145)	(11,328,145)	-
<b>Balance as at December 31, 2020</b>		500,000,000	50,500,000	(1,552,108,778)	832,000,234	832,000,234	(169,608,544)

Notes to the financial statements form an interegral part of these statements.

**BANGKOK POST PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES**  
**STATEMENT OF CASH FLOWS**  
**FOR THE YEAR ENDED DECEMBER 31, 2020**

	Baht			
	Consolidated financial statements		Separate financial statements	
	2020	2019	2020	2019
<b><u>Cash flows from operating activities</u></b>				
Loss before income tax (expenses)	(380,689,929)	(539,115,494)	(290,949,127)	(545,913,681)
Adjustments to reconcile loss before income tax (expenses) to net cash provided by (used in) operating activities				
Allowance for doubtful debts (reversal)	(9,335)	16,899,135	12,966,677	12,712,491
Allowance for sales returns (reversal)	(804,613)	(1,119,722)	(804,613)	(1,119,722)
Allowance for declining of inventories valuation (reversal)	(5,772,226)	1,254,751	(8,906,079)	(4,530,460)
Written off-withholding tax	1,275,044	-	-	-
Allowance for short-term loans to related parties (reversal)	-	-	(150,014)	(322,829)
Allowance for diminution in value of investments in subsidiaries	-	-	10,638,000	191,333,000
Depreciation and amortization	68,678,381	94,942,150	67,033,665	82,935,309
Gain on disposal equipment	(1,842,205)	(1,971,749)	(1,814,715)	(1,164,191)
Allowance for impairment loss on property, plant and equipment	44,090,244	103,766,355	44,090,244	94,029,138
Allowance for impairment loss on goodwill	32,171,227	62,679,585	-	-
Allowance for impairment loss on intangible assets	-	23,659,694	-	-
Share of (profit) loss from investments in joint venture	(492,476)	2,634,784	-	-
Provision for long-term employee benefits	7,874,384	20,145,104	6,529,956	18,213,724
Income from investment in subsidiaries	-	-	(7,621,920)	-
Interest income	-	-	(23,713,785)	-
Interest expenses	83,932,893	78,625,992	79,748,326	74,378,846
Loss from operating activities before changes in operating assets and liabilities	(151,588,611)	(137,599,415)	(112,953,385)	(79,448,375)
Operating assets (increase) decrease				
Trade and other current receivables	112,997,015	153,442,807	37,948,739	71,630,605
Inventories	15,031,712	40,183,973	11,314,582	19,181,729
Other current assets	6,112,276	16,259,264	1,809,826	5,542,617
Other non-current assets	3,586,352	(2,213,522)	(19,173)	157,319
Operating liabilities increase (decrease)				
Trade and other current payables	(27,145,417)	(72,297,773)	(13,633,933)	(36,015,867)
Other current liabilities	(11,609,379)	(42,164,964)	(3,891,606)	(29,137,118)

Notes to the financial statements form an intergral part of these statements.

**BANGKOK POST PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES**  
**STATEMENT OF CASH FLOWS (CONT.)**  
**FOR THE YEAR ENDED DECEMBER 31, 2020**

	Baht			
	Consolidated financial statements		Separate financial statements	
	2020	2019	2020	2019
Cash flows paid from operating	(52,616,052)	(44,389,630)	(79,424,950)	(48,089,090)
Cash received from withholding tax refunds	45,202,268	1,401,222	38,735,260	-
Cash paid for income tax	(8,831,773)	(12,860,264)	(5,027,701)	(7,188,660)
Cash paid for long-term employee benefits	(6,609,469)	(10,876,857)	(6,609,469)	(10,772,856)
<b>Net cash used in operating activities</b>	<b>(22,855,026)</b>	<b>(66,725,529)</b>	<b>(52,326,860)</b>	<b>(66,050,606)</b>
<b><u>Cash flows from investing activities</u></b>				
Cash received from interest income	-	-	7,424,593	-
Cash received from short-term loans to related parties	-	-	9,650,014	6,000,000
Cash paid for short-term loans to related parties	-	-	(7,800,000)	(5,000,000)
Cash received from sales of equipment	2,468,408	3,967,664	2,428,595	3,033,084
Cash paid for purchase of equipment	(1,747,068)	(2,453,837)	(1,682,078)	(1,864,929)
Cash paid for purchase of intangible assets	(6,850)	(669,264)	(6,836)	(669,264)
<b>Net cash provided by investing activities</b>	<b>714,490</b>	<b>844,563</b>	<b>10,014,288</b>	<b>1,498,891</b>
<b><u>Cash flows from financing activities</u></b>				
Cash paid for interest expenses	(80,791,301)	(79,845,037)	(76,602,625)	(75,587,761)
Increase (decrease) in bank overdrafts and short-term loans				
from financial institutions	(16,659,860)	45,609,179	(3,349,559)	51,815,299
Cash received from short-term loans from director	144,000,000	161,000,000	144,000,000	146,000,000
Cash paid for lease liabilities	(46,797)	-	-	-
Cash paid for long-term loans from financial institutions	(27,000,000)	(64,000,000)	(24,000,000)	(60,000,000)
<b>Net cash provided by financing activities</b>	<b>19,502,042</b>	<b>62,764,142</b>	<b>40,047,816</b>	<b>62,227,538</b>
<b>Net decrease in cash and cash equivalents</b>	<b>(2,638,494)</b>	<b>(3,116,824)</b>	<b>(2,264,756)</b>	<b>(2,324,177)</b>
Cash and cash equivalents at the beginning of the year	5,663,591	8,780,415	4,638,789	6,962,966
<b>Cash and cash equivalents at the ending of the year</b>	<b>3,025,097</b>	<b>5,663,591</b>	<b>2,374,033</b>	<b>4,638,789</b>
<b><u>Supplemental cash flows information</u></b>				
<b>Non-cash transactions</b>				
Purchase of equipment and computer software for which cash				
has not been paid	409,628.00	547,139.00	409,628.00	547,139.00
Increase (decrease) of revaluation of fixed assets	(202,482,680)	323,582,680	(202,482,680)	323,582,680
Increase in lease liabilities	3,480,000	-	-	-

Notes to the financial statements form an intergral part of these statements.



**BANGKOK POST PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES**

**NOTES TO THE FINANCIAL STATEMENTS**

**DECEMBER 31, 2020**

**1. GENERAL INFORMATION**

1.1 Corporate information

Bangkok Post Public Company Limited (“the Company”) is a public company incorporated and domiciled in Thailand. The registered office of the Company is at 136 Sunthorn Kosa Road, Kwang Klongtoey, Khet Klongtoey, Bangkok.

The Company is principally engaged in the publishing and distribution of newspapers, magazines and books.

1.2 Fundamental accounting assumptions

The Company and its subsidiaries have operating loss for a number of consecutive years. As at December 31, 2020, the Company and its subsidiaries’ current liabilities exceeded current assets by a significant amount. Moreover, since May 15, 2020, the Company's securities have been posted with a “C” (Caution) sign. The Company and its subsidiaries are moving towards digitization through its continuous business strategy and business model plans including the plan to dispose of its assets to pay the said debt. The Company and its subsidiaries are still receiving financial support from a major shareholder. The Company and its subsidiaries have paid loan interest and principal on schedule. The management therefore believes that the Company and its subsidiaries will be able to continue as a going concern. The financial statements have therefore been prepared under the going concern basis in which assets and liabilities are recorded on a basis whereby the Company and its subsidiaries will be able to realize its assets and meet its obligations in the ordinary course of business. However, the Company and its subsidiaries are in the process to executing the changes in its business strategy and business model plans and to dispose of assets in the future. These events indicate that a material uncertainty exists that may cast doubt on the Company and its subsidiaries’ ability to continue as a going concern.

**2. BASIS FOR PREPARATION OF THE FINANCIAL STATEMENTS**

2.1 Basis for preparation of the financial statements

The financial statements have been prepared in accordance with the accounting standards prescribed by the Thai Accounts Act enunciated under the Accounting Profession Act B.E.2547 by complying with Thai Financial Reporting Standards. The presentation of the financial statements has been made in compliance with the Notification of the Department of Business Development, the Ministry of Commerce, re : the financial statements presentation for public limited company, issued under the Accounting Act B.E.2543.

The financial statements have been prepared on a historical cost basis except where otherwise disclosed in the accounting policies.

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

## 2.2 Basis for consolidation of financial statements

- a) The consolidated of financial statements comprises the financial statements of the Company and its subsidiaries. Details of the Company's subsidiaries are as follows:

Company's name	Nature of business	Country of incorporation	Percentage of shareholding	
			2020	2019
<b>Subsidiaries</b>				
Post New Media Company Limited	Investment	Thailand	100	100
Post Holding Company Limited (owned by Post New Media Company Limited)	Investment	Thailand	100	100
Post TV Company Limited (owned by Post Holding Company Limited)	Production of television programs and rent of studio	Thailand	100	100
Post International Media Company Limited	Publishing and distribution of magazines	Thailand	100	100
Post-IM Plus Company Limited (49%-owned by the Company and 51% - owned by Post International Media Company Limited)	Publishing and distribution of magazines	Thailand	100	100
Post News Company Limited	Production of television programs	Thailand	51	51
Mushroom Group Company Limited	Production of television programs	Thailand	60	51

- b) The Company is deemed to have control over an investee or subsidiary if it has rights, or is exposed, to variable returns from its involvement with the investee, and it has the ability to direct the activities that affect the amount of its returns.
- c) Subsidiaries are fully consolidated from the date on which the Company obtains control and continue to be consolidated until the date when such control ceases.
- d) The financial statements of the subsidiaries are prepared using the same significant accounting policies as the Company.
- e) Material balances and transactions between the Company and its subsidiaries have been eliminated from the consolidated financial statements.
- f) Non-controlling interests represent the portion of profit or loss and net assets of the subsidiaries that are not held by the Company and are presented separately in the consolidated profit or loss and within equity in the consolidated statement of financial position.

The separate financial statements present investments in subsidiaries, joint venture and associate under the cost method.

### 2.3 Financial reporting standards that became effective in the current year

During the year, the Company and its subsidiaries have adopted the revised and new financial reporting standards, interpretations and accounting guidance, which are effective for fiscal years beginning on or after January 1, 2020. These financial reporting standards are 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 new standard involves changes to key principles, as summarized below.

#### **Financial reporting standards related to financial instruments:**

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

TFRS 7	Financial Instruments: Disclosures
TFRS 9	Financial Instruments
TAS 32	Financial Instruments: Presentation
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 amortized 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 are cancelled.

#### **TFRS 16 Leases**

TFRS 16 Leases 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 recognize 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 TFRS 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 Company and its subsidiaries have adopted TFRSs related to financial instruments for the first-time in its financial statements by applying modified retrospective approach by adjustment to the retained earnings (deficits) as at January 1, 2020, and the comparative information was not restated. The cumulative effects of the change in accounting policies from adoption of new financial reporting standards is disclosed in Note 4 to the financial statements.

**Accounting Treatment Guidance on “Temporary relief measures on accounting alternatives in response to the impact of the COVID-19 situation”**

The Federation of Accounting Professions announced Accounting Treatment Guidance on “Temporary relief measures on accounting alternatives in response to the impact of the COVID-19 situation”. Its objectives are to alleviate some of the impact of applying certain financial reporting standards, and to provide clarification about accounting treatments during the period of uncertainty relating to this situation.

On April 22, 2020, the Accounting Treatment Guidance was announced in the Royal Gazette and it is effective for the financial statements prepared for reporting periods ending between January 1, 2020 to December 31, 2020.

