

Business Online Public Company Limited
and its subsidiaries
Report and consolidated interim financial statements
For the three-month period ended 31 March 2019

Independent Auditor's Report on Review of Interim Financial Information

To the Shareholders of Business Online Public Company Limited

I have reviewed the accompanying consolidated statement of financial position of Business Online Public Company Limited and its subsidiaries as at 31 March 2019, the related consolidated statement of comprehensive income, changes in shareholders' equity and cash flows for the three-month period then ended, as well as the condensed notes to the consolidated financial statements. I have also reviewed the separate financial information of Business Online Public Company Limited for the same period. Management is responsible for the preparation and presentation of this interim financial information in accordance with Thai Accounting Standard No. 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 No. 34 Interim Financial Reporting.

Siriwan Nitdamrong
Certified Public Accountant (Thailand) No. 5906

EY Office Limited
Bangkok: 9 May 2019

Business Online Public Company Limited and its subsidiaries

Statements of financial position

As at 31 March 2019

(Unit: Thousand Baht)

	Note	<u>Consolidated financial statements</u>		<u>Separate financial statements</u>	
		<u>31 March 2019</u>	<u>31 December 2018</u>	<u>31 March 2019</u>	<u>31 December 2018</u>
		(Unaudited but reviewed)	(Audited)	(Unaudited but reviewed)	(Audited)
Assets					
Current assets					
Cash and cash equivalents	4	271,179	224,140	242,479	190,829
Short-term investments	5	14,855	14,855	14,855	14,855
Trade and other receivables	6	199,068	223,913	185,678	212,689
Other current assets		26,616	25,932	19,665	20,159
Total current assets		511,718	488,840	462,677	438,532
Non-current assets					
Restricted bank deposits	7	14,200	14,200	14,200	14,200
Investment in associated company	8	31,926	31,843	30,000	30,000
Investments in subsidiaries	9	-	-	32,000	31,000
Other long-term investments	10	92,555	92,555	92,555	92,555
Building improvement and equipment	11	32,420	20,335	27,492	19,715
Intangible assets	12	33,423	36,358	22,040	24,357
Deferred tax assets		6,661	7,085	6,613	7,039
Other non-current assets		3,878	1,680	3,236	1,534
Total non-current assets		215,063	204,056	228,136	220,400
Total assets		726,781	692,896	690,813	658,932

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

Business Online Public Company Limited and its subsidiaries

Statement of financial position (continued)

As at 31 March 2019

(Unit: Thousand Baht)

	Note	<u>Consolidated financial statements</u>		<u>Separate financial statements</u>	
		31 March 2019	31 December 2018	31 March 2019	31 December 2018
		(Unaudited but reviewed)	(Audited)	(Unaudited but reviewed)	(Audited)
Liabilities and shareholders' equity					
Current liabilities					
Trade and other payables	13	133,316	124,005	119,358	109,508
Short-term provision	14	14,979	26,200	14,979	26,200
Income tax payable		3,960	3,375	2,541	1,956
Information utilisation fee payable		21,574	15,908	21,574	15,908
Other current liabilities		3,802	5,362	3,291	5,035
Total current liabilities		177,631	174,850	161,743	158,607
Non-current liabilities					
Provision for long-term employee benefits		13,188	12,805	12,958	12,588
Total non-current liabilities		13,188	12,805	12,958	12,588
Total liabilities		190,819	187,655	174,701	171,195
Shareholders' equity					
Share capital					
Registered					
820,505,500 ordinary shares of Baht 0.10 each		82,051	82,051	82,051	82,051
Issued and fully paid up					
820,505,500 ordinary shares of Baht 0.10 each		82,051	82,051	82,051	82,051
Share premium		139,271	139,271	139,271	139,271
Retained earnings					
Appropriated - statutory reserve		8,260	8,260	8,260	8,260
Unappropriated		306,380	275,659	286,530	258,155
Total shareholders' equity		535,962	505,241	516,112	487,737
Total liabilities and shareholders' equity		726,781	692,896	690,813	658,932

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

Directors

(Unaudited but reviewed)

