

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

## **Independent Auditor's Report on Review of Interim Financial Information**

To the Shareholders of Bangkok Post Public Company Limited

I have reviewed the accompanying consolidated statement of financial position of Bangkok Post Public Company Limited and its subsidiaries as at 30 June 2019 and the related consolidated statements of comprehensive income for the three-month and six-month periods then ended, the related consolidated changes in shareholders' equity, and cash flows for the six-month period then ended, as well as the condensed notes to the consolidated financial statements. I have also reviewed the separate financial information of Bangkok Post Public Company Limited for the same periods. Management is responsible for the preparation and presentation of this interim financial information in accordance with Thai Accounting Standard 34 *Interim Financial Reporting*. My responsibility is to express a conclusion on this interim financial information based on my review.

### **Scope of review**

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

### **Conclusion**

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

## **Emphasis of matter**

### **Material Uncertainty Related to Going Concern**

I draw attention to the matter as described in Note 1.2 to the financial statements. The Group has operating loss and as at 30 June 2019 the Group's current liabilities exceeded current assets. However, during the period, the Group has proceeded in accordance with the plan to remedy the situation. As at 30 June 2019 the Group still had total net assets. The management believe that the Group will be able to continue as a going concern and the financial statements have therefore been prepared under the going concern basis. The Group is in the process to execute the changes in its strategic plan and improve its future operations. 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 21 to the financial statements regarding corrective measures and compliance with the regulations of the Stock Exchange of Thailand in the event that the securities of the Company are posted with "C" (Caution) sign.

My conclusion is not qualified in respect of these matters.

Saifon Inkaew

Certified Public Accountant (Thailand) No. 4434

EY Office Limited

Bangkok: 14 August 2019

**Bangkok Post Public Company Limited and its subsidiaries**

**Statement of financial position**

**As at 30 June 2019**

(Unit: Thousand Baht)

	<u>Note</u>	<b>Consolidated financial statements</b>		<b>Separate financial statements</b>	
		30 June 2019	31 December 2018	30 June 2019	31 December 2018
		(Unaudited but reviewed)	(Audited)	(Unaudited but reviewed)	(Audited)
<b>Assets</b>					
<b>Current assets</b>					
Cash and cash equivalents		3,713	8,780	2,527	6,963
Trade and other receivables	3	246,882	387,999	116,442	177,342
Inventories	4	46,539	69,858	21,766	33,584
Short-term loans to related parties	2	-	-	63,377	66,677
Corporate income tax deducted at source		98,291	90,707	55,911	52,422
Other current assets		24,592	31,395	12,101	10,944
<b>Total current assets</b>		<b>420,017</b>	<b>588,739</b>	<b>272,124</b>	<b>347,932</b>
<b>Non-current assets</b>					
Investments in subsidiaries	5	-	-	206,473	206,473
Investments in joint venture	6	6,259	10,116	-	-
Investments in associate	7	-	-	-	-
Other long-term investment	8	-	-	-	-
Property, plant and equipment	9	1,407,801	1,450,416	1,396,210	1,436,542
Goodwill		94,851	94,851	-	-
Intangible assets	10	77,506	86,449	44,637	49,934
Deferred tax assets	11	55,297	50,398	40,656	36,365
Other non-current assets		2,968	3,014	263	403
<b>Total non-current assets</b>		<b>1,644,682</b>	<b>1,695,244</b>	<b>1,688,239</b>	<b>1,729,717</b>
<b>Total assets</b>		<b>2,064,699</b>	<b>2,283,983</b>	<b>1,960,363</b>	<b>2,077,649</b>

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

**Bangkok Post Public Company Limited and its subsidiaries**

**Statement of financial position (continued)**

**As at 30 June 2019**

(Unit: Thousand Baht)