The Company and its subsidiaries have elected to apply the following temporary relief measures on accounting alternatives:

- Not to consider the forward-looking information used to adjust the historical loss rates based on expected credit losses.
- Not to consider the COVID-19 situation as an indication that an asset may be impaired in accordance with TAS 36, Impairment of Assets.

2.4 Financial reporting standards that become effective in the future

During the year, the Federation of Accounting Professions issued a notification of the Federation of Accounting Professions published in the Government Gazette for the conceptual framework of financial reporting (new) and several revised financial reporting standards becoming effective for the accounting period beginning on or after January 1, 2021 onwards. Such adjustments are improve/revise principles the financial reporting as follows:

**Adjustment is reference to the conceptual framework in the financial reporting standards**

Several financial reporting standards reference “IASC’s Framework for the Preparation and Presentation of Financial Statements”. The adjustment of reference project on the conceptual framework in the financial reporting standards has updated reference or partial reference adjustment and other to describe clearly whether each document is reference to “the conceptual framework” of which year.

**Definition of Business**

Business definition revised in the financial reporting standard No. 3 “Business Combination” describes definition of business more clearly. The objective is for the business to establish that such transaction has to be recorded as “business combination” or “purchase of assets” or not. Adjustments are as follows:

1. Describe clearly the consideration of “business”. Activity group and acquired assets must include input data factor, key process that at least combined will significantly generate output.
2. Eliminate the assessment that the market partner can substitute input factor or missing process and generate further outputs from the standards.
3. Add practice guide and example to support understanding and help the company assess whether the key process is acquired.
4. Narrow down the definition of business and definition of outputs by placing interest in the product and service provided to the customer and eliminate the reference to ability to reduce cost from the standards.
5. Add the intention test as an alternative which allows to easily assessing whether the activity group and acquired assets are business or not.

### **Definition of significance**

The definition of significance resulted in revising the accounting standard No.1 “Presentation of Financial Statements, Presentation of Financial Statements and Accounting Standards No. 8 Accounting Policy, Change of Accounting Estimates and Error and the revision that resulted in other financial reporting standards.

The adjustment creates better understanding of the definition of significance as follows

1. For the definition to follow the same direction of the financial reporting standards and conceptual framework to avoid confusion that may arise from the definition difference.
2. Include the requirements together of the accounting standard No.1 “Presentation of financial statements” in the definition for it to become clearer and describe how the materiality can be clearly applied.
3. Applying existing practice guidance of the definition of the materiality in the same place as the definition.

### **Reform of swap interest rate**

The reform of swap interest rate resulted in the adjustment the financial reporting standard No. 9 for financial instruments and financial reporting standards. And No.7 for financial instrument disclosure. Such adjustment has changed the hedge accounting requirements, especially to reduce the impact arising from the uncertainty as a result of the swap interest rate reform such as interbank offer rates (IBOR). In addition, the adjustment requires the business to provide additional information to investors regarding the relation of hedging directly impacted from any uncertainties.

The management of the Company and its subsidiaries are in the process of assessing the impact of these TFRSs to the financial statements in the year when they are adopted.

### 3. SIGNIFICANT ACCOUNTING POLICIES

#### 3.1 Recognition of revenues and expenses

##### Sale of goods

Revenue from sale of goods is recognized at the point in time when control of the asset is transferred to the customer, generally on delivery of the goods. Revenue is measured at the amount of the consideration received or receivable, excluding value added tax, of goods supplied after deducting returns and discounts.

##### Revenue from rendering of services

Service revenue is recognized over time when services have been rendered considering the stage of completion. The stage of completion is assessed by reference to surveys of work performed. When the outcome of a service rendering contract cannot be estimated reliably, service revenue is recognized only to the extent of contract costs incurred that are likely to be recoverable.

The recognized revenue which is not yet due per the contracts has been presented as “Unbilled receivables” in the statement of financial position, which is classified as trade receivables when they have the right to receive without condition such as upon completion of services and acceptance by the customer.

The obligation to transfer goods or services to a customer that have received consideration, or an amount of consideration is due, from the customer is presented as “Deferred Income” in the statement of financial position. Deferred income will be recognized as revenue when the obligation stated in the contract is completely performed.

Interest income is recognized on the accrual basis based on the effective interest rate.

Other income and expenses are recognized on the accrual basis.

#### 3.2 Cash and cash equivalents

Cash and cash equivalents consist of cash and deposits at financial institutions with an original maturity of 3 months or less and exclude cash at banks which is used for guarantees.

#### 3.3 Trade receivables

Applicable from January 1, 2020

Trade receivables are recognized initially at the amount of consideration that is unconditional, unless they contain significant financing components, when they are recognized at their present value.

Trade receivables are stated at the amount expected to be collectible. The Company and its subsidiaries apply the TFRS 9 simplified approach to measuring expected credit losses which uses a simplified approach, which requires expected lifetime losses to be recognized from initial recognition of the receivables. To measure the expected credit losses, trade receivables have been grouped based on the days past due. The expected loss rates are based on the payment profiles and the corresponding historical credit losses. The impairment losses are recognized in profit or loss within administrative expenses.

Applicable prior to January 1, 2020

Trade accounts receivable are stated at the net realizable value. Allowance for doubtful accounts is provided for the estimated losses that may be incurred in collection of receivables which is generally based on collection experience and analysis of debt aging and allowance for sales return which is based on past experience and prevailing market condition.

#### 3.4 Inventories

Inventories are stated at the lower of cost, first-in first-out method, net of allowance for diminution in value, and net realizable value.

Cost comprises all costs of purchase, costs of conversion and other costs incurred in bringing the inventories to their present location and condition. In the case of own-manufactured finished goods and semi-finished goods, cost includes an appropriate allocation of overheads based on normal production capacity.

Net realizable value is the estimated selling price in the ordinary course of business less the estimated incremental costs necessary to sales.

The determination of allowance for declining value of inventory, requires management to make judgements and estimates of the loss expected to occur. The allowance for decline in net realizable value is estimated based on the selling price expected in the ordinary course of business less selling expense. The allowance for diminution in value of inventory as determined is compared with the original balance in the books of account. The increase or decrease in the allowance for diminution in value of inventory will be recognized as cost of sales and service in profit or loss.

#### 3.5 Financial assets and financial liabilities

Applicable from January 1, 2020

Financial assets that are debt instruments are measured at fair value through profit or loss, fair value through other comprehensive income, or amortized cost. Classification is driven by the Company and its subsidiaries' business model for managing the financial assets and the contractual cash flows characteristics of the financial assets.

A financial asset measured at amortized cost and a financial asset measured at fair value through other comprehensive income are measured at their fair value, plus transaction costs that are directly attributable to the acquisition or issuance of the financial assets.

A financial asset measured at fair value through profit or loss is measured at its fair value. Transaction costs are expensed in profit or loss.

Financial liabilities are classified and measured at amortized cost.

Derivatives are classified and measured at fair value through profit or loss.

#### Impairment of financial assets

The Company and its subsidiaries recognized an allowance for expected credit losses on its financial assets measured at amortized cost, without requiring a credit-impairment event to have occurred prior to the recognition. The Company and its subsidiaries accounts for changes in expected credit losses in stages, with differing methods of determining allowance for credit losses and the effective interest rate applied at each stage. An exception to this approach is made for trade receivables that do not contain a significant financing component, in which case the Company and its subsidiaries applies a simplified approach to determine the lifetime expected credit losses.

#### 3.6 Investments

Investments in joint ventures and associates are stated in the consolidated financial statements using the equity method.

Investments in subsidiaries, joint ventures and associate are stated in the separate financial statements using the cost method, net of allowance for impairment loss (if any).

#### 3.7 Property, plant and equipment and depreciation

Land and buildings are stated as the revalued amount. Equipment is stated at cost less accumulated depreciation and allowance for impairment of assets (if any).

Land and buildings are initially recorded at cost on the acquisition date, and subsequently revalued by an independent professional appraiser to their fair values. Revaluations are made with sufficient regularity to ensure that the carrying amount does not differ materially from fair value at the end of reporting period.

Differences arising from the revaluation are dealt with in the financial statements. When an asset's carrying amount is increased as a result of a revaluation of the Company's assets, the increase is credited directly to the other comprehensive income and the cumulative increase is recognized equity under the heading of "Surplus on revaluation of assets". However, a revaluation increase is recognized as income to the extent that it reverses a revaluation decrease in respect of the same asset previously recognized as an expense.

Depreciation of buildings and equipment is calculated by cost or the revaluated amount less residual value on the straight-line basis over the useful life of assets as follows:

	<u>Years</u>
Building and building improvements	30 - 50
Machinery and equipment	3 - 15
Furniture and office equipment	3 - 10
Vehicles	10

No depreciate is provided for construction in progress.

The depreciation is separately recorded if the cost of any of the components is significantly different to its original cost.



Depreciation is included in determining business performance.

Property, plant and equipment are written off at disposal. Any gain or loss arising from sale or disposal of an asset is recognized in the statement of comprehensive income.

### 3.8 Borrowing costs

Borrowing costs directly attributed to the acquisition or construction of an asset that necessarily takes a long time to put in ready to use or available for sale state are capitalized as part of the cost of the respective asset until that asset condition is ready for its intended use. All other borrowing costs are expensed in the period they are incurred. Borrowing costs consist of interest and other costs arising from such borrowing.

### 3.9 Intangible assets

Intangible assets with limited useful life consist of computer software stated at cost after deduction of accumulated amortization and allowance for impairment of asset (if any). Amortization is calculated by the straight-line basis over the useful life of the asset as follows:

	<u>Years</u>
Customer relationship	2 - 11
Computer software	3 - 10
License	5

### 3.10 Impairment of non-financial assets

As at the statement of financial position date, the Company and subsidiary assess whether there is an indication of asset impairment. If any such indication exists, the Company will make an estimate of the asset's recoverable amount. If the carrying amount of the asset exceeds its recoverable amount, an impairment loss is recognized in the statement of comprehensive income. In addition, impairment loss is reversed if there is a subsequent increase in the recoverable amount. The reversal shall not exceed the carrying value that would have been determined net of accumulated depreciation or amortization. The recoverable amount of the asset is the asset's value in use or fair value less costs to sell.

### 3.11 Goodwill

Goodwill is initially recorded at cost, which equals the excess of cost of business combination over the fair value of the net assets acquired. If the fair value of the net asset acquired exceeds the cost of business combination, the excess is immediately recognized as gain in profit or loss.

Goodwill is carried at cost less any accumulated impairment losses. Goodwill is tested for impairment annually and when circumstances indicate that the carrying value may be impaired. For the purpose of impairment testing, goodwill acquired in a business combination is allocated to each of the Company's cash generating units (or group of cash-generating units) that are expected to benefit from the synergies of the combination. The Company estimates the recoverable amount of each cash-generating unit (or group of cash-generating units) to which the goodwill relates. Where the recoverable amount of the cash-generating unit is less than the carrying amount, an impairment loss is recognized in profit or loss. Impairment losses relating to goodwill cannot be reversed in future periods.

### 3.12 Leases

Applicable from January 1, 2020

At inception of a contract, the Company and its subsidiaries assess whether the contract is, or contains, a lease. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

The Company and its subsidiaries assess the lease term for the non-cancellable period as stipulated in the lease contract or the remaining period of active leases at the date of initial application (as at January 1, 2020) together with any period covered by an option to extend the lease if it is reasonably certain to be exercised or any periods covered by an option to terminate the lease if it is reasonably certain not to be exercised by considering the effect of changes in technology and/or the other circumstance relating to the extension of the lease term.