Business Online Public Company Limited and its subsidiaries

Statements of comprehensive income

For the three-month period ended 31 March 2019

(Unit: Thousand Baht except earnings per share expressed in Baht)

		<u>Consolidated financial statements</u>		<u>Separate financial statements</u>	
	<u>Note</u>	<u>2019</u>	<u>2018</u>	<u>2019</u>	<u>2018</u>
Profit or loss:					
Revenues					
Service income	15	120,645	100,893	102,258	87,981
Other income		3,976	2,645	3,973	1,620
Total revenues		<u>124,621</u>	<u>103,538</u>	<u>106,231</u>	<u>89,601</u>
Expenses					
Costs of services		56,117	43,258	44,204	35,758
Administrative expenses		34,507	36,440	30,391	29,039
Total expenses		<u>90,624</u>	<u>79,698</u>	<u>74,595</u>	<u>64,797</u>
Profit before share of profit from investment in associate and income tax expenses		33,997	23,840	31,636	24,804
Share of profit from investment in associate	8	83	50	-	-
Profit before income tax expenses		<u>34,080</u>	<u>23,890</u>	<u>31,636</u>	<u>24,804</u>
Income tax expenses	16	(3,359)	(4,097)	(3,261)	(3,425)
Profit for the period		<u>30,721</u>	<u>19,793</u>	<u>28,375</u>	<u>21,379</u>
Other comprehensive income for the period:		-	-	-	-
Total comprehensive income for the period		<u>30,721</u>	<u>19,793</u>	<u>28,375</u>	<u>21,379</u>
Basic earnings per share	17				
Profit attributable to equity holders of the Company		<u>0.04</u>	<u>0.02</u>	<u>0.03</u>	<u>0.03</u>
Weighted average number of ordinary shares (Thousand shares)		<u>820,506</u>	<u>820,506</u>	<u>820,506</u>	<u>820,506</u>

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

(Unaudited but reviewed)

Business Online Public Company Limited and its subsidiaries

Statements of cash flows

For the three-month period ended 31 March 2019

(Unit: Thousand Baht)

	Consolidated financial statements		Separate financial statements	
	<u>2019</u>	<u>2018</u>	<u>2019</u>	<u>2018</u>
Cash flows from operating activities				
Profit before tax	34,080	23,890	31,636	24,804
Adjustments to reconcile profit before tax to net cash provided by (paid from) operating activities:				
Increase in allowance for doubtful accounts	3,000	1,728	3,000	1,728
Depreciation and amortisation	6,120	5,889	4,996	5,470
Share of profit from investment in associated company	(83)	(50)	-	-
Provision for long-term employee benefits	383	450	370	441
Unrealised (gain) loss on exchange	(67)	875	(29)	8
Decrease in provisions	(11,221)	-	(11,221)	-
Gain on sales of equipment	-	(953)	-	(953)
Interest income	(723)	(499)	(723)	(499)
Profit from operating activities before changes in operating assets and liabilities	31,489	31,330	28,029	30,999
Decrease (increase) in operating assets:				
Trade and other receivables	21,823	(14,862)	24,001	(6,668)
Other current assets	(684)	343	494	1,969
Other non-current assets	(2,198)	(4)	(1,702)	-
Increase (decrease) in operating liabilities:				
Trade and other payables	9,812	17,001	10,231	15,116
Information utilisation fee payable	5,666	3,246	5,666	3,246
Other current liabilities	(1,560)	(8,840)	(1,744)	(7,958)
Cash flows from operating activities	64,348	28,214	64,975	36,704
Cash paid for corporate income tax	(2,350)	(1,946)	(2,250)	(1,762)
Net cash from operating activities	61,998	26,268	62,725	34,942

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

(Unaudited but reviewed)

Business Online Public Company Limited and its subsidiaries

Statements of cash flows (continued)

For the three-month period ended 31 March 2019

(Unit: Thousand Baht)