	Note	Consolidated financial statements		Separate financial statements	
		30 June 2019	31 December 2018	30 June 2019	31 December 2018
		(Unaudited but reviewed)	(Audited)	(Unaudited but reviewed)	(Audited)
<b>Liabilities and shareholders' equity</b>					
<b>Current liabilities</b>					
Bank overdrafts and short-term loans from					
financial institutions	12	968,246	936,176	922,011	873,719
Trade and other payables	13	146,141	198,390	91,325	111,565
Short-term loans from non-controlling interests					
of the subsidiary	14	5,880	5,880	-	-
Short-term loan from director	2	50,000	-	50,000	-
Current portion of long-term loans	15	82,000	64,000	78,000	60,000
Unearned subscription fee		40,375	46,252	35,604	40,844
Other current liabilities		32,151	56,201	22,554	34,058
<b>Total current liabilities</b>		<b>1,324,793</b>	<b>1,306,899</b>	<b>1,199,494</b>	<b>1,120,186</b>
<b>Non-current liabilities</b>					
Long-term loans, net of current portion	15	250,467	300,467	249,467	297,467
Deferred tax liabilities		188,162	188,617	183,780	183,780
Provision for long-term employee benefits	16	81,042	84,892	76,025	77,422
<b>Total non-current liabilities</b>		<b>519,671</b>	<b>573,976</b>	<b>509,272</b>	<b>558,669</b>
<b>Total liabilities</b>		<b>1,844,464</b>	<b>1,880,875</b>	<b>1,708,766</b>	<b>1,678,855</b>
<b>Shareholders' equity</b>					
Share capital					
Registered					
505,000,000 ordinary shares of Baht 1 each		505,000	505,000	505,000	505,000
Issued and fully paid up					
500,000,000 ordinary shares of Baht 1 each		500,000	500,000	500,000	500,000
Retained earnings					
Appropriated - statutory reserve		50,500	50,500	50,500	50,500
Unappropriated		(1,106,095)	(935,319)	(1,034,023)	(886,826)
Other components of shareholders' equity		735,120	735,120	735,120	735,120
Equity attributable to owners of the Company		179,525	350,301	251,597	398,794
Non-controlling interests of the subsidiaries		40,710	52,807	-	-
<b>Total shareholders' equity</b>		<b>220,235</b>	<b>403,108</b>	<b>251,597</b>	<b>398,794</b>
<b>Total liabilities and shareholders' equity</b>		<b>2,064,699</b>	<b>2,283,983</b>	<b>1,960,363</b>	<b>2,077,649</b>
		-	-	-	-

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

Directors

**Bangkok Post Public Company Limited and its subsidiaries****Statements of comprehensive income**

For the three-month period ended 30 June 2019

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

	Note	Consolidated financial statements		Separate financial statements	
		2019	2018	2019	2018
Sales income		36,032	52,033	34,742	50,640
Services income		139,867	258,415	88,105	140,552
Cost of sales and services		(166,764)	(251,894)	(113,729)	(155,798)
<b>Gross profit</b>		9,135	58,554	9,118	35,394
Selling expenses		(40,878)	(34,129)	(33,998)	(23,967)
Administrative expenses		(50,767)	(51,384)	(36,585)	(41,071)
<b>Loss from sales and rendering of services</b>		(82,510)	(26,959)	(61,465)	(29,644)
Share of profit (loss) from investments in joint venture	6	(3,391)	265	-	-
Other income		5,111	7,684	8,583	11,207
<b>Loss before finance cost and income tax expenses</b>		(80,790)	(19,010)	(52,882)	(18,437)
Finance cost		(18,941)	(16,838)	(18,140)	(15,946)
<b>Loss before income tax expenses</b>		(99,731)	(35,848)	(71,022)	(34,383)
Income tax revenues (expenses)	11	3,080	6,733	2,165	6,234
<b>Loss for the period</b>		(96,651)	(29,115)	(68,857)	(28,149)
<b>Other comprehensive income:</b>					
<i>Other comprehensive income not to be reclassified to profit or loss in subsequent periods</i>					
Actuarial Gain		2,845	-	-	-
Less: Income tax effect		(148)	-	-	-
<b>Other comprehensive income for the period</b>		2,697	-	-	-
<b>Total comprehensive income for the period</b>		(93,954)	(29,115)	(68,857)	(28,149)
<b>Profit (loss) attributable to:</b>					
Equity holders of the Company		(88,736)	(28,229)	(68,857)	(28,149)
Non-controlling interests of the subsidiaries		(7,915)	(886)		
		(96,651)	(29,115)		
<b>Total comprehensive income attributable to:</b>					
Equity holders of the Company		(86,039)	(28,229)	(68,857)	(28,149)
Non-controlling interests of the subsidiaries		(7,915)	(886)		
		(93,954)	(29,115)		
<b>Loss per share</b>					
17					
Basic loss per share					
Loss attributable to equity holders of the Company		(0.18)	(0.06)	(0.14)	(0.06)

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

(Unaudited but reviewed)

