

SE-EDUCATION PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES

INTERIM FINANCIAL REPORTING AND INTERIM FINANCIAL INFORMATION

FOR THE THREE-MONTH AND 0-MONTH PERIODS ENDED JUNE 30, 2020

INDEPENDENT AUDITOR’S REPORT ON REVIEW OF INTERIM FINANCIAL INFORMATION

To The Shareholders and Board of Directors of
Se-Education Public Company Limited

I have reviewed the accompanying consolidated statements of financial position of Se-Education Public Company Limited and its subsidiaries as at June 30, 2020, and the related consolidated statement of income, statement of comprehensive income for the three-month and six-month periods statement of changes in shareholders’ equity and statement of cash flows for the six-month period then ended, and condensed notes to consolidated financial statements and have also reviewed the statement of financial position of Se-Education Public Company Limited as at June 30, 2020, statement of income and statement of comprehensive income for the three-month and six-month periods then ended, statement of changes in shareholders’ equity and statement of cash flows for the six-month period then ended, and the condensed notes to the financial statements. 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 Standards No. 34 “Interim Financial Reporting”.

EMPHASIS OF MATTER

I draw attention to Note 2.2 to the interim financial statements. Due to the impact of COVID-19 pandemic, in preparing the interim financial information for the six-month period ended June 30, 2020, the Company have adopted the Accounting Guidance on “Temporary relief measures on accounting alternatives in response to the impact of the COVID-19 situation” announced by the Federation of Accounting Professions. My conclusion is not modified in respect of this matter.

(Miss Nannaphat Wannasomboon)

Certified Public Accountant

Registration No. 7793

Dharmniti Auditing Company Limited

Bangkok, Thailand

August 13, 2020

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- 3 -

SE-EDUCATION PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES

STATEMENT OF FINANCIAL POSITION

AS AT JUNE 30, 2020

		Baht				
		Consolidated financial statements		Separate financial statements		
Notes		As at June 30, 2020	As at December 31, 2019	As at June 30, 2020	As at December 31, 2019	
Current assets						
	Cash and cash equivalents	6	154,578,205	111,493,330	78,552,812	48,092,145
	Current investments	9	-	6,100,034	-	100,034
	Trade and other current receivables	5, 7	157,782,403	57,788,888	151,168,284	54,698,912
	Inventories	8	321,199,059	327,591,960	319,667,941	326,305,959
	Other current financial assets	9	100,467	-	100,467	-
	Other current assets	10	59,367,398	60,188,609	58,302,891	57,737,310
	Total current assets		693,027,532	563,162,821	607,792,395	486,934,360
Non-current assets						
	Restricted bank deposits and other investments	11	12,942,367	12,932,664	12,942,367	12,932,664
	Investment in associated company	12	24,087,783	24,365,699	100,000	100,000
	Investment in subsidiary companies	13	-	-	69,482,091	69,482,091
	Property, plant and equipment	14	1,695,981,925	1,721,405,271	1,419,121,264	1,448,714,369
	Right-of-use assets	15	363,594,751	-	341,123,990	-
	Leasehold rights on land	15	-	5,524,264	-	-
	Leasehold rights on buildings	15	-	30,318,461	-	30,318,461
	Intangible assets	16	2,801,739	2,943,182	2,527,902	2,814,524
	Prepaid book copyright and translation fee		22,050,536	21,018,667	22,050,536	21,018,667
	Rental guarantee and deposit		82,626,045	82,076,781	82,626,045	82,076,781
	Other non-current assets		9,021,089	9,036,382	8,298,294	8,748,312
	Total non-current assets		2,213,106,235	1,909,621,371	1,958,272,489	1,676,205,869
	Total assets		2,906,133,767	2,472,784,192	2,566,064,884	2,163,140,229

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

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- 4 -

SE-EDUCATION PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES
STATEMENT OF FINANCIAL POSITION (CONT.)
AS AT JUNE 30, 2020

LIABILITIES AND SHAREHOLDERS' EQUITY

		Baht			
		Consolidated financial statements		Separate financial statements	
	Notes	As at June 30, 2020	As at December 31, 2019	As at June 30, 2020	As at December 31, 2019
Current liabilities					
Overdraft and short-term loan from financial institution	17	190,000,000	63,032,754	190,000,000	63,032,754
Trade and other current payables	18	670,661,280	682,463,899	663,492,947	669,536,070
Income received in advance recognisable within one year	19	65,346,370	59,377,559	-	-
Current portion of long-term loans	21	106,608,000	70,658,000	60,408,000	60,408,000
Income tax payable		490,503	490,503	-	-
Current portion of long-term employee benefits obligations	22	9,293,904	8,663,271	9,293,904	8,663,271
Current portion of lease liabilities	24	96,066,637	-	95,388,359	-
Other current liabilities	20	33,417,390	33,019,447	30,515,574	31,115,826
Total current liabilities		1,171,884,084	917,705,433	1,049,098,784	832,755,921
Non-current liabilities					
Income received in advance	19	15,947,655	41,584,581	-	-
Long-term loans	21	116,582,000	133,984,000	92,682,000	87,784,000
Deferred tax liabilities	23	41,206,620	48,881,557	37,280,450	44,813,003
Long-term employee benefits obligations	22	72,623,398	76,787,568	63,761,538	68,350,960
Lease liabilities	24	234,653,288	-	218,923,810	-
Other non-current financial liabilities	25	5,950,083	-	5,950,083	-
Other non-current liabilities		10,934,665	9,868,240	7,162,676	7,412,680
Total non-current liabilities		497,897,709	311,105,946	425,760,557	208,360,643
Total liabilities		1,669,781,793	1,228,811,379	1,474,859,341	1,041,116,564

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

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- 5 -

SE-EDUCATION PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES

STATEMENT OF FINANCIAL POSITION (CONT.)

AS AT JUNE 30, 2020

LIABILITIES AND SHAREHOLDERS' EQUITY (CONT.)

	Baht			
	Consolidated financial statements		Separate financial statements	
	As at June 30, 2020	As at December 31, 2019	As at June 30, 2020	As at December 31, 2019
Shareholders' equity				
Share capital				
Authorized share capital				
391,944,529 ordinary shares of Baht 1 each	391,944,529	391,944,529	391,944,529	391,944,529
Issued and paid-up				
391,944,418 ordinary shares of Baht 1 each	391,944,418	391,944,418	391,944,418	391,944,418
Share premium	149,420,558	149,420,558	149,420,558	149,420,558
Retained earnings				
Appropriated to legal reserve				
Company	39,194,453	39,194,453	39,194,453	39,194,453
Subsidiaries	631,994	631,994	-	-
Unappropriated	180,138,613	199,142,940	140,330,745	170,864,714
Other components of shareholders' equity	380,333,422	380,896,491	370,315,369	370,599,522
Total shareholders' equity of parent	1,141,663,458	1,161,230,854	1,091,205,543	1,122,023,665
Total non-controlling interests of the subsidiaries	94,688,516	82,741,959	-	-
Total shareholders' equity	1,236,351,974	1,243,972,813	1,091,205,543	1,122,023,665
Total liabilities and shareholders' equity	2,906,133,767	2,472,784,192	2,566,064,884	2,163,140,229

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

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- 6 -

SE-EDUCATION PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES
STATEMENT OF INCOME
FOR THE THREE-MONTH PERIOD ENDED JUNE 30, 2020

		Baht			
		Consolidated financial statements		Separate financial statements	
Notes		2020	2019	2020	2019
Revenues					
	Revenues from sales	379,450,744	813,353,364	379,701,669	812,985,824
	Tuition fees income	64,031,984	56,619,420	-	-
	Interest income and dividend income	270,143	339,442	671,960	1,253,826
	Other income	11,376,834	23,443,845	10,225,369	19,060,365
	Total revenues	455,129,705	893,756,071	390,598,998	833,300,015
Expenses					
	Cost of sales	236,299,668	515,218,289	236,550,593	514,157,820
	Cost of tuition fees	32,066,766	35,484,209	-	-
	Selling expenses	72,829,359	174,220,011	72,829,359	174,174,810
	Administrative expenses	95,655,629	119,953,497	83,658,218	108,354,662
	Other loss	6,153,770	-	6,153,770	-
	Total expenses	443,005,192	844,876,006	399,191,940	796,687,292
Profit (loss) before finance cost, share of profit from investments in associates and tax income (expense)					
	Finance cost	3,843,865	3,324,001	2,999,239	2,591,763
Profit (loss) before share of profit from investments in associates and tax income (expense)					
	Share of gain from associated companies	222,084	26,920	-	-
Profit (loss) before tax income (expense)					
	Tax income (expense)	5,085,973	(5,549,710)	5,069,996	(5,546,190)
	Profit (loss) for the period	13,588,705	40,033,274	(6,522,185)	28,474,770
Profit (loss) attributable to					
	Equity holders of the Company	3,199,765	33,706,221	(6,522,185)	28,474,770
	Non-controlling interests of the subsidiaries	10,388,940	6,327,053	-	-
		13,588,705	40,033,274	(6,522,185)	28,474,770
Basic earnings (loss) per share					
	Earnings (loss) attributable to equity holders of the Company	0.008	0.086	(0.017)	0.073

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

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- 7 -

SE-EDUCATION PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES
STATEMENT OF COMPREHENSIVE INCOME
FOR THE THREE-MONTH PERIOD ENDED JUNE 30, 2020

	Baht			
	Consolidated financial statements		Separate financial statements	
	2020	2019	2020	2019
Profit (loss) for the period	13,588,705	40,033,274	(6,522,185)	28,474,770
Other comprehensive income (loss) for the period	-	5,608	-	5,608
Total comprehensive income (loss) for the period	<u>13,588,705</u>	<u>40,038,882</u>	<u>(6,522,185)</u>	<u>28,480,378</u>
Total comprehensive income (loss) attributable to				
Equity holders of the Company	3,199,765	33,711,829	(6,522,185)	28,480,378
Non-controlling interests of subsidiaries	10,388,940	6,327,053	-	-
	<u>13,588,705</u>	<u>40,038,882</u>	<u>(6,522,185)</u>	<u>28,480,378</u>