	Consolidated financial statements		Separate financial statements	
	<u>2019</u>	<u>2018</u>	<u>2019</u>	<u>2018</u>
Cash flows from investing activities				
Decrease in short-term investments	-	78,000	-	78,000
Increase in short-term loan to subsidiary	-	-	-	(1,000)
Cash paid for investment in subsidiary	-	-	(1,000)	-
Cash paid for purchase of building improvement and equipment	(13,324)	(9,235)	(8,828)	(8,929)
Cash received from sales of equipment	-	953	-	953
Cash paid for purchase of computer software	(2,368)	(6,779)	(1,980)	-
Cash received from interest income	733	620	733	620
Net cash from (used in) investing activities	<u>(14,959)</u>	<u>63,559</u>	<u>(11,075)</u>	<u>69,644</u>
Net increase in cash and cash equivalents	47,039	89,827	51,650	104,586
Cash and cash equivalents at beginning of period	<u>224,140</u>	<u>111,015</u>	<u>190,829</u>	<u>85,013</u>
Cash and cash equivalents at end of period	<u><u>271,179</u></u>	<u><u>200,842</u></u>	<u><u>242,479</u></u>	<u><u>189,599</u></u>

Supplemental cash flow information:

Non-cash related transactions from operating activities

Payable for purchase of building improvement

and equipment

1,441 252 1,441 252

Payable for purchase of computer software

214 - 214 -

Increase (decrease) in dividend payable

(40) 65,640 (40) 65,640

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

(Unaudited but reviewed)

Business Online Public Company Limited and its subsidiaries
Statements of changes in shareholders' equity
For the three-month period ended 31 March 2019

(Unit: Thousand Baht)

		Consolidated financial statements				
		Equity attributable to owner of the Company				
				Retained earnings		
		Issued and paid up share capital	Share premium	Appropriated - statutory reserve	Unappropriated	Total shareholders' equity
Note						
	Balance as at 1 January 2019	82,051	139,271	8,260	275,659	505,241
	Profit for the period	-	-	-	30,721	30,721
	Other comprehensive income for the period	-	-	-	-	-
	Total comprehensive income for the period	-	-	-	30,721	30,721
	Balance as at 31 March 2019	<u>82,051</u>	<u>139,271</u>	<u>8,260</u>	<u>306,380</u>	<u>535,962</u>
	Balance as at 1 January 2018	82,051	139,271	8,260	239,189	468,771
	Profit for the period	-	-	-	19,793	19,793
	Other comprehensive income for the period	-	-	-	-	-
	Total comprehensive income for the period	-	-	-	19,793	19,793
	Dividend paid	-	-	-	(65,640)	(65,640)
18	Balance as at 31 March 2018	<u>82,051</u>	<u>139,271</u>	<u>8,260</u>	<u>193,342</u>	<u>422,924</u>

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

Business Online Public Company Limited and its subsidiaries

(Unaudited but reviewed)

Statements of changes in shareholders' equity (continued)

For the three-month period ended 31 March 2019

(Unit: Thousand Baht)

		Separate financial statements				
				Retained earnings		
		Issued and paid up share capital	Share premium	Appropriated - statutory reserve	Unappropriated	Total shareholders' equity
Note						
	Balance as at 1 January 2019	82,051	139,271	8,260	258,155	487,737
	Profit for the period	-	-	-	28,375	28,375
	Other comprehensive income for the period	-	-	-	-	-
	Total comprehensive income for the period	-	-	-	28,375	28,375
	Balance as at 31 March 2019	82,051	139,271	8,260	286,530	516,112
	Balance as at 1 January 2018	82,051	139,271	8,260	224,158	453,740
	Profit for the period	-	-	-	21,379	21,379
	Other comprehensive income for the period	-	-	-	-	-
	Total comprehensive income for the period	-	-	-	21,379	21,379
	Dividend paid	-	-	-	(65,640)	(65,640)
	Balance as at 31 March 2018	82,051	139,271	8,260	179,897	409,479

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

Business Online Public Company Limited and its subsidiaries

Notes to interim financial statements

For the three-month period ended 31 March 2019

1. General information

1.1 Corporate information

Business Online Public Company Limited (“the Company”) is a public company incorporated and domiciled in Thailand. Its major shareholders are Advanced Research Group Co., Ltd., which was incorporated in Thailand, and Keppel Communications Pte. Ltd., which was incorporated in Singapore. Its principal activity is service provider and developer of local and global financial information system and as an online and offline business information service provider as well as consulting service and database management. The registered office of the Company is at 900/8-10 SVOA Tower, Rama III Road, Kwang Bangpongpan, Khet Yannawa, Bangkok.