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

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

	Note	Consolidated financial statements		Separate financial statements	
		2019	2018	2019	2018
Sales income		83,469	108,780	80,892	105,513
Services income		300,777	480,483	184,630	271,322
Cost of sales and services		(388,605)	(502,212)	(282,033)	(329,165)
<b>Gross profit (loss)</b>		<b>(4,359)</b>	<b>87,051</b>	<b>(16,511)</b>	<b>47,670</b>
Selling expenses		(69,412)	(72,376)	(53,932)	(51,813)
Administrative expenses		(102,517)	(103,768)	(77,425)	(81,307)
<b>Loss from sales and rendering of services</b>		<b>(176,288)</b>	<b>(89,093)</b>	<b>(147,868)</b>	<b>(85,450)</b>
Share of profit (loss) from investments in joint venture	6	(3,857)	982	-	-
Other income		11,196	16,092	17,833	23,344
<b>Loss before finance cost and income tax expenses</b>		<b>(168,949)</b>	<b>(72,019)</b>	<b>(130,035)</b>	<b>(62,106)</b>
Finance cost		(37,304)	(32,846)	(35,508)	(31,355)
<b>Loss before income tax expenses</b>		<b>(206,253)</b>	<b>(104,865)</b>	<b>(165,543)</b>	<b>(93,461)</b>
Income tax revenues (expenses)	11	8,959	17,267	7,102	16,955
<b>Loss for the period</b>		<b>(197,294)</b>	<b>(87,598)</b>	<b>(158,441)</b>	<b>(76,506)</b>
<b>Other comprehensive income:</b>					
<i>Other comprehensive income not to be reclassified to profit or loss in subsequent periods</i>					
Actuarial Gain		18,026	-	14,055	-
Less: Income tax effect		(3,605)	-	(2,811)	-
<b>Other comprehensive income for the period</b>		<b>14,421</b>	<b>-</b>	<b>11,244</b>	<b>-</b>
<b>Total comprehensive income for the period</b>		<b>(182,873)</b>	<b>(87,598)</b>	<b>(147,197)</b>	<b>(76,506)</b>
<b>Profit (loss) attributable to:</b>					
Equity holders of the Company		(185,197)	(87,084)	(158,441)	(76,506)
Non-controlling interests of the subsidiaries		(12,097)	(514)		
		<b>(197,294)</b>	<b>(87,598)</b>		
<b>Total comprehensive income attributable to:</b>					
Equity holders of the Company		(170,776)	(87,084)	(147,197)	(76,506)
Non-controlling interests of the subsidiaries		(12,097)	(514)		
		<b>(182,873)</b>	<b>(87,598)</b>		
<b>Loss per share</b>					
17					
Basic loss per share					
Loss attributable to equity holders of the Company		(0.37)	(0.17)	(0.32)	(0.15)

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

(Unaudited but reviewed)

**Bangkok Post Public Company Limited and its subsidiaries**

**Cash flow statements**

**For the six-month period ended 30 June 2019**

(Unit: Thousand Baht)

	<b>Consolidated financial statements</b>		<b>Separate financial statements</b>	
	<u>2019</u>	<u>2018</u>	<u>2019</u>	<u>2018</u>
<b>Cash flows from operating activities</b>				
Loss before tax	(206,253)	(104,865)	(165,543)	(93,461)
Adjustments to reconcile loss before tax to net cash provided by (paid from) operating activities:				
Allowance for doubtful debts (reversal)	(58)	(7,911)	7,443	53
Reversal of allowance for sales returns	(635)	(1,857)	(635)	(2,033)
Reduction of inventory to net realisable value	482	1,105	742	1,105
Depreciation and amortisation	52,040	60,065	45,964	49,783
Gain on disposal and write-off of equipment and computer software	(1,698)	(1,063)	(907)	(1,063)
Share of loss (profit) from investments in joint venture	3,857	(982)	-	-
Provision for long-term employee benefits	14,176	3,011	12,658	2,340
Interest expenses	37,304	32,846	35,508	31,355
Loss from operating activities before changes in operating assets and liabilities	(100,785)	(19,651)	(64,770)	(11,921)
Operating assets (increase) decrease				
Trade and other receivables	141,810	57,115	54,092	47,855
Inventories	22,837	9,776	11,076	3,301
Other current assets	6,803	5,495	(1,157)	(715)
Other non-current assets	46	3,289	140	71
Operating liabilities increase (decrease)				
Trade and other payables	(50,405)	(51,794)	(18,401)	(32,711)
Other current liabilities	(29,927)	(19,699)	(16,744)	(12,028)
Cash flows used in operating activities	(9,621)	(15,469)	(35,764)	(6,148)
Cash paid for interest expenses	(38,415)	(27,541)	(36,614)	(30,945)
Cash paid for corporate income tax	(7,584)	(11,124)	(3,489)	(6,100)
<b>Net cash flows used in operating activities</b>	<b>(55,620)</b>	<b>(54,134)</b>	<b>(75,867)</b>	<b>(43,193)</b>