#### Right-of-use assets-as a lessee

Right-of-use assets are recognized at the commencement date of the lease. Right-of-use assets are stated at cost, less accumulated depreciation and impairment losses (if any), and adjusted for remeasurement of lease liabilities (if any). The cost of right-of-use assets includes the amount of lease liabilities recognized, initial direct costs incurred, and lease payments made at or before the commencement date, less any lease incentives received.

The cost of right-of-use assets also includes an estimate of costs to be incurred by the lessee in dismantling and removing the underlying asset, restoring the site on which it is located or restoring the underlying asset to the condition required by the terms and conditions of the lease.

Right-of-use assets are calculated by reference to their costs on a straight-line basis over the shorter lease term and the estimated useful life of each right-of-use asset.

#### Lease liabilities

At the commencement date of the lease, lease liabilities are stated at the present value of lease payments to be made over the lease term. The lease payments include fixed payments (including in-substance fixed payments) less lease incentives receivable (if any) and amount expected to be paid under residual value guarantees. The lease payments also include the exercise price of a purchase option reasonably certain to be exercised by the Company and its subsidiaries and payments of penalties for terminating the lease, if the lease term reflects the Company and its subsidiaries exercising the option to terminate.

In calculating the present value of lease payments, the Company and its subsidiaries use its incremental borrowing rate, which is determined by referring to the government bond yield adjusted with risk premium depending on the lease term, at the lease commencement date if the interest rate implicit in the lease is not readily determinable. After the commencement date, the amount of lease liabilities is increased to reflect the accretion of the interest and reduced for the lease payments made. In addition, the carrying amount of lease liabilities is remeasured if there is a modification, a change in the lease term, a change in the lease payments or a change in the assessment of an option to purchase the underlying asset.

#### Short-term leases and leases of low-value assets

The Company and its subsidiaries apply the short-term lease recognition exemption to its short-term leases (those leases that have a lease term of 12 months or less from the commencement date and do not contain a purchase option). It also applies lease of low-value assets recognition exemption to leases that are considered of low value. Lease payments on short-term and leases of low-value assets are recognized as expense in profit and loss on a straight-line basis over the lease term.

Applicable prior to January 1, 2020

#### Long-term leases

Leases of buildings and equipment which do not transfer substantially all the risks and rewards of ownership are classified as operating leases. Operating lease payments are recognized as an expense in profit or loss on a straight line basis over the lease term.

### 3.13 Foreign currency transactions

Transactions in foreign currencies are converted into Thai Baht at the foreign exchange rate ruling at the dates of the transactions.

Monetary assets and liabilities denominated in foreign currencies at the statement of financial position date are converted into Thai Baht at the foreign exchange rate ruling at that date. Foreign exchange differences arising on conversion are recognized in the statement of comprehensive income.

Non-monetary assets and liabilities, measured at cost, denominated in foreign currencies are converted to Thai Baht using the foreign exchange rates ruling at the dates of the transactions.

### 3.14 Employee benefits

#### Short - term employee benefits

The Company and its subsidiaries recognize salary, overtime, bonus, social security and provident fund as expenses when incurred.

#### Post-employment benefits (Defined contribution plans)

The Company and its subsidiaries have jointly established a provident fund. The fund is monthly contributed by employees and by the Company. The fund's assets are held in a separate trust fund and the Company's contributions are recognized as expenses when incurred.

#### Post-employment and other long-term employee benefits (Defined benefit plans)

The Company and its subsidiaries have obligations in respect of the severance payments that it must pay to employees upon retirement under the labor law and other employee benefit plans. The Company treats these severance payment obligations as a defined benefit plan. In addition, the Group provide another long-term employee benefit plan, namely long service awards.

The obligation under the defined benefit plan is calculated based on the actuarial principles by a qualified independent actuary using the projected unit credit method. Such estimates are made based on various assumptions, including discount rate, future salary increase rate, staff turnover rate, mortality rate, and inflation rate.

Actuarial gains and losses for post-employment benefits of the employees are recognized immediately in other comprehensive income as apart of retained earnings. Other long-term benefits are recognized immediately in profit and loss.

### 3.15 Provisions

Provisions are recognized when the Company and its subsidiaries have a present legal or constructive obligation as a result of past events, it is probable that an outflow of resources will be required to settle the obligation, and a reliable estimate of the amount can be made. Where the Company expects a provision to be reimbursed, the reimbursement is recognized as a separate asset but only when the reimbursement is virtually certain.

### 3.16 Related parties

Enterprises and individuals that directly, or indirectly through one or more intermediaries, control, or are controlled by, or are under common control with, the company, including holding companies, subsidiaries and fellow subsidiaries are related parties of the company. Associates and individuals owning, directly or indirectly, an interest in the voting power of the company that gives them significant influence over the enterprise, key management personnel, including directors and officers of the company and close members of the family of these individuals and companies associated with these individuals also constitute related parties.

In considering each possible related party relationship, attention is directed to the substance of the relationship, and not merely the legal form.

### 3.17 Income tax expenses

Income tax comprises current income tax and deferred tax.

#### Current tax

The Company and its subsidiaries record income tax expense, if any, based on the amount currently payable, based on taxable profits determined in accordance with tax legislation.

#### Deferred tax

Deferred tax assets and liabilities are provided on the temporary differences between the carrying amount and the tax bases of assets and liabilities at the end of the reporting period. Changes in deferred tax assets and liabilities are recognized as deferred tax income or deferred tax expense which are recognized in the profit or loss except to the extent that it relates to items recognized directly in shareholders' equity or in other comprehensive income.

The deductible temporary differences are recognized as deferred tax assets when it is probable that the Company and its subsidiaries will have future taxable profit to be available against which the deferred tax assets can be utilized. The taxable temporary differences on all taxable items are recognized as deferred tax liabilities.

Deferred tax assets and liabilities are measured at the tax rates that the Company and its subsidiaries expect to apply to the period when the deferred tax assets are realized or the deferred tax liabilities are settled, based on tax rates and tax laws that have been enacted or substantively enacted by the end of the reporting period.

At the end of each reporting period, the carrying amount of deferred tax assets are reviewed and the value is reduced when it is probable that the Company and its subsidiaries will no longer have the sufficient future taxable profit available against which all or some parts of deferred tax assets are utilized.

Deferred tax assets and liabilities are offset when there is the legal right to settle on a net basis and they relate to income tax levied by the same tax authority on the same taxable entity.

### 3.18 Fair value measurement

Fair value is the price that would be received from selling an asset or paid to transfer a liability in an orderly transaction between buyer and seller (market participants) at the measurement date. The Group apply a quoted market price in an active market to measure their assets and liabilities that are required to be measured at fair value by relevant financial reporting standards. Except in case of no active market for an identical asset or liability or when a quoted market price is not available, the Group measure fair value using a valuation technique that is appropriate in the circumstances and maximize the use of relevant observable inputs related to assets and liabilities that are required to be measured at fair value.

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorized within the fair value hierarchy into three levels based on category of input to be used in fair value measurement as follows:

Level 1 - Use of quoted market prices in an observable active market for such assets or liabilities

Level 2 - Use of other observable inputs for such assets or liabilities, whether directly or indirectly

Level 3 - Use of unobservable inputs such as estimates of future cash flows

At the end of each reporting period, the Group determine whether transfers are necessary between levels within the fair value hierarchy for assets and liabilities held at the end of the reporting period that are measured at fair value on a recurring basis.

### 3.19 Significant accounting judgements and estimates

The preparation of financial statements in conformity with financial reporting standards at times requires management to make subjective judgements and estimates regarding matters that are inherently uncertain. These judgements and estimates affect amounts reported in the financial statements and disclosures and actual results could differ from these estimates. Significant judgements and estimates are as follows:

#### Allowance for doubtful accounts

In determining an allowance for doubtful accounts, the management needs to make judgement and estimates based upon, among other things, past collection history, aging profile of outstanding debts and prevailing economic conditions.

#### Allowance for declining-in value of inventory

The determination of allowance for declining value of inventory, requires management to make judgements and estimates of the loss expected to occur. The allowance for decline in net realizable value is estimated based on the selling price expected in the ordinary course of business less selling expense. The provision for obsolete slow-moving and deteriorated inventory, is estimated based on the approximate useful life of each type of inventory. The allowance for diminution in value of inventory as determined is compared with the original balance in the books of account and the increase or decrease in the allowance for diminution in value of inventory will be recognized as cost of sales and service in profit or loss.

#### Impairment of investments

The Company treats investments as impaired when the management judges that there has been a significant or prolonged decline in the fair value below their cost or where other objective evidence of impairment exists. The determination of what is “significant” or “prolonged” requires judgement.

Depreciation of property, plant and equipment, right-of-use assets, and amortization of intangible assets

In determining depreciation of plant and equipment and amortization of intangible assets, the management is required to make estimates of the useful lives and residual values of the plant and equipment and to review the estimated useful lives and residual values when there are any changes.

In addition, the management is required to review property, plant and equipment and intangible assets for impairment on a periodic basis and record the impairment loss when it is determined that the recoverable amount is lower than the carrying amount. This requires judgement regarding forecast of future revenues and expenses relating to the assets subject to the review.

Determining the lease term of contracts with renewal and termination options

The subsidiary determines the lease term as the non-cancellable term of the lease, together with any period covered by an option to extend the lease if it is reasonably certain to be exercised, or any periods covered by an option to terminate the lease, if it is reasonably certain not to be exercised. The management is required to use judgment in evaluating whether it is reasonably certain whether or not to exercise the option to renew or terminate the lease, considering all relevant factors that create an economic incentive to exercise either the renewal or termination. After the commencement date, the subsidiary reassess the lease term if there is a significant event or change in circumstances that is within its control and affects its ability to exercise or not to exercise the option to renew or to terminate.

Goodwill and intangible assets from business combination

The initial recognition and measurement of goodwill and intangible assets from business combination and subsequent impairment testing require management to make estimates of cash flows to be generated by the asset or the cash generating units and to choose a suitable discount rate in order to calculate the present value of those cash flows.

Deferred tax assets

Deferred tax assets are recognized for deductible temporary differences and unused tax losses to the extent that it is probable that taxable profit will be available against which the temporary differences and losses can be utilized. Significant management judgement is required to determine the amount of deferred tax assets that can be recognized, based upon the likely timing and level of estimated future taxable profits.

Post-employment and other long-term employee benefits (Defined benefit plans)

The obligation under the defined benefit plan is determined based on actuarial techniques. Such determination is made based on various assumptions, including discount rate, future salary increase rate, mortality rate and staff turnover rate.

#### 4. CUMULATIVE EFFECTS OF CHANGES IN ACCOUNTING POLICIES DUE TO THE ADOPTION OF NEW FINANCIAL REPORTING STANDARDS

As described in Note 2.3 to the financial statements, during the current year, the Company and its subsidiaries have impacts from adoption of TFRS 9. The cumulative effect of the changes in accounting policies are recognized as adjustment to retained earnings (deficits) as at January 1, 2020 and the comparative information was not restated.

The changes in accounting policies due to the adoption of the above financial reporting standards, are summarized below.

