

Thailand Post 4.0

Power Driving Thailand Forward



Annual Report
2018

Thailand Post Company Limited



Awards in 2018



EMS Performance Awards (International EMS Excellent Performance)

Thailand Post received 2017 EMS Performance Awards, Silver Level, from Universal Postal Union (UPU) in Bern, the Swiss Confederation, for "Development of International EMS Service Quality Standard" in term of providing delivery of international EMS with international service standards (The award was announced in 2018).

EMS Customer Care Awards for Investigation

Thailand Post received 2017 EMS Customer Care Awards for "Operation of International EMS Customer Service" performed by its Call Center. The award was granted to the group of countries having moderate investigation work volume. (The award was announced in 2018).





Thailand Corporate Excellence Award 2018

Thailand Post received 2018 Thailand Corporate Excellence Award for Innovation Excellence from Thailand Management Association (TMA), as the result of Thailand Post's implementation of innovations in development of its service by providing Automated Postal Machine.

Recognition of Excellence Award 2018

Thailand Post received Recognition of Excellence Award from CIO Network Pte. Ltd. in Thailand OpenGov Leadership Forum 2018, which is granted to government agencies implementing technology in service provision. In this regard, Thailand Post uses new technology and innovation in acceptance, sorting, forwarding, and delivery work to enhance effectiveness of operation and foster digital economic growth.



Mail Center Security Award

Thailand Post received Mail Center Security Award of Postal Security Group from Universal Postal Union (UPU), which is granted for development and upgrade of mail center security standard. In this regard, 3 groups of mail center security were considered, including

- 1) Security of Mail Centers,
- 2) Security of postal items, and
- 3) Rules, regulations and policies on security.





Thailand Post 4.0 Power Driving Thailand Forward



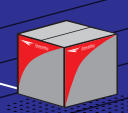
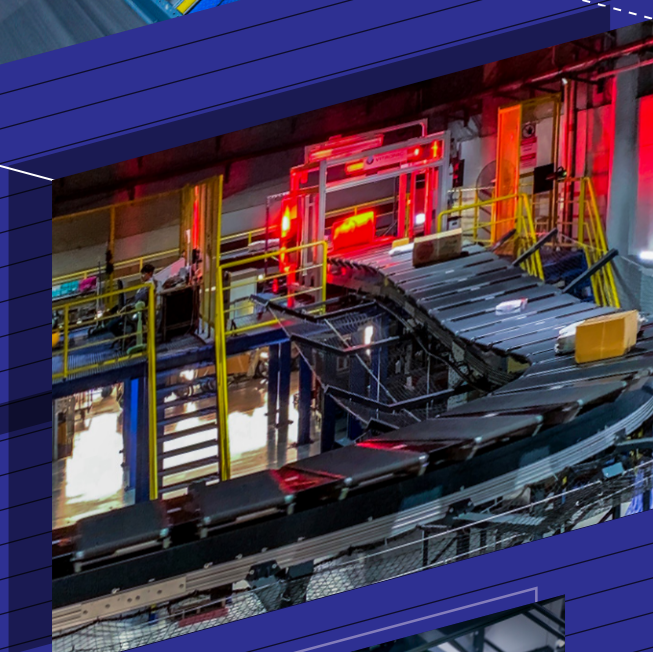
Thailand Post 4.0 Driving Thailand Forward

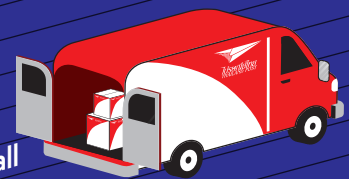
Thailand Post, as the number one postal service provider of Thailand, still strives for improving service quality in all aspects, including continually applying innovations in work process, under Thailand Post 4.0 plan with the aim to become a significant driving force of the national economy and carrier of happiness to Thai communities with pride.





**Upgrading
Thai Postal Service,
Strengthening
the Network**





Thailand Post implements automation system in all operations, such as Cross Belt Sorter and Mixed Mail Sorter, to facilitate and enhance effectiveness of the work. Also, new mail centers are established to accommodate the increasing work volume in the future and security system is improved by installing GPS in more than 1,000 postal transportation vehicles.

ข. นน.หลักสี่ 10210

iBOX

ตู้ไปรษณีย์
รับพัสดุ

ขั้นตอนรับพัสดุ



รับพัสดุ
SMS



Upgrading
the Standard of
Service Quality



iBOX



Flexible Delivery



EMS World



Prompt Post

Thailand Post aims to improve the service quality standard and provide modern, fast and extensive services covering all channels as well as responsive to meet the needs of the customer promptly, by launching Prompt Post application, ready-to-delivery boxes, domestic EMS same-day delivery, eCo-Post, Cash On Delivery (COD), Wallet@Post, international ePacket, Cool EMS, Courier Post, iBox, and many more services to fulfill customer needs.



ชื่อของดีทั่วไทย

Thailandpostmart.com



Thailand Post...
Network of Happiness
Sent from Communities
to Consumers



e-Commerce
4.0



One of the major missions of Thailand Post is delivery of goods from communities to nationwide customers to generate community income. With strong postal network of Thailand Post which can access to and cover all areas of Thailand along with cutting-edge digital technology that drives the organization, Thailand Post aims to bring support to communities, society and the country under Thailand Post 4.0 policy.



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Chairman's Message



//
Aim to become a modern
organization and to satisfy
customers by creating
new service models to
match the
lifestyle of people
in the modern age.
//

The year 2018 is the 15th year anniversary that Thailand Post Company Limited (THP) has continuously developed the services provided to customers with the intention to enhance the potential for proactive operation and to build up the strength in the competition, in which the number of domestic and international major service providers has increased. In the meanwhile, Thailand Post, as an affiliated entity of Ministry of Digital Economy and Society, is ready to support the government policy on national development to THAILAND 4.0 by establishing a policy of operating and developing services with digital technology to upgrade Thailand Post to Thailand Post 4.0, including to improve logistics system in order to support e-Commerce business. Additionally, Thailand Post takes advantage of postal networks throughout the country to support the promotion of community product distribution, to create opportunities for increasing community income and to improve the quality of people's life to be stable and sustainable.

In the situation that Thailand Post has to encounter more intense business competition, to stand as an organization with ability to provide the services that can respond to customer needs, collaboration of all sectors in the organization is required in joint development to achieve strength and success. In 2018, the Board of Directors issued policies with the aim to lead Thailand Post to become a modern organization and to satisfy customers by creating new service models and installing automation in the operational process. In term of management, branch management system in the manner of area coach is implemented so that the post offices located around the country can effectively take care local customers. Furthermore, Thailand Post image is modernized to match the lifestyle of people in the modern age.

On behalf of the Board of Directors of Thailand Post, I would like to thank the executives, employees and workers who act as an important force in driving the operations of the company to be successful. Also, I would like to express my gratitude to customers, vendors, business partners, stakeholder as well as relevant government agencies in all sectors that are involved in the development of the operations of Thailand Post. I truly hope to gain support and trust from all of you in the future.



(Mr. Rathapol Bhakdibhumi)
Chairman of the Board of Directors

A red rectangular graphic with a white border, tilted slightly. It contains a small black icon of a postbox on the left and the text "President's Message" in white, sans-serif font on the right.

President's Message

A large white arrow pointing right, with a grey bar above it, set against a background of thin, light-colored diagonal lines.

//

Thailand Post has
the development of
its service in line with
the changing social
trends by advantage
of quality and
strong network.

//

A large white arrow pointing right, with a grey bar above it, set against a background of thin, light-colored diagonal lines.

Throughout the period of 15 years, Thailand Post Company Limited has operated amidst the dramatic changes in many aspects. Due to advanced technology development, Thai society adopted technology as a crucial part of the life. Despite being disrupted by such situation, Thailand Post has never halted the development of its service in line with the changing social trends, but takes advantage of quality and strong network to focus on operation under "POST Excellence" policy with the aim to generate the power for driving Thailand Post "THP POWER" in 5 dimensions. THP POWER consists of P : Professional Manpower focusing on professionalism of staff and implementation of modern equipment to catch up with digital age; O : Operational Standard emphasizing continuous development of work system to achieve the same operational standard ; W : Wisdom aiming to develop personnel's conceptual framework to view business holistically for further development of the quality of services and products; E : Engagement building rapport between the personnel and customers; and R : Responsive to Innovation creating innovations to improve service quality toward sustainable growth.

With "Thailand Post power ... the power driving Thailand forward", we collaboratively think, create and develop the organization to step forward as well as enable SMEs and e-Commerce entrepreneurs to access to business opportunities through postal network that serves as a business link bringing growth to the communities across the country. "Thailand Post ... for a Virtuous and Golden Land" project and "Happy Post" project implemented sufficiency economy philosophy to lead to real happiness and sustainable growth of community. In term of business development, THP created Automated Postal Machine (APM) for acceptance service, and installed Cross Belt Sorter and Mixed Mail Sorter for the sorting task and mail processing. Regarding to delivery service development, delivery through smart postbox (iBox) is effectively employed, so postal items can be picked up 24 hours a day. Also, more than 200 delivery cars as well as more than 100 delivery motorcycles equipped with fiberglass boxes are added for pilot operation in Bangkok Metropolitan Region and major cities. These enhance efficiency of mail delivery to ensure customer satisfaction of each posting. In addition to postal system development, THP strives for creating "Thailand Post Cashless Society" by implementing Wallet@Post application and offering QR Code payment in response to the current global trends and National e-Payment of the government.

In regard to the THP's operating results in 2018, THP earned 29,728.25 million baht while the expenses were 24,828.15 million baht and the net profit was 3,827.54 million baht. The above-mentioned outcome is the result of work with full potential and power combination of Thailand Post people, including all executives, employees and workers who are the key mechanism that drives THP to achieve the success goal and helps THP to remain stable in highly competitive situation. I would like to request Thailand Post people to cooperate in providing an excellent service with the high quality that impresses the customers and remains to be number one in their heart forever.



(Mrs. Smorn Terdthampiboon)

President



History of Thailand Post Company Limited

Thailand Post Company Limited is a state enterprise under Ministry of Digital Economy and Society, established on 14 August 2003 by corporatization of postal service unit of the Communications Authority of Thailand.

Thailand's postal service had been originally established in 1883 during the reign of King Rama V, initially as a government agency under the Post Department (later changed to Post and Telegraph Department). In early 1977, the unit was transformed into a state enterprise named the Communications Authority of Thailand for the flexibility and efficiency of its operations to cope with economic and social changes. Subsequently in the year 2003, the world's changes towards globalization, especially in the areas of liberalization of free trade and services, drove Thailand's postal service to transform into a Company Limited format as previously stated, with the aim to enhance business operations and competitiveness. The transformation was expected to allow Thailand Post Co., Ltd. to earn incomes for self-support while continuously bearing the burden of providing social services for the benefit of the people and the country.

The postal business has continued to improve in various aspects. In the initial phase, it focused on infrastructural development to strengthen the foundation required to support subsequent expansion. Afterwards, the development focused on operational efficiency enhancement by utilizing modern equipment and machinery in the mail sorting process, introducing Counter Automation Point of Sales system for mail acceptance at post offices nationwide, and providing business-oriented services

After the corporatization, Thailand Post Co., Ltd. has actively modified its administration and operation to become more business-oriented; the Company draws up a systematic postal business plan which divides its services into four

service groups : Mail Services, Express and Logistics Services, International Services, and Retail and Financial Services. We continuously develop our services to accommodate the sharply changing needs, lifestyle and business operation of customers. These services include 1. EMS Point, 2. Same Day Domestic EMS, 3. Prompt Post application service including prompt parcel boxes, 4. eCo-Post service, 5. Cash On Delivery (COD), 6. Wallet@Post application 7. International ePacket, 8. Cool EMS service, 9. Courier Post service, 10. Logispost service for large goods and objects shipment, 11. Product and Food Delivery to Order, 12. Pay at Post, 13. Automated Mail Delivery Box (iBox), 14. Automated Postal Machine (APM), 15. Drive Thru Post service whereby customers can send mail without having to leave their cars etc.

Moreover, the Company has enhanced its service efficiency by installing a system where senders can track and trace their mailed items (Track and Trace system) in some of its services. Meanwhile, Thailand Post Co., Ltd. devotes to social services by maintaining the postal network which consists of 5,000 post offices and service units, across all regions in both potential business and remote rural areas. The Company also sustains the provision of intact basic services in communications, mailing and logistics, as well as financial service at affordable fees to ensure that the people from all sectors can get benefit from postal service thoroughly. This is consistent with the purpose of the organization established for the benefit of Thais and Thai society.



Vision

"To be a leader of postal business and full service logistics in ASEAN."

Mission

1. Provide delivery of goods and messages nationwide through easy access to services.
2. Develop Thailand as a postal business and logistics hub of ASEAN
3. Efficiently exploit resources, obtain sustainable profits and support service development of customers

Core Value

THP is devoted to I-SURE principles as an engine for driving long-term success. I-SURE stands for :

- (I) Integrity
- (S) Service Mind
- (U) Unity
- (R) Result Orientation
- (E) Change Capability

Statement of Direction (SOD) for the Year 2018

To be provider of national postal and logistics network service for distribution of goods and parcels with rapidity and safety, and in line with international standards.

Short-term Plan

1. Upgrade postal and logistics services as well as raise customer satisfaction.
2. Study feasibility of new business operations by taking account of appropriate finance and investment plans.
3. Prepare appropriate personnel plan to support future service.
4. Seek allies to expand customer base and to support business competition.

Long-term Plan

Develop sustainable logistics business as the main source of income for the organization.



Thailand Post Business Operation Goals in the Next 3 - 5 Years

Under the rapidly changing postal business trend due to information technology development which greatly affects consumers' behavior and need of postal service, THP sets operation approaches and the goals to achieve in the future through the following 4 strategies :

Strategy 1 : Developing service quality and image to raise the level to “Thailand Post 4.0” with effective management of basic resources for business operation both in terms of operational system and human resources by adjusting the entire postal system. Automated machines are employed to support human operation to upgrade the quality of service, minimize work-related errors and create reliability of THP's service among customers.

Strategy 2 : Developing service expertise to raise the service level to “e-Commerce 4.0” Provider with improvement of new form of services to meet the demand of e-Commerce business entrepreneurs appropriately. Services in each group are connected to create a complete service which can fully support activities under supply chain of e-Commerce business. With this, a wide range of existing postal services is effectively used to maximize business benefits and it emphasizes the expertise in providing services for e-Commerce business.

Strategy 3 : Developing co-service with business partners to generate new sources of income and support complete service provision by collaborating with business partners and employing THP's strong postal network available nationwide to facilitate delivery of products and services to all customers so that the existing postal network can be effectively utilized to support various types of business and more benefits are produced to communities and society.

Strategy 4 : Developing expertise in logistics for e-Commerce business to generate long-term income with collaboration with ThailandPost Distribution Company Limited in developing work system to support logistics activities including warehousing, pick and pack, and customs clearance, which covers domestic and international services. The operation aims to accommodate the transportation-related services for the e-Commerce business group, including connection of shipment service through postal service and customs system for consistency and to facilitate e-Commerce customers.





Company Information

Thailand Post Co., Ltd. is a state enterprise under supervision of Ministry of Digital Economy and Society (MDES) established on 14 August 2003 by virtue of the Civil and Commercial Code. The Company's entire shares are held by Ministry of Finance.

Company Name	THAILAND POST CO., LTD.
Abbreviation	THP
Company Registration Number	0105546095724
Type of Business	Provision of messages and packages delivery service, financial service and agency service.
Employees and workers	28,993 persons (as at 31 December 2018)
THP Contact Center	1545
Website	www.thailandpost.co.th
Authorized Capital	1,250 million Baht (One thousand two hundred fifty million Baht only)
Auditor	Office of the Auditor General of Thailand
Headquarters	No. 111 Chaeng Watthana Road, Thung Song Hong Sub-District, Laksi District, Bangkok 10210 - 0299 Tel : 0-2831-3131 Fax : 0-2956-8904
Metropolitan Postal Bureau 1 - 2	No. 1551 Phahon Yothin Road, Samsen Nai Sub-District, Phayathai District, Bangkok 10400 Tel : 0-2278-2317, 0-2279-7562, 0-2279-9955 Fax : 0-2279-9956
Metropolitan Postal Bureau 3 - 4	4 th and 5 th fl. Bang Rak Post Office Building No. 4 Captain Bush Alley, Soi Charoen Krung 32, Charoen Krung Road, Bang Rak Sub-District, Bang Rak District, Bangkok 10500 Tel : 0-2614-7426-9 Fax : 0-2233-7411
Metropolitan Mail Processing Bureau	2 nd fl. Bangkok EMS Center Building No. 111 Chaeng Watthana Road, Thung Song Hong Sub-District, Laksi District, Bangkok 10020 Tel : 0-2575-0850 Fa x : 0-2575-0849
Regional Postal Bureau (Region 1), Phra Nakhon Si Ayutthaya	11/11 Dechawut Road, Pratuchoi Sub-district, Phra Nakhon Si Ayutthaya District, Phra Nakhon Si Ayutthaya Province 13000 Tel : 0-3524-3043 Fax : 0-3524-2704



Regional Postal Bureau (Region 2), Chon Buri	No. 37/1 Moo 9 Sukprayoon Road, Napa Sub-District, Muang District, Chonburi Province 20000 Tel : 0-3827-8300-2, 0-3828-7291 Fax : 0-3828-7291 ext. 130, 131
Regional Postal Bureau (Region 3), Nakhon Ratchasima	No. 232/1 Chang Phuek Road, Nai Muang Sub-District, Muang District, Nakhon Ratchasima Province 30000 Tel : 0-4427-2328, 0-4424-2103, 0-4424-8878 Fax : 0-4424-8879
Regional Postal Bureau (Region 4), Khon Kaen	No. 294 Sun Ratchakan Road, Nai Muang Sub-District, Muang District, Khon Kaen Province 40000 Tel : 0-4323-7178, 0-4323-4650 Fax : 0-4323-9306, 0-4323-9357, 0-4324-6597
Regional Postal Bureau (Region 5), Chiang Mai	No. 6 Mahidol Road, Suthep Sub-District, Muang District, Chiang Mai Province 50200 Tel : 0-5327-5471, 0-5327-5241, 0-5327-2643 Fax : 0-5327-6001, 0-5327-5241 ext. 526
Regional Postal Bureau (Region 6), Nakhon Sawan	No. 154 Moo 1 Phahon Yothin Road, Nakhon Sawan Oak Sub-District, Muang District, Nakhon Sawan Province 60000 Tel : 0-5625-5130, 0-5625-5262, 0-5625-6020 Fax : 0-5625-6020 ext. 102
Regional Postal Bureau (Region 7), Ratchaburi	No. 24/14 Phetchkasem Road, Na Muang Sub-district, Muang District, Ratchaburi Province 70000 Tel : 0-3233-7385, 0-3233-8985, 0-3233-6009 Fax : 0-3233-7385, 0-3233-8985, 0-3233-6009 ext. 222
Regional Postal Bureau (Region 8), Surat Thani	No. 84/24 Moo 6 Liang Muang Road, Makham Tia Sub-District, Muang District, Surat Thani Province 84000 Tel : 0-7722-6445 Fax : 0-7722-6357
Regional Postal Bureau (Region 9), Hat Yai	No. 13 Kanchanavanich 1 Road, Hat Yai Sub-District, Hat Yai District, Songkhla Province 90110 Tel : 0-7424-3121, 0-7424-5293 Fax : 0-7421-1065
Regional Postal Bureau (Region 10), Ubon Ratchathani	No.73 Moo 3 Ubon-Trakan Road, Khamyai Sub-district, Muang District, Ubon Ratchathani Province 34000 Tel : 0-4528-3611, 0-4528-3614 Fax : 0-4531-1927



Important Financial Information

Summary of Operating Performance and Financial Position

Unit : million baht

Operating Performance		As at December 31, 2016	As at December 31, 2017	As at December 31, 2018
Revenues		25,975.49	28,293.82	29,728.25
Expenses (exclusive of corporate income tax)		21,431.12	22,922.10	24,828.15
Profit (Loss) before corporate income tax		4,544.37	5,371.71	4,900.10
Corporate income tax		(1,045.07)	(1,159.29)	(1,072.56)
Net Profit (Loss)		3,499.30	4,212.42	3,827.54
Financial Position				
Assets		26,402.23	29,467.23	31,099.69
Current Assets		12,528.19	15,965.14	19,312.03
Non-current assets		13,874.04	13,502.09	11,787.66
Liabilities and Owner's Equity		26,402.23	29,467.23	31,099.69
Liabilities		8,882.69	9,014.91	9,439.96
Current Liabilities		4,646.75	4,673.28	4,957.08
Non-current liabilities		4,235.94	4,341.63	4,482.88
Shareholders' Equity		17,519.54	20,452.32	21,659.73
Financial Ratio				
Current Ratio (Current Assets to Current Liabilities)	Times	2.70	3.42	3.90
Debt to Assets Ratio	Times	0.34	0.31	0.30
Debt to Equity Ratio	Times	0.51	0.44	0.44
Basic Rate of Return (Profit before interests and corporate income tax) to Assets	%	0.17	0.18	0.16
Return on Assets	%	0.13	0.14	0.12
Return on Equity	%	0.20	0.21	0.18
Return on Revenues	%	0.13	0.15	0.13
Percentage of Expenses to Revenues	%	0.83	0.81	0.84





Work Volumes and Postal Network

Work Volumes		2016	2017	2018
Domestic Mail	(million Items)			
Ordinary Letter-Post Items		2,027.25	2,012.82	2,004.00
Postal Parcels		12.81	13.70	13.47
Special Services		313.86	346.87	407.77
International Mail	(million Items)			
Ordinary Letter-Post Items		41.59	45.21	37.85
Postal Parcels		0.69	0.72	0.72
Special Services		6.88	6.04	7.60
Financial Service	(million Transactions)			
Domestic Money Order		8.26	5.17	3.25
Pay at Post		8.48	6.46	4.77

Number of Offices



Number of Offices		As at December 31, 2016	As at December 31, 2017	As at December 31, 2018
THP Operating Office	(Units)	1,269	1,275	1,278
Mail Center		19	19	19
Bulk Posting Center		6	6	6
Post Office		1,191	1,192	1,195
Mobile Post Office		53	53	53
Branch Post Office		-	5	5
Licensed Post Office	(Units)	3,397	3,377	3,366
Thailand Post Counter	(Units)	130	152	181
Thailand Post Shop	(Units)	93	105	117
Postage Stamps Agency	(Units)	1,398	1,398	1,260
Postage Stamps Agents	(Units)	2,000	2,000	2,000
Posting Box	(Boxes)	23,857	23,346	23,090

Non-Financial Performance Analysis

The volume of work in mail business in 2018 was likely to increase slightly by 1.4 percent in comparison with the previous year. The major supporting factor was the increase, by more than 24 percent from 2017, of registered mail posted by e-Commerce business group who chose to ship goods weighing less than 2 kilograms since the service rate was not too high and the requirement for the tracking system was fulfilled at the acceptable level. However, document delivery service tended to decrease by 0.4 percent from 2017 mainly because of a decline in print matter service by 29 percent. This reflects a significant effect of communication via the increasingly popular electronic media in place of the postal service.

