ARIP Public Company Limited
Report and financial statements
31 December 2018

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EY Office Limited
33rd Floor, Lake Rajada Office Complex
193/136-137 Rajadapisek Road
Klongtoey, Bangkok 10110
G.P.O.Box 1047, Bangkok 10501, Thailand
Tel: +66 2264 9090
Fax: +66 2264 0789-90
ey.com

บริษัท สำนักงาน อีวาย จำกัด
ชั้น 33 อาคารเลครัชดา
193/136-137 ถนนรัชดาภิเษก
คลองเตย กรุงเทพฯ 10110
ตู้ ป.ณ. 1047 กรุงเทพฯ 10501
โทรศัพท์: +66 2264 9090
โทรสาร: +66 2264 0789-90
ey.com

Independent Auditor's Report

To the Shareholders of ARIP Public Company Limited

Opinion

I have audited the accompanying financial statements of ARIP Public Company Limited (the Company), which comprise the statement of financial position as at 31 December 2018, and the related statements of comprehensive income, changes in shareholders' equity and cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In my opinion, the financial statements referred to above present fairly, in all material respects, the financial position of ARIP Public Company Limited as at 31 December 2018, its financial performance and 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 Company in accordance with the Code of Ethics for Professional Accountants as issued by the Federation of Accounting Professions as relevant to my audit of the financial statements, and I have fulfilled my other ethical responsibilities in accordance with the Code. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my opinion.

Key Audit Matters

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

I have fulfilled the responsibilities described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of my report, including in relation to these matters. Accordingly, my audit included the performance of procedures designed to respond to my assessment of the risks of material misstatement of the financial statements. The results of my audit procedures, including the procedures performed to address the matters below, provide the basis for my audit opinion on the accompanying financial statements as a whole.

Key audit matters and how audit procedures respond for each matter are described below.

Revenue recognition

The Company's sales and service income forms a significant amount and due to the nature of the Company's business with variety of types of income are generated. I therefore addressed the measurement and timing of revenue recognition as a key audit matter.

I have examined the revenue recognition of the Company by

- Assessing and testing the Company's IT system and its internal controls with respect to the revenue cycle by making enquiry of responsible executives, gaining an understanding of the controls and selecting representative samples to test the operation of the designed controls.
- Applying a sampling method to select service agreements and sale transactions occurring during the year and near the end of the accounting period to verify the occurrence and accuracy of revenue, whether revenue recognition was consistent with the conditions, and whether it was in compliance with the Company's policy.
- Reviewing credit notes that the Company issued after the period-end.
- Performing analytical procedures on disaggregated data to detect possible irregularities in transactions throughout the period, particularly for accounting entries made through journal vouchers.

Deferred tax

The Company has disclosed its accounting policy and details relating to deferred tax in Notes 4.13 and Notes 20 to the financial statements. A deferred tax asset is recognised when it is highly probable that the Company's taxable profit will be sufficient to allow utilisation of the deferred tax in the future. Determining whether there will be sufficient future taxable profit to utilise temporary differences or taxable losses requires significant management judgment with respect to preparation of business plans and projections of future taxable profit based on approved business plans. Therefore, there is a risk with respect to the amount of deferred tax assets.

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I assessed the estimates of future taxable profit by checking the required information and key economic assumptions used in the projections against information from internal sources, with particular consideration given to information and assumptions that directly affect revenue growth and gross profit margin. Furthermore, I performed comparative past profit projections with actual taxable profits to assess the exercise of management judgment in estimating taxable profits. I also tested the calculation of future taxation profit based on the above information and assumptions.

Other Information

Management is responsible for the other information. The other information comprise the information included in annual report of the Company, but does not include the financial statements and my auditor's report thereon. The annual report of the Company 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 do 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 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 of the Company, if I conclude that there is a material misstatement therein, I am required to communicate the matter to those charged with governance for correction of 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 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 financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

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

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Auditor's Responsibilities for the Audit of the Financial Statements

My objectives are to obtain reasonable assurance about whether the 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 financial statements.

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

- Identify and assess the risks of material misstatement of the 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 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 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 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 Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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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 I 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 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.

I am responsible for the audit resulting in this independent auditor's report.

Chayapol Suppasedtanon
Certified Public Accountant (Thailand) No. 3972

EY Office Limited
Bangkok: 21 February 2019

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ARIP Public Company Limited

Statement of financial position

As at 31 December 2018

(Unit: Baht)

	Note	2018	2017
Assets			
Current assets			
Cash and cash equivalents	7	104,739,006	100,521,464
Current investments	8	913,264	850,409
Trade and other receivables	6, 9	39,776,759	46,753,511
Inventories	10	229,318	332,252
Deferred service costs		4,117,968	84,638
Other current assets		2,234,519	1,939,824
Total current assets		152,010,834	150,482,098
Non-current assets			
Restricted bank deposits	11	11,500,000	11,500,000
Property, building and equipment	12	47,589,516	49,266,919
Intangible asset	13	2,808,265	4,840,600
Withholding tax deducted at source	14	14,255,285	11,061,390
Deposits		193,200	193,200
Deferred tax assets	20	4,360,605	5,035,100
Total non-current assets		80,706,871	81,897,209
Total assets		232,717,705	232,379,307

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

(นางเอื้อมพร ปัญญาใส)
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บริษัท เอ๊อาร์ไอพี จำกัด (มหาชน)
ARIP Public Company Limited

(นายมนู เลียวไพโรจน์)
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ARIP Public Company Limited

Statement of financial position (continued)

As at 31 December 2018

(Unit: Baht)