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

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- 8 -

SE-EDUCATION PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES
STATEMENT OF INCOME
FOR THE SIX-MONTH PERIOD ENDED JUNE 30, 2020

		Baht			
		Consolidated financial statements		Separate financial statements	
Notes	2020	2019	2020	2019	
Revenues					
	922,974,329	1,542,116,198	922,940,022	1,539,342,973	
Revenues from sales					
	112,419,016	101,531,359	-	-	
Tuition fees income					
	371,902	465,413	750,011	1,300,048	
Interest income and dividend income					
	21,678,518	33,474,382	18,872,966	27,163,629	
Other income					
Total revenues	1,057,443,765	1,677,587,352	942,562,999	1,567,806,650	
Expenses					
	584,591,248	994,353,139	584,742,029	990,638,544	
Cost of sales					
	69,470,324	70,136,703	-	-	
Cost of tuition fees					
	213,819,720	348,250,936	213,819,720	348,196,796	
Selling expenses					
	188,796,896	225,756,572	167,767,626	205,331,798	
Administrative expenses					
	5,950,083	-	5,950,083	-	
Other loss					
Total expenses	1,062,628,271	1,638,497,350	972,279,458	1,544,167,138	
Profit (loss) before finance cost, share of profit from					
	(5,184,506)	39,090,002	(29,716,459)	23,639,512	
investments in associates and tax income (expense)					
	7,391,325	6,588,680	5,802,617	5,132,250	
Finance cost					
Profit (loss) before share of profit from investments in					
	(12,575,831)	32,501,322	(35,519,076)	18,507,262	
associates and tax income (expense)					
	222,084	26,920	-	-	
Share of gain from associated companies					
Profit (loss) before tax income (expense)					
	(12,353,747)	32,528,242	(35,519,076)	18,507,262	
Tax income (expense)					
	6,998,180	(3,522,505)	6,966,226	(3,589,401)	
26					
Profit (loss) for the period					
	(5,355,567)	29,005,737	(28,552,850)	14,917,861	
Profit (loss) attributable to					
	(17,302,124)	21,313,437	(28,552,850)	14,917,861	
Equity holders of the Company					
	11,946,557	7,692,300	-	-	
Non-controlling interests of the subsidiaries					
	(5,355,567)	29,005,737	(28,552,850)	14,917,861	
Basic earnings (loss) per share					
	(0.044)	0.054	(0.073)	0.038	
27					
Earnings (loss) attributable to equity holders of the Company					

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

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- 9 -

SE-EDUCATION PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES
STATEMENT OF COMPREHENSIVE INCOME
FOR THE SIX-MONTH PERIOD ENDED JUNE 30, 2020

	Baht			
	Consolidated financial statements		Separate financial statements	
	2020	2019	2020	2019
Profit (loss) for the period	(5,355,567)	29,005,737	(28,552,850)	14,917,861
Other comprehensive income (loss) for the period	-	5,608	-	5,608
Total comprehensive income (loss) for the period	<u>(5,355,567)</u>	<u>29,011,345</u>	<u>(28,552,850)</u>	<u>14,923,469</u>
Total comprehensive income (loss) attributable to				
Equity holders of the Company	(17,302,124)	21,319,045	(28,552,850)	14,923,469
Non-controlling interests of subsidiaries	11,946,557	7,692,300	-	-
	<u>(5,355,567)</u>	<u>29,011,345</u>	<u>(28,552,850)</u>	<u>14,923,469</u>

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

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- 10 -

SE-EDUCATION PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES
STATEMENT OF CHANGES IN SHAREHOLDERS' EQUITY
FOR THE SIX-MONTH PERIOD ENDED JUNE 30, 2020

Baht

		Consolidated financial statements													
		Equity attributable to the parent's shareholders:													
	Notes	Issued and paid-up share capital	Share premium	Other components of equity							Total equity attributable to shareholders of the Company	Equity attributable to non-controlling interests of the subsidiaries	Total shareholders' equity		
				Retained earnings			Surplus on changes in value of available-for-sale investments	Surplus on revaluation of assets	Total other components of shareholders' equity	Total equity attributable to shareholders of the Company				Equity attributable to non-controlling interests of the subsidiaries	Total shareholders' equity
				Appropriated to legal reserve											
				Company	Subsidiary	Unappropriated	investments	assets	equity	the Company				the subsidiaries	equity
Beginning balance as at January 1, 2019 - before adjus		391,944,418	149,420,558	39,194,453	631,994	213,053,255	-	382,025,642	382,025,642	1,176,270,320	89,373,976	1,265,644,296			
Cumulative effect of change in accounting policy for income		-	-	-	-	(16,222,455)	-	-	-	(16,222,455)	(16,904,878)	(33,127,333)			
Balance as at January 1, 2019 - as restated		391,944,418	149,420,558	39,194,453	631,994	196,830,800	-	382,025,642	382,025,642	1,160,047,865	72,469,098	1,232,516,963			
Profit for the period		-	-	-	-	21,313,437	-	-	-	21,313,437	7,692,300	29,005,737			
Other comprehensive income for the period		-	-	-	-	-	5,608	-	5,608	5,608	-	5,608			
Total comprehensive income for the period		-	-	-	-	21,313,437	5,608	-	5,608	21,319,045	7,692,300	29,011,345			
Transferred surplus on revaluation of assets to retained earnings		-	-	-	-	559,949	-	(559,949)	(559,949)	-	-	-			
Balance as at June 30, 2019		391,944,418	149,420,558	39,194,453	631,994	218,704,186	5,608	381,465,693	381,471,301	1,181,366,910	80,161,398	1,261,528,308			
Beginning balance as at January 1, 2020 - before adjus		391,944,418	149,420,558	39,194,453	631,994	199,142,940	27	380,896,464	380,896,491	1,161,230,854	82,741,959	1,243,972,813			
The cumulative effect of the changes in accounting policies due to the adoption of new financial reporting standards	4	-	-	-	-	(2,265,245)	(27)	-	(27)	(2,265,272)	-	(2,265,272)			
Balance as at January 1, 2020 - as restated		391,944,418	149,420,558	39,194,453	631,994	196,877,695	-	380,896,464	380,896,464	1,158,965,582	82,741,959	1,241,707,541			
Profit (loss) for the period		-	-	-	-	(17,302,124)	-	-	-	(17,302,124)	11,946,557	(5,355,567)			
Other comprehensive income (loss) for the period		-	-	-	-	-	-	-	-	-	-	-			
Total comprehensive income (loss) for the period		-	-	-	-	(17,302,124)	-	-	-	(17,302,124)	11,946,557	(5,355,567)			
Transferred surplus on revaluation of assets to retained earnings		-	-	-	-	563,042	-	(563,042)	(563,042)	-	-	-			
Balance as at June 30, 2020		391,944,418	149,420,558	39,194,453	631,994	180,138,613	-	380,333,422	380,333,422	1,141,663,458	94,688,516	1,236,351,974			

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

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- 11 -

SE-EDUCATION PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES
STATEMENT OF CHANGES IN SHAREHOLDERS' EQUITY (CONT.)
FOR THE SIX-MONTH PERIOD ENDED JUNE 30, 2020

Baht

		Separate financial statements							
		Issued and	Share premium	Retained earnings		Other components of equity		Total other	Total
		paid-up		Appropriated	Unappropriated	Surplus on	Surplus on	components of	shareholders'
		share capital		to legal reserve		changes in value of	revaluation of	shareholders'	equity
						available-for-sale	assets	equity	
						investments			
	Notes								
Beginning balance as at January,1 2019		391,944,418	149,420,558	39,194,453	178,188,073	-	371,169,308	371,169,308	1,129,916,810
Profit for the period		-	-	-	14,917,861	-	-	-	14,917,861
Other comprehensive income for the period		-	-	-	-	5,608	-	5,608	5,608
Total comprehensive income for the period		-	-	-	14,917,861	5,608	-	5,608	14,923,469
Transferred surplus on revaluation of assets to retained earnings		-	-	-	282,565	-	(282,565)	(282,565)	-
Balance as at June 30,2019		<u>391,944,418</u>	<u>149,420,558</u>	<u>39,194,453</u>	<u>193,388,499</u>	<u>5,608</u>	<u>370,886,743</u>	<u>370,892,351</u>	<u>1,144,840,279</u>
Beginning balance as at January 1, 2020 - before adjust		391,944,418	149,420,558	39,194,453	170,864,714	27	370,599,495	370,599,522	1,122,023,665
The cumulative effect of the changes in accounting policies due to the adoption of new financial reporting standards	4	-	-	-	(2,265,245)	(27)	-	(27)	(2,265,272)
Balance as at January 1,2020 - as restated		<u>391,944,418</u>	<u>149,420,558</u>	<u>39,194,453</u>	<u>168,599,469</u>	<u>-</u>	<u>370,599,495</u>	<u>370,599,495</u>	<u>1,119,758,393</u>
Loss for the period		-	-	-	(28,552,850)	-	-	-	(28,552,850)
Total comprehensive loss for the period		-	-	-	(28,552,850)	-	-	-	(28,552,850)
Transferred surplus on revaluation of assets to retained earnings		-	-	-	284,126	-	(284,126)	(284,126)	-
Balance as at June 30, 2020		<u>391,944,418</u>	<u>149,420,558</u>	<u>39,194,453</u>	<u>140,330,745</u>	<u>-</u>	<u>370,315,369</u>	<u>370,315,369</u>	<u>1,091,205,543</u>

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

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- 12 -

SE-EDUCATION PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES
STATEMENT OF CASH FLOWS
FOR THE SIX-MONTH PERIOD ENDED JUNE 30, 2020