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



(Unaudited but reviewed)

**Bangkok Post Public Company Limited and its subsidiaries**

**Cash flow statements (continued)**

**For the six-month period ended 30 June 2019**

(Unit: Thousand Baht)

	<b>Consolidated financial statements</b>		<b>Separate financial statements</b>	
	<u>2019</u>	<u>2018</u>	<u>2019</u>	<u>2018</u>
<b>Cash flows from investing activities</b>				
Decrease in short-term loans to related parties	-	-	3,300	-
Dividend received from joint venture	-	6,326	-	-
Proceeds from sales of equipment	2,232	1,066	1,314	1,066
Cash paid for purchase of equipment	(1,105)	(2,403)	(831)	(1,979)
Cash paid for purchase of computer software	(644)	(17)	(644)	(17)
<b>Net cash flows from (used in) investing activities</b>	<b>483</b>	<b>4,972</b>	<b>3,139</b>	<b>(930)</b>
<b>Cash flows from financing activities</b>				
Increase in bank overdrafts and short-term loans				
from financial institutions	32,070	59,899	48,292	50,472
Cash received from short-term loan from director	50,000	-	50,000	-
Repayment of long-term loans	(32,000)	(6,000)	(30,000)	(5,000)
<b>Net cash flows from financing activities</b>	<b>50,070</b>	<b>53,899</b>	<b>68,292</b>	<b>45,472</b>
<b>Net increase (decrease) in cash and cash equivalents</b>	<b>(5,067)</b>	<b>4,737</b>	<b>(4,436)</b>	<b>1,349</b>
Cash and cash equivalents at beginning of period	8,780	12,091	6,963	8,509
<b>Cash and cash equivalents at end of period</b>	<b>3,713</b>	<b>16,828</b>	<b>2,527</b>	<b>9,858</b>
	-		-	
<b>Supplemental cash flows information:</b>				
Non-cash item:				
Purchase of equipment and computer software				
for which cash has not been paid	632	1,365	632	1,365

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

(Unaudited but reviewed)

**Bangkok Post Public Company Limited and its subsidiaries**

**Statements of changes in shareholders' equity**

**For the six-month period ended 30 June 2019**

(Unit: Thousand Baht)

<b>Consolidated financial statements</b>								
Equity attributable to the owners of the Company								
	Equity attributable to the owners of the Company			Other components of equity			Equity attributable to non-controlling interests of the subsidiaries	Total shareholders' equity
	Issued and fully paid-up share capital	Retained earnings		Other comprehensive income	Total other components of shareholders' equity	Total equity attributable to the owners of the Company		
		Appropriated - statutory reserve	Unappropriated	Surplus on revaluation of land				
<b>Balance as at 31 December 2017</b>	500,000	50,500	(771,893)	577,379	577,379	355,986	52,732	408,718
Total comprehensive income for the period	-	-	(87,084)	-	-	(87,084)	(514)	(87,598)
<b>Balance as at 30 June 2018</b>	<u>500,000</u>	<u>50,500</u>	<u>(858,977)</u>	<u>577,379</u>	<u>577,379</u>	<u>268,902</u>	<u>52,218</u>	<u>321,120</u>
<b>Balance as at 31 December 2018</b>	500,000	50,500	(935,319)	735,120	735,120	350,301	52,807	403,108
Loss for the period	-	-	(185,197)	-	-	(185,197)	(12,097)	(197,294)
Other comprehensive income for the period	-	-	14,421	-	-	14,421	-	14,421
Total comprehensive income for the period	-	-	(170,776)	-	-	(170,776)	(12,097)	(182,873)
<b>Balance as at 30 June 2019</b>	<u>500,000</u>	<u>50,500</u>	<u>(1,106,095)</u>	<u>735,120</u>	<u>735,120</u>	<u>179,525</u>	<u>40,710</u>	<u>220,235</u>
	-	-	-	-	-	-	-	-

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

(Unaudited but reviewed)

**Bangkok Post Public Company Limited and its subsidiaries**

**Statements of changes in shareholders' equity (continued)**

**For the six-month period ended 30 June 2019**

(Unit: Thousand Baht)