	Note	2018	2017
Liabilities and shareholders' equity			
Current liabilities			
Trade and other payables	*6, 15*	15,955,527	16,962,404
Current portion of liability under finance lease agreement	*16*	352,820	331,757
Other current liabilities		2,926,395	4,235,280
Total current liabilities		19,234,742	21,529,441
Non-current liabilities			
Liability under finance lease agreement - net of current portion	*16*	1,090,088	1,442,909
Reserve for long-term employee benefits	*17*	6,913,318	6,346,325
Total non-current liabilities		8,003,406	7,789,234
Total liabilities		27,238,148	29,318,675
Shareholders' equity			
Share capital			
Registered			
466,000,000 ordinary shares of Baht 0.25 each		116,500,000	116,500,000
Issued and fully paid			
466,000,000 ordinary shares of Baht 0.25 each		116,500,000	116,500,000
Share premium		83,464,677	83,464,677
Retained earnings (deficit)			
Appropriated - statutory reserve	*18*	11,650,000	11,650,000
Deficit		(6,135,120)	(8,554,045)
Total shareholders' equity		205,479,557	203,060,632
Total liabilities and shareholders' equity		232,717,705	232,379,307

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

(นายมนู เลียวไพโรจน์)

Directors

(นางเอื้อมพร ปัญญาใส)

บริษัท เอ๊อาร์ไอพี จำกัด (มหาชน)
ARIP Public Company Limited

ARIP Public Company Limited

Statement of comprehensive income

For the year ended 31 December 2018

(Unit: Baht)

	Note	2018	2017
Profit or loss:			
Revenues			
Service and license income		132,532,320	155,742,331
Sales		3,131,341	5,527,462
Interest income		1,166,913	516,806
Other income		52,355	892,078
Total revenues		136,882,929	162,678,677
Expenses			
Cost of sales, services and license		94,371,101	121,050,893
Selling and distribution expenses		1,417,990	971,831
Administrative expenses		36,633,261	37,797,341
Total expenses		132,422,352	159,820,065
Profit before finance cost and income tax		4,460,577	2,858,612
Finance cost		(140,085)	(86,650)
Profit before income tax		4,320,492	2,771,962
Tax expense	*20*	(919,909)	(616,956)
Profit for the year		3,400,583	2,155,006
Other comprehensive income:			
Other comprehensive income not to be reclassified to profit or loss in subsequent periods:			
Actuarial loss - net of income tax		(981,658)	(99,430)
Other comprehensive income for the year		(981,658)	(99,430)
Total comprehensive income for the year		2,418,925	2,055,576
Earnings per share	*22*		
Basic earnings per share			
Profit for the year		0.007	0.005

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

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ARIP Public Company Limited

(นายมนู เลียวไพโรจน์)
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ARIP Public Company Limited

Statement of changes in shareholders' equity

For the year ended 31 December 2018

(Unit: Baht)

	Issued and fully paid capital	Share premium	Retained earnings (deficit) Appropriated - statutory reserve	Retained earnings (deficit) Deficit	Total
Balance as at 1 January 2017	116,500,000	83,464,677	11,650,000	(10,609,621)	201,005,056
Profit for the year	-	-	-	2,155,006	2,155,006
Other comprehensive income for the year	-	-	-	(99,430)	(99,430)
Total comprehensive income for the year	-	-	-	2,055,576	2,055,576
Balance as at 31 December 2017	116,500,000	83,464,677	11,650,000	(8,554,045)	203,060,632
Balance as at 1 January 2018	116,500,000	83,464,677	11,650,000	(8,554,045)	203,060,632
Profit for the year	-	-	-	3,400,583	3,400,583
Other comprehensive income for the year	-	-	-	(981,658)	(981,658)
Total comprehensive income for the year	-	-	-	2,418,925	2,418,925
Balance as at 31 December 2018	116,500,000	83,464,677	11,650,000	(6,135,120)	205,479,557

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

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ARIP Public Company Limited

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ARIP Public Company Limited

Cash flows statement

For the year ended 31 December 2018

(Unit: Baht)

	2018	2017
Cash flows from operating activities		
Profit before income tax	4,320,492	2,771,962
Adjustments to reconcile gain before tax to net cash provided by (paid from) operating activities:		
Depreciation and amortisation	6,391,732	7,926,105
Doubtful accounts	109,238	4,340
Reduction of inventories to net realisable value (reversal)	11,809	(836,522)
Amortisation of deferred service costs	17,643,973	15,758,995
Gain on sale of equipment	(20,868)	(839,837)
Intangible assets written off	275	3
Withholding tax written off	-	100
Long-term employee benefits expense	839,921	814,701
Interest expenses	100,243	18,666
Interest income	(1,166,913)	(516,806)
Profit from operating activities before changes in operating assets and liabilities	28,229,902	25,101,707
Operating assets (increase) decrease		
Trade and other receivables	6,991,236	40,964,333
Inventories	91,125	832,707
Deferred service costs	(21,677,303)	(9,529,686)
Other current assets	(294,695)	1,718,852
Other assets	-	(152,000)
Operating liabilities increase (decrease)		
Trade and other payables	(1,006,877)	1,312,786
Other liabilities	(1,308,885)	(3,014,872)
Payments for long-term employee benefits	(1,500,000)	(233,167)
Cash flows from operating activities	9,524,503	57,000,660
Cash received from witholding income tax	-	5,439,687
Cash paid for income tax	(3,193,895)	(3,863,895)
Net cash flows from operating activities	6,330,608	58,576,452

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

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บริษัท เออาร์ไอพี จำกัด (มหาชน)
ARIP Public Company Limited