	Thousand Baht					
	Consolidated financial statements			Separate financial statements		
	As at December 31, 2019	The impacts of TFRS 9	As at January 1, 2020	As at December 31, 2019	The impacts of TFRS 9	As at January 1, 2020
<b>Statement of financial position</b>						
Trade and other current receivables	218,777	(21,456)	197,321	94,118	(4,681)	89,437
Deferred tax assets	230,464	4,291	234,755	204,288	936	205,224
<b>Total assets</b>	<u>449,241</u>	<u>(17,165)</u>	<u>432,076</u>	<u>298,406</u>	<u>(3,745)</u>	<u>294,661</u>
Unappropriated - retained earnings (deficits)	<u>(1,249,280)</u>	<u>(17,165)</u>	<u>(1,266,445)</u>	<u>(1,271,315)</u>	<u>(3,745)</u>	<u>(1,275,060)</u>
Equity attributable to the owners of the Company	<u>295,206</u>	<u>(10,689)</u>	<u>284,517</u>	<u>273,171</u>	<u>(3,745)</u>	<u>269,426</u>
Equity attributable to non-controlling interests of the subsidiaries	<u>3,252</u>	<u>(6,476)</u>	<u>(3,224)</u>	<u>-</u>	<u>-</u>	<u>-</u>

##### 4.1 Financial instruments

The total impacts on the retained earnings (deficits) as at January 1, 2020 is as follows:

	Thousand Baht	
	Consolidated financial statements	Separate financial statements
Increase in loss allowance for trade and other current receivables	17,165	3,745
Adjustment to unappropriated - retained earnings (deficits) from adoption of TFRS 9 on January 1, 2020	<u>17,165</u>	<u>3,745</u>
Equity attributable to the owners of the Company	(10,689)	3,745
Equity attributable to non-controlling interests of the subsidiaries	(6,476)	-



On January 1, 2020 (the date of initial application), the Company and its subsidiaries' management has assessed which business models applied to the financial assets and liabilities held by the Company and its subsidiaries and has classified the financial assets and liabilities as below.

	Thousand Baht			
	Consolidated financial statements		Separate financial statements	
	Amortized cost	Total	Amortized cost	Total
Financial assets as at January 1, 2020				
Cash and cash equivalents	5,664	5,664	4,639	4,639
Trade and other current receivables	197,321	197,321	89,437	89,437
Short-term loans to related parties	-	-	66,000	66,000
Other current financial assets				
Other current assets	13,735	13,735	5,402	5,402
Other non-current assets	5,226	5,226	245	245
	<u>221,946</u>	<u>221,946</u>	<u>165,723</u>	<u>165,723</u>
Financial liabilities as at January 1, 2020				
Bank overdrafts and short-term loans				
from financial institutions	981,785	981,785	925,535	925,535
Trade and other current payables	124,055	124,055	73,522	73,522
Short-term loans from non-controlling interests of the subsidiary	5,800	5,800	-	-
Short-term loans from director	161,000	161,000	146,000	146,000
Other current liabilities	29,395	29,395	17,124	17,124
Long-term loans from financial institutions	300,467	300,467	297,467	297,467
	<u>1,596,702</u>	<u>1,596,702</u>	<u>1,459,648</u>	<u>1,459,648</u>

To measure the expected credit losses, trade receivables have been grouped based on shared credit risk characteristics and the days past due. The expected loss rates are based on the historical payment profiles, the corresponding historical credit losses experienced and the impact of potential factor to the expected loss rates.

On that basis, the loss allowance for trade receivables was as follows:

	Thousand Baht					
	Consolidated financial statements					Total
	Not yet due	Up to 3 months	3 - 6 months	6 - 12 months	Over 12 months	
As at January 1, 2020						
Trade receivables amount	145,634	17,013	3,913	4,461	32,332	203,353
Loss allowance	962	1,779	1,807	4,032	33,110	41,690

	Thousand Baht					
	Separate financial statements					Total
	Not yet due	Up to 3 months	3 - 6 months	6 - 12 months	Over 12 months	
As at January 1, 2020						
Trade receivables amount	74,900	10,579	3,097	1,786	10,046	100,408
Loss allowance	267	1,498	1,233	1,513	11,647	16,158

The loss allowance for trade receivables as at December 31, 2019 is reconciled to the opening loss allowance for trade receivables as at January 1, 2020 as follows:

	Thousand Baht	
	Consolidated financial statements	Separate financial statements
<u>Loss allowance for trade receivables</u>		
As at December 31, 2019	20,234	11,477
Amounts restated through opening unappropriated retained earnings	21,456	4,681
As at January 1, 2020	41,690	16,158

## 5. TRANSACTIONS WITH RELATED PARTIES

During the year, the Company and its subsidiaries had significant business transactions with related parties. Such transactions, which are summarized 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.

	Million Baht				Transfer pricing policy
	Consolidated financial statements		Separate financial statements		
	2020	2019	2020	2019	
<b>Transactions with subsidiaries</b> (Eliminated from the consolidated financial statements)					
Purchase of goods	-	-	3	5	Market price
Rental income	-	-	6	10	Market price
Management income	-	-	4	6	Contract price
<b>Transactions with joint venture</b>					
Purchase of goods	-	1	-	1	Market price
Management income	-	4	-	2	Contract price

The balances of the accounts as at December 31, 2020 and 2019 between the Company and those related companies are as follows:

	Thousand Baht			
	Consolidated financial statements		Separate financial statements	
	2020	2019	2020	2019
<b><u>Trade and other current receivables - related parties</u></b>				
Subsidiaries	-	-	87,618	70,700
Joint venture	2	712	2	2
<u>Less</u> Allowance for doubtful accounts	-	-	(84,264)	(67,603)
Total trade and other current receivables - related parties	2	712	3,356	3,099
<b><u>Trade and other current payables - related parties</u></b>				
Subsidiaries	-	-	1,783	1,602
Joint venture	203	1,609	22	22
Total trade and other current payables - related parties	203	1,609	1,805	1,624

Short-term loans to related parties

As at December 31, 2020 and 2019, the balance of short-term loans between the Company and those related parties and the movement are as follows:

		Thousand Baht		
		Separate financial statements		
		Balance as at December 31, 2019	Increase (decrease) during the year	Balance as at December 31, 2020
	Related by			
Loans to				
Post International Media Company Limited	Subsidiary	66,000	(1,700)	64,300
Post News Company Limited	Subsidiary	6,120	(6,120)	-
Post TV Company Limited	Subsidiary	332,659	(150)	332,509
		<u>404,779</u>	<u>(7,970)</u>	<u>396,809</u>
<u>Less Allowance for doubtful accounts</u>		<u>(338,779)</u>	<u>6,270</u>	<u>(332,509)</u>
Total		<u><u>66,000</u></u>	<u><u>(1,700)</u></u>	<u><u>64,300</u></u>

The Company has loans to Post International Media Company Limited. The loan is repayable on demand and carries interest at the rate of 6 percent per annum.

The Company has loans to Post News Company Limited. The loan is repayable on demand and carries interest at the rate with reference to Minimum Loan Rate a commercial bank charges to its prime customers. On March 12, 2020, the Central Bankruptcy Court ordered that Company for bankruptcy. Therefore, the Company has written off the loans in full amount.

The Company has loans to Post TV Company Limited. The loan is repayable on demand and carries interest at the rate of 6 percent per annum.

As at December 31, 2020 and 2019, the Company and its subsidiaries have short-term unsecured loans from a director which carry interest at rates of 4.50 - 5.25 percent per annum and 5.25 percent per annum, respectively. The principal is due at call.

		Thousand Baht		
		Consolidated financial statements		
		Balance as at December 31, 2019	Increase (decrease) during the year	Balance as at December 31, 2020
	Related by			
Loans from				
Director	Directorship	161,000	144,000	305,000

		Thousand Baht		
		Separate financial statements		
		Balance as at December 31, 2019	Increase (decrease) during the year	Balance as at December 31, 2020
	Related by			
Loans from				
Director	Directorship	146,000	144,000	290,000

Directors and management's benefits

For the years ended December 31, 2020 and 2019, the Company and its subsidiaries incurred employee benefits expenses payable to their directors and management as follows:

	Thousand Baht			
	Consolidated financial statements		Separate financial statements	
	2020	2019	2020	2019
Short-term employee benefits	22,492	33,544	15,064	15,104
Post-employment benefits	691	-	213	1,213
	<u>23,183</u>	<u>33,544</u>	<u>15,277</u>	<u>16,317</u>

**6. CASH AND CASH EQUIVALENTS**

This account consisted of:

	Thousand Baht			
	Consolidated financial statements		Separate financial statements	
	2020	2019	2020	2019
Bank deposits	3,025	5,664	2,374	4,639
Total	<u>3,025</u>	<u>5,664</u>	<u>2,374</u>	<u>4,639</u>

As at December 31, 2020 and 2019, bank deposits in savings accounts and fixed deposits carried interest at rates between 0.05 - 0.25 percent per annum and between 0.10 - 0.75 percent per annum, respectively.

**7. TRADE AND OTHER CURRENT RECEIVABLES**

This account consisted of:

	Thousand Baht			
	Consolidated financial statements		Separate financial statements	
	2020	2019	2020	2019
<u>Trade receivables - related parties</u>				
Aged on the basis of due dates				
Not yet due	-	31	-	2
Past due				
Up to 3 months	-	670	128	109
6 - 12 months	2	11	68	356
Total trade receivables - related parties	<u>2</u>	<u>712</u>	<u>196</u>	<u>467</u>
<u>Trade receivables - unrelated parties</u>				
Aged on the basis of due dates				
Not yet due	37,304	40,981	19,959	17,555
Past due				
Up to 3 months	33,912	107,193	25,547	56,945
3 - 6 months	1,129	13,166	700	9,600
6 - 12 months	4,481	7,319	2,922	5,249
Over 12 months	31,541	34,694	11,724	11,059
Total	<u>108,367</u>	<u>203,353</u>	<u>60,852</u>	<u>100,408</u>

	Thousand Baht			
	Consolidated financial statements		Separate financial statements	
	2020	2019	2020	2019
<u>Less</u> allowance for doubtful accounts	(32,876)	(20,234)	(12,461)	(11,477)
allowance for sales returns	(372)	(1,176)	(372)	(1,176)
Total trade receivables - unrelated parties, net	75,119	181,943	48,019	87,755
Total trade receivables - net	75,121	182,655	48,215	88,222
<u>Other current receivables</u>				
Unbilled revenue	37,530	54,009	4,242	3,264
Amounts due from related parties	-	-	87,425	70,235
<u>Less</u> allowance for doubtful accounts	(27,513)	(17,887)	(84,264)	(67,603)
Total other current receivables - net	10,017	36,122	7,403	5,896
Trade and other current receivables - net	85,138	218,777	55,618	94,118

## 8. INVENTORIES

This account consisted of:

	Thousand Baht			
	Consolidated financial statements		Separate financial statements	
	2020	2019	2020	2019
Finished goods	36,954	48,728	19,333	29,026
Raw materials	1,454	2,954	1,453	2,954
Others	25,375	27,132	15,696	15,818
Total	63,783	78,814	36,482	47,798
<u>Less</u> allowance for declining of inventories valuation	(59,975)	(65,747)	(35,310)	(44,217)
Inventories - net	3,808	13,067	1,172	3,581

Movements in transactions of allowances for declining inventory valuations are summarized as follows:

	Thousand Baht			
	Consolidated financial statements		Separate financial statements	
	2020	2019	2020	2019
Beginning balance at the year	65,747	49,141	44,217	33,396
Increase	4,774	16,606	-	10,821
Decrease	(10,546)	-	(8,907)	-
Ending balance at the year	59,975	65,747	35,310	44,217

## 9. INVESTMENTS IN SUBSIDIARIES

9.1 Investments in subsidiaries as presented in the separated financial statements are as follows:

Subsidiary's name	Thousand Baht									
	Separate financial statements									
	Paid-up capital		Proportion of shareholding		At cost		Allowance for loss from investments		Investment in subsidiaries - net	
	2020	2019	2020	2019	2020	2019	2020	2019	2020	2019
	(Thousand Baht)	(Thousand Baht)	(Percentage)	(Percentage)						
Post-IM Plus Company Limited (Another 51% owned by Post International Media Company Limited)	50,000	50,000	49	49	2	2	-	-	2	2
Post International Media Company Limited	25,000	25,000	100	100	100,890	100,890	(100,890)	(90,252)	-	10,638
Post News Company Limited	10,000	10,000	51	51	-	5,100	-	(5,100)	-	-
Mushroom Group Company Limited	80,000	80,000	60	51	186,312	178,690	(174,190)	(174,190)	12,122	4,500
Post New Media Company Limited	25,000	25,000	100	100	25,000	25,000	(25,000)	(25,000)	-	-
Total					312,204	309,682	(300,080)	(294,542)	12,124	15,140

During the year 2020, the Central Bankruptcy Court ordered Post News Company Limited for bankruptcy. Therefore, the Company has written off such investment from the account in full amount.