1.2 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.

1.3 Basis of consolidation

The interim consolidated financial statements included the financial statements of Business Online Public Company Limited and its subsidiaries and have been prepared on the same basis as that applied for the consolidated financial statements for the year ended 31 December 2018. There has been no changes in the composition of its subsidiaries during the period.

1.4 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 will become 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.

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.

2. 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.

3. Related party transactions

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

	For the three-month periods ended 31 March				Pricing policy
	Consolidated financial statements		Separate financial statements		
	<u>2019</u>	<u>2018</u>	<u>2019</u>	<u>2018</u>	
(Unit: Thousand Baht)					
<u>Transaction with subsidiaries</u>					
(eliminated from the consolidated financial statements)					
Service income	-	-	2,436	2,960	Market price, Mutually agreed prices as stipulated in the agreements
Cost of project	-	-	1,000	-	Market price, Mutually agreed prices as stipulated in the agreements
<u>Transaction with related companies</u>					
Service income	5,419	4,996	5,419	4,996	Market price, Cost plus margin, Mutually agreed prices as stipulated in the agreements
Service fee expenses	5,206	1,917	5,152	1,568	Market price, Mutually agreed prices as stipulated in the agreements
Cost of project	2,935	3,791	801	814	Market price, Mutually agreed prices as stipulated in the agreements
Purchase of equipment	471	103	471	4	Market price

(Unaudited but reviewed)

As at 31 March 2019 and 31 December 2018, the outstanding balances between the Company and its related parties are as follows:

(Unit: Thousand Baht)

	Consolidated		Separate	
	financial statements		financial statements	
	31 March 2019	31 December 2018	31 March 2019	31 December 2018
Trade and other receivables - related parties (Note 6)				
Subsidiaries	-	-	898	6,045
Related companies (Common shareholders and/or directors)	2,554	8,404	2,516	4,390
Total trade and other receivables - related parties	<u>2,554</u>	<u>8,404</u>	<u>3,414</u>	<u>10,435</u>
Trade and other payables - related parties (Note 13)				
Parent company	4,070	552	4,070	552
Related companies (Common shareholders and/or directors)	2,149	4,627	2,939	5,171
Total trade and other payables - related parties	<u>6,219</u>	<u>5,179</u>	<u>7,009</u>	<u>5,723</u>

Directors and management's benefits

During the three-month periods ended 31 March 2019 and 2018, the Company and its subsidiaries had employee benefit expenses of their directors and management as below.

(Unit: Thousand Baht)

	For the three-month periods ended 31 March			
	Consolidated		Separate	
	financial statements		financial statements	
	<u>2019</u>	<u>2018</u>	<u>2019</u>	<u>2018</u>
Short-term employee benefits	5,587	4,876	5,587	4,876
Post-employment benefits	97	89	84	80
Total	<u>5,684</u>	<u>4,965</u>	<u>5,671</u>	<u>4,956</u>

(Unaudited but reviewed)

4. Cash and cash equivalents

The outstanding balances as at 31 March 2019 and 31 December 2018 are as follows:

(Unit: Thousand Baht)

	Consolidated		Separate	
	financial statements		financial statements	
	31 March	31 December	31 March	31 December
	2019	2018	2019	2018
Cash	168	168	133	133
Bank deposits	271,011	223,972	242,346	190,696
Total	<u>271,179</u>	<u>224,140</u>	<u>242,479</u>	<u>190,829</u>

As at 31 March 2019, bank deposits carried interests between 0.80 and 1.45 percent per annum (31 December 2018: between 0.10 and 1.45 percent per annum).

5. Short-term investments

As at 31 March 2019 and 31 December 2018, short-term investments consisted of the following:

(Unit: Thousand Baht)

	Consolidated/Separate	
	financial statements	
	31 March	31 December
	2019	2018
Bill of exchange	<u>14,855</u>	<u>14,855</u>

As at 31 March 2019, the Company had investment in bill of exchange which carried interest at 4.1 percent per annum and due for redemption within June 2019 (31 December 2018: 4.1 percent per annum and due for redemption within March 2019).