	<b>Separate financial statements</b>					
	Issued and fully paid-up share capital	Retained earnings		Other components of equity		Total shareholders' equity
		Appropriated - statutory reserve	Unappropriated	Other comprehensive income Surplus on revaluation of land	Total other components of shareholders' equity	
<b>Balance as at 31 December 2017</b>	500,000	50,500	(727,463)	577,379	577,379	400,416
Total comprehensive income for the period	-	-	(76,506)	-	-	(76,506)
<b>Balance as at 30 June 2018</b>	<u>500,000</u>	<u>50,500</u>	<u>(803,969)</u>	<u>577,379</u>	<u>577,379</u>	<u>323,910</u>
<b>Balance as at 31 December 2018</b>	500,000	50,500	(886,826)	735,120	735,120	398,794
Loss for the period	-	-	(158,441)	-	-	(158,441)
Other comprehensive income for the period	-	-	11,244	-	-	11,244
Total comprehensive income for the period	-	-	(147,197)	-	-	(147,197)
<b>Balance as at 30 June 2019</b>	<u>500,000</u>	<u>50,500</u>	<u>(1,034,023)</u>	<u>735,120</u>	<u>735,120</u>	<u>251,597</u>
	-	-	-	-	-	-

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

**Bangkok Post Public Company Limited and its subsidiaries**

**Notes to interim consolidated financial statements**

**For the three-month and six-month periods ended 30 June 2019**

**1. General information**

**1.1 Corporate information**

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

**1.2 Fundamental accounting assumptions**

The Group has operating loss and as at 30 June 2019 the Group's current liabilities exceeded current assets. However, during the period, the Group has proceeded in accordance with its operating, investing and financing plans. As at 30 June 2019 the Group still had total net assets. The Group's management believe that the Group will be able to continue as a going concern and will be able to operate in accordance with amended strategic plans and improve its future operations. Therefore, the financial statements have been prepared under the going concern basis, which assets and liabilities are recorded on a basis whereby the Group will be able to realize its assets and meet its obligations in the ordinary course of business.

**1.3 Basis for the preparation of interim financial statements**

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

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

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

#### **1.4 Basis of consolidation**

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

#### **1.5 New financial reporting standards**

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

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

##### **TFRS 15 Revenue from Contracts with Customers**

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

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

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

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

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

The Federation of Accounting Professions issued a number of new financial reporting standards and interpretations, which are effective for fiscal years beginning on or after 1 January 2020. These new standards involve changes to key principles, which are summarised below.

**Financial reporting standards related to financial instruments**

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

Financial reporting standards:

TFRS 7	Financial Instruments: Disclosures
TFRS 9	Financial Instruments

Accounting standard:

TAS 32	Financial Instruments: Presentation
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Financial Reporting Standard Interpretations:

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

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

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

**TFRS 16 Leases**

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

(Unaudited but reviewed)

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

## 1.6 Significant accounting policies

The interim financial statements are prepared using the same accounting policies and methods of computation as were used for the financial statements for the year ended 31 December 2018.

## 2. Related party transactions

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

(Unit: Million Baht)

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

(Unaudited but reviewed)

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

(Unit: Thousand Baht)

	Consolidated		Separate	
	financial statements		financial statements	
	30 June	31 December	30 June	31 December
	2019	2018	2019	2018
	(Audited)		(Audited)	
<b><u>Trade and other receivables - related parties (Note 3)</u></b>				
Subsidiaries	-	-	61,837	51,085
Joint venture	366	2,487	305	1,211
Less: Allowance for doubtful accounts	-	-	(57,661)	(48,199)
<b>Total trade and other receivables - related parties</b>	<b>366</b>	<b>2,487</b>	<b>4,481</b>	<b>4,097</b>
<b><u>Trade and other payables - related parties (Note 13)</u></b>				
Subsidiaries	-	-	4,229	2,940
Joint venture	1,227	2,964	650	1,871
<b>Total trade and other payables - related parties</b>	<b>1,227</b>	<b>2,964</b>	<b>4,879</b>	<b>4,811</b>

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

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

(Unit: Thousand Baht)

Loans to related parties	Related by	Separate financial statements		
		Balance as at	Increase (decrease)	Balance as at
		31 December 2018	during the period	30 June 2019
Post International Media Co., Ltd.	Subsidiary	61,000	1,500	62,500
Post News Co., Ltd.	Subsidiary	6,120	-	6,120
Post TV Co., Ltd.	Subsidiary	338,659	(4,800)	333,859
		405,779	(3,300)	402,479
Less: Allowance for doubtful accounts		(339,102)	-	(339,102)
<b>Total</b>		<b>66,677</b>	<b>(3,300)</b>	<b>63,377</b>

(Unit: Thousand Baht)

Loan from related party	Related by	Separate financial statements		
		Balance as at	Increase	Balance as at
		31 December 2018	during the period	30 June 2019
Director	Directorship	-	50,000	50,000

During the period, the Company received short-term unsecured loan from director amounting to Baht 50 million which carries interest at the rate of 5.25 percent per annum. The principal is due at call.