The overall transportation and logistics business group showed a tendency of increase by 11 percent from the previous year as a result of higher domestic EMS service use which has been continuously increasing by 12 percent in comparison with 2017. The increase in the volume of work corresponded to the growth of the domestic e-Commerce business. On the other hand, the international service group decreased by 13 percent due to a decreasing use of document delivery service by 12 percent. Package delivery service rose by 15 percent, especially international EMS rose sharply by 22 percent from the previous year, resulting from continuous marketing promotion activities to stimulate the use of service in the past year. Financial service group, however, has been declining in online money order, domestic money order and Pay at Post, which was a consequence of the users' increasing favor in doing financial transactions via electronic channels. Retail business group tended to increase, especially packaging material related to delivery of goods. Other products tended to decrease in volume.

Based on the above situation, it can be concluded that Thai postal service has been clearly changing in concordance with global postal business trends in which document delivery service tended to decrease by 0.7 percent, while delivery service of goods was likely to increase by 16 percent. This is an impact of technological changes that make delivery of information via postal services less necessary but replaced by more need to use the services related to delivery of goods due to current popular e-Commerce business.





The Postal Business in 2018 and the Trend in 2019

Conditions and Trends of the Global Postal Business

In 2018, the global economy has been continually expanding with a slight decline in growth rate in some regions. The global economic risks to be monitored include the unstable US trade barriers, a decline in Chinese economy which is the base of major consumers, that may affect the consumption of goods in the future and the work volume related to postal business.

Based on the information of the global postal business trend reported by International Post Corporation (IPC), in 2017 the volume of document delivery by post decreased by 4.6 percent due to the consumers' adaptation to digital content era in which information can be accessed more easily through smartphone, leading to a change in communication format which significantly affects postal industry. However, the package delivery volume increased by 14.3 percent from 7.8 percent in 2016 as a result of e-Commerce business growth, especially in Asia-Pacific region where e-Commerce has been sharply growing and had more than 50 percent of the global market share. According to eMarketer, the value of global retail business through e-Commerce was approximately 2.84 trillion US dollars in 2018, which rose by 23.3 percent from 2017, and it is also expected that the value will increase to 3.45 trillion US dollars in 2019. The key factor contributing to the above change is the use of smartphone in doing m-Commerce. It was found in 2018 that the total value of m-Commerce was 1.80 trillion US dollars, which accounts for 63.5 percent of the total e-Commerce value. It is expected that the m-Commerce value will increase to 2.32 trillion US dollars in 2019, accounting for 67.2 percent in comparison with the total e-Commerce value.

Based on the survey result of United Parcel Service (UPS), online purchasers in Asia had the highest proportion of smartphone use to search and order products in comparison with other regions, and it was also found that Artificial Intelligence (AI), such as Chat Bot, became an important tool to create new shopping experience to customers. Moreover, product return process is another significant factor taken into account by customers. More than 50 percent of online shoppers will study return policy prior to placing orders. SCB Economic Intelligence Center (SCB EIC) also reported that the value of reverse logistics around the world has been rising due to the support from free return policy proposed by e-Commerce business. It was expected that the total value would be 1.1 trillion US dollars in 2018. Fashion, clothing and electronic goods would be among the top products to be returned.

It can be concluded from the above situation that adaptation to digital age is the key factor affecting postal industry in terms of decrease in document delivery. However, such decrease is offset by the increasing volume of package delivery thanks to e-Commerce business. The global postal service is likely to take account of risk diversification by creating various forms of business whereby all activities are connected in e-Commerce, especially transportation system in support of entrepreneurs to add more value to services and improve service system that meets international standards, ready for competition in the next phase.

Thai Postal Business Situation and Trend

For the overall trend of Thai postal business in 2018, it was found that the volume of document delivery through both domestic and international postal system decreased by 0.6 percent in comparison with the previous year. However, the volume of package delivery through domestic and international postal system increased by 16 percent from 2017. This change was in line with the situation faced by other postal administrations, which is the impact of technological changes that make delivery of information via postal service less necessary but replaced by more need to use the services related to delivery of goods, due to the steady growth in e-Commerce transactions.

According to the e-Commerce value survey in Thailand in 2017 conducted by Electronic Transactions Development Agency (Public Organization) or ETDA, it was forecast that the value of e-commerce transactions in Thailand in 2018 would be approximately 3,150 billion Baht which increased by 14 percent from 2017. B2C transactions have been on the rise with the total value of 865 billion Baht, which increased by 14 percent and ranked number one in ASEAN. The volume tends to rise steadily, especially for growing online shopping including shopping video and implementation of Big Data in sales promotion. Online retailers, in particular, the B2C group also had a policy to return products to attract and impress customers. Based on the study of Reverse Logistics market in Thailand conducted by SCB EIC, it stated that in 2018, the market value was 3,000 million Baht, which is in line with the overall growth rate of e-Commerce. This could be a good opportunity for logistics service providers to improve their logistics system to accommodate such demand. Additionally, e-Payment system gained more popularity and major e-Commerce entrepreneurs started developing their e-Wallet system or created cooperation with e-Wallet service partner to support the changing customer needs, and would further develop together with Cash on Delivery in the form of e-Wallet on Delivery (EOD) in the future.

Based on the above situation, it can be concluded that Thai postal business has been clearly changing in line with global postal business trends in which the main driving factor of the business is the delivery of goods (parcels) that changes according to the growth of the e-Commerce business. Also, the competition of e-Commerce business is now obviously more intense. Major entrepreneurs need to create uniqueness of their business to specifically meet customer demands by implementing data analytics and e-Commerce logistics system from upstream to downstream to create remarkable differences of their business in the consumers' sight. For this reason, postal business is required to adapt to keep up with business changes and cope with the competition from new operators entering parcel delivery business market due to the e-Commerce growth. The adaptation measures consist of adjusting work processes to enhance effectiveness, maintaining the ability to manage costs, creating information for use in product/service development to present to e-Commerce customers, and diversifying business risks to reduce dependency on core businesses which are likely to decline in the future.



Convenient Delivery, Entrust Thailand Post



LogisPost Plus Service "Big Parcels at Low Prices"

It is a supplementary service of LogisPost to facilitate and accelerate delivery of big parcels weighing 20 - 200 kg within 3 - 7 business days. The parcels can be sent to recipients in Bangkok Metropolitan Region and Muang District of all provinces over the country. Track & Trace system is also available.



eCo-Post Service

This service is intended for shipping domestic postal items, provided that the maximum weight of package is 10 kg and Track & Trace system is available. This option aims to respond to customers who wish to send packages weighing more than 2 kg, especially e-Commerce business.

EMS WORLD Service

"Express Delivery Worldwide, call 1545"
This service is a quick shipment of documents and packages to the recipients abroad within the specified time to respond to the demand of international express delivery of documents and packages, with an exclusive transportation system specifically arranged for EMS World.



International ePacket Service

This is an international service which has been developed to support international business and promote international e-Commerce wishing to use an economical shipping service with Track & Trace system. Inward service from 52 countries and outward service to 17 destination countries are available.



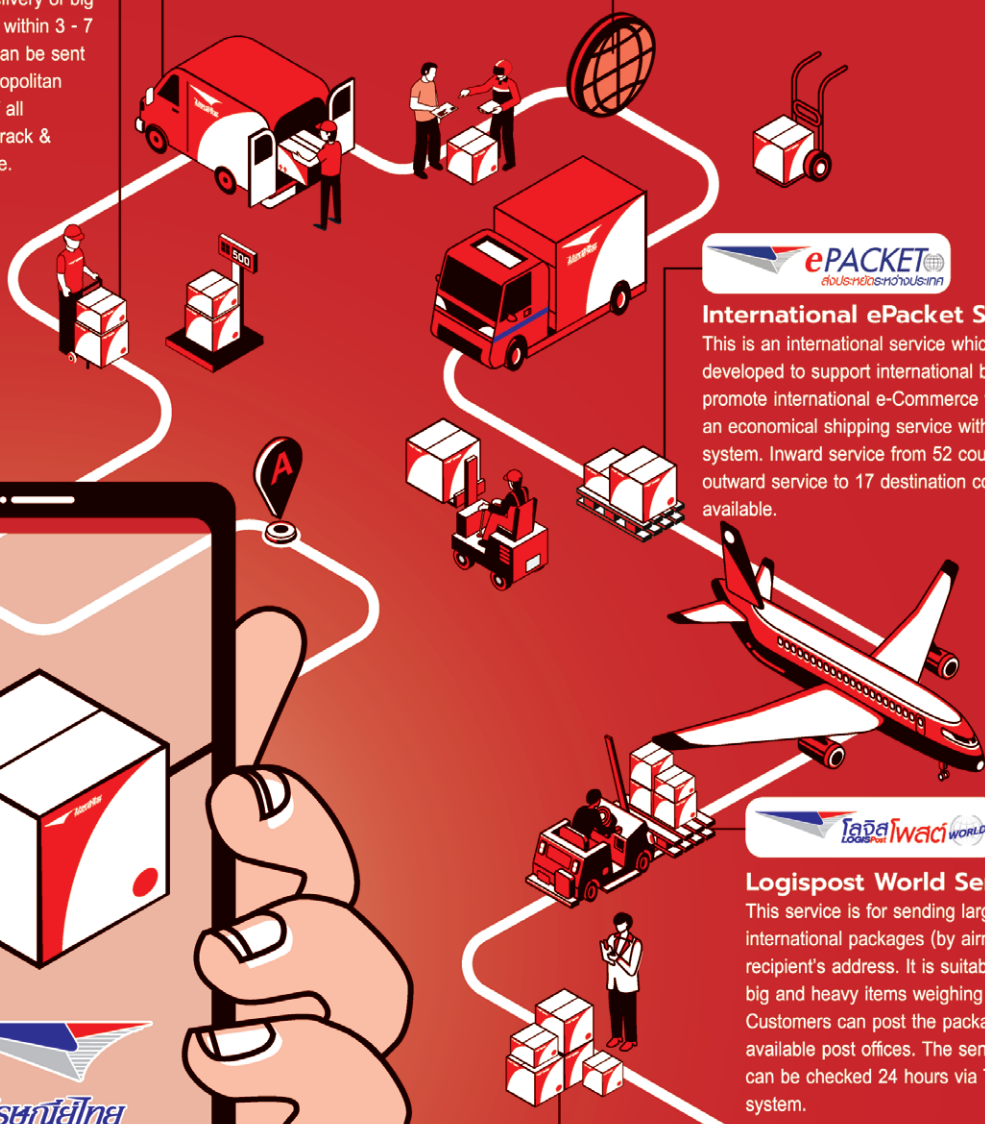
Logispost World Service

This service is for sending large size international packages (by airmail) to the recipient's address. It is suitable for shipping big and heavy items weighing 20 - 200 kg. Customers can post the packages at 245 available post offices. The sending status can be checked 24 hours via Track & Trace system.



Courier Post Service

This is an international logistics service which is provided with international speed standard under the slogan "Beyond global standard delivery" with the delivery network covering 65 destination countries.



Ready-to-Post Box

Prompt Post application comes with ready-to-post box which is a new product in the form of blue box with 4 sizes available: SS, S, M, and L. The price of box including postage for SS size is 30 baht/box and S size 35 baht/box, with a weight capacity of 1 kg. each box. The price of boxes including postage for M size is 65 baht/box and L size 75 baht/box, with a weight capacity of 3 kg. each box. Boxes are obtainable at post offices in Bangkok/vicinity areas that provide this service.



Prompt Post Application

This application helps e-Commerce vendors to manage advance preparation before posting domestic EMS items, domestic registered mail, and domestic parcels. Prompt Post application can be downloaded for use on website and mobile phone via Play Store and App Store. Customers can use the service upon registration.

Domestic EMS Service

“Reliable Express Delivery with 24/7 Track & Trace”
This service provides a quick domestic delivery of documents and packages to the recipient within the specified time with 24/7 Track & Trace system for following and checking the status of the items throughout the process.



Cash On Delivery Service (COD)

Cash on Delivery (COD) is available to users who open a Wallet@Post account through the application and apply to use COD service at post offices around the country. When using the service, the user will receive a COD sticker to fill in Wallet ID and the amount to be collected. Then he affixes the sticker on the package already addressed and pays the EMS service fee at the specified rate. The money will be credited to Wallet system within 2 days. The maximum amount to be collected on each delivery is 30,000 Baht per transaction.



Wallet@Post Application

Wallet@Post can be used through smartphone/tablet application both Android and iOS. Service users can make financial transaction through it, including top-up, payment, transfer, withdrawal, and payment of products and services of Thailand Post or other goods. Top-up can be done at any post office around the country.



Express International Money Transfer (Western Union)

“express sending-receiving money worldwide at post office”
This international money transfer service is provided via modern computer network of Thailand Post and Western Union. Money can be sent and received within a few minutes at post offices displaying this service symbol all over Thailand.



Drive Thru Post

“Send mail without getting out of the car”
“Drive Thru Post” allows customers to send certified or registered mails, postal parcels, EMS items, and to pay the bills or top-up mobile credit of every service provider conveniently and quickly without getting out of the car and filling out the form. The maximum amount of mails is 3 items per car.



The Best of Thailand Sent Right to Your Hands

THP provides the biggest distribution of agricultural produce, community-made goods and OTOP products in Thailand. The company also supports the “Digital Community” project which is a center for gathering the best community-made merchandise and famous food from various areas, and delivers straight to consumers in just 1 - 2 working days. Customers can find details, place orders and pay for their purchases online through website www.thailandpostmart.com.



Online Money Orders

“express money transfer and receipt”
This service is a special express transfer of money to domestic recipient with convenience and speed via modern computer network. The sender and recipient need not have a bank account but are able to send and receive money at post offices throughout Thailand within 15 minutes. An SMS alert will be sent to the recipient and sender.



Pay at Post

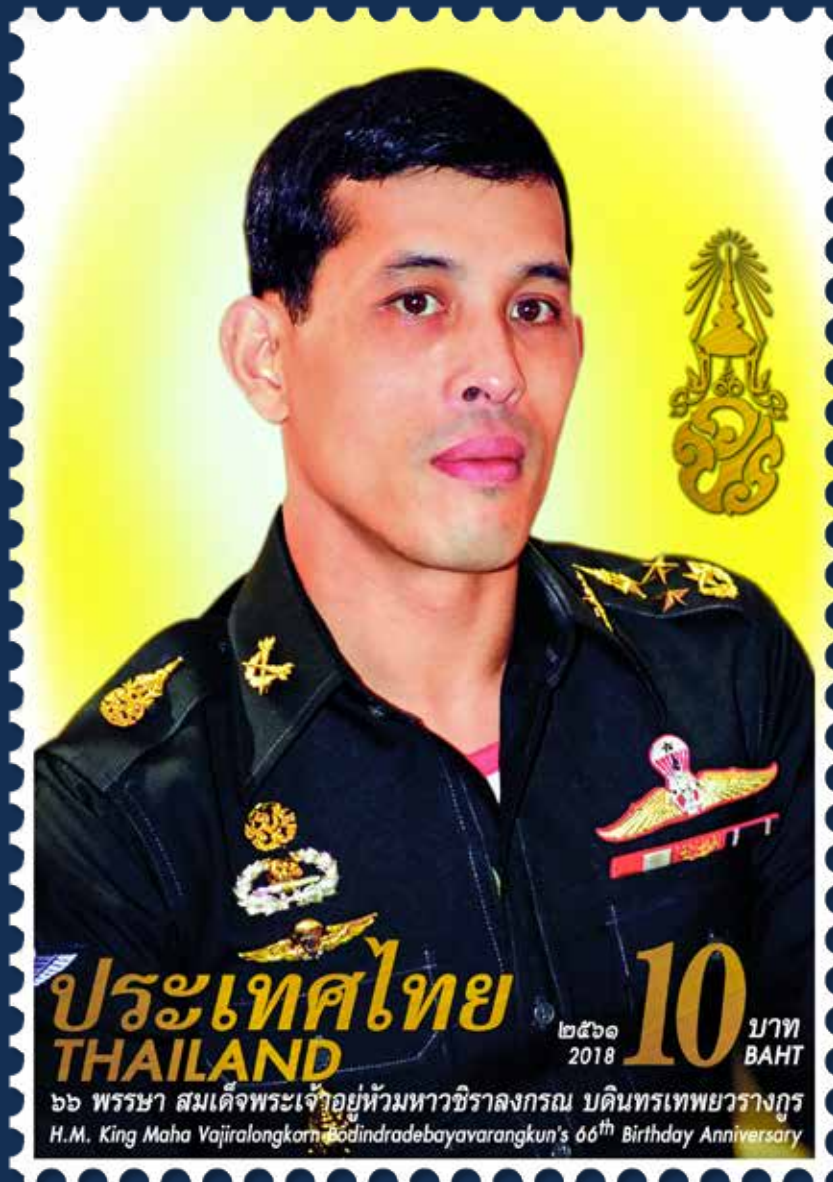
“pay all bills through the Post”
This service is available for paying bills of all types of goods and services, so that it provides convenience for users to make quick and full payment. The service is available at every post office all over the country.



Bank@Post

With the Bank@Post service, customers can make deposits, transfer money between accounts or transfer to participating banks at 1,400 post offices all around the country. They can receive cash transferred to their accounts upon identifying the pin code got from the transferors. This service allows customers to manage their bank accounts easily and to do certain transactions at the post office conveniently, just like at the bank counter.