(นายมนู เลียวไพโรจน์)
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ARIP Public Company Limited

Cash flows statement (continued)

For the year ended 31 December 2018

(Unit: Baht)

	2018	2017
Cash flows from investing activities		
Increase in fixed deposits	(62,855)	(562,239)
Decrease in restricted bank deposit	-	850,000
Acquisitions of equipment	(1,095,992)	(2,228,533)
Acquisitions of intangible assets	(1,592,806)	(1,693,386)
Proceeds from sales of equipment	27,397	847,243
Interest income	1,043,191	511,372
Net cash flows used in investing activities	(1,681,065)	(2,275,543)
Cash flows from financing activities		
Repayments of liability under finance lease agreement	(331,758)	(89,334)
Cash paid for interest expenses	(100,243)	(18,666)
Net cash flows used in financing activities	(432,001)	(108,000)
Net increase in cash and cash equivalents	4,217,542	56,192,909
Cash and cash equivalents at beginning of the year	100,521,464	44,328,555
Cash and cash equivalents at end of the year (Note 7)	104,739,006	100,521,464
Supplemental cash flows information		
Non-cash items		
Actuarial loss	(1,227,072)	(124,288)
Purchase of vehicle under finance lease agreement	-	1,864,000

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

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ARIP Public Company Limited

(นายมนู เลียวไพโรจน์)
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ARIP Public Company Limited
Notes to financial statements
For the year ended 31 December 2018

1. General information

1.1 Information of the Company

ARIP Public Company Limited ("the Company") is a public company incorporated and domiciled in Thailand. The Company is principally engaged in the management of events and marketing activities, the production and distribution of IT-related publications, and the placement of advertisements. The registered office of the Company is at 99/16-20 Ratchadapisek Road, Din Daeng, Bangkok.

2. Basis of preparation

The financial statements have been prepared in accordance with Thai Financial Reporting Standards enunciated under the Accounting Professions Act B.E. 2547 and their presentation has been made in compliance with the stipulations of the Notification of the Department of Business Development dated 11 October 2016, issued under the Accounting Act B.E. 2543.

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 the Thai language financial statements.

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

3 New financial reporting standards

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

During the year, the Company and has adopted the revised financial reporting standards and interpretations (revised 2017) which are effective for fiscal years beginning on or after 1 January 2018. These financial reporting standards were aimed at alignment with the corresponding International Financial Reporting Standards with most of the changes and clarifications directed towards disclosures in the notes to financial statements. The adoption of these financial reporting standards does not have any significant impact on the Company's financial statements.

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บริษัท เออาร์ไอพี จำกัด (มหาชน)
ARIP Public Company Limited

(นายมนู เลียวไพโรจน์)
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(b) Financial reporting standards that will become effective for fiscal years beginning on or after 1 January 2019

During the current year, the Federation of Accounting Professions issued a number of revised and new financial reporting standards and interpretations (revised 2018) which are effective for fiscal years 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 management of the Company believes that most of the revised financial reporting standards will not have any significant impact on the financial statements when they are initially applied. However, the new standard involves changes to key principles, as 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.

The management of the Company believes that this standard will not have any significant impact on the financial statements when it is initially applied.

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ARIP Public Company Limited

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(c) Financial reporting standards related to financial instruments that will become effective for fiscal years beginning on or after 1 January 2020

During the current year, the Federation of Accounting Professions issued a set of TFRSs related to financial instruments, which 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

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 is currently evaluating the impact of these standards to the financial statements in the year when they are adopted.

4. Significant accounting policies

4.1 Revenue recognition

Sales of goods

Sales of goods are recognised when the significant risks and rewards of ownership of the goods have passed to the buyer. Sales are the invoiced value, excluding value added tax, of goods supplied after deducting discounts and allowances.

Magazine subscription income

Magazine subscription income is recognised based on straight-line basis over the subscription period.

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ARIP Public Company Limited

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Rendering of services

Service revenue is recognised when services have been rendered taking into account the stage of completion.

Advertising service income is recognised when the service has been rendered. The service is generally considered to be rendered when the advertisement is issued.

Arrangement of exhibitions and seminar is recognised when the event has occurred.

License income

License income is recognised as revenue on delivery of the right to use program, provided that there are no significant post delivery obligations.

Interest income

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

4.2 Cash and cash equivalents

Cash and cash equivalents consist of cash in hand and at banks, and all highly liquid investments with an original maturity of three months or less and not subject to withdrawal restrictions.

4.3 Trade accounts receivable

Trade accounts receivable are stated at the net realisable value. Allowance for doubtful accounts is provided for the estimated losses that may be incurred in collection of receivables. The allowance is generally based on collection experiences and analysis of debt aging.

4.4 Inventories

Inventories are valued at the lower of average cost and net realisable value.

4.5 Property, building and equipment / depreciation

Land is stated at cost. Buildings and equipment are stated at cost less accumulated depreciation and allowance for loss on impairment of assets (if any).

Depreciation of building and equipment is calculated by reference to their costs on the straight-line basis over the following estimated useful lives:

Building	-	20 years
Building improvements	-	5, 10 years
Computer equipment	-	3, 5 years
Office equipment and furniture	-	5 years
Tools and equipment	-	3 years
Motor vehicles	-	5 years

Depreciation is included in determining income.

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ARIP Public Company Limited

(นายมนู เลียวไพโรจน์)
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No depreciation is provided on land and assets under installation.

An item of property, building and equipment is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on disposal of an asset is included in profit or loss when the asset is derecognised.

4.6 Intangible assets/amortisation

Intangible assets acquired separately are measured on initial recognition at cost. Following initial recognition, intangible assets are carried at cost less any accumulated amortisation and any accumulated impairment losses.