According to the minutes of Board of Directors' Meeting No. 3/2020 held on November 3, 2020, it was agreed to accept the transfer of shares from the existing shareholders of Mushroom Group Company Limited in the amount of Baht 7.62 million. The proportion of investment thereby increased from 51 percent to 60 percent and the difference from the change in proportion of investment is negative Baht 1.96 million.

9.2 Details of investments in subsidiaries that have material non-controlling interests

Company's name	Million Baht					
	Proportion of equity interest held by non-controlling interests		Accumulated balance of non-controlling interests		Profit (loss) allocated to non-controlling interests during the year	
	2020	2019	2020	2019	2020	2019
	(Percentage)	(Percentage)				
Mushroom Group Company Limited	40	49	10	61	(10)	(49)

9.3 Summarized financial information based on amounts before inter-company elimination of the subsidiary that have material non-controlling impact.

Company's name	Million Baht									
	Paid-up capital		Total assets		Total liabilities		Total revenues		Profit (loss)	
	2020	2019	2020	2019	2020	2019	2020	2019	2020	2019
Mushroom Group Company Limited	80	80	27	102	48	75	64	124	(46)	(76)

## 10. INVESTMENT IN JOINT VENTURE

10.1 Investment in a joint venture representing investment in an entity that is jointly controlled by a subsidiary and another company are as follows:

Joint venture's name	Nature of business	Proportion of shareholding (Percentage)	Thousand Baht			
			Consolidated financial statements		Carrying amounts based on equity method - net	
			At cost		At cost	
			2020	2019	2020	2019
Bangkok Post - Bauer Media Company Limited	Publishing and distribution of magazines	70	11,500	11,500	7,974	7,481
<u>Less</u> allowance for loss from investments			(4,019)	(4,019)	-	-
Investments in joint venture - net			<u>7,481</u>	<u>7,481</u>	<u>7,974</u>	<u>7,481</u>

On November 30, 2020, the Extraordinary General Meeting of Shareholders No. 1/2020 of Bangkok Post - Bauer Media Company Limited resolved to dissolve the company on December 14, 2020, since the company has no intention to continue its business, and is in the processing of liquidation.

10.2 The Company recognized its share of comprehensive income from investments in the joint ventures and dividend income in the consolidated financial statements for the years ended December 31, 2020 and 2019 as follows:

Joint venture's name	Thousand Baht					
	Share of profit (loss) from investments in joint venture during the year		Share of other comprehensive income from investments in joint venture during the year		Dividend received during the year	
	2020	2019	2020	2019	2020	2019
Bangkok Post-Bauer Media Company Limited	493	(2,635)	-	-	-	-

10.3 Summarized financial information of material joint venture

Company's name	Million Baht									
	Paid-up capital		Total assets		Total liabilities		Total revenues		Profit (loss)	
	2020	2019	2020	2019	2020	2019	2020	2019	2020	2019
Bangkok Post-Bauer Media Company Limited	16	16	9	10	0.3	2	0.7	13	(0.6)	(6)

## 11. INVESTMENTS IN ASSOCIATE

11.1 Investments in associate representing carrying amount based on the equity method in the consolidated financial statements is as follows:

Associate's name	Nature of business	Proportion of shareholding (Percentage)	Thousand Baht			
			Consolidated financial statements		Separate financial statements	
			Carrying amount based on equity method		At cost	
			2020	2019	2020	2019
Flash News Company Limited	Production of radio programs	40	2,704	2,704	10,000	10,000
<u>Less</u> Allowance for loss from investments			(2,704)	(2,704)	(10,000)	(10,000)
Investments in associate - net			<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>

## 11.2 Summarized financial information of associate

Company's name	Million Baht									
	Paid-up capital		Total assets		Total liabilities		Total revenues		Profit (loss)	
	2020	2019	2020	2019	2020	2019	2020	2019	2020	2019
Flash News Company Limited	25	25	3	3	-	-	-	-	-	-

## 12. OTHER LONG-TERM INVESTMENTS

Other long-term investments representing investment in ordinary shares as follows:

Paid up capital	Proportion of shareholding (Percentage)	Thousand Baht	
		Consolidated financial statements	
		At cost	
		2020	2019
Share ordinary in:			
Singapore Press Holdings Limited	27,393,300	-	16
Less allowance for loss from investments		(16)	(16)
Other long-term investments - net		-	-

## 13. PROPERTY, PLANT AND EQUIPMENT

This account consisted of:

	Thousand Baht				
	Consolidated financial statements				
	Balance per book as at December 31, 2019	Transaction during the year			Balance per book as at December 31, 2020
		Additions	Deductions	Revaluations- in (out)	
<b>Cost</b>					
Land	1,120,400	-	-	-	1,120,400
Building and building improvements	1,177,392	-	-	(202,483)	974,909
Machinery and equipment	946,381	-	(1,763)	-	944,618
Furniture and office equipment	396,073	1,303	(3,432)	-	393,944
Vehicles	16,584	-	(6,297)	-	10,287
Total	3,656,830	1,303	(11,492)	(202,483)	3,444,158
<b>Less accumulated depreciation</b>					
Building and building improvements	754,292	27,737	-	(14,160)	767,869
Machinery and equipment	813,429	20,047	(1,763)	-	831,713
Furniture and office equipment	337,143	7,927	(2,810)	-	342,260
Vehicles	16,572	10	(6,295)	-	10,287
Total	1,921,436	55,721	(10,868)	(14,160)	1,952,129
Less allowance for impairment	125,748	44,090	-	-	169,838
Property, plant and equipment - net	1,609,646				1,322,191



Thousand Baht					
Consolidated financial statements					
	Balance per book	Transaction during the year			Balance per book
	as at December	Additions	Deductions	Revaluations-	as at December
	31, 2018			in (out)	31, 2019
<u>Cost</u>					
Land	1,120,400	-	-	-	1,120,400
Building and building improvements	857,725	-	(3,916)	323,583	1,177,392
Machinery and equipment	954,302	86	(8,007)	-	946,381
Furniture and office equipment	397,145	1,550	(2,622)	-	396,073
Vehicles	20,744	-	(4,160)	-	16,584
Total	<u>3,350,316</u>	<u>1,636</u>	<u>(18,705)</u>	<u>323,583</u>	<u>3,656,830</u>
<u>Less accumulated depreciation</u>					
Building and building improvements	743,046	13,702	(2,456)	-	754,292
Machinery and equipment	783,456	37,702	(7,729)	-	813,429
Furniture and office equipment	315,339	24,174	(2,370)	-	337,143
Vehicles	20,726	-	(4,154)	-	16,572
Total	<u>1,862,567</u>	<u>75,578</u>	<u>(16,709)</u>	<u>-</u>	<u>1,921,436</u>
<u>Less allowance for impairment</u>	<u>37,333</u>	<u>88,415</u>	<u>-</u>	<u>-</u>	<u>125,748</u>
Property, plant and equipment - net	<u>1,450,416</u>				<u>1,609,646</u>

Thousand Baht					
Separate financial statements					
	Balance per book	Transaction during the year			Balance per book
	as at December	Additions	Deductions	Revaluations-	as at December
	31, 2019			in (out)	31, 2020
<u>Cost</u>					
Land	1,120,400	-	-	-	1,120,400
Building and building improvements	1,177,392	-	-	(202,483)	974,909
Machinery and equipment	946,381	-	(1,763)	-	944,618
Furniture and office equipment	232,982	1,238	(2,614)	-	231,606
Vehicles	15,918	-	(6,296)	-	9,622
Total	<u>3,493,073</u>	<u>1,238</u>	<u>(10,673)</u>	<u>(202,483)</u>	<u>3,281,155</u>
<u>Less accumulated depreciation</u>					
Building and building improvements	754,292	27,737	-	(14,160)	767,869
Machinery and equipment	813,429	20,046	(1,763)	-	831,712
Furniture and office equipment	221,030	7,575	(2,001)	-	226,604
Vehicles	15,906	10	(6,295)	-	9,621
Total	<u>1,804,657</u>	<u>55,368</u>	<u>(10,059)</u>	<u>(14,160)</u>	<u>1,835,806</u>
<u>Less allowance for impairment</u>	<u>78,678</u>	<u>44,090</u>	<u>-</u>	<u>-</u>	<u>122,768</u>
Property, plant and equipment - net	<u>1,609,738</u>				<u>1,322,581</u>

Thousand Baht					
Separate financial statements					
	Balance per book	Transaction during the year			Balance per book
	as at December	Additions	Deductions	Revaluations-	as at December
	31, 2018			in (out)	31, 2019
<u>Cost</u>					
Land	1,120,400	-	-	-	1,120,400
Building and building improvements	857,725	-	(3,916)	323,583	1,177,392
Machinery and equipment	954,302	86	(8,007)	-	946,381
Furniture and office equipment	233,398	960	(1,376)	-	232,982
Vehicles	20,077	-	(4,159)	-	15,918
Total	<u>3,185,902</u>	<u>1,046</u>	<u>(17,458)</u>	<u>323,583</u>	<u>3,493,073</u>
<u>Less accumulated depreciation</u>					
Building and building improvements	743,046	13,702	(2,456)	-	754,292
Machinery and equipment	783,456	37,702	(7,729)	-	813,429
Furniture and office equipment	203,338	18,942	(1,250)	-	221,030
Vehicles	19,520	540	(4,154)	-	15,906
Total	<u>1,749,360</u>	<u>70,886</u>	<u>(15,589)</u>	<u>-</u>	<u>1,804,657</u>
<u>Less allowance for impairment</u>	<u>-</u>	<u>78,678</u>	<u>-</u>	<u>-</u>	<u>78,678</u>
Property, plant and equipment - net	<u>1,436,542</u>				<u>1,609,738</u>

The Company and subsidiaries arranged for an independent professional valuer to apprise the value of certain assets in 2020 and 2019 on an assets-by-assets basis. The basis of the revaluation was as follows:

- Land was revalued using the Comparative Method.
- Buildings were revalued using the Depreciated Replacement Cost Method.

Unobservable valuation inputs used in land valuation are summarized below:

	Consolidated/Separate financial statements	
	2020	2019
Price per square wah (Baht)	33,750 - 300,000	33,750 - 300,000

Unobservable valuation inputs used in buildings valuation are summarized below:

	Consolidated/Separate financial statements	
	2020	2019
Price per square metre (Baht)	700 - 32,00	700 - 32,000
Remaining of depreciation (Year)	16 - 23	17 - 24

A significant increase (decrease) in the estimated price per square wah of the land and price per square metre of the buildings subject to the revaluation would result in a significant increase (decrease) in the value of the land and building.

From the appraisal of assets by two independent appraisers in 2020 to compare the value and consider reducing the revaluation of building of Baht 188.12 million.

Should the land and buildings have been carried in the financial statements on a historical cost basis, their net book value as at December 31, 2020 and 2019 would have been as follows:

	Thousand Baht	
	2020	2019
Land	201,500	201,500
Buildings	41,850	99,517

As at December 31, 2020 and 2019, the Company mortgaged its land with structure with net book value of Baht 358 million and Baht 368 million, respectively for credit facilities received from bank.