Commemorative Stamps 2018



Issue Number	1151
Title	H.M. King Maha Vajiralongkorn Bodindradebayavarangkun's 66 th Birthday Anniversary
Date of Issue	28 July 2018
Denomination	10 Baht



Issue Number 25611
 Title Definitive Stamp
 H.M. King Maha Vajiralongkorn
 Bodindradebayavarangkun
 (King Rama X)
 Date of Issue 28 July 2018
 Denomination 1 Baht 2 Baht
 3 Baht 5 Baht
 6 Baht 7 Baht
 9 Baht 10 Baht
 12 Baht 15 Baht
 50 Baht 100 Baht

Issue Number 1153
 Title 86th Birthday Anniversary
 of H.M. Queen Sirikit of
 the Ninth Reign
 Date of Issue 31 August 2018
 Denomination 9 Baht





Issue Number 1141
 Title Zodiac (Year of the Dog)
 Date of Issue 1 January 2018
 Denomination 3 Baht



Issue Number 1142
 Title National Children's Day 2018
 Date of Issue 13 January 2018
 Denomination 3 Baht (4 Designs)



Issue Number 1143
 Title Symbol of Love
 Date of Issue 7 February 2018
 Denomination 5 Baht

Issue Number 1144
 Title Thai Heritage
 Conservation Day 2018
 Date of Issue 2 April 2018
 Denomination 3 Baht (4 Designs)



Issue Number 1145
 Title Thai Traditional Festival
 Date of Issue 4 April 2018
 Denomination 3 Baht (4 Designs)

Issue Number 1146
 Title Important Buddhist Religious
 Date of Issue 22 May 2018
 Denomination 3 Baht (4 Designs)





Issue Number 1147
 Title 60th Anniversary of Diplomatic Relations between Thailand and Turkey
 Date of Issue 12 May 2018
 Denomination 3 Baht (2 Designs)

Issue Number 1148
 Title Thailand - Romania Joint Issue
 Date of Issue 31 May 2018
 Denomination 3 Baht (2 Designs)



Issue Number 1149
 Title 135th Anniversary of Thai Postal Services
 Date of Issue 4 August 2018
 Denomination 3 Baht (4 Designs)

Issue Number 1152
 Title 60th Anniversary of Metropolitan Electricity Authority
 Date of Issue 1 August 2018
 Denomination 3 Baht



Issue Number 1154
 Title World Post Day 2018
 Date of Issue 9 October 2018
 Denomination 3 Baht

Issue Number 1155
 Title New Year 2019
 Date of Issue 15 November 2018
 Denomination 3 Baht (4 Designs)
 15 Baht (2 Designs)

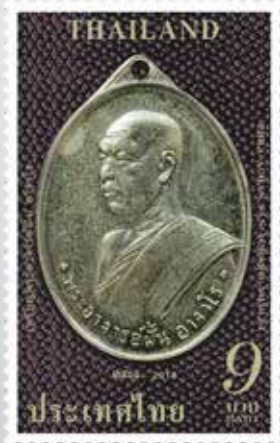




Issue Number 1157
 Title Thailand 2018 World Stamp Exhibition
 Date of Issue 28 November 2018
 Denomination 3 Baht (4 Designs)
 15 Baht (1 Design)



Issue Number 1158
 Title Tourism Promotion (Phitsanulok)
 Date of Issue 28 November 2018
 Denomination 3 Baht (4 Designs)



Issue Number 1159
 Title Phra Achan Fan Acharo
 Date of Issue 3 December 2018
 Denomination 9 Baht

Issue Number 1160
Title National Day
Date of Issue 5 December 2018
Denomination 5 Baht



Issue Number T6110
Title Trendy Stamp
World Gold
Series 1
Date of Issue 14 June 2018
Denomination 3 Baht (5 Designs)

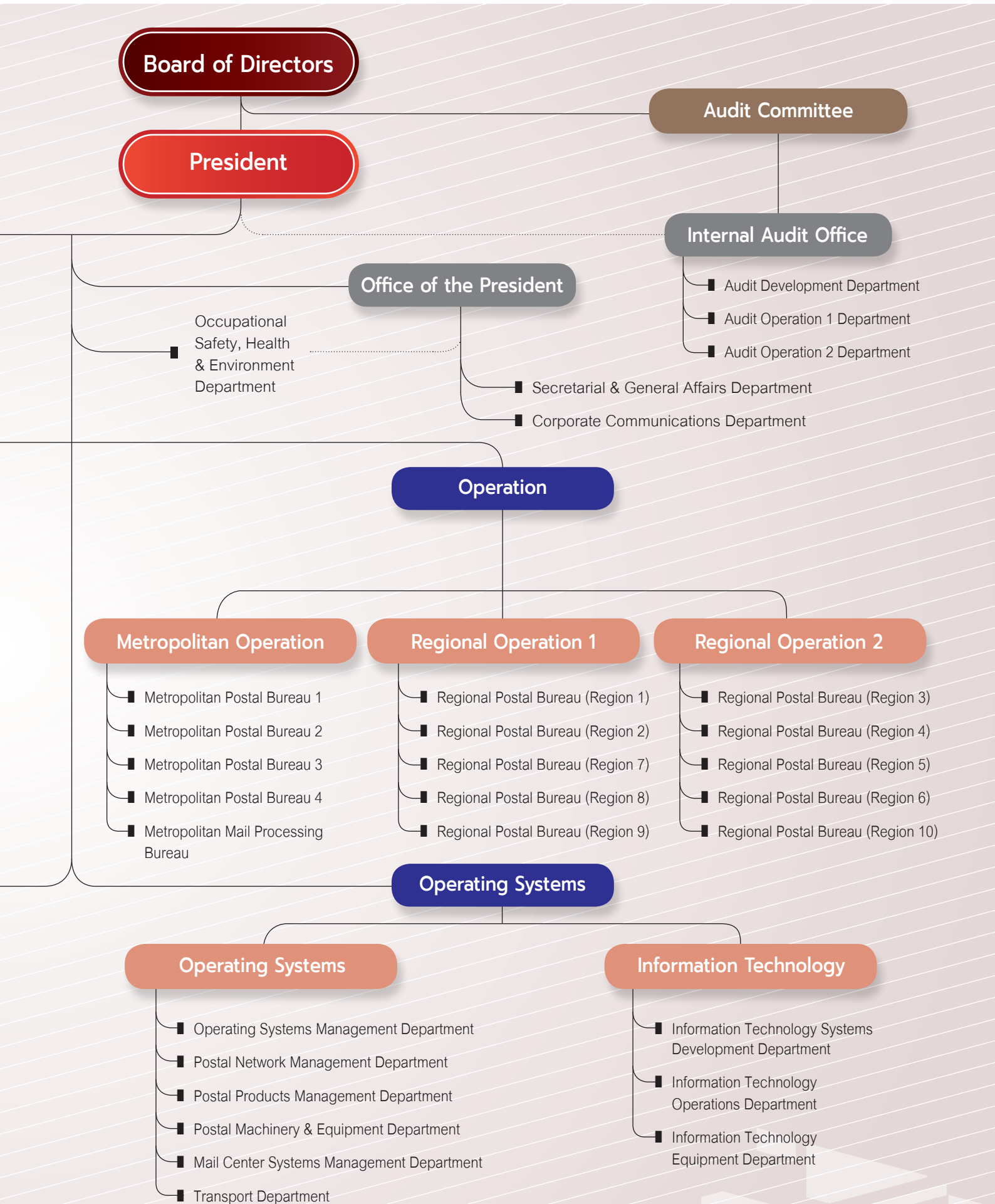


Issue Number T6122
Title Trendy Stamp
World Gold
Series 2
Date of Issue 14 June 2018
Denomination 15 Baht (3 Designs)



Organization Chart of THP





Board of Directors

President

Audit Committee

Internal Audit Office

Office of the President

Occupational Safety, Health & Environment Department

- Secretarial & General Affairs Department
- Corporate Communications Department

- Audit Development Department
- Audit Operation 1 Department
- Audit Operation 2 Department

Operation

Metropolitan Operation

Regional Operation 1

Regional Operation 2

- Metropolitan Postal Bureau 1
- Metropolitan Postal Bureau 2
- Metropolitan Postal Bureau 3
- Metropolitan Postal Bureau 4
- Metropolitan Mail Processing Bureau

- Regional Postal Bureau (Region 1)
- Regional Postal Bureau (Region 2)
- Regional Postal Bureau (Region 7)
- Regional Postal Bureau (Region 8)
- Regional Postal Bureau (Region 9)

- Regional Postal Bureau (Region 3)
- Regional Postal Bureau (Region 4)
- Regional Postal Bureau (Region 5)
- Regional Postal Bureau (Region 6)
- Regional Postal Bureau (Region 10)

Operating Systems

Operating Systems

Information Technology

- Operating Systems Management Department
- Postal Network Management Department
- Postal Products Management Department
- Postal Machinery & Equipment Department
- Mail Center Systems Management Department
- Transport Department

- Information Technology Systems Development Department
- Information Technology Operations Department
- Information Technology Equipment Department



Board of Directors of THP



Mr. Rathapol Bhakdibhumi

Chairman

Age 51 years

Education

- Executive Master in International Logistics and Supply Chain Strategy, Georgia Institute of Technology, Atlanta, USA.
- Master of Business Administration (Marketing and International Business), Sasin Graduate Institute of Business Administration
- Bachelor of Sciences (Mechanical Engineering), University of Colorado, Boulder, USA.

Other Positions

- Chairman of the Executive Committee and CEO, General Electronic Commerce Services Company Limited
- Director, CAT Telecom Public Company Limited
- Director, Thai Airways International Public Company Limited
- Director, Nok Airlines Public Company Limited

Experience

- Executive Director, SK Mineral Company Limited
- Director, Buddhadasa Indapanno Archives
- Executive Committee, Taekwondo Association of Thailand
- Logistics Development Committee, Thai Chamber of Commerce
- Sub-Committee on Economic Cooperation with Neighboring Countries (Southern China), Thai Chamber of Commerce

In accounting year 2018, the above-mentioned person did not own in excess of 10% of total voting shares in a state enterprise/ company associated with Thailand Post.



Pol.Lt.Gen. Sompong Chingduang

Vice Chairman

Age 55 years

Education

- Master of Arts, National Institute of Development Administration (NIDA)
- Bachelor of Public Administration, The 40th Police Cadet

Other Positions

- Commissioner of the Border Patrol Police, Royal Thai Police

Experience

- Deputy Commissioner of the Metropolitan Police, Royal Thai Police
- Deputy Commissioner of Narcotics Suppression, Royal Thai Police
- Deputy Commissioner of Provincial Police Region 5, Royal Thai Police
- Commander of Provincial Police, Mae Hong Son Province
- Commander of Protection and Crowd Control

In accounting year 2018, the above-mentioned person did not own in excess of 10% of total voting shares in a state enterprise/ company associated with Thailand Post.



Dr. Pornchai Thiraveja

Vice Chairman

Age 50 years

Education

- Doctor of Philosophy (Non-Formal Education), Chulalongkorn University
- Doctor of Management (Public Management), Suan Dusit Rajabhat University
- Master of Political Science (Public Administration), Thammasat University
- Master of Business Administration (Finance), College of Notre Dame
- Bachelor of Accountancy (Accounting), Thammasat University

Other Positions

- Financial Policy Advisor, The Fiscal Policy Office, Ministry of Finance
- Director, Islamic Bank of Thailand
- Director, PTT Regional Treasury Center Pte. Ltd., Singapore

Experience

- Deputy Director-General, The Fiscal Policy Office, Ministry of Finance
- Director of Financial System and Financial Institutions Policy Bureau
- Director of Fiscal Policy Bureau
- Director of Financial Inclusion Policy and Development Bureau
- Senior Expert on Policy and Fiscal System

In accounting year 2018, the above-mentioned person did not own in excess of 10% of total voting shares in a state enterprise/ company associated with Thailand Post.



Mrs. Vunnaporn Devahastin na Ayutthaya

Director

Age 57 years

Education

- Master of Business Administration (International Relations), Azusa Pacific University, USA.
- Bachelor of Accountancy, Chulalongkorn University

Other Positions

- Deputy Permanent Secretary, Ministry of Digital Economy and Society

Experience

- Secretary-General of Digital Economy and Society Committee
- Inspector-General, Ministry of Digital Economy and Society
- Senior Advisor (Qualification), Office of the Public Sector Development Commission
- Senior Advisor (Expertise), Office of the Public Sector Development Commission
- Senior Director, Change Management and Innovative Development Bureau, Office of the Public Sector Development Commission (OPDC)

In accounting year 2018, the above-mentioned person did not own in excess of 10% of total voting shares in a state enterprise/ company associated with Thailand Post.



Mr. Sorasak Meenatoree

Director

Age 57 years

Education

- Master of Public Administration, Chulalongkorn University
- Bachelor of Laws, Ramkhamhaeng University

Other Positions

- Deputy Director-General, The Customs Department

Experience

- Director of Suvarnabhumi Airport Cargo Clearance Customs Bureau
- Director of Customs Standard Procedures and Valuation Bureau

In accounting year 2018, the above-mentioned person did not own in excess of 10% of total voting shares in a state enterprise/ company associated with Thailand Post.



Professor Dr. Parichart Sthapitanonda

Director

Age 50 years

Education

- International & Intercultural Philosophy Degree, Ohio University
- Master of Communication Arts, Chulalongkorn University
- Bachelor of Arts, Chulalongkorn University

Other Positions

- Dean, Faculty of Communication Arts, Chulalongkorn University
- Director, MCOT Public Company Limited

Experience

- Director and Secretary to National Reform Commission (Communication Information Technology)
- Director of Dr.Kasem Ungannin Foundation
- Director, MCOT Public Company Limited
- President of the Social Science Association of Thailand
- Director of Master's Degree Program, Faculty of Communication Arts, Chulalongkorn University

In accounting year 2018, the above-mentioned person did not own in excess of 10% of total voting shares in a state enterprise/ company associated with Thailand Post.





Dr. Seree Nonthasoot

Director

Age 44 years

Education

- Director, of Philosophy, Oxford University, United Kingdom
- Master of Laws, (European and Comparative Law), Oxford University (British Chevening Scholarship)
- Master of Laws, (International Trade Law), Columbia University (Fulbright Scholarship)
- Thai Barrister-at-law, The Institute of Legal Education of the Thai Bar
- Bachelor of Laws, Thammasat University

Other Positions

- Governor, Stock Exchange of Thailand
- Director and Chairman of Audit Committee, Small and Medium Enterprise Development Bank of Thailand (SME Bank)
- Director and Chairman of Audit Committee, KTB Law Company Limited
- Vice President, Institute of Research and Development for Public Enterprises

Experience

- Board Member, Government Pension Fund
- Representative of Thailand in the ASEAN Intergovernmental Commission on Human Rights (AICHR), 2013 - 2018
- Member, Law Reform Commission (set up by the Prime Minister)
 - Sub-Committee on Government Agency Law Reform Monitoring
- Director, KTB Computer Services Company Limited
- Legal Advisor, State Enterprise Policy Office, Ministry of Finance

In accounting year 2018, the above-mentioned person did not own in excess of 10% of total voting shares in a state enterprise/ company associated with Thailand Post.



Dr. Thitipong Nandhabiwat

Director

Age 42 years

Education

- Ph.D. (Information Technology-Robotics) Murdoch University, Perth, Western Australia, Australia
- M.Sc. (Information Science) University of Pittsburgh, Pittsburgh, Pennsylvania, USA.
- B.Sc. (Computer Science) University of Waikato, Hamilton, New Zealand

Other Positions

- Director and Audit Committee, Port Authority of Thailand
- Director and Audit Committee, ThailandPost Distribution Company Limited
- Independent Director and Audit Committee, Grande Asset Hotels and Property Public Company Limited
- Associate Judge, The Central Intellectual Property and International Trade Court
- Independent Director and Audit Committee, Bliss-Tel Public Company Limited

Experience

- Acting CEO, ThailandPost Distribution Company Limited
- Advisor to the Commander, Immigration Bureau
- Assistant President and Dean, Rangsit University
- Secretary to Standing Committee on Local Administration, the National Legislative Assembly
- Assistant Vice Chairman, Office of the National Broadcasting and Telecommunications Commission (NBTC)

In accounting year 2018, the above-mentioned person did not own in excess of 10% of total voting shares in a state enterprise/ company associated with Thailand Post.



Mrs. Pratana Mongkolkul

Director

Age 54 years

Education

- Master of Business Administration, Thammasat University
- Bachelor of Accountancy, Thammasat University

Other Positions

- Director, Thai Airways International Public Company Limited
- Director, Port Authority of Thailand
- Associate Judge of the Central Intellectual Property and International Trade Court
- Director, Aisance Company Limited
- Director, FN Factory Outlet Public Company Limited
- Independent Director and Audit Committee, T.K.S Technologies Public Company Limited
- Director, Secretary and Treasurer of Dr. Kamchad-Pranee Mongkolkul Foundation
- Chairman, Boutique Consulting Group Co, Ltd.
- Member of University Council, Dhurakij Pundit University

Experience

- Director, Government Saving Bank
- Director, Dusit Thani Public Company Limited
- Director and Chairman of Executive Committee, MC Group Public Company Limited
- Director and Chief Financial Officer, Minor International Public Company Limited
- Audit Committee and Independent Director, Thoresen Thai Agencies Public Company Limited
- Director, S&P Syndicate Public Company Limited
- Executive Vice President, Central Pattana Public Company Limited
- Finance & Accounting Manager, Thai Airports Ground Services Company Limited (TAGS)
- Chief of Finance Section, USAID, Thailand

In accounting year 2018, the above-mentioned person did not own in excess of 10% of total voting shares in a state enterprise/ company associated with Thailand Post.



Mrs. Smorn Terdthampiboon

Director

Age 58 years

Education

- Master of Commerce (Business Administration), Thammasat University
- Bachelor of Science (Statistics), Chiang Mai University

Other Positions

- President, Thailand Post Company Limited
- Director, Thailand Post Company Limited
- Director, ThailandPost Distribution Company Limited

Experience

- State Enterprises Labour Relations Committee, Ministry of Labour
- Advisory Board of eLogistics Summit 2018, The Association of Thai ICT Industry
- Senior Executive Vice President (Finance & Accounting), Thailand Post Company Limited
- Acting Senior Executive Vice President (Information Technology), Thailand Post Company Limited
- Executive Vice President (Finance & Accounting), Thailand Post Company Limited

In accounting year 2018, the above-mentioned person did not own in excess of 10% of total voting shares in a state enterprise/ company associated with Thailand Post.



Board of Directors of Thailand Post Co., Ltd.



As of January 1, 2018 - December 31, 2018

* 1. General Sathit	Pitharat
* 2. Mr. Rathapol	Bhakdibhumi
* 3. Pol.Lt.Gen. Sompong	Chingduang
* 4. Dr. Pornchai	Thiraveja
5. Mr. Sorasak	Meenatoree
6. Dr. Thitipong	Nandhabiwat
7. Mrs. Pratana	Mongkolkul
* 8. Professor Dr. Narumon	Saardchom
* 9. Professor Dr. Parichart	Sthapitanonda
* 10. Dr. Seree	Nonhasoot
* 11. Mrs. Vunnaporn	Devahastin na Ayutthaya
12. Mrs. Smorn	Terdthampiboon

Note

* Mr. Rathapol	Bhakdibhumi	The starting date in the position of Chairman of the Board of Directors was effective from November 16, 2018
* Pol.Lt.Gen. Sompong	Chingduang	The starting date in the position of Vice Chairman of the Board of Directors was effective from December 15, 2017 and the period of Acting Chairman was effective from June 15 - November 15, 2018
* Dr. Pornchai	Thiraveja	The starting date in the position of Vice Chairman of the Board of Directors was effective from May 22, 2018
* Prof. Dr. Parichart	Sthapitanonda	The starting date in the position of Director was effective from October 5, 2018
* Dr. Seree	Nonhasoot	The starting date in the position of Director was effective from October 5, 2018
* Mrs. Vunnaporn	Devahastin na Ayutthaya	The starting date in the position of Director was effective from October 5, 2018
* General Sathit	Pitharat	The date of discharge from the Board of Directors was effective from May 16, 2018
* Professor Dr. Narumon	Saardchom	The date of discharge from the Board of Directors was effective from March 23, 2018





Executives of THP

Mrs. Smorn Terdthampiboon

Position President

Age 58 years

Education

- Master of Commerce (Business Administration), Thammasat University
- Bachelor of Science (Statistics), Chiang Mai University



Mr. Manop Sornviboonsak

Position Senior Executive Vice President
(Metropolitan Operation)

Age 60 years

Education

- Bachelor of Public Administration, Sukhothai Thammathirat Open University
- Certificate, Postal and Telecommunications School



Mr. Kalong Subsaart

Position Senior Executive Vice President
(Operating Systems)

Age 58 years

Education

- Bachelor of Arts (Political Science), Ramkhamhaeng University
- Certificate, Postal and Telecommunications School



Miss Suchada Buddharuksa

Position Senior Executive Vice President
(Marketing)

Age 57 years

Education

- Master of Business Administration, Sasin Graduate Institute of Business Administration of Chulalongkorn University
- Bachelor of Arts, Chulalongkorn University



Mr. Phitsanu Wanitchaphol

Position Senior Executive Vice President
(Business Development)

Age 45 years

Education

- Master of Business Administration, Manchester Business School, The United Kingdom
- Bachelor of Science, Kasetsart University



Mr. Songsak Polnork

Position Senior Executive Vice President
(Human Resources)

Age 59 years

Education

- Master of Science, King Mongkut's Institute of Technology Ladkrabang
- Bachelor of Laws, Ramkhamhaeng University
- Bachelor of Business Administration, Ramkhamhaeng University



Mrs. Naiyana Sirisuvan

Position Senior Executive Vice President
(Administration and
Property Management)

Age 59 years

Education

- Master of Business Administration, Bangkok University
- Bachelor of Commerce, Thammasat University

**Miss Somchintana Kirdsuebma**

Position Senior Executive Vice President
(Finance & Accounting)

Age 58 years

Education

- Master of Arts, Kasetsart University
- Bachelor of Business Administration,
Sukhothai Thammathirat Open University
- High Vocational Certificate (Accounting),
Rajamangala University of Technology Krungthep

**Miss Pilantanee Suwanbubha**

Position Executive Vice President
(Office of the President)

Age 53 years

Education

- Master of Arts, Thammasat University
- Bachelor of Political Science, Chulalongkorn University



Mr. Niyom Jindapateep

Position Executive Vice President
(Information Technology) and
Acting Senior Executive Vice President
(Information Technology)

Age 48 years

Education

- Bachelor of Public Administration,
Sukhothai Thammathirat Open University
- Certificate, Postal and Telecommunications School

**Mrs. Parisa Pananond**

Position Executive Vice President (Marketing)

Age 48 years

Education

- Master of Business Administration, Sasin Graduate
Institute of Business Administration of
Chulalongkorn University
- Bachelor of Arts, Chulalongkorn University

**Miss Churairat Sinbanchongjit**

Position Executive Vice President
(Human Resources)

Age 53 years

Education

- Master of Public Administration,
Chulalongkorn University
- Bachelor of Public Administration,
Prince of Songkla University



Mr. Ukrit Dulyakasem**Position** Executive Vice President
(Metropolitan Operation)**Age** 60 years**Education**

- Bachelor of Arts, Phranakhon Rajabhat University
- Certificate, Postal and Telecommunication School

**Mr. Sanan Suksawang****Position** Executive Vice President
(Administration and Property Management)**Age** 54 years**Education**

- Master of Laws, Ramkhamhaeng University
- Bachelor of Laws, Ramkhamhaeng University

**Mr. Singhol Sangchampar****Position** Executive Vice President
(Internal Audit Office)**Age** 59 years**Education**

- Master of Public Administration, National Institute of Development Administration
- Bachelor of Political Science, Sukhothai Thammathirat Open University
- Certificate, Postal and Telecommunications School



Mr. Kamput Yukhong**Position** Executive Vice President
(Operating Systems)**Age** 56 years**Education**

- Bachelor of Political Science, Ramkhamhaeng University
- Certificate, Postal and Telecommunications School

**Mr. Kont Wongkalasint****Position** Executive Vice President
(Regional Operation 1)**Age** 59 years**Education**

- Bachelor of Arts, Sakon Nakhon Rajabhat University
- Certificate, Postal and Telecommunications School

**Mr. Muzakhan Deche****Position** Executive Vice President
(Regional Operation 2)**Age** 56 years**Education**

- Master of Business Administration, Siam University
- Bachelor of Arts, Bansomdejchaopraya Rajabhat University
- Certificate, Postal and Telecommunications School



Ms. Ariya Thongbai**Position** Specialist (International Business)**Age** 54 years**Education**

- Master of Arts, Chulalongkorn University
- Bachelor of Arts, Silpakom University

**Ms. Somjai Thanhameta****Position** Specialist (Office of the President)**Age** 59 years**Education**

- Bachelor of Business Administration, Krirk University
- High Vocational Certificate, Rajamangala University of Technology Rattanakosin

**Mr. Manit Suprapart****Position** Specialist (Express/Logistics Business)**Age** 60 years**Education**

- Master of Business Administration, Ramkhamhaeng University
- Bachelor of Public Administration, Sukhothai Thammathirat Open University
- Certificate, Postal and Telecommunications School





Executives of Thailand Post Co., Ltd.