Intangible assets with finite lives are amortised on a systematic basis over the economic useful life and tested for impairment whenever there is an indication that the intangible assets may be impaired. The amortisation period and the amortisation method for such intangible assets are reviewed at least at each financial year end. The amortisation expense is charged to profit or loss.

A summary of the intangible assets with finite useful lives is as follows:

	Useful lives
Computer softwares	3, 5 years
E-course	3 years

4.7 Related party transactions

Related parties comprise individuals or enterprises that control, or are controlled by, the Company, whether directly or indirectly, or which are under common control with the Company.

They also include individuals or enterprises which directly or indirectly own a voting interest in the Company that gives them significant influence over the Company, key management personnel, directors, and officers with authority in the planning and direction of the Company's operations.

4.8 Long-term leases

Leases of equipment which transfer substantially all the risks and rewards of ownership are classified as financial leases. Financial leases are capitalised at the lower of the fair value of the leased assets and the present value of the minimum lease payments. The outstanding rental obligations, net of finance charges, are included in long-term payables, while the interest element is charged to profit or loss over the lease period. The assets acquired under finance leases are depreciated over the useful life of the asset.

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

4.9 Foreign currencies

The financial statements are presented in Baht, which is also the Company's functional currency.

Transactions in foreign currency are translated into Baht at the exchange rate ruling at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies outstanding are translated into Baht at the exchange rate ruling at the end of reporting period.

Gains and losses on exchange are included in determining income.

4.10 Impairment of assets

At the end of each reporting period, the Company performs impairment reviews in respect of property, building and equipment and other intangible assets whenever events or changes in circumstances indicate that an asset may be impaired. An impairment loss is recognised when the recoverable amount of an asset, which is the higher of the asset's fair value less costs to sell and its value in use, is less than the carrying amount. In determining value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. In determining fair value less costs to sell, an appropriate valuation model is used. These calculations are corroborated by a valuation model that, based on information available, reflects the amount that the Company could obtain from the disposal of the asset in an arm's length transaction between knowledgeable, willing parties, after deducting the costs of disposal.

An impairment loss is recognised in profit or loss.

4.11 Employee benefits

Short-term employee benefits

Salaries, wages, bonuses and contributions to the social security fund are recognised as expenses when incurred.

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Post-employment benefits

Defined contribution plans

The Company and its employees 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 recognised as expenses when incurred.

Defined benefit plans

The Company has obligations in respect of the severance payments it must make to employees upon retirement under labor law. The Company treats these severance payment obligations as a defined benefit plan.

The obligation under the defined benefit plan is determined by a professionally qualified independent actuary based on actuarial techniques, using the projected unit credit method.

Actuarial gains and losses arising from defined benefits plans are recognised immediately in other comprehensive income.

Past service costs are recognised in profit or loss on the earlier of the date of the plan amendment or curtailment and the date that the Company recognises restructuring-related costs.

4.12 Provisions

Provisions are recognised when the Company has a present obligation as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation.

4.13 Income tax

Income tax expense represents the sum of corporate income tax currently payable and deferred tax.

Current tax

Current income tax is provided in the accounts at the amount expected to be paid to the taxation authorities, based on taxable profits determined in accordance with tax legislation.

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Deferred tax

Deferred income tax is provided on temporary differences between the tax bases of assets and liabilities and their carrying amounts at the end of each reporting period, using the tax rate enacted at the end of the reporting period.

The Company recognises deferred tax liabilities for all taxable temporary differences while it recognises deferred tax assets for all deductible temporary differences and tax losses carried forward to the extent that it is probable that future taxable profit will be available against which such deductible temporary differences and tax losses carried forward can be utilised.

At each reporting date, the Company reviews and reduces the carrying amount of deferred tax assets to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilised.

The Company records deferred tax directly to shareholders' equity if the tax relates to items that are recorded directly to shareholders' equity.

4.14 Fair value measurement

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between buyer and seller (market participants) at the measurement date. The Company 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 of an identical asset or liability or when a quoted market price is not available, the Company measure fair value using valuation technique that are appropriate in the circumstances and maximises 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 categorised within the fair value hierarchy into three levels based on categorise 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

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At the end of each reporting period, the Company determine whether transfers have occurred 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.

5. Significant accounting judgments and estimates

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

Allowance for doubtful accounts

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

Intangible assets

The initial recognition and measurement of intangible assets, 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 recognised 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 utilised. Significant management judgement is required to determine the amount of deferred tax assets that can be recognised, based upon the likely timing and level of estimate future taxable profits.

Post-employment benefits under 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.

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6. Related party transactions

The relationships between the Company and related parties are summarised below.

Name	Relationship
Advanced Research Group Co., Ltd.	Common shareholders/Common directors
Business Online Public Company Limited	Common shareholders/Common directors
SVOA Public Company Limited	Common shareholders/Common directors
Core and Peak Co., Ltd.	Common shareholders/Common directors
D2 Systems Co., Ltd.	Common shareholders/Common directors
Anet Co., Ltd.	Common shareholders/Common directors
A.R. Accounting Consultant Co., Ltd.	Common shareholders/Common directors
ARIT Co., Ltd.	Common shareholders/Common directors
D & B (Thailand) Co., Ltd.	Common shareholders/Common directors
Lease It Public Company Limited	Common shareholders/Common directors
Dataone Asia (Thailand) Co., Ltd.	Common shareholders/Common directors
BOL Digital Co., Ltd.	Common shareholders/Common directors
Bioborne Co., Ltd.	Common shareholders/Common directors
AR Elastomer Co. Ltd.	Common shareholders/Common directors
Ares International (Thailand) Co., Ltd.	Common shareholders/Common directors
National Credit Bureau Co., Ltd.	Common directors
SPVI Public Company Limited	Common directors
IT City Public Company Limited	Common directors
Thai Beverage Public Company Limited	Common directors
Bangkok Union Insurance Public Company Limited	Common directors
Siam Steel International Public Company Limited	Common directors
UBM Asia (Thailand) Co., Ltd.	Common directors
Kang Yong Electric Public Company Limited	Common directors
Jubilee Enterprise Public Company Limited	Common directors
Asys Computer Co., Ltd.	Common directors
Khon Kaen Sugar Industry Public Company Limited	Common directors
Kepple Communication Pte. Ltd.	Parent company of a major shareholder