	Baht			
	Consolidated financial statements		Separate financial statements	
	2020	2019	2020	2019
Cash flows from operating activities				
Profit (loss) for the period	(5,355,567)	29,005,737	(28,552,850)	14,917,861
Adjustments to reconcile profit (loss) net cash provided by (paid from) operating activities:				
Gain on disposal of temporary investments	(22,387)	(345,084)	(22,387)	(345,084)
Other unrealized losses	5,338,683	-	5,338,683	-
Gain from adjusting investment value	(256)	(7,009)	(256)	(7,009)
Share of gain from associated companies	(222,084)	(26,920)	-	-
Allowance for doubtful accounts and estimated goods return	11,846,939	8,564,179	11,644,844	8,816,976
Adjustments from reconcile account receivable (reversal)	-	(32,161)	-	(32,161)
Expense from loss of inventories	2,102,679	3,735,557	2,102,679	3,735,557
Allowance for loss of inventories, dilapidated and slow moving (reversal)	24,545,391	(1,196,238)	24,378,180	(1,196,238)
Expense for donation of goods and equipment	124,904	4,301,092	124,904	4,301,092
Expense from donate property	-	104,314	-	104,314
Expense from destroy inventories	-	7,946,484	-	7,946,484
Loss on destroy assets	265,919	2,286,599	265,919	2,286,599
Depreciation and amortisation property	41,081,664	45,061,344	31,804,968	36,828,216
Depreciation of right-of-use assets	46,363,928	-	45,572,849	-
Loss from cancellation of Right-of-use assets	18,547	-	-	-
Allowance for impairment of assets (reversal)	1,896,796	(1,581,119)	1,896,796	(1,581,119)
(Gain) loss on sales and written-off equipment	289,536	359,365	(229,942)	(473,135)
Loss on written-off equipment	15	-	15	-
Difference from rental reduction	41,176	-	41,176	-
Amortised leasehold rights on land and buildings	-	5,150,342	-	5,008,885
Adjustment from clearing long outstanding payable	89,201	38,398	89,201	38,398
Provision for long-term employee benefits	3,975,053	3,484,296	3,549,801	3,261,041
Past service costs	-	10,753,924	-	9,674,086
Deferred entry fee income	-	(6,755,000)	-	-
Interest income	(371,901)	(465,413)	(250,011)	(300,048)
Interest expenses	7,391,325	6,588,680	5,802,617	5,132,250
Dividend received	-	-	(500,000)	(1,000,000)
Tax (income) expenses	(6,998,180)	3,522,505	(6,966,226)	3,589,401
Profit from operating activities before changes in operating assets and liabilities	132,401,381	120,493,872	96,090,960	100,706,366

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

"UNAUDITED"

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- 13 -

SE-EDUCATION PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES
STATEMENT OF CASH FLOWS (CONT.)
FOR THE SIX-MONTH PERIOD ENDED JUNE 30, 2020

	Baht			
	Consolidated financial statements		Separate financial statements	
	2020	2019	2020	2019
Operating assets (increase) decrease				
Trade and other current receivables	(114,045,728)	(130,407,246)	(110,334,415)	(132,662,931)
Inventories	(20,380,073)	1,873,836	(19,967,746)	376,171
Prepaid expense	1,193,317	(4,505,291)	503,435	(4,370,516)
Other current assets	852,325	1,898,369	216,970	1,903,626
Prepaid book copyright and translation fee	(1,031,869)	(1,411,024)	(1,031,869)	(1,411,024)
Rental guarantee and deposit	(549,264)	2,980,864	(549,264)	2,980,864
Other non-current assets	15,469	(82,153)	450,018	(108,410)
Operating liabilities increase (decrease)				
Trade and other current payables	(14,777,932)	48,253,120	(7,692,712)	55,809,929
Income received in advance	(19,668,115)	296,005	-	-
Other current liabilities	397,945	2,360,463	(600,252)	4,704,596
Other non-current liabilities	955,995	2,757,440	(250,003)	1,461,440
Cash received (paid) from operating activities	(34,636,549)	44,508,255	(43,164,878)	29,390,111
Cash paid for employee benefit	(7,508,590)	(6,129,507)	(7,508,590)	(6,129,507)
Cash received from income tax	76,351	-	-	-
Cash paid for interest expenses	(7,417,155)	(6,608,589)	(5,828,447)	(5,152,159)
Cash paid for income tax	(800,960)	(1,227,759)	(785,986)	(1,210,502)
Net cash provided by (used in) operating activities	(50,286,903)	30,542,400	(57,287,901)	16,897,943
Cash flows from investing activities:				
Decrease in temporary investments	6,000,000	-	-	-
Cash paid for current financial assets	(42,800,000)	(540,100,000)	(42,800,000)	(540,100,000)
Cash received from disposal of current financial assets	42,822,210	517,455,967	42,822,210	517,455,967
Increase in bank and other investment with guarantee obligation	(9,703)	(9,650)	(9,703)	(9,650)
Cash paid for purchase of fixed assets	(15,379,323)	(15,257,911)	(2,709,825)	(3,149,396)
Cash paid for lease liabilities	(43,546,753)	-	(42,107,385)	-
Cash paid for purchase of intangible assets	(226,821)	(52,473)	(82,371)	(52,473)
Cash received from sale of equipment	534,021	662,694	520,385	641,121
Cash received from cancellation of right-of-use assets agreement	91,000	-	-	-
Cash received from interest income	371,901	465,413	250,011	300,403
Net cash flows used in investing activities	(52,143,468)	(36,835,960)	(44,116,678)	(24,914,028)

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

"UNAUDITED"

"REVIEWED"

- 14 -

SE-EDUCATION PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES
STATEMENT OF CASH FLOWS (CONT.)
FOR THE SIX-MONTH PERIOD ENDED JUNE 30, 2020

	Baht			
	Consolidated financial statements		Separate financial statements	
	2020	2019	2020	2019
<u>Cash flows from financing activities</u>				
Decrease in bank overdraft	(23,032,754)	-	(23,032,754)	-
Cash received from short-term loan from financial institution	150,000,000	130,000,000	150,000,000	130,000,000
Cash paid for short-term loan from financial institution	-	(100,000,000)	-	(100,000,000)
Cash received from long-term loans	43,300,000	-	20,000,000	-
Cash paid for long-term loans	(24,752,000)	(30,204,000)	(15,102,000)	(30,204,000)
Net cash flows provided by (use in) from financing activities	145,515,246	(204,000)	131,865,246	(204,000)
Net increase (decrease) in cash and cash equivalents	43,084,875	(6,497,560)	30,460,667	(8,220,085)
Cash and cash equivalents at beginning of period	111,493,330	139,466,326	48,092,145	85,531,195
Cash and cash equivalents at end of period	154,578,205	132,968,766	78,552,812	77,311,110
Supplemental cash flows information				
<u>Non-cash transactions</u>				
Gain in revaluation surplus on changes in value of available-for-sale investments	-	(7,009)	-	(7,009)
Increase (decrease) in asset payables	(275,420)	1,606,606	(1,586,218)	1,163,243
Right-of-use assets	379,398,139	-	362,791,617	-
Lease liabilities	379,398,139	-	362,791,617	-

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

SE-EDUCATION PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES

NOTES TO THE INTERIM FINANCIAL STATEMENTS

JUNE 30, 2020

1. GENERAL INFORMATION

1.1 Address and legal status

Se-Education Public Company Limited (“the Company”) is a public company incorporated and domiciled in Thailand. The Company listed on the Stock Exchange of Thailand on 29 April 1993.

The address of its registered office is as follows:

Head office : located at 1858/87-90, Debaratana Road, Bangna South Sub-District,
Bangna District, Bangkok.

Distribution center: located at 118 Moo 1, Tambon Sisa Chorakhe Yai, Bang Sao Tong
District, Samutprakarn.

1.2 Nature of the Company’s business and shareholder

The Company and its subsidiaries operate their businesses in Thailand and are authorised to engage in the following:

1. Operate bookstores which consist of SE-ED Book Center and network stores and various university bookstores in Bangkok and other provinces as well as the network and sales area in various forms.

2. Distribute books for both published by SE-ED and other publishers to bookstores all over the country and to other sales channels.

3. Publish books as well as academic and educational journals

4. Plearnpattana School, which operates a private school offering courses for students from pre-kindergarten to Matayom 6.

5. BaesLab Co., Ltd. (subsidiary), which operates in consulting, provision and distribution of software and hardware business.

2. BASIS FOR THE PREPARATION OF THE INTERIM FINANCIAL STATEMENTS

2.1 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”, and the requirements of the Securities and Exchange Commission (SEC). 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 situations and not intended to re-emphasis on the information previously reported. The interim financial statements should therefore, be read in conjunction with the financial statements for the year ended December 31, 2019.

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

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 financial statements in Thai language version.

2.2 Basis of consolidated interim financial statements preparation

2.2.1 The consolidated financial statements are prepared by including the Company's financial statements and its subsidiaries financial statements as follows:-

Subsidiary companies' name	Nature of business	Country of incorporation	Shareholding percentage	
			As at June 30, 2020	As at December 31, 2019
BaesLab Co., Ltd.	operates in consulting, provision and distribution of software and hardware business.	Thailand	60.00	60.00
Plearn Patt Co.,Ltd. and Plearnpattana School	private school	Thailand	48.97	48.97

2.2.2 These consolidated interim financial statements are prepared by applying the same basis as that applied for the preparation of the consolidated financial statements for the year ended December 31, 2019, with there being no changes in the structure of shareholding in subsidiaries during the current period.

2.2.3 The consolidated financial statements are prepared by using uniform accounting policies. So that the transaction and the others event which are the same or the similar circumstances have been used the identical policies to record those transaction.

2.2.4 Significant inter-company transactions between the Company and its subsidiaries have been eliminated.

2.2.5 Non-controlling interests represent the portion of profit or loss and net assets of the subsidiaries that are not held by the Company and are presented separately in the consolidated profit or loss and within equity in the consolidated statement of financial position.

2.3 Financial reporting standards that became effective in the current period

During the period, the Company and its subsidiaries have adopted the revised and new financial reporting standards, interpretations and the accounting guidance, which are effective for fiscal years beginning on or after January 1, 2020. These financial reporting standards were aimed at alignment with the corresponding International Financial Reporting Standards with most of the changes directed towards clarifying accounting treatment and providing accounting guidance for users of the standards. Except, the new standard involves changes to key principles, as summarized below.