As of 1 January 2018 – 31 December 2018

1. Mrs. Smorn	Terdthampiboon	14. Mrs. Parisa	Pananond
2. Mr. Manop	Sornviboonsak	15. Miss Churairat	Sinbanchongjit
3. Mr. Kalong	Subsaart	16. Mr. Ukrit	Dulyakasem
4. Miss Suchada	Buddharuksa	17. Mr. Sanan	Suksawang
5. Mr. Phitsanu	Wanitchaphol	18. Mr. Singhol	Sangchampar
6. Mr. Songsak	Polnork	* 19. Mr. Saksit	Akkalertlarp
7. Mrs. Naiyana	Sirisuvan	* 20. Mr. Kamput	Yukhong
8. Miss Somchintana	Kirdsuebma	* 21. Mr. Kont	Wongkalasint
* 9. Mr. Somchit	Wairuengsiripong	* 22. Mr. Muzakhan	Deche
10. Miss Pilantanee	Suwanbubbha	* 23. Ms. Ariya	Thongbai
* 11. Mr. Somrak	Hemwimon	* 24. Ms. Somjai	Thanhameta
* 12. Mr. Prasit	Thaweephol	* 25. Mr. Manit	Suprapart
13. Mr. Niyom	Jindapateep		

Note

* Ms. Ariya	Thongbai	The starting date in the THP executive position was effective from November 16, 2017
* Ms. Somjai	Thanhameta	The starting date in the THP executive position was effective from February 8, 2018
* Mr. Manit	Suprapart	The starting date in the THP executive position was effective from September 6, 2018
* Mr. Kamput	Yukhong	The starting date in the THP executive position was effective from December 21, 2018
* Mr. Kont	Wongkalasin	The starting date in the THP executive position was effective from December 21, 2018
* Mr. Muzakhan	Deche	The starting date in the THP executive position was effective from December 21, 2018
* Mr. Somchit	Wairuengsiripong	The discharge date from the THP executive position was effective from October 1, 2018
* Mr. Somrak	Hemwimon	The discharge date from the THP executive position was effective from October 1, 2018
* Mr. Prasit	Thaweephol	The discharge date from the THP executive position was effective from October 1, 2018
* Mr. Saksit	Akkalertlarp	The discharge date from the THP executive position was effective from October 1, 2018





Staffing Structure

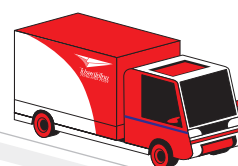
Number of employees/permanent and temporary workers

Employees	17,167	Persons	Male	22,993	Persons
Permanent workers	2,089	Persons	Female	6,000	Persons
Temporary Workers	9,737	Persons			
Total 28,993 Persons					

Unit : Persons

Number of employees/permanent and temporary workers by work unit

Attached to	Total	Percent	Employees	Permanent Workers	Temporary Workers	Male	Female
Units directly report to the President	322	1.11	316	4	2	174	148
Marketing & Business	414	1.43	387	7	20	145	269
Operation	26,627	91.84	15,040	2,028	9,559	21,748	4,879
General Administration	801	2.76	783	11	7	286	515
Operating Systems	829	2.86	641	39	149	640	189
Total	28,993	100.00	17,167	2,089	9,737	22,993	6,000



Capital and Shareholder Structure of THP

Thailand Post Co., Ltd. is a state enterprise under supervision of Ministry of Digital Economy and Society (MDES) established on 14 August 2003 by virtue of the Civil and Commercial Code. The Company's entire shares are held by Ministry of Finance. The Authorized Capital is 1,250 million baht (One thousand two hundred fifty million baht only).

Loan Debt of THP

THP has no outstanding loan debts as at the end of the year.

Payment to the Government (Dividend) in the Past 3 Years

Thailand Post has made payment in the term of dividend to the Ministry of Finance, the sole shareholder during 2016 – 2018 as described in the following table.

Unit : million baht

Dividends	2016	2017	2018 (Jan.-Nov.)
Dividends by resolution of the Shareholders Meeting	1,428.71	1,688.75	909.91 *
Dividends paid each year	891.36	1,275.21	2,564.64

Remark : * Dividend for the year 2018 is the interim dividend only (net profit of the first 6 months) and has been paid to Ministry of Finance on 31 October 2018.



Important Investment Plans in 2018

In 2018, Thailand Post implemented the important plans and projects with the investment budget allocated from the Company's income, as described below.

1. Sakon Nakhon Mail Center Construction Plan

Sakon Nakhon Mail Center has been constructed to be the hub for forwarding postal items to post offices in 3 provinces, including Sakon Nakhon, Nakhon Phanom and Mukdahan, to support the growth and work volume in the northeastern region. The approved budget for this project is 150 million baht.

2. Vehicle Replacement Purchase Plan (Phase 2)

New vehicles were purchased to replace the existing old vehicles which have been in service for more than 10 years and to support the continuous growth of mail volumes. This is also expected to create customer trust and enhance transport efficiency of THP. The approved budget for this project is 182.89 million baht.

3. Sorter Installation Plan

Installation of a postal sorting machine, Cross Belt Sorter, is in progress, to enhance efficiency and accelerate sorting/forwarding process of postal items, as well as to save sorting time and ensure customer satisfaction. The approved budget for this project is 250 million baht.

4. Employee Self Service Development Plan

Development of an Employee Self Service system is under way to improve work systems and processes within the organization. The system is useful for manpower planning / human resource management. The approved budget for this project is 250 million baht.

5. Smart Postbox (iBox) Installation Plan

Installation of 500 Smart Postboxes is in progress at housing estate areas to facilitate customers in receiving mail items from iBoxes 24 hours a day. The approved budget for this project is 300 million baht.

6. Automated Postal Machine Installation Plan

Installation of 500 Automated Postal Machines is in progress to facilitate customers in posting mail items. Automation system is employed to provide self-service process in support of the increasing work volume in the future. The approved budget for this project is 400 million baht.

7. Lands and Lands with Buildings Purchase Plan (Phase 2)

Purchase of 23 lands and lands with buildings is in progress to establish the service facilities to support the increasing work volume in the future and enhance effectiveness of service provision. The approved budget for this project is 482 million baht.

8. New Bangkok Mail Center Construction Plan

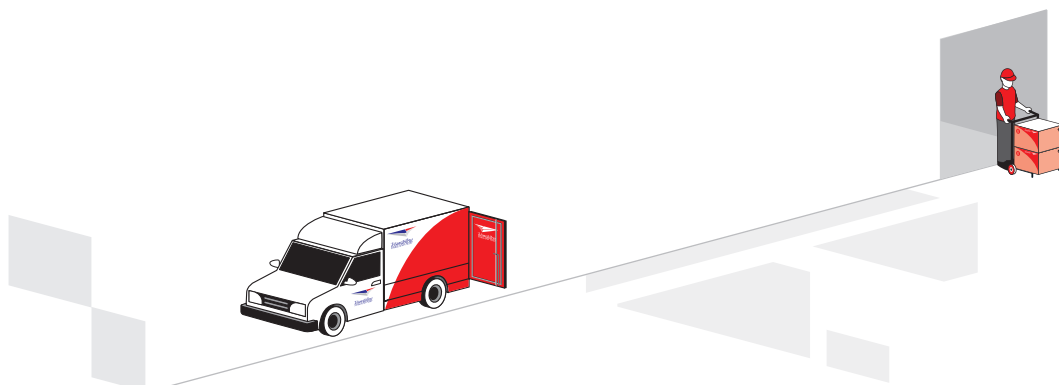
Construction of new Bangkok Mail Center is prepared to support the increasing work volume in the future and enhance performance of mail sorting and forwarding of mail center system in order to ensure fast and smooth process, featuring a mail center automation. One land plot for establishing the new mail center has already been acquired. The approved budget for this project is 600 million baht.

9. Post Office Building Construction and Renovation Plan (Phase 2)

The construction of 69 post office buildings is planned, of which 7 are completed and 62 are under construction. The aim of this project is to improve work location and service area as well as facilitate mail operation and service provision of postal staff. The approved budget for this project is 900.80 million baht. In addition, the renovation of 21 post office buildings is plotted, of which 3 are completed and 18 are under way. The approved budget for this project is 112.93 million baht.

10. Sorting Machines for Envelopes Installation Plan

Installation of 29 sorting machines for inward mail is in process to ensure quick and efficient sorting of incoming mail items, reduce work congestion and complete sorting task in due time. The approved budget for this project is 1,200 million baht.



Important Projects Expected to Invest in Next 3 Years



1. Development of Security System in the Highly Significant Network Plan (Database Zone Firewall)

THP has purchased a security system in the highly significant network (Database Zone Firewall) to ensure security of database servers and to provide administrators with effective tools to control and monitor access to THP database. The investment project will take 1 year (2019). Details are as follows :

Unit : million baht

Category	2019	Total investment
Office supplies	16.05	16.05
Total	16.05	16.05
Reserve money in case of higher price	1.60	1.60
Grand total	17.65	17.65

2. Smartphone Application and Website Development Plan

THP has developed smartphone application and website for customers as well as solutions to provide customers with digital channels to communicate with THP through smartphone application and website for timely response to customer needs. The investment project will take 3 years (2019 - 2021). Details are as follows :

Unit : million baht

Category	2019	2020	2021	Total investment
Office supplies	10.00	10.00	10.00	30.00
Total	10.00	10.00	10.00	30.00
Reserve money in case of higher price	1.00	1.00	1.00	3.00
Grand total	11.00	11.00	11.00	33.00

3. Portable Device for Operational Staff Development Plan

THP has developed the quality of service provided by operational staff both in the form of smartphone application and website to ensure complete and perfect service, enabling the exchange of information needed for operation. The investment project will take 3 years (2019 - 2021). Details are as follows :

Unit : million baht

Category	2019	2020	2021	Total investment
Office supplies	10.00	10.00	10.00	30.00
Total	10.00	10.00	10.00	30.00
Reserve money in case of higher price	1.00	1.00	1.00	3.00
Grand total	11.00	11.00	11.00	33.00

4. Identity and Access Management Plan

THP has managed identity process in accordance with the risks, law and regulations related to its business and managed access to information technology system to enhance performance of management, control, monitoring, and prompt solution to client problems of access. Also, automation is employed to improve user management process. The investment project will take 1 year (2019). Details are as follows :

Unit : million baht

Category	2019	Total investment
Office supplies	36.13	36.13
Total	36.13	36.13
Reserve money in case of higher price	3.62	3.62
Grand total	39.75	39.75

5. Web Service and API Development Plan

THP has developed the integrating tools by implementing Web Service and API (Application Programming Interface) to support connection between each system used by THP, business partners and third-party users to ensure transmission of data and create seamless experience to customers. The results obtained will also be used for further development of THP's services. The investment project will take 4 years (2019 - 2022). Details are as follows :

Unit : million baht

Category	2019	2020	2021	2022	Total investment
Office supplies	20.00	20.00	20.00	20.00	80.00
Total	20.00	20.00	20.00	20.00	80.00
Reserve money in case of higher price	2.00	2.00	2.00	2.00	8.00
Grand total	22.00	22.00	22.00	22.00	88.00

6. Phayao Mail Center Establishment Plan

THP has established Phayao Mail Center to be the hub for forwarding postal items to post offices in 3 provinces, including Chiang Rai, Phayao and Lampang, and to accommodate the increasing work volume in the future. Also, this project aims to help THP manage the effective transport system linking between the upper northern region and other regions. The investment project will take 2 years (2019 - 2020). Details are as follows :

Unit : million baht

Category	2019	2020	Total investment
Buildings and structures	203.20	-	203.20
Machines and equipment	-	46.32	46.32
Total	203.20	46.32	249.52
Reserve money in case of higher price	20.32	4.63	24.95
Grand total	223.52	50.95	274.47

Performance in line with Thailand Post's Mission and Government policies

1. Digital Community e-Commerce Project

THP has utilized resources and potentials to encourage communities around the country to make use of digital technology in their business by trading their products and services on online stores through www.thailandpostmart.com and through community stores or designated postal outlets. In this regard, THP provides comprehensive services to shops/village funds/communities whereby the communities can register their products/services via retail shop system (Point of Sale : POS) or www.thailandpostmart.com which is developed by THP. The system has been tested by allowing entrepreneurs to register as vendors since August 2018. The current registered vendors are as follows :

- 341 entrepreneurs registered through POS installed by THP.
- 553 entrepreneurs registered through www.thailandpostmart.com.

Product availability, production capacity, and inventory of products of vendors of community products on the website will be considered for approval on a case-by-case basis.





2. Delivery of Beautiful Aquatic Animals to Agriculturists/Entrepreneurs under Department of Fisheries

THP has signed for collaboration with Department of Fisheries and Office of Small and Medium Enterprise Promotion (OSMEP) to provide delivery service of beautiful aquatic animals to domestic recipients with special transport system, including effective packaging in 4Commerce box affixed with beautiful fish sticker and exclusive transshipment which is separated from regular operation, to ensure safe and quick delivery at the same standard as EMS.

At the first stage, the pilot service has been provided to 1,500 entrepreneurs who are members of Department of Fisheries. These entrepreneurs had to register for using Wallet@Post service and post beautiful aquatic animals at 124 service points located at post offices around the country, of which 48 are located in Bangkok Metropolitan Region and others 73 in 73 provinces, including Banpong Post Office and Photharam Post Office in Ratchaburi Province and Bangsai Post Office in Ayutthaya Province, where most of the entrepreneurs reside. More service points will be expanded in the next phase.



Management Performance Report



In 2018, Thailand Post made a number of improvements to boost organizational efficiency and effectiveness and to better respond to the needs of customers and society. Highlights include the following :

Services

1. Courier Post Service

THP officially collaborates with DHL Express in providing logistics service by developing Courier Post to be international air express delivery service. Courier Post has a complement of complete customs clearance at the destination; On Demand Delivery (ODD) by which recipients can choose the time/place of delivery; and Door to Door delivery to overseas recipients, under the slogan **"Beyond Global Standard Delivery"** with delivery network covering 65 destination countries.



2. International ePacket Service

THP has developed international service to meet the needs of e-Commerce customers or business group who require economical shipping service. It is a new option for customers who send products that do not require quick delivery but can be traced. ePacket is now available for both inward and outward service under the collaborative agreements among postal administrations. Inward service from 52 countries and outward service to 17 destination countries are available.



3. Cool EMS Service

THP and Japan Post signed the agreement to provide Cool EMS Service for delivery of fresh ready-to-eat food, such as fishes, fruits, desserts, etc., from stores in Japan to Thai consumers, to meet demand of B2B customers who require to send samples of food prior to sale, or for display in trade fairs/exhibitions, and for individual customers who desire to order/deliver fresh food for household consumption or as gifts/souvenirs. The food will be packed in cool boxes that can control temperature for maintaining freshness of the food for 72 hours. Recipients can pick up the products at EMS Mail Center. This service has been available since 12 September 2018.

4. Wallet@Post Service

Wallet@Post can be used through smartphone/tablet application both Android and iOS. Service users can make financial transaction through it, including top-up, payment, transfer, withdrawal, and payment of products and services provided by Thailand Post or other goods. Top-up can be done at any post office around the country and the bank account can be connected with Wallet@Post. This service aims to support the changing trend of financial transaction according to current customer behavior.





5. Flexible Delivery Service

THP launched Flexible Delivery service along with domestic EMS by which customers can specify time to deliver the items to recipients according to their convenience. The service is available in Bangkok Metropolitan Region in 3 periods, including

- 1st period : 09.00 - 12.00 hrs.
- 2nd period : 12.01 - 16.30 hrs.
- 3rd period : 16.31 - 20.30 hrs.

6. Product Sale on Thailandpostmart.com Website



THP, in collaboration with Department of Internal Trade, Ministry of Commerce, and Cooperative Promotion Department, Ministry of Agriculture and Cooperatives, promotes agricultural products and processed agricultural products on thailandpostmart.com. THP coordinates with community enterprises, young smart farmers, and agricultural cooperatives groups in various provinces to provide sale channel through which goods and products are sold directly to consumers, resulting in higher prices gained and increasing value of the products.

7. Opening of "Express Service Point" at Big C Supercenter

THP, in collaboration with Big C Supercenter, opened "Express Service Point" to facilitate the users, especially online business entrepreneurs to access Thailand Post's express service easily and conveniently. The pilot service was launched at 34 Big Service counters in Bangkok Metropolitan Region, whereby flat rate service is provided along with ready-to-post boxes (blue boxes) available in 4 sizes, i.e., SS, S, M, and L. The continuous expansion of the Express Service Points at Big C Supercenter has been planned.

8. "Double Happiness Delivery" Promotional and Marketing Campaign

THP launched campaigns to celebrate the New Year by offering double special deals to send happiness and return profit to customers who register online for participating in the campaign. Four services were included in this campaign, i.e., EMS, EMS World, products for sale through www.thailandpostmart.com, and 4Commerce boxes. Details of the campaign are as follows :

- **First Special Deal** : Customers received a discount code for using EMS, EMS World, and purchasing goods through website : www.thailandpostmart.com. The exercise period was 13 - 24 December 2018.
- **Second Special Deal** : Customers received a gift voucher which could be used in place of cash for using EMS, EMS World and purchasing 4Commerce boxes and envelopes at post offices during 13 - 24 January 2019. Registration to win a good luck was to be made through website : www.thailandpostprivilege.com on 12 December 2018.



Mix Mail Sorter



Cross Belt Sorter



Belt conveyor

Operating Systems

1. Installation of Mail Sorting Machines

THP has installed Mix Mail Sorter and Cross Belt Sorter to accommodate increasing work volume and improve productivity of sorting/forwarding of postal items in boxes/envelopes for fast and smooth operation and timely delivery to destinations according to d+1 standard.

2. Belt Conveyor Installation

THP has installed Belt Conveyor to transfer postal items from acceptance counter to mail room. This improvement ensures faster and more effective operation as the belt conveyor can reduce damage of packages during transfer and accident to staff on duty.

3. Innovation Management under CEN/TS 16555 - 1 : 2013 Standard

THP has been certified to innovation management under CEN/TS 16555 - 1 : 2013 standard by Management System Certification Institute (Thailand), Foundation for Industrial Development, Networking Institute of the Ministry of Industry, for implementation of innovation management standard to systematically drive policies and fulfill objectives related to innovations with the aim to direct to an innovative organization.



4. Improvement of Domestic EMS Service Standard

THP has continually improved operational system to upgrade domestic EMS service standard. As from November 7, 2018, the items, originated and destined in Bangkok areas, that are posted before 11.00 hrs. can be delivered to the addressees within the same day; whereas the items which are posted before 17.00 hrs. from the origins in Bangkok areas to the destinations in provincial areas can reach the addressees the next day. THP has developed the work system of the next day delivery to the effect that the latest posting time of the items destined to regional areas is extended from 12.00 hrs. to 17.00 hrs., covering the city zones in the first phase and to additional zones throughout the country in the next phase.



Check kits of weight,
price and category of
postal item



Vehicle air conditioning
conduit cleaner



Smart metal and
liquid detector

Assets Management

1. Utilization of General Post Office

Building Space

THP has utilized the General Post Office building space for organizing banquets, seminars, exhibitions, shooting of advertising media, and creating landmark which attracts people with its striking architecture and powerful Garuda carving. The interior is decorated with stamp pictures made of plaster in the high relief form for commemoration of various special occasions. The people can visit the architecture in the "Postal Creation" Hall free of charge, including Thailand Creative & Design Center (TCDC) which interests both Thai and foreigners.