(Unaudited but reviewed)

6. Trade and other receivables

(Unit: Thousand Baht)

	Consolidated		Separate	
	financial statements		financial statements	
	31 March	31 December	31 March	31 December
	2019	2018	2019	2018
<u>Trade receivables - related parties</u>				
Aged on the basis of due dates				
Not yet due	932	3,409	2,619	5,442
Past due				
Up to 3 months	-	3,164	-	3,164
Total trade receivables - related parties	932	6,573	2,619	8,606
<u>Trade receivables - unrelated parties</u>				
Aged on the basis of due dates				
Not yet due	30,977	29,906	26,117	25,827
Past due				
Up to 3 months	36,757	43,320	36,366	42,488
3 - 6 months	-	2,242	-	2,242
6 - 12 months	740	-	740	-
Total trade receivables - unrelated parties	68,474	75,468	63,223	70,557
Total trade receivables	69,406	82,041	65,842	79,163
<u>Other receivables</u>				
Other receivables - unrelated parties	837	1,051	837	1,051
Accrued income - related parties	795	691	795	829
Accrued income - unrelated parties	126,772	137,836	121,543	132,859
Prepaid expenses - related parties	827	1,140	-	1,000
Prepaid expenses - unrelated parties	15,931	13,654	12,161	10,287
Total other receivables	145,162	154,372	135,336	146,026
Less: Allowance for doubtful debts	(15,500)	(12,500)	(15,500)	(12,500)
Total other receivables - net	129,662	141,872	119,836	133,526
Total trade and other receivables - net	199,068	223,913	185,678	212,689

7. Restricted banks deposits

As at 31 March 2019, the Company pledged fixed deposits at banks approximately Baht 14.20 million (31 December 2018: Baht 14.20 million) with three banks to secure bank overdrafts and letter of guarantees issued by the banks on behalf of the Company in respect of the purchase of goods and services as required in the ordinary course of business of the Company.

(Unaudited but reviewed)

8. Investment in associated company

Company's name	Nature of business	Country of incorporation	Percentage of shareholding		Consolidated financial statements		Separate financial statements	
			31 March 2019	31 December 2018	Carrying amount based on equity method		Carrying amount based on cost method	
			(%)	(%)	31 March 2019	31 December 2018	31 March 2019	31 December 2018
Abiks Development Co., Ltd.	Property Development	Thailand	20	20	31,926	31,843	30,000	30,000

During the three-month periods ended 31 March 2019 and 2018, the Company recognised share of comprehensive income from investment in associated company in the consolidated financial statements and recognised dividend income in the separate financial statements as follows:

Company's name	Consolidated financial statements		Separate financial statements	
	Share of profit from investment in associated company for the three-month periods ended 31 March		Dividend received during the three-month periods ended 31 March	
	2019	2018	2019	2018
Abiks Development Co., Ltd.	83	50	-	-

9. Investments in subsidiaries

Details of investments in subsidiaries as presented in the separate financial statements are as follows:

Company's name	Nature of business	Paid-up capital		Shareholding percentage		Cost	
		31 March 2019	31 December 2018	31 March 2019	31 December 2018	31 March 2019	31 December 2018
				(%)	(%)		
D&B (Thailand) Co., Ltd.	Business information service	2,000	1,000	99.99	99.99	2,000	1,000
BOL Digital Co., Ltd.	Social business service	30,000	30,000	99.99	99.99	30,000	30,000
						<u>32,000</u>	<u>31,000</u>

(Unaudited but reviewed)

On 18 December 2018, the meeting of the Company's Board of Directors passed resolutions to approve an increase in the registered share capital of D&B (Thailand) Company Limited ("the subsidiary") from Baht 1 million (100,000 ordinary shares of Baht 10) to Baht 5 million (500,000 ordinary shares of Baht 10) through the issuance of 400,000 new ordinary shares of Baht 10 each in which and the Company will hold 99.99 percent shareholding interest in D&B (Thailand) Company Limited. The subsidiary called up share capital at 25 percent totaling Baht 1 million and the Company paid for the share subscription on 7 January 2019. The subsidiary registered the share capital increase with the Ministry of Commerce on 8 January 2019.