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During the years, the Company had significant business transactions with related parties. Such transactions, which are summarised below, were concluded on commercial terms and bases agreed upon between the Company and those related parties.

(Unit: Million Baht)

	2018	2017	Pricing policy
Transactions with related parties			
Revenue			
Sales of goods	2	3	Cost plus margin
Advertising income	6	8	Market price
Revenue from management of event	19	15	Market price
Other service income	8	3	Cost plus margin
Expenses			
Purchases of goods	1	1	Market price
Advertising and marketing expenses	-	1	Agreed upon basis
Internet fee	1	1	Market price
Management fee	2	2	Agreed upon basis
Service fee for accounting software	1	1	Agreed upon basis
Other service fee	6	2	Cost plus margin

As at 31 December 2018 and 2017, the balances of the accounts between the Company and those related parties are as follows:

(Unit: Thousand Baht)

	2018	2017
Trade and other receivables - related parties (Note 9)		
Related companies (related by common shareholders and directors)	10,535	10,194
Trade and other payables - related parties (Note 15)		
Related companies (related by common shareholders and directors)	3,297	2,039

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Directors and management's benefits

During the years ended 31 December 2018 and 2017, the Company had employee benefit expenses payable to their directors and management as below.

(Unit: Thousand Baht)

	2018	2017
Short-term employee benefits	12,638	12,366
Post-employment benefits	381	323
Total	13,019	12,689

7. Cash and cash equivalents

(Unit: Thousand Baht)

	2018	2017
Cash	130	130
Bank deposits	89,754	100,391
Bill of exchange	14,855	-
Total	104,739	100,521

As at 31 December 2018, bank deposits and bill of exchange carried interests between 0.38% and 4.10% per annum (2017: between 0.38% and 1.10% per annum).

As at 31 December 2018, the Company had investment in bill of exchange of Baht 14.86 million, which invested through a securities company. This bill of exchange issued by Lease It Public Company Limited (related party). This bill of exchange will be matured in 3 months, on 28 March 2019. During 2018, the Company has interest income from bills of exchange amounted to Baht 0.23 million.

8. Current investment

As at 31 December 2018, the Company had invested in fixed deposit with a maturity of more than 3 months totalling Baht 0.9 million (2017: Baht 0.9 million). The fixed deposit carried interest at rates of 0.90% - 1.00% per annum (2017: 0.90% - 1.00% per annum).

9. Trade and other receivables

(Unit: Thousand Baht)

	2018	2017
Trade receivables - related parties (Note 6)		
Aged on the basis of due dates		
Not yet due	7,487	8,590
Past due		
Up to 3 months	107	1,204
Total trade receivables - related parties	7,594	9,794

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(Unit: Thousand Baht)

	2018	2017
Trade receivables - unrelated parties		
Aged on the basis of due dates		
Not yet due	12,684	19,148
Past due		
Up to 3 months	1,554	2,477
3 - 6 months	604	-
6 - 12 months	-	57
Over 12 months	686	671
Total	15,528	22,353
Less: Allowance for doubtful debts	(837)	(728)
Total trade receivables - unrelated parties, net	14,691	21,625
Total trade receivables - net	22,285	31,419
Other receivables		
Accrued income - related parties (Note 6)	2,941	400
Accrued income - unrelated parties	8,440	4,890
Retention receivables	6,009	8,554
Advance payments	102	71
Others	-	1,420
Total other receivables	17,492	15,335
Trade and other receivables - net	39,777	46,754

10. Inventories

(Unit: Thousand Baht)

	Cost		Reduce cost to net realisable value		Inventories - net	
	2018	2017	2018	2017	2018	2017
Finished goods	750	785	(601)	(589)	149	196
Raw materials	80	136	-	-	80	136
Total	830	921	(601)	(589)	229	332

During the current year, the Company reduced cost of inventories by Baht 0.03 million (2017: Baht 0.1 million), to reflect the net realisable value. In addition, the Company reversed the write-down of cost of inventories by Baht 0.02 million (2017: Baht 0.9 million), and reduced the amount of inventories recognised as expenses during the year.

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11. Restricted bank deposits

As at 31 December 2018 and 2017, restricted bank deposits are detailed below.

- 12 months fixed deposit of Baht 6.0 million pledged with a bank to secure bank overdrafts facility of Baht 5.0 million and bank guarantee facility of Baht 20.0 million.
- 6 months fix deposit of Baht 0.5 million and saving bank deposit of Baht 5 million pledged with banks to secure the issuance of bank guarantees granted by the banks to the Company.