General Post Office, Bang Rak (Photographers : Supanut Arunoprayote)

2. Implementation of Research Result

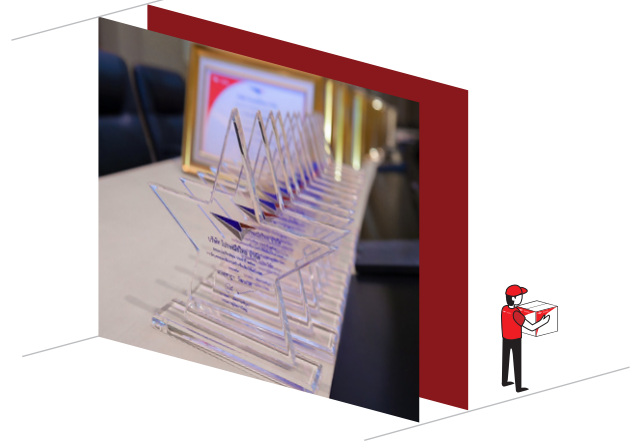
THP has developed inventions derived from its research of innovations and applied for a petty patent which is now under consideration of Department of Intellectual Properties, Ministry of Commerce. The research can be further developed to improve service quality and transportation system of THP to get more satisfaction from customers. The research consists of :

- Check kits of weight, price and category of postal item, which allows customers to verify service rate before making a decision to use the service.
- Vehicle air conditioning conduit cleaner, a tool that helps repair work of air conditioning system which is a key component of transportation and helps reduce possible risks from toxic substances of air cleaning system encountered by operators as well as environmental pollution from releasing the liquid into the atmosphere.
- Smart metal and liquid detector, which can detect metal objects such as firearms or hazardous materials or liquid matters which may leak and cause damage to the packages.

Personnel

1. Personnel Merit Award 2018

THP has conferred award and announced the personnel merit for the year 2018 to praise the officers having excellent performance and creativity accepted by colleagues/the society. Thailand Post Model Person Award will be given to the person who has outstanding qualifications, ethics and good behaviors in accordance with "4 Morals of Thailand Post Personnel" including sufficiency, discipline, integrity, and volunteering.



2. Personnel Development through e-Learning on Mobile (m-Learning)

THP has developed the learning and teaching model through e-Learning on Mobile system that presents content and learning activities via wireless technology to support, promote and encourage THP personnel to use information technology for development and self-learning. The development of knowledge can increase working efficiency and be applied in the operation. The personnel can access the e-Learning on Mobile through smartphone, tablet, and PC.

3. Digital Content Media Development for 2018

THP has developed Digital Content media in the form of Gamification (Learning Skill Games) under the topic "Professional Delivery Staff" with the aim to enhance knowledge and skills of delivery staff so that they can reduce errors and improve themselves to the professionalism level under the same standard by using information technology to improve knowledge for the personnel in line with the notion of "Thailand Post in Digital Age"

4. THP Best Innovation Competition 2018

THP encouraged the personnel to submit their work to Best Innovation Competition 2018 to create innovation creative space and enhance abilities and skills to the personnel in terms of innovation creation. The awards were divided into 2 categories:

- Process Innovation, including hi-speed distribution of lottery with QR Code (QR lottery), Prompt@Post, Automatic Preload Box acceptance, Barcode Number Allocation Program.

- Existing Product /Service Improvement or Product/Service Innovation, including shockproof boxes (for glass bottles), new shockproof envelopes to prevent theft, multi-purpose pliers for opening/closing mail bags.



Information Technology

1. ISO 27001 : 2013 Certification

THP was certified to ISO 27001 : 2013 for managing the information technology center with good, reliable and continuously improved information technology management system which effectively support electronic payment as specified by the Bank of Thailand.

2. Certification of Assessment under Capability Maturity Model Integration Level 3

THP was certified for software development procedure under Capability Maturity Model Level 3 (CMMI-DEV) by CMMI Institute, USA. In this regard, THP elevated the development of its information technology systems to be efficient and controllable with a sustainable process which can proceed continuously.

3. Establishment of Control Room

THP has implemented GPS Tracking and Control Room system in transportation of postal items to monitor the mail transport vehicles in service around the country and to prevent any misconduct committed by mail transport operators. Operators are on duty for 24 hours for effectively monitoring/checking the vehicles.

4. Development of Online Questionnaires to Assess Personnel Rapport

THP has developed the online questionnaires to assess personnel rapport as part of operation result assessment according to the personnel rapport creation plan. The online questionnaires can be filled in through the link or QR Code on smartphone, tablet and PC. These questionnaires can be adapted for survey and opinion solicitation for the utmost benefit of THP.



Control Room





Thailand Post's Corporate Social Responsibility (CSR)

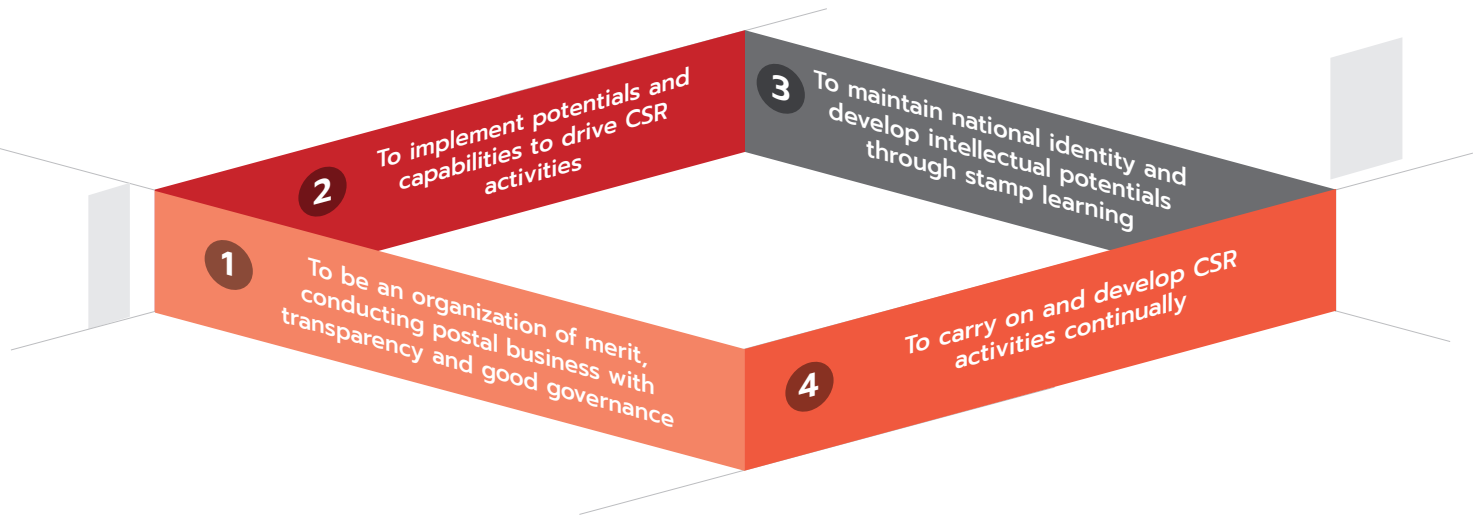
For more than 135 years of conducting business, providing services, facilitating transportation and connecting information between businesses, stores, entities, or state enterprises, Thailand Post has been growing along with Thai society under the notion of "Thai life and economy network". THP aims to conduct its business as well as take part in assisting, supporting and repaying to Thai society by making use of its potential operational network and experienced personnel under THP major vision of social responsibility

“Connecting Thai society
with existing postal network
and resources to be part of
sustainable”
social development

To effectively perform social responsibility activities, THP cannot rely on only one person or group of persons but requires strong collaboration of all personnel from executives to employees and workers. Their earnest actions are not only aiming for the organization to have a good image with a guaranteed prize or appreciation, not really rooted in social responsibility, but these actions must be taken willingly due to the sincerity, unity, understanding and realization of social responsibility, because Thailand Post is close to people and communities in all regions of Thai society.

No matter how the era has changed, Thailand Post still serves as the network of Thai life and economy with the determination, knowledge sharing and long - term experience transferred between generations of Thailand Post people. The Company also realizes the pride of its people in using the strong network in each region to support and promote sustainable growth of communities. Thailand Post plays a role as an organization driving Thai economy and society and is a part that evokes stability, prosperity and sustainability to Thailand.

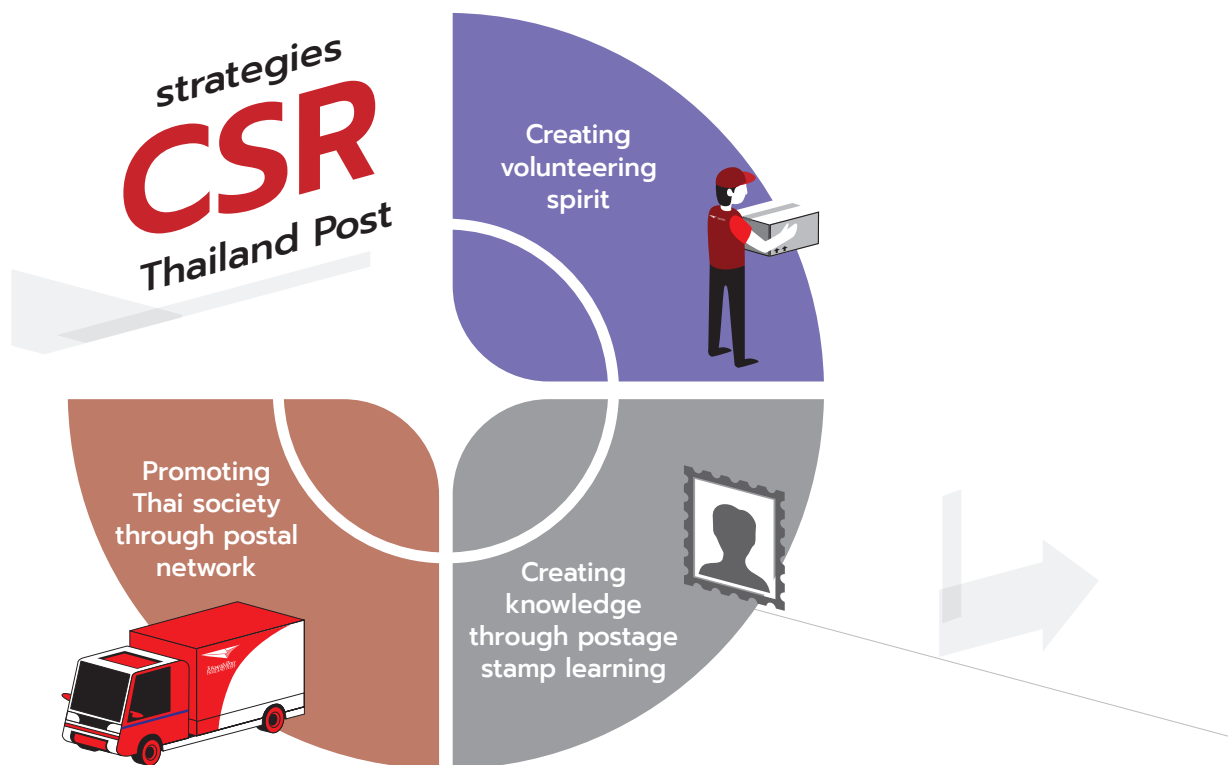
Corporate Social Responsibility or CSR is one of Thailand Post's key mission leading to an intention to pay back to the society by encouraging changes in communities and society that contribute to sustainable development in terms of economy, social and environment. Thailand Post's activities aim not only to create good corporate image but also to operate its business while taking care of people's life quality (CSR after process) by using its expertise in terms of personnel, postal network, transportation system, knowledge and expertise of postage stamps to create benefit to the society through the following 4 missions :



Thai Society Promotion through Postal Network

Success in CSR activities does not depend only on accomplishment of the determined plans and response to the performance indicators, but concrete outcome must be produced and the target community and society accept the organization.

Based on THP's CSR vision to become "the leader in connecting Thai society with existing postal network and resources to be a part of sustainable social development", 5 years roadmap was determined under the following 3 CSR strategies :



The work procedures and projects are beneficial to the communities and society on the basis of THP 3 key potentials in transportation, community support and postage stamps. In 2018, the concrete results in line with the strategies consist of :

1. Transportation in concordance with the strategies to promote Thai society through postal-network

THP supported transportation of donated materials to the organizations in need, such as : P.O. Box Channel 3 Program, Channel 3SD, MCOT Public Company Limited, Bangkok Entertainment Company Limited (Channel 3), BEC-Tero Radio Company Limited (105.5 MHz), Jet Ski Association of Thailand under the Royal Patronage. Also, Thailand Post helped reduce the transportation costs of agriculturists, community enterprises who produce and sell OTOP products as well as farmers in the healthy rice cultivation project of InTouch, upon request for support from THP.



2. Important Community Support in line with the strategies to create volunteering spirit and support Thai society through postal network

THP supported transportation of donated materials to the organizations in need, such as : P.O. Box Channel 3 Program, Channel 3SD, MCOT Public Company Limited, Bangkok Entertainment Company Limited (Channel 3), BEC-Tero Radio Company Limited (105.5 MHz), Jet Ski Association of Thailand under the Royal Patronage. Also, Thailand Post helped reduce the transportation costs of agriculturists, community enterprises who produce and sell OTOP products as well as farmers in the healthy rice cultivation project of InTouch, upon request for support from THP.



THP continues supporting 3 important communities which are H-T-S (home, temple and school) .

- **Home/ Community** “focuses on support, development of professional groups / community entrepreneurs to have competitive potential by bringing THP potential of e-Commerce and transportation systems to help generate income and create opportunity to sell product of the communities”.
- **Temple/ Religious place** “focuses on cultivation of morals and ethics to communities and THP personnel by using community-centered religious place to encourage personnel to be good people”
- **School** “focuses on cultivating discipline, creating sustainable Thai core values through collaboration with local educational institutions and linking the profession groups, religious places, and THP to support new generations to inherit valuable wisdom”.

The implementation of “Thailand Post ... for a Virtuous and Golden Land” project has used THP’s potentials and networks of educational institutions and local agencies to “create good living with morality for stability, prosperity and sustainability of the communities” in 14 postal regions covering 17 key communities through the driving of key community support programs steered by the sub-committee, under the supervision of the central administration. The results obtained thereof have covered 3 dimensions, which are economy, society and environment, as follows :

- **Economy** : Income was generated to the communities that participate in the project, resulting from the potential use of marketing, transportation, packaging development, product development as well as the promotion of the community areas to tourist attractions.
- **Society** : Network connection was created to support THP’s operation in terms of product development, distribution channels, and collaborative networks between the central administration and local units to strengthen community operations and link to the corporate key mission.
- **Environment** : Products in the project were developed to meet GAP and FDA standards, leading to reduction of chemicals in planting or production, and improvement of the environment condition. H-T-S activities conducted with temples/communities, which consist of adjusting landscape, cleansing and disposal of garbage, and planting trees, have contributed to environment improvement and volunteer work in the community
- **THP Image** : “The more you give, the more you receive”. The result of the CSR operation in “Thailand Post ... for a Virtuous and Golden Land” project has evoked strength and volunteer spirit in THP people’s mind. They are now ready to integrate their work to CSR activities to create reliability and trust among community people, which reflects volunteer mind of THP personnel.

3. Postage Stamps in line with the strategy to creating knowledge through stamp learning. Creating knowledge through postage stamps is another key mission of THP. This year, important projects, such as Stamp World Exploration project, were still organized. In 2018, activity was held in the form of camping under the title “Preserving Underwater World and Having Fun in Postal City” from 17 - 20 October 2018 at General Post Office, Bangrak District; Institute of Marine Science, Burapa University, Chon Buri Province; and Kung Krabaen Bay Royal Development Study Center, Chantaburi Province. There were 100 youths aged between 12 - 14 years taking part in the activity to learn about the history of postal business, the concept of marine and coastal resources conservation and the rare marine wildlife through the postage stamps. This activity opened the world of learning to children from all over the country and also impressed them to such an extent that their satisfaction level was good up to very good (90 percent).



For this reason, the CSR activities starting with THP personnel spirit integrated with THP’s potentials in terms of transportation, operation network, marketing channels, and postage stamp value provide benefits in various dimensions. It can be a good conclusion for growth and a step forward to form participation, learning, benefits, work, income, quality living, and ethics as planned and in line with the roadmap target to create “THP as a representative to give good things to people and society to foster Thai life and economy network to be strong and sustainable.”

Photo Collection of
Main Activities in 2018



THP Launched Postage Stamps in Honor of King Rama X.

To honor H.M. King Maha Vajiralongkorn Bodindradebayavarangkun, THP issued 2 important sets of postage stamps of the year including the King Rama X's Birthday Anniversary Stamp having a 10 baht denomination and the first royal portrait stamps of his reign for general use, in form of a sheet containing 12 stamps at different prices, i.e., 1 baht, 2 baht, 3 baht, 5 baht, 6 baht, 7 baht, 9 baht, 10 baht, 12 baht, 15 baht, 50 baht and 100 baht. The first day of issue of the first royal portrait stamps was 28 July 2018, H.M. King's birthday anniversary.

THP Opened "Siamese Post" Shop in Love and Warmth at Winter's End "Oon Ai Rak Klay Kwam Nao" Festival 2018

THP welcomed General Prayut Chan-o-cha, Prime Minister, Air Chief Marshal Prachin Chantong, Deputy Prime Minister and Dr. Pichet Durongkhaveroj, Minister of Digital Economy and Society to visit Siamese Post shop in Shop in Love and Warmth at Winter's End Festival at Dusit Palace Ground and join in the retrospective of 135 years of Thailand Post business in the corner of "Postal Creation".





**THP Launched www.thailandpostmart.com
“The Best of Thailand Sent Right to Your Hands”**

THP launched the website www.thailandpostmart.com “The Best of Thailand Sent Right to Your Hands” whereby Dr. Pichet Durongkhaveroj, Minister of Digital Economy and Society presided over the opening ceremony. The website www.thailandpostmart.com is an e-Marketplace or online stores compiling local products nationwide to support “Digital Community” and serves as Thailand’s largest distribution channels for agricultural products, community products and OTOP products as well as the top and outstanding products of communities. This website can be accessed through PC and smartphone application both Android and iOS.



THP Developed Delivery System

THP released a caravan of more than 200 delivery vehicles and 100 new look motorbikes that would strengthen operating system under Thailand 4.0 policy and enhance delivery system. The improvement of delivery system is a step to move forward to be network of Thai life and economy by speeding up the delivery and increasing the ability to deliver larger shipments.





THP Signed Memorandum of Agreement for Collaboration with Department of Airports.

THP signed the Memorandum of Agreement with Department of Airports for installation of Automated Postal Machine (APM) at 7 airports, including Krabi, Udon Thani, Surat Thani, Nakhon Si Thammarat, Khon Kaen, Mae Sot and Ubon Ratchathani, to upgrade the service and reduce the problems of materials that cannot be carried on the plane.



THP Signed the Memorandum of Agreement with Transport Company Limited for Collaboration in Development of Transportation Potential

THP and Transport Company Limited signed in Memorandum of Agreement for collaboration in development of transportation potential to upgrade the operation system for public service by utilizing resources and networks of both organizations.



THP Signed Memorandum of Agreement for Collaboration with Public Warehouse Organization (PWO).

THP signed the Memorandum of Agreement for collaboration with Public Warehouse Organization (PWO) for implementation of projects to expand distribution channels and logistics system with warehousing, to introduce government products to retail and wholesale markets in the country. This is the integration of potentials between government agencies to strengthen agriculturists and community enterprises under Thailand 4.0 policy.



THP Signed Memorandum of Agreement for Academic Collaboration for Research and Development of Logistics System.

THP signed the Memorandum of Agreement for academic collaboration for research and development of logistics system with research university network to enhance the capability of Thai postal transportation system to be full service, in order to support the growth of e-Commerce, including the Border Area Special Economic Development Zone and the Eastern Economic Corridor (EEC).



THP Signed Memorandum of Agreement for Collaboration with Kasikorn Bank to Create "Thailand Post Cashless Society".

THP collaborated with Kasikorn Bank in creating "Thailand Post Cashless Society", by applying payment system through the use of QR Code. The pilot project has been introduced to THP's personnel, networking businesses and counter parties before it is offered to customers. Users can be informed of the payment result immediately through notification system in Mobile Banking application.



THP Organized an Activity for Postcards Predicting the Result of the 2018 FIFA World Cup Project

THP collaborated with Thairath Newspaper to create "Postcards Predicting the Result of the 2018 FIFA World Cup Project" by organizing the activity titled "Cheer Mun Sanun Lok" (Cheer with fun to resound the world) of which prizes valued 32 million baht. A total of 236 postcards predicting the result of the 2018 FIFA World Cup World Cup 2018 were sold.



Analysis of Operating Results and Financial Position

Operating Results of Thailand Post and Subsidiary Company in 2018

In 2018, Thailand Post and its subsidiary gained the total revenues of 29,728.25 million baht, which increased by 1,434.43 million baht from 2017, accounted for 5.07%. The total expenses were 25,900.71 million baht, which increased by 1,819.32 million baht from 2018, accounted for 7.55%. The net profit was 3,827.54 million baht, which decreased by 384.88 million baht from 2017, accounted for 9.14%. Most of the increasing revenue was derived from domestic EMS service as a result of the rapid growth of e-Commerce. Also, in 2018, additional revenue was obtained from sale of postcards in the activity "Postcards Predicting the Winner of the 2018 FIFA World Cup". The expenses have increased due to larger amount of work and most of the expenses were labor costs.