The Board of Directors Meeting No. 5/2019 of the Company, convened on December 13, 2019, passed a resolution to approve the Company to enter into the disposition of assets and connected transaction of (1) Printing Plant and Distribution Center (Bangna) consisting of land and building, printing machinery and equipment, and (2) Office Building (Klongtoey) consisting of land and building, and passed a resolution to approve the Company to enter into the acquisition of assets of (3) leaseback of office building (Klongtoey) with reasonable rental and service rates. And the resolutions of the 2020 Annual General Meeting of Shareholders held on April 22, 2020, approved to the entering into assets disposal transaction between the Company and investors in a total amount not lower than Baht 1,472.85 million.

From the date of approval until December 31, 2020, the Company has not completed the disposal of such assets, so the Company held a meeting of the Board of Directors' regarding the acquisition and disposition of assets and connected transaction and called to the meeting of shareholders again (Note 37).

#### 14. RIGHT-OF-USE ASSETS

Movements of the right-of-use assets account for the year ended December 31, 2020 are summarized as follows:

	Thousand Baht
	Consolidated
	financial statements
<b>Net book value as at January 1, 2020</b>	-
Additions during the year	3,126
Depreciation for the year	(52)
<b>Net book value as at December 31, 2020</b>	<b>3,074</b>

## 15. GOODWILL

This account consisted of:

	Thousand Baht	
	Consolidated financial statements	
	2020	2019
Net book value at beginning of year	32,171	94,851
<u>Less: allowance for impairment of goodwill</u>	<u>(32,171)</u>	<u>(62,680)</u>
Net book value at end of year	<u>-</u>	<u>32,171</u>

The recoverable amount of the CGUs have been determined based on value in use calculation using cash flow projections from financial budgets approved by management covering a five-year period.

As at December 31, 2020 are as follows:

	Thousand Baht		
	CGU 1	CGU 2	Total
	(Post International Media Company Limited)	(Mushroom Group Company Limited)	
Net book value at beginning of year	53,769	41,082	94,851
<u>Less: allowance for impairment of goodwill</u>	<u>(53,769)</u>	<u>(41,082)</u>	<u>(94,851)</u>
Net book value at end of year	<u>-</u>	<u>-</u>	<u>-</u>

Key assumptions used in value in use calculation are summarized below:

	Percent per annum	
	CGU 1	CGU 2
	(Post International Media Company Limited)	(Mushroom Group Company Limited)
Growth rate	-	-
Discount rate before tax	10	10

The management determined growth rates based on expected market growth rate and discount rates are the pre-tax rates that reflect the risks specific to each CGU.

## 16. INTANGIBLE ASSETS

This account consisted of:

	Thousand Baht				
	Consolidated financial statements				
	Balance per book	Transaction during the year			Balance per book
	as at December	Additions	Deductions		as at December
31, 2019			31, 2020		
<u>Cost</u>					
Customer relationship	71,395	-	-	71,395	
License	7,200	-	-	7,200	
Computer software	345,991	6	(128,436)	217,561	
Total	424,586	6	(128,436)	296,156	
<u>Less accumulated amortization</u>					
Customer relationship	51,778	-	-	51,778	
License	3,359	-	-	3,359	
Computer software	288,083	12,905	(128,434)	172,554	
Total	343,220	12,905	(128,434)	227,691	
<u>Less allowance for impairment</u>	37,272	-	-	37,272	
Intangible assets - net	44,094			31,193	

	Thousand Baht				
	Consolidated financial statements				
	Balance per book	Transaction during the year			Balance per book
	as at December	Additions	Deductions		as at December
31, 2018			31, 2019		
<u>Cost</u>					
Customer relationship	71,395	-	-	71,395	
License	7,200	-	-	7,200	
Computer software	345,327	669	(5)	345,991	
Total	423,922	669	(5)	424,586	
<u>Less accumulated amortization</u>					
Customer relationship	47,210	4,568	-	51,778	
License	1,921	1,438	-	3,359	
Computer software	274,730	13,358	(5)	288,083	
Total	323,861	19,364	(5)	343,220	
<u>Less allowance for impairment</u>	13,612	23,660	-	37,272	
Intangible assets - net	86,449			44,094	

	Thousand Baht			Balance per book as at December 31, 2020
	Separate financial statements			
	Balance per book as at December 31, 2019	Transaction during the year		
		Additions	Deductions	
Computer software	298,142	6	(128,436)	169,712
Less accumulated amortization	259,273	11,665	(128,434)	142,504
Less allowance for impairment	314	-	-	314
Intangible assets - net	38,555			26,894

	Thousand Baht			Balance per book as at December 31, 2019
	Separate financial statements			
	Balance per book as at December 31, 2018	Transaction during the year		
		Additions	Deductions	
Computer software	297,478	669	(5)	298,142
Less accumulated amortization	247,230	12,048	(5)	259,273
Less allowance for impairment	314	-	-	314
Intangible assets - net	49,934			38,555

## 17. DEFERRED TAX ASSETS AND LIABILITIES

Deferred tax assets and liabilities are as follows:

	Thousand Baht			
	Consolidated financial statements		Separate financial statements	
	2020	2019	2020	2019
Deferred tax assets	236,754	230,464	204,964	204,288
Deferred tax liabilities	(208,000)	(252,420)	(208,000)	(248,497)
	28,754	(21,956)	(3,036)	(44,209)

Changes in deferred tax assets for the year ended December 31, 2020 are summarized as follows:

	Thousand Baht					
	Consolidated financial statements					
	Balance	The impacts	Balance	Revenue (expenses) during the year		Balance
	as at	of adoption	as at	In profit or loss	In	as at
December	of TFRS 9	January		comprehensive	December	
31, 2019		1, 2020		income	31, 2020	
Deferred tax assets:						
Allowance for doubtful accounts	7,261	4,291	11,552	651	-	12,203
Allowance for sales returns	318	-	318	(188)	-	130
Allowance for declining of inventories valuation	13,098	-	13,098	(1,154)	-	11,944
Allowance for impairment of fixed assets	17,659	-	17,659	8,818	-	26,477
Allowance for impairment of intangible assets	809	-	809	-	-	809
Provision for long-term employee benefits	19,908	-	19,908	269	-	20,177
Unused tax loss	171,411	-	171,411	(6,397)	-	165,014
Total	<u>230,464</u>	<u>4,291</u>	<u>234,755</u>	<u>1,999</u>	<u>-</u>	<u>236,754</u>
Deferred tax liabilities:						
Surplus on revaluation of assets	248,497	-	248,497	-	(40,497)	208,000
Intangible assets from business combination	3,923	-	3,923	(3,923)	-	-
Total	<u>252,420</u>	<u>-</u>	<u>252,420</u>	<u>(3,923)</u>	<u>(40,497)</u>	<u>208,000</u>
Thousand Baht						
Separate financial statements						
	Balance	The impacts	Balance	Revenue (expenses) during the year		Balance
	as at	adoption of	as at	In profit or loss	In	as at
	December	TFRS 9	January		comprehensive	December
	31, 2019		1, 2020		income	31, 2020
Deferred tax assets:						
Allowance for doubtful accounts	2,295	936	3,231	(739)	-	2,492
Allowance for sales returns	236	-	236	(161)	-	75
Allowance for declining of inventories valuation	8,843	-	8,843	(1,781)	-	7,062
Allowance for impairment of fixed assets	15,712	-	15,712	8,818	-	24,530
Provision for long-term employee benefits	18,272	-	18,272	(16)	-	18,256
Unused tax loss	158,930	-	158,930	(6,381)	-	152,549
Total	<u>204,288</u>	<u>936</u>	<u>205,224</u>	<u>(260)</u>	<u>-</u>	<u>204,964</u>
Deferred tax liabilities:						
Surplus on revaluation of assets	248,497	-	248,497	-	(40,497)	208,000
Total	<u>248,497</u>	<u>-</u>	<u>248,497</u>	<u>-</u>	<u>(40,497)</u>	<u>208,000</u>

As at December 31, 2020, the Company recognized additional deferred tax assets on unused tax loss, taking into consideration the plan to dispose of assets as discussed in Note 13 and it is expected that future taxable profit will be available against the utilization of these tax losses.

As at December 31, 2020 and 2019, the consolidated financial statements had deductible temporary differences and unused tax losses totaling Baht 354 million and Baht 329 million, respectively. Deferred tax assets on separate financial statements of Baht 102 million and Baht - million, respectively, have not been recognized as the Group believes future taxable profits may not be sufficient to allow utilization of such temporary differences.

Details of expiry date of unused tax losses are summarized as below:

	Million Baht			
	Consolidated financial statements		Separate financial statements	
	2020	2019	2020	2019
December 31, 2020	-	257	-	103
December 31, 2021	179	189	103	112
December 31, 2022	256	263	175	182
December 31, 2023	161	162	141	141
December 31, 2024	301	328	231	257
December 31, 2025	282	-	215	-
	<u>1,179</u>	<u>1,199</u>	<u>865</u>	<u>795</u>

## 18. WITHHOLDING TAX DEDUCTED AT SOURCES

As at December 31, 2020 and 2019, the Company and its subsidiaries had withholding tax deducted at sources for the years 2014 - 2019. Claim for refund from the Revenue Department for withholding tax deducted at sources for the years 2014 - 2018 had already been made and most of the claims are being reviewed by the Revenue Department. The management believes that the Company and its subsidiaries have all supporting documents for this withholding tax and all withholding tax will be refunded in full amount.

During the year 2020, the Company and its subsidiaries received withholding tax deduction in the total of Baht 45.20 million, which is for the tax years 2014 and 2016 (Separate Baht 38.74 million; is for the tax years 2016 and 2017).

## 19. BANK OVERDRAFTS AND SHORT-TERM LOANS FROM FINANCIAL INSTITUTIONS

This account consisted of:

	Interest rate (percent per annum)	Thousand Baht			
		Consolidated financial statements		Separate financial statements	
		2020	2019	2020	2019
Bank overdrafts	MOR	71,125	74,785	28,185	31,535
Short-term loans from financial institutions	MMR	894,000	907,000	894,000	894,000
Total		<u>965,125</u>	<u>981,785</u>	<u>922,185</u>	<u>925,535</u>



## 20. TRADE AND OTHER CURRENT PAYABLES

This account consisted of:

	Thousand Baht			
	Consolidated financial statements		Separate financial statements	
	2020	2019	2020	2019
Trade payables - related parties	-	-	1,778	1,565
Trade payables - unrelated parties	31,978	44,685	7,169	11,821
Amounts due to related parties	203	1,609	27	59
Accrued expenses	42,659	45,293	29,633	28,216
Other payables	30,824	32,468	29,277	31,861
Total trade and other current payables	<u>105,664</u>	<u>124,055</u>	<u>67,884</u>	<u>73,522</u>

## 21. LEASE LIABILITIES

Movements of the lease liabilities account for the year ended December 31, 2020 are summarized as follows:

	Thousand Baht
	Consolidated financial statements
Balance as at January 1, 2020	-
Addition	3,126
Payments	(46)
Balance as at December 31, 2020	3,080
<u>Less</u> current portion	(575)
Lease liabilities - net	<u>2,505</u>

The following are the leases related expenses recognized in profit or loss:

	Thousand Baht
	Consolidated financial statements
Depreciation of right-of-use assets	52
Interest expense on lease liabilities	11
Total	<u>63</u>

## 22. SHORT-TERM LOANS FROM NON-CONTROLLING INTERESTS OF A SUBSIDIARY

As at December 31, 2020 and 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 the Minimum Loan Rate (MLR) a commercial bank charges its prime customers, and repayable on demand.