12. Property, building and equipment

(Unit: Thousand Baht)

	Land	Building	Building improvements	Computer equipment	Furniture fixtures and office equipment	Motor vehicles	Total
Cost:							
1 January 2017	41,074	10,000	15,418	21,707	9,562	8,981	106,742
Additions	-	-	-	931	172	2,990	4,093
Disposals	-	-	(216)	(1,117)	(214)	(3,311)	(4,858)
Write-off	-	-	-	(6)	-	-	(6)
31 December 2017	41,074	10,000	15,202	21,515	9,520	8,660	105,971
Additions	-	-	-	962	134	-	1,096
Disposals	-	-	-	(903)	(1,046)	-	(1,949)
Write-off	-	-	-	(106)	(77)	-	(183)
31 December 2018	41,074	10,000	15,202	21,468	8,531	8,660	104,935
Accumulated depreciation:							
1 January 2017	-	8,418	13,334	19,997	7,669	8,797	58,215
Depreciation for the year	-	500	225	1,343	991	286	3,345
Depreciation on disposals	-	-	(216)	(1,117)	(206)	(3,311)	(4,850)
Depreciation of write-off	-	-	-	(6)	-	-	(6)
31 December 2017	-	8,918	13,343	20,217	8,454	5,772	56,704
Depreciation for the year	-	500	214	913	537	603	2,767
Depreciation on disposals	-	-	-	(903)	(1,041)	-	(1,944)
Depreciation on write-off	-	-	-	(106)	(76)	-	(182)
31 December 2018	-	9,418	13,557	20,121	7,874	6,375	57,345
Net book value:							
31 December 2017	41,074	1,082	1,859	1,298	1,066	2,888	49,267
31 December 2018	41,074	582	1,645	1,347	657	2,285	47,590
Depreciation for the year							
2017 (All included in administrative expenses)							3,345
2018 (All included in administrative expenses)							2,767

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As at 31 December 2018, the Company had vehicle with net book value of Baht 2.3 million (2017: Baht 2.9 million) which was acquired under finance lease agreement.

As at 31 December 2018, certain equipment items have been fully depreciated but are still in use. The original cost of those assets amounted to approximately Baht 39.7 million (2017: Baht 43.0 million).

13. Intangible assets

(Unit: Thousand Baht)

	Computer softwares	E-course	E-course under development	Total
Cost:				
1 January 2017	24,546	-	-	24,546
Additions	5	-	1,689	1,694
Disposals / written off	(11)	-	-	(11)
Transfer in (out)	-	690	(690)	-
31 December 2017	24,540	690	999	26,229
Additions	76	-	1,516	1,592
Disposals / written off	(3,892)	-	-	(3,892)
Transfer in (out)	-	1,565	(1,565)	-
31 December 2018	20,724	2,255	950	23,929
Accumulated amortisation:				
1 January 2017	16,818	-	-	16,818
Amortisation for the year	4,523	58	-	4,581
Disposals / written off	(11)	-	-	(11)
31 December 2017	21,330	58	-	21,388
Amortisation for the year	3,217	408	-	3,625
Disposals / written off	(3,892)	-	-	(3,892)
31 December 2018	20,655	466	-	21,121
Net book value:				
31 December 2017	3,210	632	999	4,841
31 December 2018	69	1,789	950	2,808
Amortisation for the year				
2017				4,581
2018				3,625

As at 31 December 2018, certain computer software has been fully amortised but is still in use. The original cost of those assets amounted to approximately Baht 20.3 million (2017: Baht 11.6 million).

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14. Withholding tax deducted at source

(Unit: Thousand Baht)

	2018	2017
Year 2015	4,227	4,227
Year 2016	2,970	2,970
Year 2017	3,868	3,864
Year 2018	3,190	-
Total	14,255	11,061

The Company has requested for a refund of the withholding tax deducted at source from the Revenue Department. However, its net realisable value is subject to the result of a tax audit by the Revenue officials. The management believes that the Company will receive the refund in full amount in the future.

On 28 March 2017, the Company received a refund of withholding tax deducted at source of the year 2014 of Baht 5.4 million.

15. Trade and other payables

(Unit: Thousand Baht)

	2018	2017
Trade payables - related parties (Note 6)	3,297	2,039
Trade payables - unrelated parties	3,932	7,213
Accrued expenses - unrelated parties	8,726	7,710
Total trade and other payables	15,955	16,962

16. Liabilities under finance lease agreement

(Unit: Thousand Baht)

	2018	2017
Liabilities under finance lease agreement	1,620	2,052
Less: Deferred interest expenses	(177)	(277)
Total	1,443	1,775
Less: Portion due within one year	(353)	(332)
Liabilities under finance lease agreement - net of current portion	1,090	1,443

The Company has entered into the finance lease agreements with leasing companies for rental of vehicles for use in its operation, whereby it is committed to pay rental on a monthly basis. The terms of the agreements are generally 5 years.

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Future minimum lease payments required under the finance lease agreements were as follows:

(Unit: Thousand Baht)

	A at 31 December 2018		
	Less than 1 year	1 - 4 year	Total
Future minimum lease payments	432	1,188	1,620
Deferred interest expenses	(79)	(98)	(177)
Present value of future minimum lease payments	353	1,090	1,443

(Unit: Thousand Baht)

	A at 31 December 2017		
	Less than 1 year	1 - 4 year	Total
Future minimum lease payments	432	1,620	2,052
Deferred interest expenses	(100)	(177)	(277)
Present value of future minimum lease payments	332	1,443	1,775

17. Provision for long-term employee benefits

Provision for long-term employee benefits as at 31 December 2018 and 2017, which is compensations on employees' retirement, was as follows:

(Unit: Thousand Baht)

	2018	2017
Provision for long-term employee benefits at beginning of year	6,346	5,641
Included in profit or loss:		
Current service cost	708	677
Interest cost	132	137
Included in other comprehensive income:		
Actuarial (gain) loss arising from:		
Demographic assumptions changes	(891)	124
Financial assumptions changes	44	-
Experience adjustments	2,074	-
Benefit paid during the year	(1,500)	(233)
Provision for long-term employee benefits at end of year	6,913	6,346

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Line items in profit or loss under which long-term employee benefit are recognised are as follows:

(Unit: Thousand Baht)

	2018	2017
Cost of services	270	232
Administrative expenses	570	582
Total expenses recognised in profit or loss	840	814

The Company expects no payment to be made for long-term employee benefits during the next year (2017: The Company expected to pay Baht 1 million).