(Unaudited but reviewed)

Directors and management's benefits

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

(Unit: Million Baht)

	For the three-month periods ended 30 June			
	Consolidated financial statements		Separate financial statements	
	<u>2019</u>	<u>2018</u>	<u>2019</u>	<u>2018</u>
Short-term employee benefits	<u>10</u>	<u>13</u>	<u>4</u>	<u>4</u>

(Unit: Million Baht)

	For the six-month periods ended 30 June			
	Consolidated financial statements		Separate financial statements	
	<u>2019</u>	<u>2018</u>	<u>2019</u>	<u>2018</u>
Short-term employee benefits	<u>18</u>	<u>22</u>	<u>8</u>	<u>9</u>

**3. Trade and other receivables**

(Unit: Thousand Baht)

	Consolidated		Separate	
	financial statements		financial statements	
	30 June 2019	31 December 2018	30 June 2019	31 December 2018
		(Audited)		(Audited)
<u>Trade receivables - related parties</u>				
Aged on the basis of due dates				
Not yet due	17	17	-	132
Past due				
Up to 3 months	44	35	-	-
6 - 12 months	-	578	-	578
Total trade receivables - related parties	<u>61</u>	<u>630</u>	<u>-</u>	<u>710</u>

(Unaudited but reviewed)

(Unit: Thousand Baht)

	Consolidated		Separate	
	financial statements		financial statements	
	30 June	31 December	30 June	31 December
	2019	2018	2019	2018
		(Audited)		(Audited)
<u>Trade receivables - unrelated parties</u>				
Aged on the basis of due dates				
Not yet due	73,967	141,770	47,197	68,174
Past due				
Up to 3 months	66,222	115,929	52,996	84,159
3 - 6 months	11,976	10,731	3,866	8,709
6 - 12 months	6,377	21,019	348	3,390
Over 12 months	32,839	34,983	10,658	15,372
Total	191,381	324,432	115,065	179,804
Less: Allowance for doubtful debts	(16,738)	(18,135)	(11,725)	(15,083)
Allowance for sales returns	(1,661)	(2,296)	(1,661)	(2,296)
Total trade receivables - unrelated parties, net	172,982	304,001	101,679	162,425
Total trade receivables - net	173,043	304,631	101,679	163,135
<u>Other receivables</u>				
Unbilled revenue	73,534	81,511	10,282	10,820
Amounts due from related parties	305	1,857	62,142	51,586
Less: Allowance for doubtful debts	-	-	(57,661)	(48,199)
Total other receivables - net	73,839	83,368	14,763	14,207
Trade and other receivables - net	246,882	387,999	116,442	177,342

#### 4. Allowance to reduce cost to net realisable value

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

(Unit: Thousand Baht)

	Consolidated	Separate
	financial statements	financial statements
<b>Balance as at 1 January 2019</b>	49,141	33,396
Add: Reduce cost to net realisable value of inventory account	482	742
<b>Balance as at 30 June 2019</b>	49,623	34,138

(Unaudited but reviewed)

**5. Investments in subsidiaries**

(Unit: Thousand Baht)

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

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

(Unit: Thousand Baht)

Joint venture	Consolidated financial statements			
	Cost		Carrying amount based on equity method	
	30 June	31 December	30 June	31 December
	2019	2018	2019	2018
		(Audited)		(Audited)
Bangkok Post-Bauer Media Co., Ltd.	11,500	11,500	6,259	10,116

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

(Unit: Thousand Baht)

Joint venture	Share of profit (loss) from investments in joint venture during the period		Share of other comprehensive income from investments in joint venture during the period		Dividend received during the period	
	2019	2018	2019	2018	2019	2018
	Bangkok Post-Bauer Media Co., Ltd.	(3,857)	982	-	-	-

(Unaudited but reviewed)

## 7. Investment in associate

(Unit: Thousand Baht)

Carrying amount based  
on equity method

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

## 8. Long-term investment

(Unit: Thousand Baht)

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

## 9. Property, plant and equipment

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

(Unit: Thousand Baht)

	Consolidated financial statements	Separate financial statements
<b>Net book value as at 1 January 2019</b>	1,450,416	1,436,542
Acquisitions during period - at cost	372	98
Disposals during period - net book value at disposal date	(534)	(407)
Depreciation for the period	(42,453)	(40,023)
<b>Net book value as at 30 June 2019</b>	<b>1,407,801</b>	<b>1,396,210</b>