Financial reporting standards related to financial instruments:

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

TFRS 7	Financial Instruments: Disclosures
TFRS 9	Financial Instruments
TAS 32	Financial Instruments: Presentation
TFRIC 16	Hedges of a Net Investment in a Foreign Operation
TFRIC 19	Extinguishing Financial Liabilities with Equity Instruments

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

The Company and its subsidiaries have adopted TFRS related to financial instruments the first-time in its financial statements by applying modified retrospective approach of adoption of which the cumulative effect as an adjustment to the retained earnings as at January 1, 2020 and the comparative information was not restated. The cumulative effect of the change is described in Note 4 to the interim financial statements.

TFRS 16 Leases

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

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

As at January 1, 2020, the Company and its subsidiaries have adopted TFRS 16, which the Company recognized the cumulative effects of the initial application of this financial reporting standard without restated the previous year's financial statements presented for comparative. However, the Company and its subsidiaries have chosen to comply with this financial reporting standard with the lease that was previously classified as operating lease by recognizing the liabilities under the lease as at January 1, 2020 with the present value of the remaining lease payment and discounted by the interest rate of the additional borrowing of the Company as at the initial application date. It was recognized the contractual use rights in the amount of liabilities under lease agreements adjusted by the amount of the prepaid or accrued lease payments which were related to the lease agreement recognized in the statement of financial position before the date of application of this financial reporting standard.

The effect of the change in accounting policy is stated in Note 4 to the interim financial statements.

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

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

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

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

- Not to take into account forward-looking information when determining expected credit losses, in cases where use a simplified approach to determine expected credit losses.
- Chose to follow the guideline in lease agreement amendment in accordance with the financial reporting standards No.16 lease agreement. In the case that the Company as the lessee (lessee) receives the rent reduction following the lease agreement from the lessor due to COVID-19, the lessee can choose not to use such rent reduction as change of lease agreement. When the Company chose such alternative, it has to comply with all agreements that receive rent reduction. When the lessee obtains the rent reduction confirmation in writing, the liabilities will be gradually reduced in accordance with the lease agreement due in each period by the proportion of rent reduction obtained throughout the period of rent reduction by the former calculated amount and period of rent reduction as well as reversing depreciation from right-of-use assets and interest from liabilities under the lease agreement that is still recognised in each period by the proportion of rent reduction. The difference arising will be recorded in profit or loss. It requires the lessee to adjust the value of liabilities under the lease agreement without adjusting the value of right-of-use assets and revalue the value of liabilities under the agreement again.

3. SIGNIFICANT ACCOUNTING POLICIES

The interim financial statements are prepared by using the same accounting policies and methods of computation as were used for the financial statements for the year ended December 31, 2019 except the changes in accounting policies as follows.

3.1 Financial assets and financial liabilities

These TFRS - Financial instruments standards establish requirements related to definition, recognition, measurement, impairment and derecognition of financial assets and financial liabilities, including accounting for derivatives and hedge accounting. The impact from adoption of TFRS - Financial instruments standards are as follows:

(1) Classification and measurement of financial assets

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

Financial assets that are equity instruments are measured at fair value through profit or loss or through other comprehensive income.

Financial liabilities are classified and measured at amortized cost.

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

(2) Impairment of financial assets

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

(3) Hedge accounting

The Company has elected to adopt the new general hedge accounting model in TFRS 9. This requires the Company to ensure that hedge accounting relationship are aligned with its risk management objectives and strategy and to apply a more qualitative and forward-looking approach to assessing hedge effectiveness.

Fair value hedges

Where a derivative hedge the changes in fair value of a recognised asset, liability or unrecognised firm commitment (or an identified portion of such asset, liability or firm commitment), any gain or loss on remeasuring the fair value or foreign currency component of the hedging instrument is recognised in profit or loss. The hedged item is also stated at fair value in respect of the risk being hedged, with any gain or loss being recognised in profit or loss.

3.2 Leases

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

The Company and its subsidiaries assess the lease term for the non-cancellable period as stipulated in lease contract or the remaining period of active leases at the date of initial application (January 1, 2020) together with any period covered by an option to extend the lease if it is reasonably certain to be exercised or any periods covered by an option to terminate the lease.

Right-of-use assets

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

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

Short-term leases and leases of low-value assets

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

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

As described in Note 2.3 to the interim financial statements, during the current period, the Company and its subsidiaries have impacts from adoption of TFRSs related to financial instruments and TFRS 16.

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

	Baht			
	Consolidated financial statements			
	As at December 31, 2019	The impacts of TFRSs related to financial instruments	The impacts of TFRS 16	As at January 1, 2020
Statement of financial position				
Current assets				
Current investments	6,100,034	(6,100,034)	-	-
Trade and other current receivables	57,788,888	(2,220,199)	-	55,568,689
Other current financial assets	-	6,385,465	-	6,385,465
Other current assets	60,188,609	-	(1,493,322)	58,695,287
Total Current assets	563,162,821	(1,934,768)	(1,493,322)	559,734,731
Non - current assets				
Right-of-use assets	-	-	416,734,183	416,734,183
Leasehold rights on land	5,524,264	-	(5,524,264)	-
Leasehold rights on buildings	30,318,461	-	(30,318,461)	-
Total non - current assets	1,909,621,371	-	380,891,458	2,290,512,829
Total assets	2,472,784,192	(1,934,768)	379,398,136	2,850,247,560

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- 21 -

	Baht			
	Consolidated financial statements			
	As at December 31, 2019	The impacts of TFRSs related to financial instruments	The impacts of TFRS 16	As at January 1, 2020
Current liabilities				
Current portion of lease liabilities	-	-	96,481,888	96,481,888
Total Current liabilities	917,705,433	-	96,481,888	1,014,187,321
Non-current liabilities				
Deferred tax liabilities	48,881,557	(566,327)	-	48,315,230
Lease liabilities	-	-	282,916,248	282,916,248
Other non-current financial liabilities	-	896,831	-	896,831
Total non-current liabilities	311,105,946	330,504	282,916,248	594,352,698
Total liabilities	1,228,811,379	330,504	379,398,136	1,608,540,019
Shareholders' equity				
Unappropriated retained earnings	199,142,940	(2,265,245)	-	196,877,695
Other component of shareholder's equity	380,896,491	(27)	-	380,896,464
Total shareholders' equity of parent	1,161,230,854	(2,265,272)	-	1,158,965,582
Total non-controlling interests of the subsidiaries	82,741,959	-	-	82,741,959
Total shareholders' equity	1,243,972,813	(2,265,272)	-	1,241,707,541
Total liabilities and shareholders' equity	2,472,784,192	(1,934,768)	379,398,136	2,850,247,560

	Baht			
	Separate financial statements			
	As at December 31, 2019	The impacts of TFRSs related to financial instruments	The impacts of TFRS 16	As at January 1, 2020
Statement of financial position				
Current assets				
Current investments	100,034	(100,034)	-	-
Trade and other current receivables	54,698,912	(2,220,199)	-	52,478,713
Other current financial assets	-	385,465	-	385,465
Total current assets	486,934,360	(1,934,768)	-	484,999,592
Non-current assets				
Right-of-use assets	-	-	393,110,078	393,110,078
Leasehold rights on buildings	30,318,461	-	(30,318,461)	-
Total non-current assets	1,676,205,869	-	362,791,617	2,038,997,486
Total assets	2,163,140,229	(1,934,768)	362,791,617	2,523,997,078
Current liabilities				
Current portion of lease liabilities	-	-	96,481,888	96,481,888
Total current liabilities	832,755,921	-	96,481,888	929,237,809
Non-current liabilities				
Deferred tax liabilities	44,813,003	(566,327)	-	44,246,676
Lease liabilities	-	-	266,309,729	266,309,729
Other non-current financial liabilities	-	896,831	-	896,831
Total non-current liabilities	208,360,643	330,504	266,309,729	475,000,876
Total liabilities	1,041,116,564	330,504	362,791,617	1,404,238,685
Shareholders' equity				
Unappropriated retained earnings	170,864,714	(2,265,245)	-	168,599,469
Other component of shareholder's equity	370,599,522	(27)	-	370,599,495
Total shareholders' equity	1,122,023,665	(2,265,272)	-	1,119,758,393
Total liabilities and shareholders' equity	2,163,140,229	(1,934,768)	362,791,617	2,523,997,078

4.1 Financial instruments

The total impact on the retained earnings as at January 1, 2020 is as follows:

	Baht	
	Consolidated financial statements	Separate financial statements
Unappropriated retained earnings as at December 31, 2019	199,142,940	170,864,714
Increase in loss allowance for trade and other current receivables	(2,220,199)	(2,220,199)
Surplus on changes in value of available-for-sale investments	27	27
Hedge accounting and derivatives	(611,400)	(611,400)
Related tax income (expenses)	566,327	566,327
Adjustment to unappropriated retained earnings from adoption of TFRSs related to financial instruments on January 1, 2020	(2,265,245)	(2,265,245)
Unappropriated retained earnings as at January 1, 2020 – after adjust	<u>196,877,695</u>	<u>168,599,469</u>

Hedge accounting

Derivatives and hedging activities the Company has the following derivative instruments:

	Baht
	Consolidated/Separate financial statements
As a January 1, 2020	
Current assets	
Foreign currency forwards - fair value hedges	285,431
Total current derivative assets	<u>285,431</u>
Non-current liabilities	
Cross currency interest rate swaps - fair value hedges	896,831
Total non-current derivative liabilities	<u>896,831</u>

4.2 Leases

Upon initial application of TFRS 16 the Company and its subsidiaries recognized lease liabilities previously classified as operating leases at the present value of the remaining lease payments, discounted using incremental borrowing rate at January 1, 2020. For leases previously classified as finance leases, the Company and its subsidiaries recognized the carrying amount of the right-of-use assets and lease liabilities based on the carrying amounts of the lease assets and lease liabilities immediately before the date of initial application of TFRS 16.