Financial Position in 2018

As at 31 December 2018, the Company and its subsidiary had the total assets of 31,099.69 million baht, which increased by 1,632.46 million baht from 2017, accounted for 5.54%, resulting from an increase in the current assets by 3,346.89 million baht, mostly as temporary investments that increased by 3,123.96 million baht. The total liabilities were 9,439.96 million baht, which increased by 425.05 million baht from 2017, accounted for 4.71%. The total shareholders' equity was 21,659.73 million baht which increased by 1,207.41 million baht from 2017, accounted for 5.90%



Liquidity in 2018

As at 31 December 2018, the Company and its subsidiary held cash and cash equivalents of 2,692.99 million baht. Details of net cash flow in each activity are as follows :

Unit : million baht

Net cash derived from operations	4,757.36
Net cash spent in investment activities	(2,332.21)
Net cash spent in financing activities	(2,583.48)
Impact from exchange rate	13.10
Net (increase) decrease of cash and cash equivalents	(145.23)
Cash and cash equivalents at beginning date	2,838.22
Cash and cash equivalents at ending date	2,692.99

Overall, performance, financial standing and liquidity of Thailand Post and its subsidiary in 2018 were considered good. In addition to internal factors, the significant external factors having the impact on THP's performance and financial standing in 2018 was growth of e-Commerce, intense competition in logistics industry, customer behaviors, and customer attitudes towards the Company.





Risk Management

THP has systematically managed risks under the current dramatically changing business environment in line with COSO-ERM guidelines. Therefore, risk management policies are determined for all levels of executives and personnel to implement throughout the entire organization. Risk Management Sub-committee is appointed by THP Board of Directors to supervise the overall risk management to ensure efficiency and effectiveness. Also, Risk Management Working Group consisting of senior executives from all fields is established to develop risk management system and monitor risk management performance all over the organization, to ensure that THP can determine appropriate measures to manage risks and achieve the goals.

Risk Management Structure

THP has a multi-level risk management structure charged with overseeing the company's risk management processes in line with the principles of good corporate governance. This structure promotes sound risk management practices that enable THP to achieve its business objectives. The key committees charged with overseeing risk management are :

1. THP Board of Directors has a major role in setting directions and policies for managing risk and identifying major potential risks with the significant impact on the organization;
2. THP Risk Management Subcommittee is responsible for setting, reviewing and approving risk management policies, strategies, plans and measures in response to changes in the business environment; the subcommittee is also charged with assessing, monitoring and controlling risk at an acceptable level as well as offering recommendations for improving risk management practices so that they are consonant with international standards and state enterprise quality assurance systems; the subcommittee submits regular reports on its activities to the THP Board of Directors;
3. THP Risk Management Working Group is in charge of implementing the policies and directives devised by the THP Risk Management Subcommittee and also screening the issues before submitting to the Subcommittee;
4. THP Audit Committee is responsible for reviewing the effectiveness and efficiency of the organization's risk management processes.

Strategic Risk

Nowadays, business competition is more aggressive. If THP cannot respond to the change in timely manner, it may affect business operation and future performance. For this reason, THP reviews and improves the organizational structure to cope with the possible change by arranging structure that fosters the consistency of work, responsibilities and business groups to ensure smooth operation and quick decision making in response to the market needs, contributing to the development of organization and driving the strategies to achieve the determined goals as well as enhancing competitiveness under the rapidly changing and more complicated business environment.

Operational Risk

THP emphasizes operational risk management in accordance with changing internal and external environment by developing information technology system which is important to business operation and employing technology or machine in work to reduce costs, increase work efficiency and improve service quality for the purpose of enhancing competitiveness and supporting the future business expansion in line with the corporate strategic plan as well as facilitating and responding to the needs of customers who use THP service with high quality service.

Financial Risk

Nowadays, digital technology plays a key role in people's living as technology can be accessed more easily and conveniently, especially in terms of communication through internet network. People can obtain information through social network promptly, causing a decrease in sending information or advertising in letter form. Also, transportation and logistics business become more competitive. More Thai and foreign entrepreneurs invest in the country as they see promising opportunity to gain income from e-Commerce business growth. THP realizes that the situation may affect the operating income of the company, so it develops products and services, improves service quality and service channels by developing information technology system and applying technology in operation to facilitate and meet the need of customers. In addition, an affiliated company, ThailandPost Distribution Company Limited is established to deal with logistics business and enhance competitiveness and profitability.

Compliance Risk

Now, the law related to business operation and amendments of policies, law and regulations may affect business operation and reputation/image of THP in case of non-compliance. Therefore, THP must monitor, check and consider law concerned on regular basis to ensure that the operation of THP complies with such rules and regulations to prevent legal disputes as a result of non-compliance and to ensure that THP's operation will be in accordance with the new law to be enforced in the future.

Business Continuity Management (BCM)

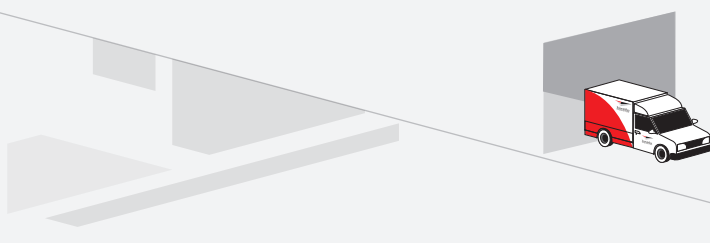
THP has prepared for response to crises or threats in accordance with Business Continuity Management standard (ISO 22301 : 2012) in terms of preparation before, during and after the incident. Business Continuity Plan (BCP) is prepared and tested regularly to improve its effectiveness. Personnel are communicated to ensure understanding and realizing the significance constantly, so as to create confidence to personnel and customers that THP can continue to provide services despite crises or threats.

Environmental Risk

THP aims to conduct business with the environment and communities around, so environmental risk is managed to minimize effects from operation to the environment and communities around, and also to save operating costs by using resources for maximum benefit. THP has been certified to ISO 14001 : 2015 standard which assures stakeholders that THP's products and services are environmentally-friendly.

Innovative Risk

THP focuses on innovation which is one of the factors contributing to sustainable growth of the organization under limited resources, so innovative risk is managed to analyze worthiness between the risks and returns obtained from application of innovation according to CEN/TS 16555 - 1 : 2013. In 2018 THP received certificate for CEN/TS 16555 - 1 : 2013 from Management System Certification Institute (Thailand), which reflects that THP can develop innovation to meet the needs of customers and stakeholders as well as to create additional value for the organization.





Internal Controls

THP Board of Directors realizes the importance of internal controls and creation of atmosphere contributing to good control environment. Executives and staff are encouraged to have integrity, morals, ethics, and transparency in the work as well as positive attitude towards internal controls by focusing on integration of internal control system over the organization and covering main mission and activities to ensure effectiveness and efficiency of operation. These involve financial and non-financial reports used within and outside the organization, and compliance with laws, rules, regulations or cabinet resolutions related to operations including other requirements of the government.

THP sets up internal control system in accordance with the Regulations of State Audit Commission (SAC), on Determination of Internal Control, B.E. 2544; makes announcement of internal control policy; and prepares internal control manuals for all divisions to put into practice. Subsequently, State Fiscal and Financial Disciplines Act, B.E. 2561 came into force on 20 April 2018, with Section 79 stipulating that government agencies must provide internal audits, internal controls and risk management by complying with the Ministry of Finance's Rules on Standards and Procedures of State Internal Control, B.E. 2561, effective as of 4 October 2018. In consequence, THP appointed the Steering Committee on Corporate Governance to administer assessment, determine assessment guidelines, screen, conclude, coordinate, and prepare reports to be presented to THP President for signing and submitted to supervisory board, i.e. THP Board of Directors and the governing ministry within 90 days from the end of the calendar year.

In 2018, THP integrated the internal control system, risk management and internal audit to ensure the same operational direction with reasonability in conformity to the changing situation. Each department was determined to follow up assessment of internal control in the form of ongoing monitoring and separate evaluation on regular basis to ensure that the determined internal control system was sufficient, appropriate, effective, and efficient, and the weaknesses found were improved or resolved appropriately and in timely manner in accordance with the changing situation by implementing Control Self-Assessment (CSA) and COSO 2013 Internal Control Standard as the framework to determine the THP assessment guidelines of internal control system. The assessment task consists of work process analysis, internal control element assessment, assessment and improvement of internal control under the main mission, key operation plans, and other missions covering finance, operation and compliance. Assessment can be divided into 3 parts which are 1) Assessment of internal control elements, 2) Assessment of internal control system, and 3) Assessment of specific issues of internal control. The assessment results concluded that THP's internal control elements complied with the internal control standards for state agencies and the overall THP's internal control system was sufficient, appropriate, effective, and efficient. Risks or weaknesses found were corrected and improved by the year 2018. As for annual internal control system assessment, the steering committee proposed a report to the President for signing and the signed report was submitted to the supervisory board, i.e. THP Board of Directors and the governing ministry, i.e. Ministry of Digital Economy and Society within the specified period.



Internal Audit

Internal audit is the process of providing assurance service and consulting service on equitable and independent basis to add value and improve the corporate operation. It also helps the organization to achieve the objectives by assessing and improving the processes of risk management, internal control and corporate governance within the organization. In this regard, internal audit is considered a major mechanism of good corporate governance process, to support the operation of the Audit Committee in reviewing internal control system, risk management, and compliance with the law, rules and regulations. Important performances of internal audit in 2018 are as follows :

1. Structure and Responsibilities of Internal Audit Units : Thailand Post realized the importance of internal audit and assigned the Internal Audit Office to report directly to the Audit Committee and the President. Also, the Internal Audit Committee issued the charter which clearly defined its duties and responsibilities in accordance with the International Standards for the Professional Practice of Internal Auditing, the Ministry of Finance's Regulations on Audit Committee and Internal Audit Unit of State Enterprises, B.E 2555, as well as the cabinet resolutions, regulations and laws relating to the practice. The charter was disseminated for awareness of all THP executives and staff.

2. Audit Planning : Operational and strategic audit plan was prepared for the period of 5 years (2018 - 2022). The operational and internal audit plan for the year 2018 was in conformity to the postal business plan for 2018 - 2022. The risk assessment principles were used to prioritize and select activities for determining the audit plan, based on various factors including postal business plan, corporate risks, auditors' notes, past audit results, as well as policies and expectations of the Audit Committee, the President and senior executives. Finally, the plan was submitted to the President and the Audit Committee for approval. Also, it was reviewed and improved once to ensure conformity to the changing work environment.

3. Operation and Reporting : Audit was planned in detail. The audit program was made for all audit-related activities and the audit results were reported, along with suggestions on how to improve the operation of the audited unit, to executives in the chain of command, the President and Audit Committee. In addition, the improvement of the audited unit was followed to ensure that the suggestions were taken into consideration and implemented effectively and efficiently.

4. Audit Quality Maintaining : Quality assessment after audit work was conducted by audited unit. Quality Assessment Review (QAR), self-assessment of the internal auditor and self-assessment of the internal audit office were also performed, in order to apply all assessment results for preparing the Internal Audit Office's performance development plan. Additionally, internal audit work assessment was performed by external independent evaluator in 2017 and improvement according to suggestions was completed in 2018. The internal auditors were promoted and encouraged to attend the training and examination of professional internal audit diplomas and other professions, totally 11 courses. In 2018, one officer obtained a certificate from Certified Professional Internal Audit of Thailand (CPIAT). In addition, the Memorandum of Agreement for AUDIT SUPPORT SYSTEM (A2S) was signed with Government Housing Bank (GHB) to implement the system in 2019.



Good Corporate Governance Policy

Thailand Post Board of Directors recognizes the importance and commits to follow the principle and guidelines of good corporate governance as set by The State Enterprise Policy Office (SEPO), Ministry of Finance, so that the operation of Thailand Post is carried out with efficient, transparent and trustworthy management. This will help drive the Company to become a leading organization that supports sustainable development of the society and the country. Therefore, the Board of Directors has established a good corporate governance policy for its Board members, the executives and staff to take as guidelines as follows :

1. The Board of Directors shall perform its duty with independence and honesty to its own actions and with responsibility for the shareholders. The Board shall take part in setting policy and strategy for the organization growth in compliance with the policy of shareholder in consideration of risk factors and appropriate management measures. The Board shall also ensure the reliability of the accounting system, financial report and audit.
2. The board members, the executives and staff recognize the importance of and focus on complying with 7 principles of good corporate governance;
 - 2.1 Responsibility for their own performance with due regard to basic human rights, promoting corporate culture of social responsibility.
 - 2.2 Recognition of their duty and the need for sufficient competence and efficiency, driving all departments to focus on self-improvement constantly.
 - 2.3 Treatment to all stakeholders with honesty, performing duty with due regard to rights of stakeholders and behaving towards all stakeholders with fairness and equality.
 - 2.4 Transparency in all operations that can be verified and transparent disclosure of information to all related parties.
 - 2.5 Working to add value to the business both in short-term and long-term with consideration of benefits to the country and people.
 - 2.6 Promoting improvements in good corporate governance and business ethics by instilling in all THP employees to be aware of the ethical conduct that leads to corporate culture.
 - 2.7 Supporting public participation by providing opportunities for the public to express their views on issues relating to the environment and living of the communities.



Structure and Responsibility of the Board of Directors

The Thailand Post Board of Directors is appointed by the Ministry of Finance, the Company's sole shareholder. Appointment of the Board members is made from the list of nominees prepared by the Ministry of Finance and experts experienced in various fields useful to the Company's business. All nominees have appropriate qualifications and do not exhibit any prohibited attributes according to the Qualifications of State Enterprise Directors and Personnel Act B.E. 2518 as well as have no interest conflict in Thailand Post's business. The Board consists of members no less than 5 but not exceeding 11 persons and is not required to be a shareholder of Thailand Post. At least one-third of the Board must be independent members from outside. In each appointment of the Board, all members' resumes are disclosed on Thailand Post website (www.thailandpost.co.th).

The Board of Directors recognizes its responsibility as a director and thus separates clearly its roles, duties and responsibilities from those of the Thailand Post Executives. The key roles, duties and responsibilities of the Board are as follows :

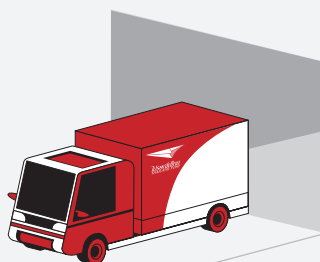
- Give approval on scope of operations in regard to good corporate governance of Thailand Post and act as a model that holds and practices such principle.
- Set vision and approve strategies, policies and key plans.
- Supervise the work of the Thailand Post executives to ensure that they perform effectively and efficiently as well as with attention and cautiousness, in order to achieve core company goals and to maximize the long-term benefits to the people.
- Take responsibility for Thailand Post's performance and turnover.
- Ensure the reliability of accounting, financial reports, management reports and audits.
- Promote internal audit to reach international standard, focusing on risk management to control and reduce risk that may have an adverse effect on Thailand Post, as well as supervise implementation of process for evaluating internal control system suitability.
- Review the performance evaluation form to be used as a framework for auditing the performance of directors and self-assessment, at least once a year.
- Present list of assets and debts of state employees in compliance with the Constitutional Act to Prevent and Suppress Corruption B.E. 2542 (1999).





List of Board of Directors

No.	Directors		Period of office in 2018
1	General Sathit	Pitharat	1 January – 15 May
2	Mr. Rathapol	Bhaktibhumi	1 January – 31 December
3	Pol.Lt.Gen. Sompong	Chingduang	1 January – 31 December
4	Dr. Thitipong	Nandhabiwat	1 January – 31 December
5	Mrs. Pratana	Mongkolkul	1 January – 31 December
6	Mrs. Smorn	Terdtthampiboon	1 January – 31 December
7	Dr. Pornchai	Thiraveja	1 January – 31 December
8	Mr. Sorasak	Meenatoree	1 January – 31 December
9	Professor Dr. Narumon	Saardchom	1 January – 22 March
10	Mrs. Vunnaporn	Devahastin na Ayutthaya	5 October – 31 December
11	Professor Dr. Parichart	Sthapitanonda	5 October – 31 December
12	Dr. Seree	Nonthasoot	5 October – 31 December



Appointment of Committees and Subcommittees

The Thailand Post Board of Directors appoints Committees/Subcommittees to help study and scrutinize work as required as follows :

THP Audit Committee

The THP audit Committee is responsible for reviewing efficiency and effectiveness of the internal audit, risk management and internal control; reviewing accuracy and reliability of financial statements, reviewing compliance with the relevant law, cabinet resolutions, rules, regulations, orders, announcements, or operating procedures to ensure that THP has appropriate internal audit system; considering independency of the internal audit unit; giving opinions to THP Board of Directors regarding nomination, transfer and removal; considering annual performance of the chiefs and personnel in internal audit departments; and considering related transactions or transactions which may have conflict of interest.

THP Audit Committee's important activities in 2018 include : acknowledging internal control system assessment results in 2017; reviewing THP's corporate risk management outcomes and Risk Correlation Map 2018 on a quarterly basis; approving key success indicators of the work in 2018; nominating the auditor; reviewing THP's quarterly budget and financial standing; reviewing annual budget; reviewing THP's quarterly financial performance and position; evaluating appropriateness and sufficiency of resources for internal audit; approving appointment, transfer and annual performance evaluation of the personnel under the Internal Audit Office in 2018; monitoring behaviors and compliance with the THP Board of Directors' rules on conflicts between personal interest and THP's interest; following up the progress of quarterly operation and internal audit in 2018; and approving operation and internal audit plans for 2019.

List of Members of THP Audit Committee (THP Directors Only)

No.	Directors		Period of office in 2018
1	Mrs. Pratana	Mongkolkul	1 January – 31 December
2	Dr. Thitipong	Nandhabiwat	1 January – 31 December
3	Professor Dr. Narumon	Saardchom	1 January – 22 March
4	Mr. Rathapol	Bhakdibhumi	3 May – 15 November

THP Director Nomination Committee

THP Director Nomination Committee is responsible for defining methods, criteria, competencies, and skill matrix of THP Board of Directors in accordance with the guidelines and procedures for the appointment of state enterprise directors; recruiting a list of qualified persons to be appointed as THP Directors; and proposing a list of qualified persons to the position of THP directors to THP Board of Directors.

THP Director Nomination Committee's important activities in 2018 include considering methods and criteria to be used as a guideline for nomination of persons to the position of THP directors and recruiting as well as proposing a list of qualified persons to be appointed as THP directors in the vacant positions and replacing the retired members to THP Board of Directors.

List of Members of THP Director Nomination Committee (THP Directors only)

No.	Directors		Period of office in 2018
1	Dr. Thitipong	Nandhabiwat	8 August – 31 December
2	Dr. Pornchai	Thiraveja	8 August – 31 December
3	Mr. Sorasak	Meenatoree	8 August – 31 December
4	Mrs. Pratana	Mongkolkul	8 August – 31 December

THP Relations Affairs Committee

THP Relations Affairs Committee is responsible for commenting on improvement of operational efficiency and promotion of labor relations. The committee is engaged in resolving internal conflicts, and amending work-related rules and regulations for the benefit of employers, employees, and the organization. Committee members also consult on matters aimed at improving working conditions and responding to complaints made by employees or the THP state enterprise labor union, including complaints pertaining to disciplinary actions.

THP Relations Affairs Committee's important activities in 2018 include revising work rules and regulations, solving problems as petitioned by the THP labor union and solving problems of disciplinary action against the operators.

List of Members of THP Relations Affairs Committee (THP Directors only)

No.	Directors		Period of office in 2018
-	Pol.Lt.Gen. Sompong	Chingduang	1 January – 31 December



President's Performance Evaluation Subcommittee

President's Performance Evaluation Subcommittee is responsible for setting criteria for evaluating the performance of Thailand Post's President, conducting the performance evaluation every 6 months and taking the results into consideration for adjusting remuneration or terminating employment contract in case the President cannot achieve the required results.

In 2018, key activities of the President's Performance Evaluation Subcommittee in 2017 included : reviewing the President's performance evaluation outcome in 2017; setting guidelines for evaluating the President's performance in 2018

List of Members of President's Performance Evaluation Subcommittee (THP Directors only)

Group 1/2018

No.	Directors		Period of office in 2018
1	Professor Dr. Narumon	Saardchom	1 January – 21 February
2	Mr. Sorasak	Meenatoree	1 January – 21 February
3	Pol.Lt.Gen. Sompong	Chingduang	1 January – 21 February

Group 2/2018

No.	Directors		Period of office in 2018
1	Dr. Pornchai	Thiraveja	22 February – 31 December
2	Mr. Sorasak	Meenatoree	22 February – 31 December
3	Pol.Lt.Gen. Sompong	Chingduang	22 February – 31 December
4	Mrs. Pratana	Mongkolkul	22 February – 31 December

Good Corporate Governance Subcommittee

Good Corporate Governance Subcommittee is responsible for reviewing policies; setting strategies, goals and action plans on good corporate governance, internal control system, and clear social and environmental responsibility that aligns with Thailand Post's business; supervising THP operation to ensure compliance with the principles and guidelines of good corporate governance of the state enterprises as well as the law, rules, regulations, and policies; and revising the rules and regulations to conform to the relevant laws.