### 23. LONG-TERM LOANS FROM FINANCIAL INSTITUTIONS

This account consisted of:

Loan	Interest rate (%)	Repayment schedule	Thousand Baht			
			Consolidated		Separate	
			financial statements		financial statements	
			2020	2019	2020	2019
1	Fixed rate of 5.50 percent per annum	Quarterly installments commencing September 2017 to December 2022	273,467	297,467	273,467	297,467
2	Fixed rate of 5.25 percent per annum	Quarterly installments commencing January 2018 to July 2020	-	3,000	-	-
Total			273,467	300,467	273,467	297,467
<u>Less</u> current portion			(132,000)	(99,000)	(132,000)	(96,000)
Long-term loans - net			<u>141,467</u>	<u>201,467</u>	<u>141,467</u>	<u>201,467</u>

During 2020, the financial institution has extended the principal and interest payment of three credit lines to the Company as follows:

- The principal repayment schedule is readjusted as follows:

	Million Baht
December 2020 - September 2021 (per period)	36.00
December 2021	24.00
March 2022 - September 2022 (per period)	35.60
Final period December 2022	Repay the remaining amount of principal

- For the interest, extend and adjust the monthly interest payment as follows:

Part 1 Interest payment from April 2020 to September 2020 in the amount of Baht 2,742,165 has to be paid with conditions follows:

December 2020 - June 2021 (pre period)	685,541 Baht
September 2021	Repay the remaining amount of interest

Part 2 Interest of October 2020 onwards is to be paid regularly at the interest rate of 5.5 percent per annum.

The long-term loan agreements require that the Company maintain a debt-to-equity ratio of not more than 2.25 times. However, in December 2020, the Company had been granted a waiver regarding maintenance of a debt-to-equity ratio for the 2020 financial statements at a rate higher than that prescribed in the loan agreement with some conditions for 2021.

## 24. PROVISION FOR LONG-TERM EMPLOYEE BENEFITS

Provision for long-term employee benefits, which post-employment benefits and long-term employee benefits, are as follows:

	Thousand Baht			
	Consolidated financial statements		Separate financial statements	
	2020	2019	2020	2019
<b>Provision for long-term employee</b>				
<b>benefits at beginning of year</b>	99,539	84,892	91,360	77,422
Included in profit or loss:				
Current service cost	6,561	7,427	5,374	6,749
Interest cost	1,312	1,242	1,156	1,091
Past service cost	-	11,476	-	10,373
Included in other comprehensive income:				
Actuarial loss (gain) arising from				
Demographic assumptions changes	-	20,069	-	17,689
Financial assumptions changes	-	378	-	3,402
Experience adjustments	-	(15,068)	-	(14,593)
Benefits paid during the year	(6,609)	(10,877)	(6,609)	(10,773)
<b>Provision for long-term employee</b>				
<b>benefits at end of year</b>	<u>100,803</u>	<u>99,539</u>	<u>91,281</u>	<u>91,360</u>

### Expenses recognized in comprehensive income

For the years ended December 31, 2020 and 2019

	Thousand Baht			
	Consolidated financial statements		Separate financial statements	
	2020	2019	2020	2019
Cost of sales and service	3,532	(1,469)	2,951	(1,318)
Selling and administrative expenses	4,341	21,614	3,579	19,531
Total	<u>7,873</u>	<u>20,145</u>	<u>6,530</u>	<u>18,213</u>

Significant actuarial assumptions are summarized below:

	Percent per annum			
	Consolidated financial statements		Separate financial statements	
	2020	2019	2020	2019
Discount rate	1.30 - 1.40	1.30 - 1.40	1.30 - 2.10	1.30 - 2.10
Salary increase rate	0.00 - 6.00	0.00 - 6.00	-	-
Turnover rate (depending on age of employees)	1.90 - 51.60	1.90 - 51.60	10.50 - 51.60	10.50 - 51.60

Sensitivity analysis

The results of sensitivity analysis for significant assumptions that affect the present value of the long-term employee benefit obligations as at December 31, 2020 and 2019, are summarized below:

	Million Baht			
	Consolidated financial statements		Separate financial statements	
	2020	2019	2020	2019
Discount rate				
1% increase	(4)	(2)	(2)	(2)
1% decrease	4	2	3	2
Salary increase rate				
1% increase	4	4	3	2
1% decrease	(1)	(1)	-	-
Employee turnover rate				
20% increase	(8)	(9)	(7)	(8)
20% decrease	10	11	8	9

On April 5, 2019, the Labour Protection Act has been enacted in the Royal Gazette. The Labour Protection Act includes a requirement that an employee who is terminated after having been employed by the same employer for an uninterrupted period of 20 years or more, receives severance payment of 400 days of wages at the most recent rate, which is increased from the current maximum rate of 300 days. This Act shall come into force after the expiration of thirty days from the enacted date in the Royal Gazette onwards. This change is considered a post-employment benefits plan amendment. The effect of the change is recognized as past service costs expenses in the statement of income.

**25. SURPLUS ON REVALUATION OF ASSETS**

Movement in the surplus on revaluation of assets for the years ended December 31, 2020 and 2019 as follows:

	Thousand Baht	
	Consolidated/Separate financial statements	
	2020	2019
Balance as at beginning of year	993,986	735,120
Increase (decrease) of surplus on revaluation of assets	(188,123)	323,583
Transfers to retained earnings (deficits)	(14,160)	-
Income tax effect	40,497	(64,717)
Balance as at end of year	<u>832,200</u>	<u>993,986</u>

The revaluation surplus can neither be offset against deficit nor used for dividend payment.

## 26. STATUTORY RESERVE

Pursuant to Section 116 of the Public Limited Companies Act B.E. 2535, the Company is required to set aside to a statutory reserve of at least 5 percent of its net income after deducting accumulated deficit brought forward (if any), until the reserve reaches 10 percent of the registered capital. The reserve, which has now been fully set aside, is not available for dividend distribution.

## 27. EXPENSES BY NATURE

Significant expenses classified by nature are as follows:

	Million Baht			
	Consolidated financial statements		Separate financial statements	
	2020	2019	2020	2019
Salaries and wages and other employee benefits	351	496	274	392
Loss on impairment of property-plant and equipment	44	104	44	94
Depreciation and amortization	69	95	67	83
Raw materials and consumables used	21	70	14	59
Loss on impairment of goodwill	32	63	-	-
Changes in inventories of finished goods and work in progress	(8)	28	(10)	7
Loss on impairment of intangible assets	-	24	-	-
Travelling expenses	1	21	1	16
Allowance for doubtful debts	1	20	12	16
Advertising expenses	4	17	2	13
News service expenses	15	16	15	16
Loss on impairment of investments in subsidiaries	-	-	11	191

## 28. INCOME TAX (EXPENSES)

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

28.1 Income tax (expenses) for the years ended December 31, 2020 and 2019 as follows:

	Thousand Baht			
	Consolidated financial statements		Separate financial statements	
	2020	2019	2020	2019
Income tax (expenses) shown in profit or loss:				
<b>Current income tax:</b>				
Income tax for the year	-	-	-	-
<b>Deferred tax:</b>				
Relating to origination of temporary differences during the year	5,922	179,903	(260)	166,623
Total	<u>5,922</u>	<u>179,903</u>	<u>(260)</u>	<u>166,623</u>

	Thousand Baht			
	Consolidated		Separate	
	financial statements		financial statements	
	2020	2019	2020	2019
Income tax relating to components of other comprehensive income:				
Deferred tax on actuarial gain	-	1,076	-	1,300
Surplus on revaluation of assets	40,497	(64,717)	40,497	(64,717)
Total	40,497	(63,641)	40,497	(63,417)

28.2 A numerical reconciliation between income tax expense and the product of accounting profit multiplied by the applicable tax rate for the years ended December 31, 2020 and 2019 are summarized as follows:

	Thousand Baht			
	Consolidated		Separate	
	financial statements		financial statements	
	2020	2019	2020	2019
Accounting loss before tax	(380,690)	(539,115)	(290,949)	(545,914)
Applicable tax rate (percent)	20	20	20	20
Accounting loss before tax multiplied by income tax rate	(76,138)	(107,823)	(58,190)	(109,183)
Reconciliation items:				
Adjustment in respect of deferred tax assets of previous year	53,740	(89,996)	49,402	(96,596)
Adjustment in respect of deferred tax liability of previous year	3,923	-	-	-
Tax losses for the year that have not been recognized as deferred tax assets	9,153	10,493	147	-
Tax effect of an allowance for diminution in value of loans to and investment in subsidiary, not recognized as deferred tax assets	-	-	5,940	38,201
Tax effect of income or profit that are not required in determining taxable profit:				
- Non-deductible expenses	3,393	8,437	2,961	955
Others	7	(1,014)	-	-
Total reconciliation items	70,216	(72,080)	58,450	(57,440)
Total income tax (expenses)	(5,922)	(179,903)	260	(166,623)

## 29. LOSS PER SHARE

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

	Consolidated financial statements		Separate financial statements	
	2020	2019	2020	2019
Loss attributable to equity holders of the Company (Thousand Baht)	(364,941)	(308,763)	(291,209)	(379,290)
Basic weighted average number of outstanding ordinary shares (Thousand shares)	500,000	500,000	500,000	500,000
Basic loss per share (Baht/Share)	(0.73)	(0.62)	(0.58)	(0.76)

### 30. OPERATING SEGMENT

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 decisions about the allocation of resources to the segment and assess its performance.

For management purposes, the Company and its subsidiaries are organized into business units based on its products and services and have three reportable segments as follows:

- Publishing and advertising segment
- Production of television programs segment
- Other segments

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 statements.

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

The following tables present revenue and profit information regarding the Company and its subsidiaries' operating segments for the years ended December 31, 2020 and 2019, respectively.

	Million Baht											
	Publishing and advertising segment		Production of television programs segment		Other segments		Total segments		eliminations of inter-segment		Consolidated financial statements	
	2020	2019	2020	2019	2020	2019	2020	2019	2020	2019	2020	2019
<b>Revenue</b>												
Revenue from external customers	281	588	64	124	110	89	455	801	-	-	455	801
Inter-segment revenue	4	8	-	-	-	-	4	8	(4)	(8)	-	-
<b>Segment profit (loss)</b>	(112)	(134)	(9)	(12)	9	54	(112)	(92)	5	8	(107)	(84)

### 31. PROVIDENT FUND

The Company and its subsidiaries have established contributory provident funds for its employees. Membership to the fund is on a voluntary basis. Contributions are made monthly by the employees at the rate of 4 - 8 percent of their basic salaries and by the Company at the same rate. The provident funds are registered with the Ministry of Finance as juristic entities under the Provident Fund Act B.E. 2530 and are managed by a licensed Fund Manager.

The Company and its subsidiaries have contributed to the fund for the years ended December 31, 2020 and 2019 in the amount of Baht 11 million and Baht 15 million (Separate Baht 10 million and Baht 13 million), respectively.

### 32. COMMITMENTS AND CONTINGENT LIABILITIES

As at December 31, 2020, the Company and its subsidiaries had commitments and contingent liabilities as follows:

#### 32.1 Long-term rental and service commitments

32.1.1 The Company had commitments with unrelated parties relating to hire contracts, maintenance of system contracts and other service contracts. The future services fees for these are payable are as follows:

	<u>Million Baht</u>
	<u>Consolidated/Separate</u>
	<u>financial statements</u>
Payable:	
Within 1 year	43
2 - 3 years	24

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

32.1.3 The subsidiary had two building service commitments, the rental period of 1 year and 10 months from December 1, 2020 to September 30, 2022, at the rate of Baht 0.03 million per month.