	Baht	
	Consolidated financial statements	Separate financial statements
Operating lease commitments disclosed as at December 31, 2019	208,633,794	179,544,599
<u>Add:</u> Purchase or extension options reasonably certain to be exercised	342,282,388	341,869,850
<u>Less:</u> Contracts reassessed as service agreements	(121,571,929)	(121,571,929)
<u>Less:</u> Advance for rental fee	(1,493,322)	-
	427,850,931	399,842,520
<u>Less:</u> Deferred interest expenses	(48,452,795)	(37,050,903)
Additional lease liabilities from TFRS 16 adoption	379,398,136	362,791,617
Finance lease liabilities as at December 31, 2019	-	-
Lease liabilities recognised as at January 1, 2020	<u>379,398,136</u>	<u>362,791,617</u>
Of which are:		
Current lease liabilities	96,481,888	96,481,888
Non-current lease liabilities	282,916,248	266,309,729
	<u>379,398,136</u>	<u>362,791,617</u>

The recognized right-of-use assets relate to the following types of assets:

	Baht	
	Consolidated financial statements	Separate financial statements
As at January 1, 2020		
Lands	18,099,841	-
Leasehold rights on land	5,524,264	-
Leasehold rights on buildings	30,318,461	30,318,461
Rental area of the head office	48,987,603	48,987,603
Rental area of the branches	306,578,662	306,578,662
Vehicles	7,225,352	7,225,352
Total right-of-use assets	<u>416,734,183</u>	<u>393,110,078</u>

5. TRANSACTIONS WITH RELATED PARTIES

The Company had significant business transactions with related parties. These parties are directly or indirectly related through common shareholding and/or directorship. Such transactions, which are summarised below, arose in the ordinary course of business and were concluded on commercial terms and bases agreed upon between the Company, its subsidiaries and those related parties.

The related companies include the following:

Company	Relationship
Plearn Patt Co.,Ltd. and Plearnpattana School.	Subsidiary company by direct shareholders
BaesLab Co., Ltd.	Subsidiary company by direct shareholders
M AND E Co., Ltd.	Associated company by direct shareholders

For the three-month and six-month periods ended June 30, 2020 and 2019, the significant transactions with related parties can be summarized as follows:

		Baht			
		Consolidated financial statements		Separate financial statements	
		For the three-month periods ended June 30,		For the three-month periods ended June 30,	
Transfer Pricing Policy		2020	2019	2020	2019
<u>Transactions in the statements of income</u>					
<u>Subsidiary companies</u>					
Sales of goods	Market price	-	-	250,925	52,474
Interest income	MOR per annum	-	-	-	32,311
Service revenue	Mutually agreed agreement	-	-	1,168	15,000
<u>Transactions in associate company</u>					
Dividend income	As declared	-	-	500,000	1,000,000
<u>Related companies</u>					
Sales of goods	Mutually agreed agreement	14,019	2,943,192	14,019	2,943,192
Purchases of goods	Market price	175,855	252,906	175,855	252,906
<u>shareholder and directors of subsidiary companies</u>					
Lease land	Mutually agreed agreement	277,993	278,374	-	-
Amortised leasehold rights on land	Mutually agreed agreement	71,119	71,119	-	-
Interest expenses	5% - 6% per annum	16,421	14,959	-	-
<u>Transactions in the statements of income</u>					
<u>Subsidiary companies</u>					
Sales of goods	Market price	-	-	302,046	118,198
Service expenses	Mutually agreed agreement	-	-	-	117,196
Interest income	MOR per annum	-	-	-	64,267
Service revenue	Mutually agreed agreement	-	-	2,336	71,075
<u>Transactions in associate company</u>					
Dividend income	As declared	-	-	500,000	1,000,000
<u>Related companies</u>					
Sales of goods	Mutually agreed agreement	28,037	2,976,837	28,037	2,976,837
Purchases of goods	Market price	300,670	623,044	300,670	623,044
<u>shareholder and directors of subsidiary companies</u>					
Lease land	Mutually agreed agreement	553,308	553,689	-	-
Amortised leasehold rights on land	Mutually agreed agreement	142,258	141,457	-	-
Interest expenses	5% - 6% per annum	29,863	29,753	-	-

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- 25 -

As at June 30, 2020 and December 31, 2019 Significant outstanding balances with related companies are as follow:

	Baht			
	Consolidated financial statements		Separate financial statements	
	As at June	As at December	As at June	As at December
	30, 2020	31, 2019	30, 2020	31, 2019
<u>Outstanding balances at the statements of financial position</u>				
<u>Subsidiary companies</u>				
Trade and other current receivables	-	-	250,900	14,925
<u>Related companies</u>				
Trade and other current receivables	379,657	1,495,068	379,657	1,495,068
Trade accounts payable	1,020,692	1,137,794	1,020,692	1,137,794
<u>Shareholder and directors of subsidiary companies</u>				
Leasehold rights on land	5,382,026	5,524,264	-	-
Long-term loan from directors	1,300,000	1,000,000	-	-

Short-term loan to subsidiary which is due within 1 year. The subsidiary obtained such loan for the purpose of funding product development. Interest is charged at MOR% of a commercial bank per annum.

Directors and management's benefits

For the three-month and six-month periods ended June 30, 2020 and 2019, the Company and its subsidiaries had employee benefit expenses payable to their directors and management as below.

	Baht			
	Consolidated financial statements		Separate financial statements	
	For the three-month periods ended June 30,		For the three-month periods ended June 30,	
	2020	2019	2020	2019
Short - term benefits	4,758,259	5,774,293	3,343,773	4,567,446
Post-employment benefits	164,423	139,292	138,170	97,759
Total	4,922,682	5,913,585	3,481,943	4,665,205

	Baht			
	Consolidated financial statements		Separate financial statements	
	For the six-month periods ended June 30,		For the six-month periods ended June 30,	
	2020	2019	2020	2019
Short - term benefits	10,384,196	11,519,203	8,348,393	9,516,644
Post-employment benefits	328,846	278,585	276,340	195,518
Total	10,713,042	11,797,788	8,624,733	9,712,162

6. CASH AND CASH EQUIVALENTS

This account consisted of:

	Baht			
	Consolidated financial statements		Separate financial statements	
	As at June 30, 2020	As at December 31, 2019	As at June 30, 2020	As at December 31, 2019
Cash	10,162,060	16,302,807	9,947,921	16,132,211
Bank deposits - Current accounts	3,339,969	5,017,520	2,894,348	4,876,810
Bank deposits - Saving accounts	141,076,176	90,173,003	65,710,543	27,083,124
Total	154,578,205	111,493,330	78,552,812	48,092,145

7. TRADE AND OTHER CURRENT RECEIVABLES

This account consisted of:

	Baht			
	Consolidated financial statements		Separate financial statements	
	As at June 30, 2020	As at December 31, 2019	As at June 30, 2020	As at December 31, 2019
<u>Related parties</u>				
Classified by aging				
Not yet due	630,556	1,495,068	630,556	1,509,993
Total	630,556	1,495,068	630,556	1,509,993
<u>Other companies</u>				
Classified by aging				
Not yet due	105,583,385	35,893,833	105,514,081	35,893,833
Up to 6 months	57,582,786	18,451,668	52,532,445	16,505,498
6 - 12 months	5,921,843	3,754,317	4,940,748	2,802,632
Over 12 months	4,066,909	3,462,611	2,578,944	2,170,816
Total	173,154,923	61,562,429	165,566,218	57,372,779
Less: Allowance for doubtful debts	(7,290,444)	(6,149,513)	(5,344,262)	(4,405,426)
Allowance for goods return	(13,466,645)	(2,760,638)	(13,466,645)	(2,760,638)
Total	152,397,834	52,652,278	146,755,311	50,206,715
Total trade accounts receivable	153,028,390	54,147,346	147,385,867	51,716,708
<u>Other receivables</u>				
Advances	517,558	535,952	510,558	508,965
Others	4,236,455	3,105,590	3,271,859	2,473,239
Total other receivables	4,754,013	3,641,542	3,782,417	2,982,204
Trade and other current receivables - net	157,782,403	57,788,888	151,168,284	54,698,912

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- 27 -

The movements in transactions of allowance for doubtful accounts and allowance for goods return for the six-month period ended June 30, 2020, are as follows:

	Baht			
	Consolidated financial statements		Separate financial statements	
	Allowance for doubtful debts	Allowance for goods return	Allowance for doubtful debts	Allowance for goods return
Beginning balance	6,149,513	2,760,638	4,405,426	2,760,638
Add: Allowance doubtful debts and goods return during the period	1,140,931	10,706,007	938,836	10,706,007
Less: Reversal of allowance doubtful debts and goods return during the period	-	-	-	-
Ending balance	<u>7,290,444</u>	<u>13,466,645</u>	<u>5,344,262</u>	<u>13,466,645</u>

8. INVENTORIES

This account consisted of:

	Baht			
	Consolidated financial statements		Separate financial statements	
	As at June 30, 2020	As at December 31, 2019	As at June 30, 2020	As at December 31, 2019
Raw material	994,528	1,073,796	994,528	1,073,796
Work in process	7,200,030	7,195,136	7,200,030	7,043,776
Finished goods	505,937,691	487,878,038	504,306,988	486,643,812
Total	<u>514,132,249</u>	<u>496,146,970</u>	<u>512,501,546</u>	<u>494,761,384</u>
Less: Allowance for loss of inventories	(3,034,178)	(2,766,575)	(3,034,178)	(2,766,575)
Allowance for dilapidated and slow moving	<u>(189,899,012)</u>	<u>(165,788,435)</u>	<u>(189,799,427)</u>	<u>(165,688,850)</u>
Inventories - net	<u>321,199,059</u>	<u>327,591,960</u>	<u>319,667,941</u>	<u>326,305,959</u>

Movements in transactions of allowance for loss of inventories and allowance for dilapidated and slow moving are summarised follows:

	Baht			
	Consolidated financial statements		Separate financial statements	
	As at June 30, 2020	As at December 31, 2019	As at June 30, 2020	As at December 31, 2019
Beginning balance	168,555,010	191,017,875	168,455,425	190,911,454
Increase	25,559,380	8,791,589	25,559,380	8,791,590
Decrease	<u>(1,181,200)</u>	<u>(31,254,454)</u>	<u>(1,181,200)</u>	<u>(31,247,619)</u>
Ending balance	<u>192,933,190</u>	<u>168,555,010</u>	<u>192,833,605</u>	<u>168,455,425</u>

9. OTHER CURRENT FINANCIAL ASSETS

This account consisted of:

	Baht			
	Consolidated financial statements		Separate financial statements	
	As at June	As at December	As at June	As at December
	30, 2020	31, 2019	30, 2020	31, 2019
Investment in available-for-sale securities in unit trust - at cost	100,000	100,000	100,000	100,000
<u>Add</u> : Unrealized gain on changes in the value of investments	467	34	467	34
Investment in available-for-sale securities - at fair value	100,467	100,034	100,467	100,034
Fixed deposits - 7 Months	-	6,000,000	-	-
Total	100,467	6,100,034	100,467	100,034

10. OTHER CURRENT ASSETS

This account consisted of:

	Baht			
	Consolidated financial statements		Separate financial statements	
	As at June	As at December	As at June	As at December
	30, 2020	31, 2019	30, 2020	31, 2019
Supplies	17,675,749	18,616,162	17,552,036	17,895,191
Prepaid expenses	12,863,285	14,056,602	11,945,216	12,448,651
Prepaid income tax	23,502,657	23,502,481	23,499,013	23,499,013
Other current assets	5,325,707	4,013,364	5,306,626	3,894,455
Total	59,367,398	60,188,609	58,302,891	57,737,310

11. RESTRICTED BANK DEPOSITS AND OTHER INVESTMENTS

This account consisted of:

	Baht	
	Consolidated/Separate financial statements	
	As at June	As at December
	30, 2020	31, 2019
Fixed deposits with 12 months maturity	8,000,000	8,000,000
Government bonds with 7 years maturity	4,942,367	4,932,664

	Baht)	Baht)								
BaesLab Co., Ltd.	250	250	60.00	60.00	150,000	150,000	-	-	150,000	150,000
Plearn Patt Co.,Ltd.	151,850	151,850	48.97	48.97	83,000,000	83,000,000	(13,667,909)	(13,667,909)	69,332,091	69,332,091
Total					<u>83,150,000</u>	<u>83,150,000</u>	<u>(13,667,909)</u>	<u>(13,667,909)</u>	<u>69,482,091</u>	<u>69,482,091</u>

On March 9, 2020, the Directors' Meeting of Plearnpat Co.,Ltd., a subsidiary of the Company, had a resolution to change the school operator from Plearnpat Co.,Ltd. to school juristic person under the Private School Act B.E. 2550, Section 24. When receiving the license to establish a formal school, the school in the system becomes a juristic person from the date of receiving the license and the licensee becomes a representative of the juristic person. This is the reason to separate Ploen Pattana School from Plearnpat Co.,Ltd. in order to operate in accordance with the Act B.E. 2550.

14. PROPERTY, PLANT AND EQUIPMENT

Movements of the property, plant and equipment account for the six-month period ended June 30, 2020 are summarised follows:

	Baht	
	Consolidated financial statements	Separate financial statements
At cost		
Balance as at December 31, 2019	2,810,661,958	2,325,715,736
Acquisitions during the period	18,556,190	4,296,043
Disposals during the period	(15,848,202)	(15,558,283)
Written-off during the period	(9,031,454)	(7,800,518)
Balance as at June 30, 2020	<u>2,804,338,492</u>	<u>2,306,652,978</u>
Accumulated depreciation		
Balance as at December 31, 2019	1,088,341,696	876,086,376
Depreciation for the period	40,713,415	31,439,174
Accumulated depreciation on disposals	(15,523,966)	(15,271,024)
Accumulated depreciation on written-off	(7,986,365)	(7,534,599)
Balance as at June 30, 2020	<u>1,105,544,780</u>	<u>884,719,927</u>
Impairment		
Balance as at December 31, 2019	914,991	914,991
Impairment during the period	1,896,796	1,896,796
Balance as at June 30, 2020	<u>2,811,787</u>	<u>2,811,787</u>
Net book value		
Balance as at December 31, 2019	<u>1,721,405,271</u>	<u>1,448,714,369</u>
Balance as at June 30, 2020	<u>1,695,981,925</u>	<u>1,419,121,264</u>

The Company mortgaged the land and constructions thereon where the distribution centre is situated to secure against credit facilities granted by a commercial bank (Note. 17 and 21 to the interim financial statement)

15. RIGHT-OF-USE ASSETS

Movements of the right-of-use assets account during the six-month period ended June 30, 2020 are summarized below.

	Baht	
	Consolidated financial statements	Separate financial statements
Net book value as at January 1, 2020	35,842,725	30,318,461
Adjustments of right-of-use assets due to TFRS16 adoption	380,891,458	362,791,617
Acquisitions during the period	-	-
Amortization during the period	(362,265)	-
Disposals during the period	(52,777,167)	(51,986,088)
Net book value as at June 30, 2020	<u>363,594,751</u>	<u>341,123,990</u>

16. INTANGIBLE ASSETS

Movements of the intangible assets which are software license fee for the six-month period ended June 30, 2020 are summarised follows:

	Baht	
	Consolidated financial statements	Separate financial statements
Net book value as at December 31, 2019	2,943,182	2,814,524
Acquisitions during the period	226,821	82,371
Disposals during the period	(289,365)	(289,365)
Written-off during the period	(368,249)	(368,978)
Amortization during the period	289,350	289,350
Net book value as at June 30, 2020	<u>2,801,739</u>	<u>2,527,902</u>

17. BANK OVERDRAFTS AND SHORT- TERM LOANS FROM FINANCIAL INSTITUTIONS

As at June 30, 2020 and December 31, 2019, the Company had the short-term loans are in the form of promissory notes, with credit lines Baht 250.00 million not over 3 months in the amount of Baht 190

and Baht 40.00 million, respectively, with interest rate of 3% per annum and as at December 31, 2019, the Company had the overdrafts amounted Baht 23.03 million and with carried MOR% per annum guaranteed by mortgaging the land with buildings (Note 14 to the interim financial statements)

18. TRADE AND OTHER CURRENT PAYABLES

This account consisted of:

	Baht			
	Consolidated financial statements		Separate financial statements	
	As at June 30, 2020	As at December 31, 2019	As at June 30, 2020	As at December 31, 2019
Trade accounts payable - related parties	1,271,617	1,137,794	1,020,692	1,137,794
Trade accounts payable - other company	562,695,988	594,559,079	562,732,532	593,935,758
Accrued expenses	64,379,419	66,101,878	59,506,245	54,567,349
Other payables for purchase of assets	5,093,346	2,196,330	3,012,569	1,426,351
Notes payable	196,643	3,077,511	196,643	3,077,511
Other payables	37,024,267	15,391,307	37,024,266	15,391,307
Total	670,661,280	682,463,899	663,492,947	669,536,070

19. INCOME RECEIVED IN ADVANCE

This account consisted of:

	Baht	
	Consolidated financial statements	
	As at June 30, 2020	As at December 31, 2019
Income received in advance - not yet recognised	81,294,025	100,962,140
Less: Income received in advance recognisable within one year	(65,346,370)	(59,377,559)
Net	15,947,655	41,584,581

Movements of income received in advance for the six-month period ended June 30, 2020, are as follows:

	Baht		
	Consolidated financial statements		
	Initial entrance fee	Education supporting fee	Total
Beginning as at January 1, 2019	39,178,333	60,495,413	99,673,746
Add: Increase during the year	14,726,000	186,970,301	201,696,301
Less: Income recognition during the year	(7,816,375)	(190,562,518)	(198,378,893)
Less: Returned due to resignation of students	(187,000)	(1,842,014)	(2,029,014)
Balance as at December 31, 2019	45,900,958	55,061,182	100,962,140
Add: Increase during the period	4,180,000	88,570,901	92,750,901

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- 33 -

Less: Income recognition during the period	<u>(9,908,883)</u>	<u>(102,510,133)</u>	<u>(112,419,016)</u>
Balance as at June 30, 2020	<u>40,172,075</u>	<u>41,121,950</u>	<u>81,294,025</u>

20. OTHER CURRENT LIABILITIES

This account consisted of:

	Baht			
	Consolidated financial statements		Separate financial statements	
	As at June 30, 2020	As at December 31, 2019	As at June 30, 2020	As at December 31, 2019
Coupon and prepaid card payable	19,816,519	19,849,706	19,816,519	19,849,706
Accrued withholding tax	815,893	1,592,519	597,071	1,425,793
Unearned income	4,136,412	3,175,014	3,380,574	2,174,517
Advance received for purchasing books	3,182,341	5,418,593	3,182,341	5,418,593
Others	5,466,225	2,983,615	3,539,069	2,247,217
Total	<u>33,417,390</u>	<u>33,019,447</u>	<u>30,515,574</u>	<u>31,115,826</u>

21. LONG-TERM LOANS

This account consisted of:

Loan	Interest rate (%)	Repayment schedule	Baht			
			Consolidated financial statements		Separate financial statements	
			As at June 30, 2020	As at December 31, 2019	As at June 30, 2020	As at December 31, 2019
1	THBFD 3M+3.85*	Monthly instalment as from July 31, 2014 with the last instalment in September 30, 2021	44,380,000	53,320,000	44,380,000	53,320,000
2	MLR-1.5	Monthly instalment as from November 30, 2014 with the last instalment in December 31, 2023	88,710,000	94,872,000	88,710,000	94,872,000
3	6.00 - 7.50**	Settlement at maturity date of the contracts	70,100,000	56,450,000	-	-
4	2.00	3 rd year repayment starts April 14, 2022	20,000,000	-	20,000,000	-
Total			223,190,000	204,642,000	153,090,000	148,192,000
Less: Current portion			<u>(106,608,000)</u>	<u>(70,658,000)</u>	<u>(60,408,000)</u>	<u>(60,408,000)</u>
Long-term loans - net			<u>116,582,000</u>	<u>133,984,000</u>	<u>92,682,000</u>	<u>87,784,000</u>

* Interest expense rate in swap transaction agreement

** Unsecured long-term loan of subsidiary

The long-term loans were guaranteed with the land and buildings that was the location of the distribution center to guarantee any liabilities or obligations either already exist at the moment or will be held under such agreement (Note 30.3 to the interim financial statements).

Under such long agreement, the Company had to comply with some certain financial conditions specified in the agreement such as to maintain the debt ratio with interest to equity and leverage ratio, etc.

The Company had entered into the interest rate swap agreement of the credit limit loan No. 1 with the lender bank to exchange interest rate as specified in the loan agreement as floating interest rate plus the specified rate (Note 29.3 to the interim financial statements).