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

(Unaudited but reviewed)

## 10. Intangible assets

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

	(Unit: Thousand Baht)	
	Consolidated	Separate
	financial statements	financial statements
<b>Net book value as at 1 January 2019</b>	86,449	49,934
Acquisitions during period - at cost	644	644
Amortisation for the period	(9,587)	(5,941)
<b>Net book value as at 30 June 2019</b>	<u>77,506</u>	<u>44,637</u>

## 11. Deferred tax assets/Income tax

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

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

	(Unit: Thousand Baht)			
	For the three-month periods ended 30 June			
	Consolidated		Separate	
	financial statements	financial statements	financial statements	financial statements
	<u>2019</u>	<u>2018</u>	<u>2019</u>	<u>2018</u>
<b>Current income tax:</b>				
Interim corporate income tax charge	-	163	-	-
<b>Deferred tax:</b>				
Relating to origination of temporary differences during the period	(3,080)	(6,896)	(2,165)	(6,234)
<b>Income tax expenses (income) reported in the statements of comprehensive income</b>	<u>(3,080)</u>	<u>(6,733)</u>	<u>(2,165)</u>	<u>(6,234)</u>

(Unaudited but reviewed)

(Unit: Thousand Baht)

For the six-month periods ended 30 June

	Consolidated		Separate	
	financial statements		financial statements	
	<u>2019</u>	<u>2018</u>	<u>2019</u>	<u>2018</u>
<b>Current income tax:</b>				
Interim corporate income tax charge	-	1,008	-	-
<b>Deferred tax:</b>				
Relating to origination of temporary differences during the period	<u>(8,959)</u>	<u>(18,275)</u>	<u>(7,102)</u>	<u>(16,955)</u>
<b>Income tax expenses (income) reported in the statements of comprehensive income</b>	<u><b>(8,959)</b></u>	<u><b>(17,267)</b></u>	<u><b>(7,102)</b></u>	<u><b>(16,955)</b></u>

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

(Unit: Thousand Baht)

	Interest rate (percent per annum)	Consolidated		Separate	
		financial statements		financial statements	
		30 June 2019	31 December 2018 (Audited)	30 June 2019	31 December 2018 (Audited)
Bank overdrafts	MOR	71,178	51,176	28,011	3,719
Short-term loans from financial institutions	MMR	<u>897,068</u>	<u>885,000</u>	<u>894,000</u>	<u>870,000</u>
Total		<u>968,246</u>	<u>936,176</u>	<u>922,011</u>	<u>873,719</u>

**13. Trade and other payables**

(Unit: Thousand Baht)

	Consolidated		Separate	
	financial statements		financial statements	
	30 June 2019	31 December 2018 (Audited)	30 June 2019	31 December 2018 (Audited)
Trade payables - related parties	650	1,871	3,254	4,792
Trade payables - unrelated parties	54,429	100,175	13,087	35,126
Amounts due to related parties	627	1,093	1,625	19
Accrued expenses	55,244	66,644	38,878	43,796
Other payables	<u>35,191</u>	<u>28,607</u>	<u>34,481</u>	<u>27,832</u>
Total trade and other payables	<u>146,141</u>	<u>198,390</u>	<u>91,325</u>	<u>111,565</u>

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

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

**15. Long-term loans**

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

	(Unit: Thousand Baht)	
	Consolidated financial statements	Separate financial statements
Balance as at 1 January 2019	364,467	357,467
Less: Repayment	(32,000)	(30,000)
Balance as at 30 June 2019	332,467	327,467
Less: Current portion	(82,000)	(78,000)
Long-term loans - net of current portion	<u>250,467</u>	<u>249,467</u>

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

**16. Provision for long-term employee benefits**

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

**17. Loss per share**

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

## 18. Segment information

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

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

(Unit: Thousand Baht)

	Publishing and advertising segment	Production of television programs segment	Other segments	Total segments	Adjustments and eliminations	Consolidated
<b>For the three-month period ended 30 June 2019</b>						
<b>Revenue</b>						
External customers	135,383	22,213	18,303	175,899	-	175,899
Inter-segment	3,854	278	-	4,132	(4,132)	-
<b>Segment profit (loss)</b>	<b>(31,270)</b>	<b>(6,315)</b>	<b>5,627</b>	<b>(31,958)</b>	<b>215</b>	<b>(31,743)</b>

(Unit: Thousand Baht)