As at 31 December 2018, the weighted average duration of the liabilities for long-term employee benefit is 10 years (2017: 12 years).

Significant actuarial assumptions are summarised below:

	2018	2017
	(%per annum)	(%per annum)
Discount rate	2.7	2.4
Future salary increase rates (depending on age)	4.0 - 7.5	3.5 - 6.0
Staff turnover rates	0 - 27.0	0 - 25.0

The result of sensitivity analysis for significant assumptions that affect the present value of the long-term employee benefit obligation as at 31 December 2018 and 2017 are summarised below:

	31 December 2018			
	Increase	Effect to obligation	Decrease	Effect to obligation
	(%)	(Thousand Baht)	(%)	(Thousand Baht)
Discount rate	1	(548)	1	618
Salary increase rate	1	531	1	(484)
Turnover rate	10	(289)	10	319

	31 December 2017			
	Increase	Effect to obligation	Decrease	Effect to obligation
	(%)	(Thousand Baht)	(%)	(Thousand Baht)
Discount rate	1	(558)	1	635
Salary increase rate	1	686	1	(612)
Turnover rate	10	(229)	10	257

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On 13 December 2018, The National Legislative Assembly passed a resolution approving the draft of a new Labour Protection Act, which is in the process being published in the Royal Gazette. The new Labour Protection Act stipulates additional legal severance pay rates for employees who have worked for an uninterrupted period of twenty years or more. Such employees are entitled to receive compensation at a rate of not less than that of the last 400 days. This change is considered a post-employment benefits plan amendment and the Company has additional liabilities for long-term employee benefits of Baht 1.6 million. The Company will reflect the effect of the change by recognising past services costs as expenses in the income statement of the period in which the law is effective.

18. 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 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 statutory reserve is not available for dividend distribution.

At present, the statutory reserve has fully been set aside.

19. Expenses by nature

Significant expenses classified by nature are as follows:

(Unit: Million Baht)

	2018	2017
Employee expenses	46	45
Cost of sales, advertising media and services	64	90
Depreciation and amortisation	6	8
Consultant and management fee	2	2

20. Income tax

Income tax for the years ended 31 December 2018 and 2017 are made up as follows:

(Unit: Thousand Baht)

	2018	2017
Current income tax:		
Current income tax charge	-	-
Deferred tax:		
Relating to origination and reversal of temporary differences	920	617
Tax expense reported in the statement of comprehensive income	920	617

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The reconciliation between accounting profit and income tax expense is shown below:

(Unit: Thousand Baht)

	2018	2017
Accounting profit before tax	4,320	2,772
Applicable tax rate	20%	20%
Accounting profit before tax multiplied by applicable tax rate	864	554
Adjustment in respect of income tax of previous year	32	-
Effects of:		
Non-deductible expenses	225	200
Additional expense deductions allowed	(201)	(137)
Total	24	63
Tax expense reported in the statement of comprehensive income	920	617

The amounts of income tax relating to each component of other comprehensive income for the years ended 31 December 2018 and 2017 are as follows:

(Unit: Thousand Baht)

	2018	2017
Deferred income tax relating to:		
Actuarial loss	(245)	(25)

The components of deferred tax assets are as follows:

(Unit: Thousand Baht)

	2018	2017
Deferred tax assets		
Allowance for doubtful accounts	167	146
Allowance for diminution in value of inventories	120	118
Provision for long-term employee benefits	1,383	1,269
Tax losses	2,690	3,502
Total	4,360	5,035

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21. Promotional privileges

The Company has received promotional privileges from the Board of Investment for the manufacture of Enterprise software, Digital content and Embedded Software, pursuant to the promotion certificate No. 2911(7)/2555 issued on 20 December 2012. Subject to certain imposed conditions, the tax privileges of the Company includes an exemption from corporate income tax on income from the promoted activities for a period of 8 years as from the date of first earning operating income (8 October 2013).

During the year 2018, the Company has operated revenues divided from promoted operations of Baht 0.2 million (2017: Baht 1.1 million).

22. Earnings per share

Basic earnings per share is calculated by dividing profit for the year (excluding other comprehensive income) by the weighted average number of ordinary shares in issue during the year.

Calculation of basic earnings per share is presented below:

	2018	2017
Profit for the year (Thousand Baht)	3,400	2,155
Weight average number of ordinary shares (Thousand shares)	466,000	466,000
Basic earnings per share (Baht/share)	0.007	0.005

23. Segment information

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 is organised into business units based on its products and services and has three reportable segments as follows:

- Media and contents
- Management of event
- Digital service

No operating segments have been aggregated to form the above reportable operating segments.

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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. However, the Company financing activities (including finance costs and finance income) and income taxes are managed on a company basis and are not allocated to operating segments.

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's operating segments for the years ended 31 December 2018 and 2017, respectively.