22. EMPLOYEE BENEFIT LONG-TERM OBLIGATIONS

This account consisted of:

	Baht			
	Consolidated financial statements		Separate financial statements	
	As at June 30, 2020	As at December 31, 2019	As at June 30, 2020	As at December 31, 2019
Provision for compensation on employees'	58,246,636	60,467,986	49,384,776	52,031,378
Provision for long service awards	23,670,666	24,982,853	23,670,666	24,982,853
Total	81,917,302	85,450,839	73,055,442	77,014,231

Movements of the employee benefit long-term obligations account are as follows:-

	Baht			
	Consolidated financial statements		Separate financial statements	
	As at June 30, 2020	As at December 31, 2019	As at June 30, 2020	As at December 31, 2019
Long-term employee benefit obligations at beginning of the period	85,450,839	61,119,627	77,014,231	54,279,902
Included in profit or loss :				
Past service cost recognition	-	10,753,924	-	9,674,086
Current service cost recognition	3,175,018	5,271,998	2,973,276	4,817,198
Cost of interest	800,035	1,882,196	576,525	1,688,489
Actuarial (gain) loss of other long-term benefits recognized - other long - term benefits	-	2,666,923	-	2,666,923
Included in other comprehensive income :				
Actuarial (gain) loss of other long-term benefits recognized				
Experience adjustment	-	4,392,762	-	4,392,762
Financial assumption changes	-	6,452,138	-	6,452,138
Benefit paid during period	(7,508,590)	(7,088,729)	(7,508,590)	(6,957,267)
Net long-term employee benefit obligations at the end of the period	81,917,302	85,450,839	73,055,442	77,014,231

In 2019, the obligation under the defined benefit plan is calculated by a qualified independent actuary. The effect resulted in actuarial loss arising from post-employment benefit-net income tax expense in the amount of Baht 10.81 million, the Company are recognized in other comprehensive income.

23. DEFERRED TAX ASSETS AND LIABILITIES

Deferred tax assets and liabilities as follows:-

	Baht	
	Consolidated financial statements	Separate financial statements

	As at June 30, 2020	As at December 31, 2019	As at June 30, 2020	As at December 31, 2019
Deferred tax assets	57,728,986	50,238,773	57,612,986	50,122,773
Deferred tax liabilities	(98,935,606)	(99,120,330)	(94,893,436)	(94,935,776)
Deferred tax asset (liabilities) - net	(41,206,620)	(48,881,557)	(37,280,450)	(44,813,003)

Components of deferred tax assets and liabilities were summarized as follows:

Baht						
Consolidated financial statements						
	Balance as at	The impacts	Balance as at	Income (expenses) during the period		Balance as at
	December 31, 2019	of adoption of TFRSs related of financial instruments	January 1, 2020	In profit or loss	In other comprehensive income	June 30, 2020
Deferred tax assets :						
Unrealized loss from derivatives	-	122,280	122,280	1,067,736	-	1,190,016
Allowance for doubtful accounts and goods returns	1,433,215	444,040	1,877,255	1,884,928	-	3,762,183
Allowance for dilapidated and slow moving	33,103,713	-	33,103,713	4,383,629	-	37,487,342
Allowance for assets impairment	182,999	-	182,999	379,358	-	562,357
Provision for impairment of investment in associate	116,000	-	116,000	-	-	116,000
Employee benefits obligations	15,402,846	-	15,402,846	(791,758)	-	14,611,088
Total	50,238,773	566,320	50,805,093	6,923,893	-	57,728,986
Deferred tax liabilities:						
Unrealized gains from changes in investment values	7	(7)	-	58	-	58
Surplus on revaluation of assets	99,120,323	-	99,120,323	(102,984)	(110,430)	98,906,909
Right-of-use assets	-	-	-	28,639	-	28,639
Total	99,120,330	(7)	99,120,323	(74,287)	(110,430)	98,935,606
Baht						
Separate financial statements						
	Balance as at	The impacts	Balance as at	Income (expenses) during the period		Balance as at
	December 31, 2019	of adoption of TFRSs related of financial instruments	January 1, 2020	In profit or loss	In other comprehensive income	June 30, 2020
Deferred tax assets :						
Unrealized loss from derivatives	-	122,280	122,280	1,067,736	-	1,190,016
Allowance for doubtful accounts and goods returns	1,433,215	444,040	1,877,255	1,884,928	-	3,762,183
Allowance for dilapidated and slow moving	33,103,713	-	33,103,713	4,383,629	-	37,487,342
Allowance for assets impairment	182,999	-	182,999	379,358	-	562,357
Employee benefits obligations	15,402,846	-	15,402,846	(791,758)	-	14,611,088
Total	50,122,773	566,320	50,689,093	6,923,893	-	57,612,986
Deferred tax liabilities:						
Unrealized gains from changes in investment values	7	(7)	-	58	-	58
Surplus on revaluation of assets	94,935,769	-	94,935,769	(71,030)	-	94,864,739
Right-of-use assets	-	-	-	28,639	-	28,639
Total	94,935,776	(7)	94,935,769	(42,333)	-	94,893,436

24. LEASE LIABILITIES

The carrying amounts of lease liabilities and the movement for the six-month period ended June 30, 2020 are presented below.

	Baht	
	Consolidated financial statements	Separate financial statements
As at December 31, 2019	-	-
Effects of the adoption of TFRS16	379,398,136	362,791,617
As at January 1, 2020	379,398,136	362,791,617
Addition	-	-
Accretion of interest	1,479,411	1,425,457
Payments	(43,532,842)	(43,532,842)
Decrease from rental reduction	(6,372,063)	(6,372,063)
Decrease from contract cancellation	(252,717)	-
As at June 30, 2020	330,719,925	314,312,169
Less: current portion	(96,066,637)	(95,388,359)
Lease liabilities - net of current portion	234,653,288	218,923,810

As at June 30, 2020 and January 1, 2020 (after adjust), the payment of these contracts are as follow:-

	Baht					
	Consolidated financial statements					
	As at June 30, 2020			As at January 1, 2020 (after adjust)		
	Principal	Interest expenses	Total	Principal	Interest expenses	Total
Payment due within 1 year	96,066,637	4,975,347	101,041,984	96,481,888	3,625,310	100,107,198
Payment due over 1 year to 5 years	234,653,288	41,743,131	276,396,419	282,916,248	44,827,485	327,743,733
Total	330,719,925	46,718,478	377,438,403	379,398,136	48,452,795	427,850,931

	Baht					
	Separate financial statements					
	As at June 30, 2020			As at January 1, 2020 (after adjust)		
	Principal	Interest expenses	Total	Principal	Interest expenses	Total
Payment due within 1 year	95,388,359	4,859,767	100,248,126	96,481,888	3,652,602	100,134,490
Payment due over 1 year to 5 years	218,923,810	30,559,183	249,482,993	266,309,729	33,398,301	299,708,030
Total	314,312,169	35,418,950	349,731,119	362,791,617	37,050,903	399,842,520

25. OTHER NON - CURRENT FINANCIAL LIABILITIES

As at June 30, 2020, details of other current financial liabilities are as below.

	Baht	
	Consolidated financial statements	Separate financial statements

"UNAUDITED"

"REVIEWED"

- 37 -

	As at June 30, 2020	As at December 31, 2019	As at June 30, 2020	As at December 31, 2019
Foreign exchange contracts outstanding	4,592,236	-	4,592,236	-
Interest rate swap transaction (Note 29.3.3)	1,357,847	-	1,357,847	-
Other current financial liabilities total	5,950,083	-	5,950,083	-

26. INCOME TAX

The major components of (Expense) income tax for the three-month and six-month periods ended June 30, 2020 and 2019 are as follows:

	Baht			
	Consolidated financial statements		Separate financial statements	
	For the three-month periods ended June 30,		For the three-month periods ended June 30,	
	2020	2019	2020	2019
Income tax expense shown in profit or loss :				
Current income tax :				
Current income tax for the period	-	6,222,460	-	6,222,460
Deferred tax:				
Changes in temporary differences relating to the original recognition and reversal	5,085,973	(672,750)	5,069,996	(676,270)
Total	5,085,973	5,549,710	5,069,996	5,546,190

	Baht			
	Consolidated financial statements		Separate financial statements	
	For the six-month periods ended June 30,		For the six-month periods ended June 30,	
	2020	2019	2020	2019
Income tax expense shown in profit or loss :				
Current income tax :				
Current income tax for the period	-	6,222,460	-	6,222,460
Deferred tax:				
Changes in temporary differences relating to the original recognition and reversal	6,998,180	(2,699,955)	6,966,226	(2,633,059)
Total	6,998,180	3,522,505	6,966,226	3,589,401

27. PROFIT (LOSS) PER SHARE

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

For the three-month and six-month periods ended June 30, 2020 and 2019

	Consolidated financial statements	Separate financial statements
	For the three-month periods ended June 30,	For the three-month periods ended June 30,

"UNAUDITED"

"REVIEWED"

- 38 -

	2020	2019	2020	2019
Profit (loss) for the period				
Equity holders of the parent (Baht)	3,199,765	33,706,221	(6,522,185)	28,474,770
Weighted average number of ordinary shares (shares)	391,944,418	391,944,418	391,944,418	391,944,418
Basic profit (loss) per share (Baht/share)	0.008	0.086	(0.017)	0.073

	Consolidated financial statements		Separate financial statements	
	For the six-month periods ended June 30,		For the six-month periods ended June 30,	
	2020	2019	2020	2019
Profit (loss) for the period				
Equity holders of the parent (Baht)	(17,302,124)	21,313,437	(28,552,850)	14,917,861
Weighted average number of ordinary shares (shares)	391,944,418	391,944,418	391,944,418	391,944,418
Basic profit (loss) per share (Baht/share)	(0.044)	0.054	(0.073)	0.038

28. OPERATION SEGMENT

Operating segment information is reported in a manner consistent with the internal reports of the Company and its subsidiaries 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 businesses of the Company and its subsidiaries are ship builder and ship repairer, manufacturing and trading marine equipment with the main operation in the single geographic area in Thailand. Segment performance is considered by revenue and gross profit and is also measured based on the group operating profit or loss, on a basis consistent with that used to measure the operating profit or loss in the financial statement.