	Publishing and advertising segment	Production of television programs segment	Other segments	Total segments	Adjustments and eliminations	Consolidated
<b>For the three-month period ended 30 June 2018</b>						
<b>Revenue</b>						
External customers	235,436	55,962	21,467	312,865	-	312,865
Inter-segment	3,377	-	-	3,377	(3,377)	-
<b>Segment profit (loss)</b>	<b>(10,089)</b>	<b>6,026</b>	<b>27,165</b>	<b>23,102</b>	<b>1,323</b>	<b>24,425</b>



(Unaudited but reviewed)

(Unit: Thousand Baht)

<b>For the six-month period ended 30 June 2019</b>	<b>Publishing and advertising segment</b>	<b>Production of television programs segment</b>	<b>Other segments</b>	<b>Total segments</b>	<b>Adjustments and eliminations</b>	<b>Consolidated</b>
<b>Revenue</b>						
External customers	289,135	49,888	45,223	384,246	-	384,246
Inter-segment	5,699	278	-	5,977	(5,977)	-
<b>Segment profit (loss)</b>	<b>(89,851)</b>	<b>(6,693)</b>	<b>19,960</b>	<b>(76,584)</b>	<b>2,813</b>	<b>(73,771)</b>

(Unit: Thousand Baht)

<b>For the six-month period ended 30 June 2018</b>	<b>Publishing and advertising segment</b>	<b>Production of television programs segment</b>	<b>Other segments</b>	<b>Total segments</b>	<b>Adjustments and eliminations</b>	<b>Consolidated</b>
<b>Revenue</b>						
External customers	434,659	121,211	38,021	593,891	-	593,891
Inter-segment	6,219	166	-	6,385	(6,385)	-
<b>Segment profit (loss)</b>	<b>(31,173)</b>	<b>16,020</b>	<b>27,399</b>	<b>12,246</b>	<b>2,429</b>	<b>14,675</b>

## 19. Commitments and contingent liabilities

### 19.1 Capital and long-term service commitments

As at 30 June 2019 and 31 December 2018, the Company and its subsidiaries had commitments relating to the improvement of building, the acquisition of equipment and the bookkeeping as follows:

	(Unit: Million Baht)	
	30 June 2019	31 December 2018
Payable:		
In up to 1 year	10	66
In over 1 and up to 5 years	-	165
In over 5 years	-	51

### 19.2 Long-term service commitments

The subsidiary and joint venture entity have 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.

### 19.3 Guarantees

As at 30 June 2019, there were outstanding bank guarantees of approximately Baht 12 million (31 December 2018: Baht 15 million) issued in the normal course of business of the Company and subsidiaries.

## 20. Reclassification

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

	(Unit: Thousand Baht)			
	For the three-month period ended 30 June 2018			
	Consolidated		Separate	
	financial statements		financial statements	
	As	As previously	As	As previously
	reclassified	reported	reclassified	reported
<b>Statements of comprehensive income</b>				
Sales and services income	-	312,865	-	193,609
Sales income	52,033	-	50,640	-
Service income	258,415	-	140,552	-
Selling expenses	(34,129)	(36,546)	(23,967)	(26,384)

(Unaudited but reviewed)

(Unit: Thousand Baht)

For the six-month period ended 30 June 2018

	Consolidated		Separate	
	financial statements		financial statements	
	As reclassified	As previously reported	As reclassified	As previously reported
<b>Statements of comprehensive income</b>				
Sales and services income	-	593,891	-	381,463
Sales income	108,780	-	105,513	-
Service income	480,483	-	271,322	-
Selling expenses	(72,376)	(77,004)	(51,813)	(56,441)

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

## 21. Events after the reporting period

Events occurring after the reporting period were as follows:

- 21.1 On 9 August 2019, the Company entered into an additional agreement with the non-controlling interests of Mushroom Group Company Limited by referring to Share Sale and Purchase Agreement dated 16 September 2015. The non-controlling interests agreed to transfer the rights to receive dividends in the future and transfer the shares of Mushroom Group Company Limited, partly of the non-controlling interests to the Company, in order to repay shares price that are mutually agreed by the parties.
- 21.2 On 14 August 2019, the Board of Directors' Meeting considered corrective measures to deal with the issue and ensure full compliance with the regulations of the Stock Exchange of Thailand in the event that the securities of the Company are posted with "C" (Caution) sign. The Company will submit the proposed measures to the Extraordinary General Meeting of the Company's shareholders for approval.

## 22. Approval of interim financial statements

These interim financial statements were authorised for issue by the Company's authorised directors on 14 August 2019.