#### 32.2 Guarantees

The Company and its subsidiaries had outstanding bank guarantees of Baht 10.01 million issued in the normal course of business of the Company and subsidiaries.

### 33. FAIR VALUE HIERARCHY

As at December 31, 2020 and 2019, the Company and its subsidiaries had assets that were measured at fair value using different levels of inputs as follows:

	<u>Million Baht</u>			
	<u>Consolidated/Separate financial statements</u>			
	<u>As at December 31, 2020</u>			
	<u>Level 1</u>	<u>Level 2</u>	<u>Level 3</u>	<u>Total</u>
<b>Assets measured at fair value</b>				
Land and buildings	-	-	1,341	1,341



	Million Baht			
	Consolidated/Separate financial statements			
	As at December 31, 2019			
	Level 1	Level 2	Level 3	Total
<b>Assets measured at fair value</b>				
Land and buildings	-	-	1,544	1,544

### 34. Financial instruments

#### 34.1 Financial risk management

The Company and its subsidiaries financial instruments, TFRS 9 “Financial Instruments” principally comprise cash and cash equivalents, trade and other current receivables, short-term loans to related parties, trade and other current payables, bank overdrafts and short-term loans from financial institutions, short-term loans and long-term loans. The financial risks associated with these financial instruments and how they are managed is described below.

#### Credit risk

The Company and its subsidiaries are exposed to credit risk primarily with respect to trade accounts receivable and short-term and long-term loans to related parties. The Company and its subsidiaries manage the risk by adopting appropriate credit control policies and procedures and therefore do not expect to incur material financial losses, except for the amount provided by an allowance for doubtful debts. In addition, the Company and its subsidiaries do not have high concentration of credit risk since they have a large customer base. The maximum exposure to credit risk is limited to the carrying amounts of receivables and short-term loans to related parties as stated in the statements of financial position.

#### Interest rate risk

The Company and its subsidiaries exposure to interest rate risk relates primarily to their cash at banks, short-term loans to related parties, bank overdrafts and short-term loans from financial institutions, short-term loans and long-term borrowings. However, since most of the Group’s financial assets and liabilities bear floating interest rates or fixed interest rates which are close to the market rate, the interest rate risk is expected to be minimal.

As at December 31, 2020 and 2019, significant financial assets and liabilities classified by type of interest rates are summarized in the table below, with those financial assets and liabilities that carry fixed interest rates further classified based on the maturity date, or the repricing date if this occurs before the maturity date.

	Million Baht					Effective interest rate (percent per annum)
	Consolidated financial statements as at December 31, 2020					
	Fixed interest rates		Floating interest rate	Non- interest bearing	Total	
	Within 1 year	1 to 5 years				
<b>Financial assets</b>						
Cash and cash equivalents	-	-	-	3	3	0.10 - 0.75
Trade and other current receivables	-	-	-	85	85	-
	-	-	-	88	88	
<b>Financial liabilities</b>						
Bank overdrafts and short-term loans						
from financial institutions	-	-	965	-	965	MMR, MOR
Trade and other current payables	-	-	-	106	106	-
Short-term loans from non-controlling						
interests of the subsidiary	-	-	6	-	6	Reference to MLR
Short-term loans from director	305	-	-	-	305	4.50 - 5.25
Lease liabilities	575	2,505	-	-	3,080	4.30
Long-term loans from financial						
institutions	132	141	-	-	273	5.25 - 5.50
	1,012	2,646	971	106	4,735	

	Million Baht					Effective interest rate (percent per annum)
	Consolidated financial statements as at December 31, 2019					
	Fixed interest rates		Floating interest rate	Non- interest bearing	Total	
	Within 1 year	1 to 5 years				
<b>Financial assets</b>						
Cash and cash equivalents	-	-	1	5	6	0.10 - 0.75
Trade and other current receivables	-	-	-	219	219	-
	-	-	1	224	225	
<b>Financial liabilities</b>						
Bank overdrafts and short-term loans						
from financial institutions	-	-	982	-	982	MMR, MOR
Trade and other current payables	-	-	-	124	124	-
Short-term loans from non-controlling						
interests of the subsidiary	-	-	6	-	6	Reference to MLR
Short-term loans from director	161	-	-	-	161	5.25
Long-term loans from financial						
institutions	99	201	-	-	300	5.25 - 5.50
	260	201	988	124	1,573	

	Million Baht					Effective interest rate (percent per annum)
	Separate financial statements as at December 31, 2020					
	Fixed interest rates		Floating interest rate	Non- interest bearing	Total	
	Within 1 year	1 to 5 years				
<b>Financial assets</b>						
Cash and cash equivalents	-	-	-	2	2	0.10 - 0.75
Trade and other current receivables	-	-	-	56	56	-
Short-term loan to related parties	64	-	-	-	64	5.25 - 7.13
	64	-	-	58	122	
<b>Financial liabilities</b>						
Bank overdrafts and short-term loans						
from financial institutions	-	-	922	-	922	MMR, MOR
Trade and other current payables	-	-	-	68	68	-
Short-term loans from director	290	-	-	-	290	4.50-5.25
Long-term loans from financial institutions						
	141	132	-	-	273	5.50
	431	132	922	68	1,553	
<b>Million Baht</b>						
Separate financial statements as at December 31, 2019						
Fixed interest rates		Floating interest rate	Non- interest bearing	Total		Effective interest rate (percent per annum)
Within 1 year	1 to 5 years					
<b>Financial assets</b>						
Cash and cash equivalents	-	-	-	5	5	0.10 - 0.75
Trade and other current receivables	-	-	-	94	94	-
Short-term loan to related parties	66	-	-	-	66	5.25 - 7.13
	66	-	-	99	165	
<b>Financial liabilities</b>						
Bank overdrafts and short-term loans						
from financial institutions	-	-	926	-	926	MMR, MOR
Trade and other current payables	-	-	-	74	74	-
Short-term loans from director	146	-	-	-	146	5.25
Long-term loans from financial institutions						
	96	201	-	-	297	5.50
	242	201	926	74	1,443	

#### Foreign currency risk

The Company and its subsidiaries do not consider themselves exposed to foreign currency risk because the Group have no significant business transactions in foreign currency.

### 34.2 Fair values of financial instruments

Since the majority of the Company and its subsidiaries financial instruments are short-term in nature or carrying interest at rates close to the market interest rates, their fair value is not expected to be materially different from the amounts presented in the statements of financial position as at December 31, 2020, as follows:

	Thousand Baht			
	Consolidated financial statements		Separate financial statements	
	Amortized cost	Total	Amortized cost	Total
Financial assets as at January 1, 2020				
Cash and cash equivalents	3,025	3,025	2,374	2,374
Trade and other current receivables	85,139	85,139	55,618	55,618
Short-term loans to related parties	-	-	64,300	64,300
Other current financial assets				
Other current assets	7,623	7,623	3,592	3,592
Other non-current assets	1,640	1,640	264	264
	<u>97,427</u>	<u>97,427</u>	<u>126,148</u>	<u>126,148</u>
Financial liabilities as at January 1, 2020				
Bank overdrafts and short-term loans				
from financial institutions	965,125	965,125	922,185	922,185
Trade and other current payables	105,665	105,665	67,884	67,884
Short-term loans from non-controlling				
interests of the subsidiary	5,880	5,880	-	-
Short-term loans from director	305,000	305,000	290,000	290,000
Other current liabilities	17,786	17,786	13,232	13,232
Lease liabilities	3,080	3,080	-	-
Long-term loans from financial institutions	273,467	273,467	273,467	273,467
	<u>1,679,003</u>	<u>1,679,003</u>	<u>1,566,768</u>	<u>1,566,768</u>

### 35. CAPITAL MANAGEMENT

The Company and its subsidiaries significant objectives on capital management are to ensure that it has the appropriate financial and capital structure as well as to maintain the financial liquidity and ability to continue its business as a going concern. The Company and its subsidiaries did not change any significant policies relating to its capital management during the year.

As at December 31, 2020 and 2019, the Company and its subsidiaries debt-to-equity ratios were as follows:

	Ratio			
	Consolidated financial statements		Separate financial statements	
	2020	2019	2020	2019
Debt-to-equity ratio	<u>(8.33) : 1</u>	<u>6.65 : 1</u>	<u>(11.14) : 1</u>	<u>6.69 : 1</u>

### **36. IMPORTANT MATTERS**

#### **36.1 The financial plan**

On May 27, 2020, the Company convened Public Presentation No. 1/2020 to clarify the financial plan the Company has executed continuously to adjust the Company's structure to be suitable for the business situation including controlling costs and reducing expenses that are not needed for operations. For instance, entering into the disposition of assets (Printing Plant and Distribution Center (Bangna) and Office Building (Klongtoey)) as approved by the 2020 Annual General Meeting of Shareholders on April 22, 2020.

On August 26, 2020, the Company convened Public Presentation No. 2/2020 to change business strategies and models to meet consumers, and advertising clients' needs by creating a marketing team that oversees branding and digital products, and creating a strategy team to plan proactive marketing strategies. Also included in presentation was the development of digital media channels to increase revenue and compensate for the decline in print media revenue by developing products and providing services to meet today's readers and market profiles, expanding the online reader base, adding more service channels to serve more consumers' reach, especially social media, and developing a Customer Relationship Management (CRM) system and customer database through a variety of activities.

On November 25, 2020, the Company convened Public Presentation No. 3/2020 to develop employee skills and increase digital media personnel by enhancing working skills through organizing training on topics related to digital media, recruiting skilled personnel to develop digital media, hiring consultants to participate in planning and developing digital products, and creating new products under the Bangkok Post Group brand to enhance revenue e.g. organizing seminars, promotional activities, doing public relations for organizations, organizing Masterclasses, etc. Also, the Company reduced hiring employees and transferred skilled internal employees suitable for the job to undertake duties that meet market demands. The Company also considered new projects to increase revenue such as online business shopping, tours, school trips, subscription and reader revenue, masterclasses, business intelligence and business matching.

#### **36.2 Coronavirus disease 2019 pandemic**

The Coronavirus disease 2019 pandemic is continuing to evolve, resulting in an economic slowdown and adversely impacting most businesses and industries as a whole. The situation affects the results of operations of the Company and its subsidiaries as well as, recognition and measurement of assets and liabilities in the financial statements. Nevertheless, the management will continue to monitor the ongoing development and regularly assess the financial impact in respect of the valuation of assets, provisions and contingent liabilities.

### **37. EVENTS AFTER THE REPORTING PERIOD**

The Meeting of the Board of Directors No. 1/2021 held on January 28, 2021 resolved as follows:

1. Approved the result of bidding for selling the company's assets which are Printing Plant and Distribution Center (Bangna) and Office Building (Klongtoey) to the winning bidder, Romruen Land Company Limited, the connected person. The total value is Baht 1,226.21 million. The Company processed the bidding for selling the company's assets and the advertisement for the auction was published in Bangkok Post. Submission date for the auction was January 13, 2021. Bid envelopes were opened on January 14, 2021 and Romreun Land Co., Ltd. was the winning bidder.
2. Approved entering into the transaction to leaseback Office Building ( Klongtoey) from Romruen Land Company Limited. The leaseback space is not over 9,000 sq.m. in total along with parking space for 180 cars for 3 years at the rate of 400 Baht per sq.m.

However, the transaction in item 1 and 2 must be approved by the shareholders meeting with votes of not less than three-fourths of the total number of shareholders attending the meeting and having voting rights, excluding the votes of shareholders having an interest in the matter. The Company has a resolved to call Extraordinary General Meeting of Shareholders No. 1/2021 on March 18, 2021.

### **38. APPROVAL OF FINANCIAL STATEMENTS**

These financial statements were authorized for issue by the Board of Directors on February 22, 2021.