The Company and its subsidiaries' revenue and gross profit information for the three-month and six-month periods ended June 30, 2020 and 2019 by segments are as follows:

	Million Baht							
	Consolidated financial statements							
	For the three-month periods ended June 30,							
	Retail business segment		Other distribution channels		School business segment		Total	
	2020	2019	2020	2019	2020	2019	2020	2019
External revenue	182.89	549.33	196.56	264.02	64.03	56.62	443.48	869.97
Total revenues	182.89	549.33	196.56	264.02	64.03	56.62	443.48	869.97
Gross profit from operating according to the segment	70.62	211.12	72.53	87.01	31.96	21.14	175.11	319.27
Unallocated income and expenses:								
Other income							11.65	23.79
Selling expenses							(72.83)	(174.22)
Administrative expenses							(101.81)	(119.96)
Finance costs							(3.84)	(3.32)
Share of gain from associated companies							0.22	0.02
Tax income (expenses)							5.09	(5.55)
Profit for the period							13.59	40.03

As at June 30,

"UNAUDITED"

"REVIEWED"

- 39 -

Property, plant and equipment	1,695.98	1,747.23
Right-of-use assets	363.59	-
Intangible assets	2.80	3.31
Leasehold rights on land and buildings	-	40.70
Rental guarantee and deposit	82.63	86.97
Other assets	761.13	783.58
Total assets	<u>2,906.13</u>	<u>2,661.79</u>

Million Baht								
Consolidated financial statements								
For the six-month periods ended June 30,								
	Retail business segment		Other distribution channels		School business segment		Total	
	2020	2019	2020	2019	2020	2019	2020	2019
External revenue	545.08	1,075.57	377.89	466.55	112.42	101.53	1,035.39	1,643.65
Total revenues	<u>545.08</u>	<u>1,075.57</u>	<u>377.89</u>	<u>466.55</u>	<u>112.42</u>	<u>101.53</u>	<u>1,035.39</u>	<u>1,643.65</u>
Gross profit from operating according to the segment	<u>203.89</u>	<u>398.22</u>	<u>134.49</u>	<u>149.55</u>	<u>42.95</u>	<u>31.39</u>	<u>381.33</u>	<u>579.16</u>
Unallocated income and expenses:								
Other income							22.05	33.94
Selling expenses							(213.82)	(348.25)
Administrative expenses							(194.74)	(225.75)
Finance costs							(7.39)	(6.59)
Share of gain from associate companies							0.22	0.02
Tax income (expenses)							7.00	(3.52)
Profit for the period							<u>(5.35)</u>	<u>29.01</u>

As at June 30,

Property, plant and equipment	1,695.98	1,747.23
Right-of-use assets	363.59	-
Intangible assets	2.80	3.31
Leasehold rights on land and buildings	-	40.70
Rental guarantee and deposit	82.63	86.97
Other assets	761.13	783.58
Total assets	<u>2,906.13</u>	<u>2,661.79</u>

The basis of pricing between the Group is consistent with that for third party transactions

29. COMMITMENTS AND CONTINGENT LIABILITIES

As at June 30, 2020, the Company and its subsidiaries had no obligations under lease agreements and related service agreements as a result of the adoption of the TFRS 16 as at January 1, 2020. The Company recognized the lease liabilities previously classified as operating lease at the present value of the remaining lease payments, discounted incremental borrowing rate, as described in Note 15 to the interim financial statements.

29.1 Operating lease commitments

29.1.1 As June 30, 2020 the Company has entered into space rental agreements for use as branch offices, totalling 96 branches. The lease periods ranged from 1 to 20 years. Total rental and

utility fees were approximately Baht 28.80 million per annum. Some of rental fees were calculated from the percentage of sales amounts of that branch.

29.1.2 As June 30, 2020 the Company and its subsidiaries have entered into several costs service related with the operations. The terms of the agreements are generally between 1 and 30 years.

The Company and its subsidiaries, future minimum lease payments required under operating leases contracts as at June 30, 2020 and December 31, 2019 as follow:

	Baht			
	Consolidated financial Statement		Separate financial Statement	
	As at June	As at December	As at June	As at December
	30, 2020	31, 2019	30, 2020	31, 2019
Payable:				
In up to 1 year	66,404,110	88,299,339	66,404,110	86,917,425
In over 1 and up to 5 years	48,802,886	92,252,970	48,802,886	86,467,784
In over 5 years	5,622,456	28,081,485	5,622,456	6,159,390
Total	<u>120,829,452</u>	<u>208,633,794</u>	<u>120,829,452</u>	<u>179,544,599</u>

29.2 Guarantees

As at June 30, 2020, the Company has pledged the bank deposit of Baht 4.10 million to guarantee contractual performance and guarantee rental. In addition, other investments of Baht 1.10 million were pledged to guarantee the electricity usage and rental of head office.

29.3 Long-term service commitments

29.3.1 The Company entered into agent appointment agreement with a foreign company for the contractual period of three years commencing from May 31, 2019 to October 31, 2022. Upon expiration of the term, the Agreement shall be automatically renewed for successive one year unless either party notifies the other of its intention in writing to terminate the Agreement.

29.3.2 The Company entered into three-year contracts allowing the use of copyrights with various authors which can be automatically renewed for successive three years, and agreed to pay remuneration at the percentage of the number of books published or sold.

29.3.3 Interest Rate Swap Transaction Agreement

The Company has the detail of the interest rate swap agreement outstanding as at June 30, 2020 as follow:

Principal amount	Interest Revenue Rate Swap Agreement	Interest Expenses Rate Swap Agreement	Termination date
88.76 Million	THBFIX 1M+ 1.74	THBFD 3M+ 3.85	June,2021

30. CREDIT LIMITS

As at June 30, 2020, the Company had the credit limits with the local financial institutions as follows:

- 30.1 The Company had 3 overdrafts limit amounted Baht 60 million by entering into the agreement with 3 financial institutions, carried MOR% per annum that consisted of:
- 30.1.1) Two credit limits without guarantee amounted Baht 20 million and Baht 20 million, respectively.
- 30.1.2) One credit limit with guarantee amounted Baht 20 million and guaranteed by mortgaging the land with buildings.
- 30.2 The Company had 2 short-term loan limits amounted Baht 250 million by entering into the agreement with two financial institutions in the form of promissory notes with maturity date not over three months and carried the interest rate of 3.30% per annum that consisted of:
- 30.2.1) One credit limit without guarantee amounted Baht 50 million.
- 30.2.2) One credit limit with guarantee amounted Baht 200 million and guaranteed by mortgaging the land with buildings.
- 30.3 The Company had the long-term loan limits with a financial institution with the limit amounted Baht 700 million and guaranteed by mortgaging the land with buildings that consisted of:
- 30.3.1) Credit limit amounted Baht 250 million carried THBFD 3M+3.85% per annum.
- 30.3.2) Credit limit amounted Baht 250 million carried MLR-1.5% per annum.
- 30.3.3) Credit limit amounted Baht 200 million and not withdrawn the company requested to cancel the credit limit on November 21, 2019.

31. FOREIGN CURRENCY LIABILITIES

As at June 30, 2020 and December 31, 2019 The Company balances of financial liabilities denominated in foreign currencies are summarised follow:

Foreign currency	Consolidated/Separate financial statement			
	Financial liabilities		Average exchange rate (Baht)	
	As at June 30, 2020	As at December 31, 2019	As at June 30, 2020	As at December 31, 2019
	(Thousand)	(Thousand)	(Thousand)	(Thousand)
USD	6	13	31.0658	30.3313
SGD	66	-	22.4405	22.5935
GBP	2,025	988	38.4269	39.9523

As at June 30, 2020 the Company has foreign exchange contracts outstanding are summarised follow:

Foreign currency	Consolidated/Separate financial statements				Maturity date
	Bought amount	Sold amount	Contractual exchange rate		
	(Thousand Baht)	(Thousand Baht)	Bought	Sold	
GBP	2,084	-	38.440 - 41.145	-	July 2020 - October 2020

32. FAIR VALUE OF FINANCIAL INSTRUMENTS

The Company and its subsidiary use the market approach to measure their assets and liabilities that are required to be measured at fair value by relevant financial reporting standards, except that the

cost approach or income approach is used when there is no active market or when a quoted market price is not available.

Fair value hierarchy

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

As of June 30, 2020, the Company and its subsidiary had the following assets that were measured at fair value using different levels of inputs as follows:

	Baht			
	Consolidated financial statements			
	As at June 30, 2020			
	Level 1	Level 2	Level 3	Total
Assets measured at fair value				
Property, plant and equipment	-	-	1,547,813,621	1,547,813,621

	Baht			
	Separate financial statements			
	As at June 30, 2020			
	Level 1	Level 2	Level 3	Total
Assets measured at fair value				
Property, plant and equipment	-	-	1,295,885,931	1,295,885,931

33. CORONAVIRUS DISEASE 2019 PANDEMIC

Since January 2020, the Coronavirus disease 2019 (COVID-19) pandemic is continuing to evolve. The spread of COVID-19 caused, resulting in an economic slowdown and adversely impacting most businesses and industries as a whole. The situation may affect the results of operations of the Company, and recognition and measurement of assets and liabilities in the financial statements. The management assesses the financial impact in respect of valuation of assets, provisions and contingent liabilities, and has used judgment in estimates in that situation.

34. EVENTS AFTER THE REPORTING PERIOD

According to the Directors' Meeting No. 2/2020 dated April 9, 2020, it had a resolution to approve the loan from the financial institution amounted Baht 250 million.

On August 6, 2020, the Company has signed in the long-term loan agreement from the financial institution with the objective to assist the operators impacted from the pandemic of COVID-19 amounted Baht 100 million, charged interest rate THBFX plus interest rate of 2.56% per annum. The repayment is due within 60 months. The first instalment is started on the 13th month after withdrawn the first loan instalment.

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- 43 -

35. APPROVAL OF INTERIM FINANCIAL STATEMENTS

These interim financial statements were authorized for issue by the Board of Directors on August 13, 2020