(Unit: Thousand Baht)

	Year ended 31 December 2018					
	Media and contents	Management of events	Digital service	Total segments	Elimination of inter-segment revenues	Total
Revenue						
Revenue from external customers	36,185	54,282	45,197	135,664	-	135,664
Inter-segment revenue	-	-	-	-	-	-
Total revenue	36,185	54,282	45,197	135,664	-	135,664
Operating result						
Segment profit (loss)	3,022	(2,214)	2,433	3,241	-	3,241
Finance cost						(140)
Other income						1,219
Profit before income tax						4,320
Income tax expense						(920)
Profit for the year						3,400

(Unit: Thousand Baht)

	Year ended 31 December 2017					
	Media and contents	Management of events	Digital service	Total segments	Elimination of inter-segment revenues	Total
Revenue						
Revenue from external customers	33,784	81,092	46,394	161,270	-	161,270
Inter-segment revenue	342	-	25	367	(367)	-
Total revenue	34,126	81,092	46,419	161,637	(367)	161,270
Operating result						
Segment profit (loss)	2,471	(3,931)	2,910	1,450	-	1,450
Finance cost						(87)
Other income						1,409
Profit before income tax						2,772
Income tax expense						(617)
Profit for the year						2,155

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The Company is operated in Thailand only, as a result all of the revenues and assets as reflected in these financial statements pertain to the aforementioned geographical reportable.

For the year 2018, the Company has revenue from 4 major customers in amount of Baht 9 million, Baht 8 million, Baht 8 million and Baht 7 million, arising from digital service segment, management of events segment, and media and contents segment (2017: 4 major customers in amount of Baht 12 million, Baht 10 million, Baht 9 million, and Baht 7 million, arising from digital service segment and management of events segment).

24. Provident fund

The Company and its employees have jointly established a provident fund in accordance with the Provident Fund Act B.E. 2530. Employees and the Company contribute to the fund monthly at the rates of 3 and 5 percent of basic salary. The fund and benefit will be paid to employees upon termination in accordance with the fund rules.

The contributions for the year 2018 amounting to approximately Baht 1.1 million (2017: Baht 1.1 million) were recognised as expenses.

25. Commitments and contingent liabilities

25.1 Operating lease and service commitments

The Company has entered into operating lease agreements in respect of the lease of warehouse space, motor vehicles and service agreements. The term of agreements is generally 1 and 5 years. These agreements are non-cancellable.

As at 31 December 2018 and 2017, minimum lease payments, required under these non-cancellable operating agreements contracts were as follows.

(Unit: Million Baht)

	2018	2017
Payable:		
In up to 1 year	5.0	7.6
In over 1 and up to 5 years	1.2	0.6

25.2 Bank guarantee

As at 31 December 2017, there was an outstanding bank guarantee issued by bank on behalf of the Company of Baht 0.2 million to guarantee electricity use (2018: Nil).

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26. Financial instruments

26.1 Financial risk management

The Company's financial instruments, as defined under Thai Accounting Standard No.107 "Financial Instruments: Disclosure and Presentations", principally comprise cash and cash equivalents, current investments, trade and other receivables, restricted bank deposits, trade and other payables and liabilities under finance lease agreement. The financial risks associated with these financial instruments and how they are managed is described below.

Credit risk

The Company is exposed to credit risk primarily with respect to trade accounts receivable and other receivables. The Company manages the risk by adopting appropriate credit control policies and procedures and therefore does not expect to incur material financial losses. In addition, the Company does not have high concentrations of credit risk since it has a large customer base. The maximum exposure to credit risk is limited to the carrying amounts of receivables and other receivables as stated in the statement of financial position.

Interest rate risk

The Company's exposure to interest rate risk relates primarily to its cash at banks with interest bearing. However, since most of the Company'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.

Significant financial assets and liabilities classified by type of interest rate are summarised 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.

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(Unit: Million Baht)

	As at 31 December 2018				
	Fixed interest rate		Floating	Non-interest	Effective
	within 1 year	1 - 5 years	interest rate	bearing	interest rate
					(% p.a.)
Financial assets					
Cash and cash equivalents	-	-	104.6	0.1	0.38 - 4.10
Current investment	0.9	-	-	-	0.90 - 1.00
Trade and other receivables	-	-	-	39.8	-
Deposits at bank with restrictions	6.5	-	5.0	-	0.38 - 1.00
Financial liabilities					
Trade and other payables	-	-	-	16.0	-
Liabilities under finance lease agreement	0.3	1.1	-	-	6.17

(Unit: Million Baht)

	As at 31 December 2017				
	Fixed interest rate		Floating	Non-interest	Effective
	within 1 year	1 - 5 years	interest rate	bearing	interest rate
					(% p.a.)
Financial assets					
Cash and cash equivalents	-	-	100.4	0.1	0.38 - 1.10
Current investment	0.9	-	-	-	0.90 - 1.00
Trade and other receivables	-	-	-	46.8	-
Deposits at bank with restrictions	6.5	-	5.0	-	0.38 - 1.00
Financial liabilities					
Trade and other payables	-	-	-	17.0	-
Liabilities under finance lease agreement	0.3	1.4	-	-	6.17

Foreign currency risk

The Company considers itself no foreign currency risk because it has few transactions that are denominated in foreign currency. The Company therefore does not enter into forward exchange contracts.

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26.2 Fair values of financial instruments

Since the majority of the Company's 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 statement of financial position.

27. Capital management

The primary objective of the Company's capital management is to ensure that it has an appropriate financial structure in order to support its business and maximise shareholder value. As at 31 December 2018, the Company's debt-to-equity ratio was 0.13:1 (2017: 0.14:1).

28. Approval of financial statements

These financial statements were authorised for issue by the Company's Board of Directors on 21 February 2019.

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และบริษัทย่อย
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