Good Corporate Governance Subcommittee's important activities in 2018 include acknowledging internal control assessment results; acknowledging examination results of law and external rules which affect THP's operation; acknowledging the performance of information disclosure; acknowledging the operation results in line with anti-corruption plan; considering review of good corporate governance master plan for 2018 - 2022; considering indicators and assessment method of good corporate governance operation for 2019; considering corporate social responsibility (CSR) operation plan for 2019; and considering review of code of ethics and preventive measure for conflict of interest.

List of Members of Good Corporate Governance Subcommittee (THP Directors Only)

No.	Directors		Period of office in 2018
1	Pol.Lt.Gen. Sompong	Chingduang	1 January – 31 December
2	Dr. Pornchai	Thiraveja	1 January – 31 December
3	Mrs. Smorn	Terdtthampiboon	1 January – 31 December
4	Mr. Rathapol	Bhaktidibhumi	22 February – 15 November

THP Risk Management Subcommittee

THP Risk Management Subcommittee is responsible for determining and reviewing policies, strategies, guidelines, and plans on risk management to conform to the changing situation; supervising the risk management execution to be in accordance with the determined policies and strategies at acceptable level; and giving suggestions on THP risk management system development to ensure efficiency.

THP Risk Management Subcommittee's important activities in 2018 include approving the risk management results and the corporate Risk Correlation Map for the year 2018 on a quarterly basis; approving the corporate risk review for the year 2018; approving THP annual risk management policy review for 2019; approving corporate risks, causes of risks, level of acceptable risk (risk appetite), and risk management measures for the year 2019.

List of Members of THP Risk Management Subcommittee (THP Directors only)

Group 1/2018

No.	Directors		Period of office in 2018
1	Dr. Pornchai	Thiraveja	1 January – 10 May
2	Professor Dr. Narumon	Saardchom	1 January – 10 May
3	Mr. Rathapol	Bhakdibhumi	1 January – 10 May
4	Mrs. Smorn	Terdthampiboon	1 January – 10 May

Group 2/2018

No.	Directors		Period of office in 2018
1	Mr. Sorasak	Meenatoree	11 May – 31 December
2	Mr. Rathapol	Bhakdibhumi	11 May – 15 November
3	Pol.Lt.Gen. Sompong	Chingduang	11 May – 31 December
4	Mrs. Smorn	Terdthampiboon	11 May – 31 December

Employee/Permanent Worker Appeal Review Subcommittee

Employee/Permanent Worker Appeal Review Subcommittee is responsible for screening appeals against disciplinary action or dismissal order, improving rules and regulations on disciplinary violation, penalties and appeals of employees and permanent workers against penalties.

Employee/Permanent Worker Appeal Review Subcommittee's importance activities in 2018 include considering the appeal matters against the order of disciplinary action and considering the criteria for extending the appeal period.

List of Members of Employee/Permanent Worker Appeal Review Subcommittee (THP Directors only)

No.	Directors		Period of office in 2018
-	Pol.Lt.Gen. Sompong	Chingduang	1 January – 31 December

Corporate Strategy Driving and Policy Implementation Monitoring Subcommittee

Corporate Strategy Driving and Policy Implementation Monitoring Subcommittee is responsible for supervising operation to ensure compliance with Thailand 4.0 policy of Ministry of Digital Economy and Society; screening data on strategic work, policies and other works in response to Thailand Post 4.0 policy and operation to support e-Commerce business; giving suggestions and consultations on the creation of new projects to drive and develop THP to become to Thailand Post 4.0; supervising the implementation of corporate strategies and monitoring the operational progress in accordance with postal business plan; following up the work according to the policies of the Chairman and the Board of Directors of Thailand Post Company Limited; and supervising the organizational structure adjustment to ensure appropriate reorganization.

In 2018, Subcommittee on Corporate Strategy Driving and Policy Implementation Monitoring held meetings to supervise the operations and scrutinize key strategic work data, as the following activities : determining indicators and targets for short-term and long-term e-Commerce in digital community projects; considering human resources master plan for 2018 - 2022, revising organizational structure and determining transitional direction; considering structure of annual strategic plan for 2019 - 2023, considering marketing plan process for 2019; and studying long-term development of logistics framework.

List of Members of Subcommittee on Corporate Strategy Driving and Policy Implementation Monitoring (THP Directors only)

Group 1/2018

No.	Directors		Period of office in 2018
1	Professor Dr. Narumon	Saardchom	1 January – 19 April
2	Dr. Thitipong	Nandhabiwat	1 January – 19 April
3	Mr. Sorasak	Meenatoree	1 January – 19 April
4	Mrs. Smorn	Terdthampiboon	1 January – 19 April

Group 2/2018

No.	Directors		Period of office in 2018
1	Dr. Pornchai	Thiraveja	20 April – 31 December
2	Dr. Thitipong	Nandhabiwat	20 April – 31 December
3	Mr. Sorasak	Meenatoree	20 April – 31 December
4	Mrs. Smorn	Terdthampiboon	20 April – 31 December



Information Technology Development Subcommittee

Information Technology Development Subcommittee is responsible for defining the development direction of THP information technology system in line with the company's IT master plan and strategic plans. It also supervises, monitors and assesses the progress in implementing IT development plan in accordance with the set goal, and screens issues relating to the IT system development for submission to the Board of Directors' meetings.

The important activities of Information Technology Development Subcommittee in 2018 include considering the information technology development master plan for 2018 - 2022; considering the procurement of development and installation of corporate resources planning system; considering Big Data development plan; considering the lease of equipment for forwarding and delivery system; considering the procurement of online postal network system lessors; and following up the progress of such operations periodically.

List of Members of Information Technology Development Subcommittee (THP Directors only)

No.	Directors		Period of office in 2018
1	Dr. Thitipong	Nandhabiwat	1 January – 31 December
2	Mrs. Smorn	Terdthampiboon	1 January – 31 December
3	Mr. Rathapol	Bhakdibhumi	22 February – 15 November


Investment Screening and Budget Disbursement Expediting Subcommittee

Subcommittee on Investment Screening and Budget Disbursement Expediting is responsible for considering additional investment budget during the year; following up and expediting the operation and disbursement of investment budget in accordance with the specified framework; considering procurement for projects under Thailand 4.0 policy; approving announcement of the terms and conditions of tenders for procurement under the authority of the Board of Directors of Thailand Post Company Limited; and proposing solutions to problems and obstacles related to procurement and disbursement of investment budget.

The important activities of Subcommittee on Investment Screening and Budget Disbursement Expediting in 2018 include considering major investment projects and regularly following up the disbursement of the 2018 investment budget.

List of Members of Subcommittee on Investment Screening and Budget Disbursement Expediting (THP directors only)

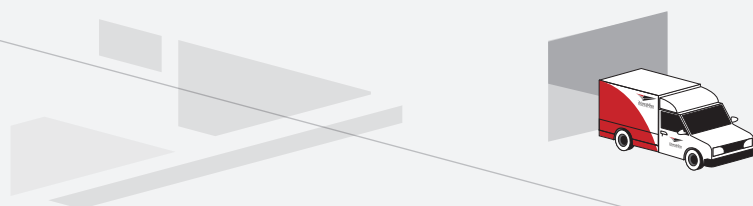
No.	Directors		Period of office in 2018
1	Dr. Pornchai	Thiraveja	1 January – 31 December
2	Mr. Rathapol	Bhakdibhumi	1 January – 15 November
3	Mrs. Pratana	Mongkolkul	1 January – 31 December
4	Mrs. Smorn	Terdthampiboon	1 January – 31 December
5	Mr. Sorasak	Meenatoree	22 February – 31 December



Meeting of the Board of Directors, Committees and Subcommittees

Under THP regulations, the Board of Directors is required to meet not less than once each month, on the third Friday of the month. The Board secretary sends out invitations to all Directors informing them of the date of the meeting and the agenda, along with accompanying documents, at least 7 days before the meeting, so that they may have enough time to study the details. Before each meeting, all directors must sign for confirmation of not having any interest or conflict of personal interest against THP interest. During the meeting, each director can openly and freely express his/her opinions which will be recorded in the minutes of meeting. The minutes of meetings endorsed by the THP Board of Directors will be kept for examination by directors and related parties. The copies of the minutes of meetings will be sent to Ministry of Finance, Ministry of Digital Economy and Society, State Audit Office, and the State Auditor stationed at THP for acknowledgement. In addition, THP Board of Directors has disseminated the meeting agendas on the intranet system for accessibility of interested operators. Important issues of each meeting were summarized and sent to THP State Enterprise Labor Union for acknowledgement to ensure transparency and as a mechanism for check and balance by stakeholders.

In 2018, THP Board of Directors and committees/subcommittees appointed by THP Board of Directors attended the following meetings :



No.	Directors	THP Board of Director	THP Audit Committee	THP Director Nomination Committee	THP Relations Affairs Committee	President's Performance Evaluation Subcommittee	Good Corporate Governance Subcommittee	THP Risk Management Subcommittee	Employee/Permanent Worker Appeal Review Subcommittee	Corporate Strategy Driving and Policy Implementation Monitoring Subcommittee	Information Technology Development Subcommittee	Investment Screening and Budget Disbursement Expediting Subcommittee
1	General Sathit	4/4	-	-	-	-	-	-	-	-	-	-
2	Mr. Rathapol	13/14	5/7	-	-	-	3/5	0/3	-	-	6/12	8/9
3	Pol.Lt.Gen. Sompong Chingduang	13/14	-	-	8/12	7/8	6/6	2/3	5/6	-	-	-
4	Dr. Thitipong	14/14	10/10	2/2	-	-	-	-	-	9/11	15/15	-
5	Mrs. Pratana	12/14	9/10	2/2	-	5/7	-	-	-	-	-	7/10
6	Mrs. Smorn	14/14	-	-	-	-	5/6	2/4	-	7/11	9/15	4/10
7	Dr. Pornchai	13/14	-	2/2	-	7/7	0/6	1/1	-	8/8	-	10/10
8	Mr. Sorasak	14/14	-	2/2	-	7/8	-	3/3	-	9/11	-	8/9
9	Professor Dr. Narumon Saardchom	3/3	3/3	-	-	1/1	-	1/1	-	3/3	-	-
10	Mrs. Vunnaporn Devahastin na Ayutthaya	2/3	-	-	-	-	-	-	-	-	-	-
11	Professor Dr. Parichart Sthapitanonda	2/3	-	-	-	-	-	-	-	-	-	-
12	Dr. Seree	3/3	-	-	-	-	-	-	-	-	-	-
	Number of meetings in the year	14	10	2	12	8	6	4	6	11	15	10

Remuneration of the Board of Directors, Subcommittee and Top Executives

Remuneration of the Directors is paid transparently in accordance with the cabinet resolution dated 2 July 2013 as follows :

Monthly remuneration :

- Directors are paid not over 10,000 baht per person per month. In case of holding office for less than one full month, the remuneration will be paid in proportion to the term of office.
- The Chairman receives the remuneration in the amount twice the rate paid to directors.

Meeting allowance :

- Directors are paid not more than 10,000 baht per person per meeting and not more than once per month, provided that they attend; the Chairman is paid an additional 25% and the Vice Chairman receives an additional 12.5%
- Directors appointed to serve on subcommittees or working groups receive an additional allowance equal to the amount paid to attend the meetings of the Board, provided that they attend; additional allowance will be paid for participation in not more than two subcommittees / working groups which meet not more than once per month.

Annual Bonus :

- Directors receive the annual bonus at the standard rate specified by Ministry of Finance.
- The Chairman receives the annual bonus 25% higher than directors and the Vice Chairman receives 12.5% higher than directors.

In 2018, the remuneration paid to the Thailand Post Board of Directors is shown below :

No.	Directors		Directors' Remuneration (baht)					Total
			Monthly Pay	Meeting attendance fees	Other Meeting attendance fees	Bonus (2016)	Bonus (2017)	
1	General Sathit	Pitharat	89,677.42	50,000.00	-	187,500.00	187,500.00	514,677.42
2	Mr. Rathapol	Bhakdibhumi	135,000.00	112,500.00	241,854.48	150,000.00	150,000.00	789,354.48
3	Pol.Lt.Gen. Sompong	Chingduang	120,000.00	123,750.00	220,000.00	-	147,631.05	611,381.05
4	Dr. Thitipong	Nandhabiwat	120,000.00	120,000.00	386,250.00	150,000.00	150,000.00	926,250.00
5	Mrs. Pratana	Mongkolkul	120,000.00	100,000.00	270,000.00	150,000.00	150,000.00	790,000.00
6	Mrs. Smorn	Terdthampiboon	120,000.00	120,000.00	210,000.00	144,354.82	150,000.00	744,354.82
7	Dr. Pornchai	Thiraveja	120,000.00	118,750.00	285,000.00	129,741.38	150,000.00	803,491.38
8	Mr. Sorasak	Meenatoree	120,000.00	120,000.00	220,000.00	-	29,838.70	489,838.70
9	Professor Dr. Narumon	Saardchom	27,096.77	30,000.00	87,096.77	20,833.32	150,000.00	315,026.86
10	Mrs. Vunnapom	Devahastin na Ayutthaya	28,709.68	10,000.00	-	-	-	38,709.68
11	Professor Dr. Parichart	Sthapitanonda	28,709.68	20,000.00	-	-	-	48,709.68

No.	Directors		Directors' Remuneration (baht)					Total
			Monthly Pay	Meeting attendance fees	Other Meeting attendance fees	Bonus (2016)	Bonus (2017)	
12	Dr. Seree	Nonthasoot	28,709.68	30,000.00	-	-	-	58,709.68
13	Dr. Don	Bhasavanich	-	-	-	127,016.11	-	127,016.11
14	Mr. Chumpol	Rimsakorn	-	-	-	152,604.16	5,000.00	197,604.16
15	Mr. Napong	Sirikantayakul	-	-	-	-	73,269.48	73,269.48
16	Mr. Norawat	Chotigoon	-	-	-	6,854.84	-	6,854.84
17	Dr. Jaruvan	Hengtrakool	-	-	-	150,000.00	48,750.00	198,750.00
18	Assistant Professor Dr. M.L.Vittratom	Chirapravati	-	-	-	150,000.00	87,500.00	237,500.00
19	Pol.Lt.Gen.Atitep	Panjamanond	-	-	-	56,854.83	-	56,854.83

- Note :**
1. General Sathit Pitharat (no.1) resigned, the date of discharge from the Board of Directors was effective from May 16, 2018
 2. Mr. Rathapol Bhakdibhumi (no.2) was elected as Chairman of the THP Board of Directors in place of General Sathit Pitharat, effective from 16 November 2018
 3. Professor Dr. Narumon Saardchom (no.9) resigned, the date of discharge from the Board of Directors was effective from 23 March 2018
 4. THP has paid Directors' bonuses for 2016 on 2 August 2018 and paid Directors' bonuses for 2017 on 18 October 2018
 5. THP has not yet paid Directors' bonuses for 2018.

Remuneration for Top Executives

Thailand Post pays to top executives, i.e. President and Senior Executive Vice Presidents, remuneration which is divided into following types :

- Payment for work : salary, bonus, and meeting attendance fees
- Welfare benefits : children's educational assistance, medical allowance, uniform or office attire, life insurance premium and compensation for work
- Employer contribution to provident fund
- Other compensation : per diem, housing allowance, car rental, gasoline allowance, and telephone charge

THP had paid remuneration for the past 3 years to top executives as follows :

Type of remuneration	Remuneration of top executives (baht)		
	2016	2017	2018
Payment for work	16,529,803.74	18,262,362.97	18,348,519.29
Welfare benefits	1,446,166.33	2,219,539.23	2,079,837.28
Employer contribution to provident fund	1,105,707.00	1,270,749.46	1,015,600.08
Other compensation	3,557,961.80	3,816,659.23	3,705,270.17



Conflict of Interest Prevention Policy

The Thailand Post Board of Directors has set regulations and measures to prevent, control and monitor actions of conflicts between personal interests and the Company's interests. Directors and employees are expected to comply with these regulations and measures strictly to prevent the seeking of illicit benefits for themselves or for others by performing or ignoring practice, through their position on the Board of Directors or as employees of Thailand Post. At a meeting of the Board, if any of the member has a stake or has a conflict between his/her personal interests and the Company's interests, the member shall notify the Board for exclusion from voting on the agenda in question or for absence from the meeting during discussion of the agenda. As for Thailand Post's staff, the employees are required to disclose information on conflict of interest, in the case that they are appointed to any committee, or working group, or auditor, e.g. a procurement committee, a civil or disciplinary investigating committee, an examination committee, etc.





**Report on the Performance of
Thailand Post Audit Committee**
for the Year 2018 to be Published in Thailand Post Annual Report

The Board of Directors of Thailand Post Company Limited resolved on the appointment of the Audit Committee consisting of the qualified directors who have knowledge and experience in various fields. The Audit Committee member who were in office in 2018 include

1. According to the order of the Board of Directors of Thailand Post Company Limited No. 234/2017 dated 6 November 2017, the term of office of the following Audit Committee members would be from 6 November 2017 to 21 February 2018 :

1) Mrs. Pratana	Mongkolkul	Chairman of Audit Committee
2) Dr. Thitipong	Nandhabiwat	Member of Audit Committee
3) Professor Dr. Narumon	Saardchom	Member of Audit Committee

2. According to the order of the Board of Directors of Thailand Post Company Limited No. 239/2018 dated 22 February 2018, the term of office of the following Audit Committee members would be from 22 February to 2 May 2018 (except Prof. Dr. Naruemon Saardchom, who resigned from directorship of Thailand Post Company Limited effective as of 23 March 2018) :

1) Mrs. Pratana	Mongkolkul	Chairman of Audit Committee
2) Dr. Thitipong	Nandhabiwat	Member of Audit Committee
3) Professor Dr. Narumon	Saardchom	Member of Audit Committee

3. According to the order of the Board of Directors of Thailand Post Company Limited No. 255/2018 dated 3 May 2018, the term of office of the following Audit Committee members would be from 3 May 2018 to 29 January 2019 (except Mr. Rattaphum Phakdeephum, who was appointed as Chairman of the Board of Directors of Thailand Post Company Limited effective as of 16 November 2018) :

1) Mrs. Pratana	Mongkolkul	Chairman of Audit Committee
2) Dr. Thitipong	Nandhabiwat	Member of Audit Committee
3) Mr. Rathapol	Bhaktibhumi	Member of Audit Committee

Thailand Post's Executive Vice President (Internal Audit Office) acted as Secretary of the Audit Committee.

The Audit Committee performed their duties within the scope and power assigned by the Board of Directors of Thailand Post Company Limited and Regulations of Ministry of Finance on Audit Committee and Internal Audit Division of State Enterprises, B.E. 2555 (2012), Operational Manual of Audit Committee of State Enterprises, Ministry of Finance, Revised Version 2012, and Audit Committee Charter. In 2018, there were 10 meetings of Audit Committee for consideration and follow-up of several issues. Discussion was made with Thailand Post's Executives and Chief of Internal Audit Unit on relevant matters. Minutes of the meetings were made after each meeting, and operating results were reported on quarterly basis to THP Board of Directors for acknowledgement. Important issues can be summarized as follows :

Internal Control : Reviewing efficiency, effectiveness and sufficiency of internal control processes by considering internal control performance reports and audit results performed by State Audit Office, and overseeing the executives' control and supervision to ensure that the internal control system is sufficient and appropriate to be able to comply with the specified procedures efficiently and effectively. The Audit Committee provided suggestions to the executives in the event of significant weaknesses found for improving work processes and followed up to ensure that the improvement would be made regularly and continuously.

Risk Management : Reviewing the performance in line with the corporate risk management plan by monitoring risk management activities performed by the executives on quarterly basis to ensure that THP could control or reduce possible impact that may affect the achievement of the organization's objectives at acceptable, appropriate and efficient level as well as providing suggestions to the executives to improve operations.

Financial Reports : Reviewing the financial statements prior to and after the auditor's audit on a quarterly and annual basis; considering the analysis of operation results and financial position of THP on significant issues; and providing useful suggestions to the executives for improvement to ensure that the financial reports made by THP was accurate in material issues, complied with the law and generally accepted accounting standards, and information was disclosed sufficiently, completely, reliably and in a timely manner.

Supervision of the Work of Internal Audit Office : Reviewing and approving the charter of Internal Audit Office as well as approving the operational plan and strategic audit plan for the period of 5 years (2019 - 2023), operational and internal audit plan for 2019 with consideration of sufficiency of resources; approving audit manual for 2018, appointment and transfer of Internal Audit Office personnel, and considering performance of the Chief of Internal Audit Units; approving budget of the Internal Audit Office for the year 2020, key performance indicators and verifying the internal audit reports of THP and its affiliated companies by presenting important audit results to THP Board of Directors for issue of orders and follow-up of improvement by the executives; supporting employment of consultant for audit of information technology project management and employment of consultant for Internal Audit Office personnel assessment to develop the potential of the personnel and the auditors expertise to have more knowledge, skills and expertise in performing audit tasks as well as following up the progress of performance according to the operational and audit plans. Also, the internal auditor was encouraged to perform self-development continuously by taking exams for obtaining professional internal audit diplomas or other related professions.