10. Other long-term investments

		Consolidated/Separate financial statements								
Company's name	Nature of business	Type of relation	Paid up share capital		Shareholding percentage		Cost value		Dividend received	
			31 March 2019	31 December 2018	31 March 2019	31 December 2018	31 March 2019	31 December 2018	during the three-month periods ended 31 March	
			(Thousand Baht)	(Thousand Baht)	(%)	(%)	(Thousand Baht)	(Thousand Baht)	(Thousand Baht)	(Thousand Baht)
National Credit Bureau Co., Ltd.	Credit information provider	Direct holding	250,000	250,000	12.25	12.25	27,864	27,864	-	-
Ecartstudio Co., Ltd.	Designing, developing, consulting for Web-Based Applications	Direct holding	14,612	14,612	12.08	12.08	52,941	52,941	-	-
Peer Power Co., Ltd.	Fintech business	Direct holding	14,000	14,000	10.00	10.00	11,750	11,750	-	-
							<u>92,555</u>	<u>92,555</u>	<u>-</u>	<u>-</u>

11. Building improvement and equipment

Movements in the building improvement and equipment account during the three-month period ended 31 March 2019 are summarised below.

	(Unit: Thousand Baht)	
	Consolidated financial statements	Separate financial statements
	<u> </u>	<u> </u>
<u>Cost</u>		
Balance as at 31 December 2018	150,930	146,456
Additions	14,602	10,106
Balance as at 31 March 2019	<u>165,532</u>	<u>156,562</u>
<u>Accumulated depreciation</u>		
Balance as at 31 December 2018	128,734	124,891
Depreciation for the period	2,517	2,329
Balance as at 31 March 2019	<u>131,251</u>	<u>127,220</u>
<u>Allowance for impairment loss</u>		
Balance as at 31 December 2018	1,861	1,850
Balance as at 31 March 2019	<u>1,861</u>	<u>1,850</u>
<u>Net book value</u>		
Balance as at 31 December 2018	<u>20,335</u>	<u>19,715</u>
Balance as at 31 March 2019	<u>32,420</u>	<u>27,492</u>

12. Intangible assets

Movements in intangible assets account during the three-month period ended 31 March 2019 are summarised below.

	(Unit: Thousand Baht)	
	Consolidated financial statements	Separate financial statements
	<u> </u>	<u> </u>
Net book value as at 31 December 2018	36,358	24,357
Additions	668	350
Amortisation charged for the period	(3,603)	(2,667)
Net book value as at 31 March 2019	<u>33,423</u>	<u>22,040</u>

(Unaudited but reviewed)

13. Trade and other payables

(Unit: Thousand Baht)

	Consolidated		Separate	
	financial statements		financial statements	
	31 March 2019	31 December 2018	31 March 2019	31 December 2018
Trade payables - related parties	224	963	224	893
Trade payables - unrelated parties	9,127	7,271	5,537	1,322
Accrued cost - related parties	830	355	830	355
Accrued cost - unrelated parties	17,034	15,142	16,540	14,250
Accrued expenses - related parties	3,401	-	3,401	-
Accrued expenses - unrelated parties	15,086	25,143	13,858	22,755
Other payables - related parties	1,051	2,852	1,051	2,035
Other payables - unrelated parties	2,653	2,090	2,519	1,922
Deferred income - related parties	713	1,009	1,503	2,440
Deferred income - unrelated parties	83,197	69,180	73,895	63,536
Total trade and other payables	<u>133,316</u>	<u>124,005</u>	<u>119,358</u>	<u>109,508</u>

14. Short-term provisions

(Unit: Thousand Baht)

	Consolidated/ Separate financial statements		
	Provision for penalty delay	Decommissioning	Total
1 January 2019	25,000	1,200	26,200
Decrease during the period	(11,221)	-	(11,221)
31 March 2019	<u>13,779</u>	<u>1,200</u>	<u>14,979</u>

15. Service income

Service income of the Company and its subsidiaries classified by nature of services are as follows:

(Unit: Thousand Baht)

	For the three-month periods ended 31 March			
	Consolidated financial statements		Separate financial statements	
	<u>2019</u>	<u>2018</u>	<u>2019</u>	<u>2018</u>
Service income from providing business information by online computer systems	47,652	39,598	48,874	40,625
Service income from providing/ utilising software under the BOI investment promotion privilege	21,280	19,938	21,280	19,938
Other service income	51,713	41,357	32,104	27,418
Total service income	120,645	100,893	102,258	87,981

16. Income tax

Interim corporate income tax was calculated on profit before income tax for the periods, using the estimated effective tax rate for the year.

Income tax for three-month periods ended 31 March 2019 and 2018 are made up as follows:

(Unit: Thousand Baht)

	For the three-month periods ended 31 March			
	Consolidated		Separate	
	financial statements		financial statements	
	<u>2019</u>	<u>2018</u>	<u>2019</u>	<u>2018</u>
Current income tax:				
Interim corporate income tax	2,935	3,875	2,835	3,200
Deferred tax:				
Relating to origination and reversal of temporary differences	424	222	426	225
Income tax reported in profit or loss	3,359	4,097	3,261	3,425

17. Basic earnings per share

Basic earnings per share is calculated by dividing profit 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. Dividend paid

Dividends	Approved by	Total dividends (Million Baht)	Dividend per share (Baht per share)
Final dividends for 2017	Annual General Meeting of the shareholders on 28 March 2018	65.6	0.08
Total dividends paid in 2018		65.6	0.08

19. Financial information by segment

Operating segment information is reported in a manner consistent with the internal reports that are regularly reviewed by the chief operating decision maker in order to make decisions about the allocation of resources to the segment and assess its performance.

The Company and its subsidiaries are principally engaged in an online and offline information service provider and developer of financial news and other information services. Its operations are carried on only in Thailand. Segment performance is measured based on operating profit or loss, on a basis consistent with that used to measure operating profit or loss in the financial statements. As a result, all of the revenues and operating profits as presented in the comprehensive income statements and assets as reflected in these financial statements pertain exclusively to the aforementioned reportable operating segment and geographical area.

20. Commitments and contingent liabilities

As at 31 March 2019, the Company and its subsidiaries have commitments and contingent liabilities other than those disclosed in other notes to financial statements as follows:

20.1 Service agreements and trademark license

The Company has entered into agreements with a government enterprise to obtain the right to operate an online business information service and on 23 April 2012, the Company extended the agreement for 5 years with a government enterprise (2016 - 2020) to obtain the right to operate an online business information service. The agreement will be terminated in December 2020. In addition, the Company signed in the memorandum of understanding of the cooperation of business information service which the term of such memorandum is 15 years (2021 - 2035). The Company has to pay the fee at the fixed rate of service income or minimum guarantee for per year as specified in the agreements and such memorandum in order to continue the project.

During the year 2015, D&B (Thailand) Co., Ltd., a subsidiary company, entered into an agreement with an overseas company to obtain the trademark license to provide service to customers. The subsidiary company is liable to a fee as specified in the agreement. The agreement is for the period of 5 years.

In addition, the Company and its subsidiaries entered into service agreements related to cost of providing services with other companies.

As at 31 March 2019, the future payments under these agreements are due as follows:

	(Unit: Million Baht)	
	Consolidated financial statements	Separate financial statements
	<u> </u>	<u> </u>
Payable:		
In up to 1 year	65.83	39.42
In over 1 and up to 5 years	93.50	75.69
In over 5 years	173.31	173.31

20.2 Capital expenditure agreement

As at 31 March 2019, the Company and its subsidiaries had capital commitments of Baht 7.57 million (the Company only: Baht 7.22 million), relating to building improvement and data center development (31 December 2018: Nil).

20.3 Other license agreements

The Company entered into an agreement with a related company and an overseas company granting the Company for the rights to utilise software applications to another related company. Under the agreement, the Company is obliged to pay a fee at a certain percentage of revenues earned from the use of such service as stipulated in the agreement. The agreement does not stipulate a definite term.

20.4 Uncalled portion of investment

The Company has outstanding commitment in respect of uncalled portion of investment in subsidiary of Baht 3 million.

20.5 Bank guarantees

As at 31 March 2019, there were outstanding bank guarantees of Baht 37.87 million issued by a bank on behalf of the Company in respect of certain performance bonds as required in the normal course of business to guarantee contractual performance (31 December 2018: Baht 40.66 million).

20.6 Other commitment

On 1 September 2017, the Company entered into a consortium agreement with two juristic persons, one of which is a related company, to jointly form “L B E Consortium”, which will engage in Collateral Appraisal Management system (CAMS) and Geographic Information System (GIS) with a commercial bank in Thailand.

Subsequently in September 2018, L B E Consortium entered into an agreement with such commercial bank. The agreement is effective from the date that the agreement is signed and will terminate when L B E Consortium fully discharges its responsibilities in accordance with agreement entered into with the bank. The Company is obliged to comply with conditions and responsible for its own expenses related to the project as stated in the term of reference in the agreement.

21. Foreign currency risk

The Company and its subsidiaries’ exposure to foreign currency risk arises mainly from purchasing or rendering services transactions that are denominated in foreign currencies. The Company seek to reduce this risk by entering into forward exchange contracts when it considers appropriate.

As at 31 March 2019, the balances of financial assets and liabilities denominated in foreign currencies are summarised below.

Foreign currency	Consolidated financial statements		Separate financial statements		Average exchange rate as at 31 March 2019 (Baht per 1 foreign currency unit)
	Financial assets (Million)	Financial liabilities (Million)	Financial assets (Million)	Financial liabilities (Million)	
USD	1.05	0.27	0.17	0.10	31.8117
SGD	-	-	0.01	-	23.4711

As at 31 March 2019, the Company has forward exchange contract outstanding as summarised below.

As at 31 March 2019			
Foreign currency	Bought amount	Contractual exchange bought amount	Contractual maturity date
	(Million)		
USD	0.30	31.15	21 August 2019

22. Events after the reporting period

22.1 Dividend payment

On 2 April 2019, the 2018 Annual General Meeting of the Company's shareholders has approved a dividend payment from the net profit of 2018 of Baht 0.12 per share, totaling Baht 98.46 million. Such dividend will be recorded in the second quarter of 2019. The Company paid dividend on 11 April 2019.

22.2 Investment in new company

On 2 April 2019, the Board of Directors Meeting of the Company No. 2/2019 passed a resolution to approve an investment in 20 percent of shareholding in AI LAB Company Limited to support the Company's business expansion in Artificial Intelligence technology. The new company registered the establishment with Ministry of Commerce on 3 April 2019 with the registered share capital of Baht 2 million.

22.3 Amendments to the law relating to the legal severance pay rates

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. This change is considered a post-employment benefits plan amendment and the Company and its subsidiaries have additional long-term employee benefit liabilities of Baht 3.5 million (The Company only: Baht 3.4 million) as a result. The Company and its subsidiaries will reflect the effect of the change by recognising past service costs as expenses in the profit or loss of the period in which the law is effective, which is the second quarter of 2019.

22.4 Notification on office relocation

The Company has relocated its office from No. 900/8-10 SVOA Tower, Rama III Road, Kwang Bangpongpan, Khet Yannawa, Bangkok to No. 1023 MS Siam Tower, 28th floor, Rama III Road, Kwang Bangpongpan, Khet Yannawa, Bangkok which is effective as from 9 April 2019.

23. Reclassification

Certain amounts in the statements of financial position as at 31 December 2018 have been reclassified to conform to the current period's classification with no effect to previously reported profit or shareholders' equity. The reclassifications are as follows:

	(Unit: Thousand Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	As	As previously	As	As previously
	reclassified	reported	reclassified	reported
Trade and other payables	124,005	109,861	109,508	97,085
Other current liabilities	5,362	19,506	5,035	17,458

24. Approval of interim financial statements

These interim financial statements have been authorised for issue by the Board of Directors of the Company on 9 May 2019.