Review of Compliance to the Law, Rules and Regulations : Monitoring compliance with the relevant laws, rules and regulations which may significantly affect THP image and operation such as complaints, civil case progress and disciplinary actions, as well as following up the conduct according to THP Board of Directors' Regulations No. 7 regarding Conflict between Personal Interest and THP Interest, B.E. 2548 (2005).

Maintenance of Quality of Audit Committee : Reviewing and improving the charter of Audit Committee as well as performing self-assessment according to good practice principles as defined in the operational manual of the Audit Committee in the State Enterprises, Ministry of Finance, Version 2012, to ensure efficiency and reliability of the Audit Committee's operation.

Remuneration of the Auditor : Thailand Post Company Limited is a state enterprise under the audit of the State Audit Office (SAO). In 2018, there was no audit fee.



(Dr. Seree Nonthasoot)
Chairman of Audit Committee

13 March 2019

Report of Thailand Post Director Nomination Committee 2018

THP Board of Directors appointed THP Director Nomination Committee consisting of 4 qualified persons who have knowledge and experience in various fields. THP Director Nomination Committee performed duties within the scope and authority assigned by THP Board of Directors and in accordance with Standard Qualifications of State Enterprise Directors and Employees Act, B.E. 2518 (1975), and its amendments, Regulation of the Office of the Prime Minister on Policy and Supervision of State Enterprises, B.E. 2557 (2014), Cabinet Resolution dated 18 July 2017 regarding Guidelines for the Appointment of State Enterprises Committee and Resolutions of State Enterprise Policy Committee dated 11 October 2017.

THP Director Nomination Committee consists of :

1. Mr. Thitipong	Nandhabiwat	Chairman
2. Mr. Pornchai	Thiraveja	Member
3. Mr. Sorasak	Meenatoree	Member
4. Mrs. Pratana	Mongkolkul	Member
5. Vice President of Human Resources Management and Discipline Department		Secretary
6. Vice President of Legal Department		Assistant Secretary
7. Vice President of Secretarial and General Affairs Department		Assistant Secretary

In 2018, THP Director Nomination Committee convened 2 meetings upon the relevant agendas. The subject matters are as follows :

(1) In THP Director Nomination Committee Meeting No.1/2018 dated 15 August 2018, the Committee considered the method and criteria to be used as a guideline for nomination of the persons as THP directors, whereby the Committee would screen the name list prior to selection. The Committee assigned members to inform the names of the nominated persons to the secretary to collect and search for additional data to be presented in the Committee meetings before submitting to THP Board of Directors.

(2) In the THP Director Nomination Meeting No. 2/2018 dated 13 December 2018, the Committee considered the nomination of persons to the position of THP directors in 2 cases as follows :

(2.1) Nomination of the person to be appointed as the director in place of General Sathit Pitharat, Chairman of THP Board of Directors who had resigned.

(2.2) Recruitment of the persons to be appointed as THP directors in case of the term of office expired and re-assignment to hold the office for another term in 2019, with 3 positions.

The Secretary was assigned to present the names of the nominated persons to be appointed as THP directors in THP Board of Directors' meeting No. 12/2018 dated 21 December 2018.



(3) In the Board of Directors' meeting No. 12/2018 dated 21 December 2018, THP proposed the nomination of the persons to the position of THP directors in case of the term of office expired and re-assignment to hold the office for another term in 2019 whereby the meeting resolved that 3 persons who had been in their positions for the longest period would resign and would be re-assigned to hold directorship for another term, including 1) Pol.Lt.Gen. Somphong Chingduang, 2) Mrs. Prathana Mongkholkul, and 3) the person who would fill the vacant position. It was resolved to propose names of persons not less than two times of the number of state enterprise directors that must be nominated, according to the guidelines and procedures for the appointment of state enterprises. Then, THP would notify the results of the consideration to Ministry of Digital Economy and Society and Ministry of Finance to proceed in accordance with the procedures of state enterprise director appointment.

THP Director Nomination Committee realizes its role as the recruiter of THP directors. In the operational process, the methods, criteria, competencies and skill matrix of the Board of Directors are determined according to the guidelines and procedures for the appointment of state enterprise directors. The recruiting of a list of qualified persons to be nominated in the position of THP directors or to be listed as the persons being appointed as THP directors, including the submission of name list of persons with appropriate qualifications to be appointed as a director to the Board of Directors for approval, before proceeding with the procedures of relevant laws and regulations are carried out with transparent and fairness, up to standards in accordance with good governance and the strategy as well as business practices under business competition which will give the utmost benefits to THP under the criteria and norms specified by the law.

(Dr. Thitipong Nandhabiwat)
Chairman of the THP Director Nomination Committee
28 December 2018





Report on Board of Directors' Responsibility for Financial Reports

Thailand Post's Board of Directors emphasizes its duty and responsibility for the financial reports to assure that the Company's financial reports contain accurate and full accounting records that reflect the Company's actual financial status and performance. In making the reports, the Board of Directors uses an appropriate accounting policy with practices on a regular basis and in accordance with generally accepted accounting standards. Key information is adequately disclosed as shown in notes to the financial statement on which the Auditor (OAG) has included the opinions in the Auditor's Report.

The Company's Board of Directors has established an independent Audit Committee to review reliability and accuracy of financial reports, including sufficient and appropriate internal control system so as to ensure that Company's financial reports are reliable.



(Mr. Rathapol Bhakdibhumi)

Chairman



(Mrs. Smorn Terdthampiboon)

President





Auditor's Report

To the Shareholders of Thailand Post Company Limited

Opinion

The Office of the Auditor General of Thailand has audited the consolidated financial statements of Thailand Post Company Limited and its subsidiaries (Group of Companies) and separated financial statements of Thailand Post Company Limited, which comprise the consolidated and separated statements of financial position as at 31 December 2018, the consolidated and separated statements of income, the consolidated and separated statements of comprehensive income, the consolidated and separated statements of changes in shareholders' equity and the consolidated and separated statements of cash flows for the year then ended, and notes to the consolidated and separated financial statements, including a summary of significant accounting policies.

In the Office of the Auditor General of Thailand's opinion, the above consolidated and separated financial statements present fairly the consolidated financial position of Thailand Post Company Limited and its subsidiaries and separated financial position of Thailand Post Company Limited as at 31 December 2018; the consolidated and separated financial performance; and the consolidated and separated cash flows for the year then ended, as it should be in substantive matters and in accordance with the financial reporting standards.

Basis for Opinion

The Office of the Auditor General of Thailand conducted the audit in accordance with the State Audit Standards and Auditing Standards. The Office of the Auditor General of Thailand's responsibility is stated under the auditor's responsibility for the audit of the consolidated and separated financial statements in its report. The Office of the Auditor General of Thailand is independent of the Group of Companies and the Company in accordance with the State Audit Standards issued by the State Audit Commission and the Federation of Accounting Professions Code of Ethics for Professional Accountants which are relevant to the audit of the consolidated and separated financial statements, and the Office of the Auditor General of Thailand has fulfilled other ethical responsibilities in accordance with these requirements. The Office of the Auditor General of Thailand believes that the audit evidence the Office of the Auditor General of Thailand has obtained is sufficient and appropriate to provide a basis for the Office of the Auditor General of Thailand's opinion.

Other Information

Management is responsible for the other information. The other information comprises of the information in the annual report but does not include the consolidated and separated financial statements and the auditor's report in such annual report. Management will provide the annual report to the Office of the Auditor General of Thailand after the date of this auditor's report.

The Office of the Auditor General of Thailand's opinion on the consolidated and separated financial statements does not cover the other information, and the Office of the Auditor General of Thailand will not express any form of assurance conclusion thereon.

In connection with the audit of the consolidated and separated financial statements, the Office of the Auditor General of Thailand's responsibility is to read and consider whether the other information is materially inconsistent with the consolidated and separated financial statements or knowledge obtained in the Office of the Auditor General of Thailand's audit, or otherwise appears to be materially misstated.

When the Office of the Auditor General of Thailand reads the annual report, if the Office of the Auditor General of Thailand concludes that there is a material misstatement therein, the Office of the Auditor General of Thailand is required to communicate the matter to those charged with governance.

Executives and Regulator's Responsibility for Overseeing the Consolidated and Separate Financial Statements

Management is responsible for the preparation and presentation of the consolidated and separated financial statements in accordance with Financial Reporting Standards and for such internal control as management considers necessary for enabling the preparation of consolidated and separated financial statements which are free from material misstatement, whether due to fraud or error.

In preparing the consolidated and separated financial statements, management is responsible for assessing the ability of the Group of Companies and the Company to continue as a going concern, disclosing matters related to going concern as appropriate, and using the going concern basis of accounting unless management either intends to liquidate or to cease operations, or is unable to continue operation.

Those in charge of governance are responsible for supervising the financial reporting process of the Group of Companies and the Company.

Auditor's Responsibility for Auditing the Consolidated and Separate Financial Statements

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

As part of the Office of the Auditor General of Thailand's audit in accordance with State Audit Standards and Auditing Standards, the Office of the Auditor General of Thailand exercises professional judgment and maintain professional skepticism throughout the audit. The Office of the Auditor General of Thailand also :

- Identifies and assesses the risks of material misstatement of the financial statements, whether due to fraud or error, designs and performs audit procedures responsive to those risks, and obtains audit evidence that is sufficient and appropriate to provide a basis for the Office of the Auditor General of Thailand's opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or intervention of internal control.

- Understands internal control system relevant to the audit in order to design audit procedures which are appropriate for the circumstances but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control.
- Evaluates the appropriateness of accounting policies used by management and the reasonableness of accounting estimates and related disclosures made by management.
- Concludes on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the ability of the Group of Companies and the Company to continue as a going concern. If the Office of the Auditor General of Thailand concludes that a material uncertainty exists, the Office of the Auditor General of Thailand is required to mention in the auditor's report and make remark about the disclosures in the relevant consolidated and separated financial statements or, if such disclosures are inadequate, the Office of the Auditor General of Thailand's opinion will be modified. The Office of the Auditor General of Thailand's conclusion is based on the audit evidence obtained up to the date of the auditor's report. However, future events or circumstances may cause the Group of Companies or the Company to cease to continue as a going concern.
- Evaluates the overall presentation, structure and content of the consolidated and separated financial statements, including the disclosures, and whether the consolidated and separated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

The Office of the Auditor General of Thailand communicates with those in charge of governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control if they are found by the Office of the Auditor General of Thailand during the audit.

(signed) Warin Tulakoop

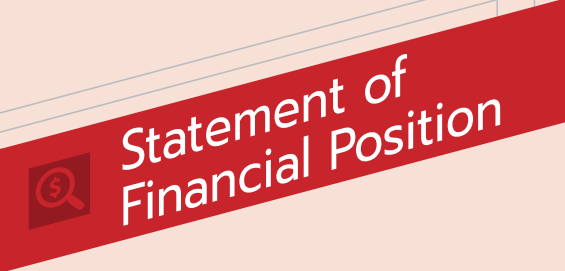
(Mrs. Warin Tulakoop)

Director of Financial and Procurement Audit Office No.13

(signed) Wanida phonlalit

(Miss Wanida phonlalit)

Senior Professional Level Auditor



Statement of Financial Position

Thailand Post Company Limited and Subsidiaries
For the year ended 31 December 2018

Unit : baht

	Note	Consolidated Financial Statement		Separate Financial Statement	
		2018	2017	2018	2017
Assets					
Current assets					
Cash and cash equivalent	4	2,692,987,197.37	2,838,219,001.28	2,618,923,326.73	2,791,319,735.92
Temporary investment	5	13,361,477,024.34	10,237,514,261.77	13,361,477,024.34	10,237,514,261.77
Domestic trade account receivable	6	1,272,630,865.90	1,156,388,473.62	1,147,388,533.52	1,008,555,608.34
International trade account receivable	7	650,378,608.54	527,149,034.28	650,378,608.54	527,149,034.28
Other account receivable	8	203,531,384.85	117,108,985.46	199,527,966.84	111,656,054.75
Inventories	9	240,597,402.07	223,093,803.20	240,597,402.07	223,093,803.20
Accrued expense		293,870,453.85	327,093,278.81	245,561,129.43	286,417,060.29
Advance payment		407,619,514.96	412,457,293.53	487,487,352.00	499,176,744.92
Other current assets		188,936,671.58	126,114,116.13	158,920,903.52	107,577,661.23
Total current assets		19,312,029,123.46	15,965,138,248.08	19,110,262,246.99	15,792,459,964.70
Non-current assets					
Temporary investment with obligation	10	462,680,352.27	308,104,993.12	462,680,352.27	308,104,993.12
Investment in subsidiary	11	-	-	350,000,000.00	350,000,000.00
Long term investment	12	614,113,057.29	3,970,652,915.21	614,113,057.29	3,970,652,915.21
Land, building, and equipment	13	9,336,499,762.45	8,035,709,523.95	9,326,829,688.39	8,019,612,134.97
assets under financial lease agreement	14	151,928,067.40	-	-	-
Intangible asset	15	266,688,913.06	248,201,738.32	253,173,472.79	230,588,831.39
Deferred income tax asset	16	906,763,119.24	891,649,236.85	906,763,119.24	891,649,236.85
Other non-current asset	17	48,990,822.97	47,768,425.78	29,149,269.22	27,926,872.03
Total non-current assets		11,787,664,094.68	13,502,086,833.23	11,942,708,959.20	13,798,534,983.57
Total assets		31,099,693,218.14	29,467,225,081.31	31,052,971,206.19	29,590,994,948.27

The accompanying notes are integral parts of these financial statements.



Statement of Financial Position

Thailand Post Company Limited and Subsidiaries
For the year ended 31 December 2018

Unit : baht

Note	Consolidated Financial Statement		Separate Financial Statement	
	2018	2017	2018	2017
Liabilities and shareholders' equity				
Current liabilities				
	217,434,852.34	260,982,337.98	217,434,852.34	260,982,337.98
Accrued domestic money order				
Agency service account payable	147,442,527.43	170,294,625.11	147,442,527.43	170,294,625.11
Domestic trade account payable	531,083,881.38	469,224,640.46	492,899,147.69	432,048,186.84
International trade account payable	411,110,801.10	283,364,826.10	411,110,801.10	283,364,826.10
Other account payable	18 296,507,358.47	291,295,179.46	274,863,333.87	286,314,979.56
Liabilities under Financial Lease Agreement				
matued within 1 year	19 31,876,399.54	-	-	-
Accrued expense	20 2,126,402,624.03	1,870,629,135.19	2,091,488,246.47	1,820,259,047.06
Accrued corporate income tax	457,463,445.64	635,573,267.93	457,463,445.64	635,573,267.93
Deferred revenue	21 260,983,851.60	248,017,602.29	258,934,949.60	247,640,942.29
Other current liabilities	22 476,776,926.53	443,897,475.24	473,919,675.12	441,280,751.03
Total current liabilities	4,957,082,668.06	4,673,279,089.76	4,825,556,979.26	4,577,758,963.90
Non-current liabilities				
Unearned revenue	46,746,204.29	68,371,355.32	46,746,204.29	68,371,355.32
Assets under Financial Lease Agreement	19 115,696,553.64	-	-	-
Employee benefit obligation	23 4,286,361,093.96	4,244,072,447.73	4,284,820,092.27	4,243,277,704.31
Pension fund for THP employees	24 34,076,651.46	29,183,402.12	34,076,651.46	29,183,402.12
Total non-current liabilities	4,482,880,503.35	4,341,627,205.17	4,365,642,948.02	4,340,832,461.75
Total liabilities	9,439,963,171.41	9,014,906,294.93	9,191,199,927.28	8,918,591,425.65

The accompanying notes are integral parts of these financial statements.



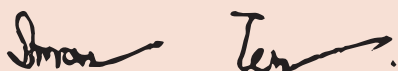
Statement of Financial Position

Thailand Post Company Limited and Subsidiaries
For the year ended 31 December 2018

Unit : baht

Note	Consolidated Financial Statement		Separate Financial Statement	
	2018	2017	2018	2017
Liabilities and shareholders' equity				
Shareholders' equity				
Share capital				
Registered capital				
	1,250,000,000.00	1,250,000,000.00	1,250,000,000.00	1,250,000,000.00
	125,000,000 ordinary shares of baht 10 par value		125,000,000 ordinary shares of baht 10 par value	
Issued and paid-up capital				
	1,250,000,000.00	1,250,000,000.00	1,250,000,000.00	1,250,000,000.00
	125,000,000 ordinary shares of baht 10 par value		125,000,000 ordinary shares of baht 10 par value	
Retained profit				
Appropriated				
	125,000,000.00	125,000,000.00	125,000,000.00	125,000,000.00
	Legal reserve		Legal reserve	
25				
Unappropriated				
	20,284,730,046.73	19,077,318,786.38	20,486,771,278.91	19,297,403,522.62
Other components of shareholders' equity				
	-	-	-	-
Total equity of the parent company				
	21,659,730,046.73	20,452,318,786.38	21,861,771,278.91	20,672,403,522.62
Non-controlling Interest				
	-	-	-	-
Total shareholders' equity				
	21,659,730,046.73	20,452,318,786.38	21,861,771,278.91	20,672,403,522.62
Total liabilities and shareholders' equity				
	31,099,693,218.14	29,467,225,081.31	31,052,971,206.19	29,590,994,948.27

The accompanying notes are integral parts of these financial statements.



(Mrs. Smorn Terdthampiboon)
President



(Miss Somchintana Kirdsuebma)
Senior Executive Vice President



Statement of Income

Thailand Post Company Limited and Subsidiaries
For the year ended 31 December 2018

Unit : baht

	Note	Consolidated Financial Statement		Separate Financial Statement	
		2018	2017	2018	2017
Revenue					
Revenue from sale and service	26	29,306,500,615.20	27,896,930,802.46	28,881,541,790.68	27,484,123,599.91
Other revenue	27	421,754,198.10	396,884,566.32	416,775,267.59	388,246,617.47
Total revenues		29,728,254,813.30	28,293,815,368.78	29,298,317,058.27	27,872,370,217.38
Expense					
Sale and service cost		21,769,572,414.75	20,593,947,482.54	21,395,260,822.93	20,195,907,528.78
Sale expense		914,875,462.86	494,658,045.81	914,162,941.91	494,252,015.70
Administrative expense		2,106,757,828.21	1,787,942,757.33	2,073,366,741.87	1,756,616,776.75
Other expense		33,739,309.35	45,553,445.46	33,741,628.25	44,419,704.78
Financial Cost		3,208,004.28	-	-	-
Total expenses	28	24,828,153,019.45	22,922,101,731.14	24,416,532,134.96	22,491,196,026.01
Profit before income tax		4,900,101,793.85	5,371,713,637.64	4,881,784,923.31	5,381,174,191.37
Income tax	16	(1,072,560,534.26)	(1,159,288,170.12)	(1,072,560,534.26)	(1,159,288,170.12)
Net profit for the period		3,827,541,259.59	4,212,425,467.52	3,809,224,389.05	4,221,886,021.25
Apportionment of net profit for the period					
Equity of the parent company		3,827,541,259.59	4,212,425,467.52	3,809,224,389.05	4,221,886,021.25
Equity of non-controlling interest		-	-	-	-
		3,827,541,259.59	4,212,425,467.52	3,809,224,389.05	4,221,886,021.25
Profit per share					
Basic profit per share		30.62	33.70	30.47	33.78

The accompanying notes are integral parts of these financial statements.

Statement of Comprehensive Income

Thailand Post Company Limited and Subsidiaries
For the year ended 31 December 2018

Unit : baht

Note	Consolidated Financial Statement		Separate Financial Statement	
	2018	2017	2018	2017
Net profit for the period	3,827,541,259.59	4,212,425,467.52	3,809,224,389.05	4,221,886,021.25
Other comprehensive income				
Particulars not to be reclassified as profit or loss				
Profit (loss) from estimation based on actuarial science basis				
for employee benefit project	23 (69,310,990.49)	(5,551,478.16)	(69,037,624.01)	(5,551,478.16)
Income tax calculated from other comprehensive income				
for particulars not to be reclassified	16 13,807,524.80	1,110,295.63	13,807,524.80	1,110,295.63
Other comprehensive income-net from tax	(55,503,465.69)	(4,441,182.53)	(55,230,099.21)	(4,441,182.53)
Total comprehensive income for the period	3,772,037,793.90	4,207,984,284.99	3,753,994,289.84	4,217,444,838.72
Apportionment of total comprehensive income for the period				
Equity of the parent company	3,772,037,793.90	4,207,984,284.99	3,753,994,289.84	4,217,444,838.72
Equity of non-controlling interest	-	-	-	-
	3,772,037,793.90	4,207,984,284.99	3,753,994,289.84	4,217,444,838.72

The accompanying notes are integral parts of these financial statements.

Statement of Changes in Shareholder's Equity

Thailand Post Company Limited and Subsidiaries
For the year ended 31 December 2018

Unit : baht

Consolidated Financial Statement

	Issued and paid-up share capital	Retained profit		Total
		Appropriated	Unappropriated	
Balance as at 1 January 2017	1,250,000,000.00	125,000,000.00	16,144,544,767.40	17,519,544,767.40
Comprehensive income	-	-	4,207,984,284.99	4,207,984,284.99
Dividend payable	-	-	(1,275,210,266.01)	(1,275,210,266.01)
Balance as at 31 December 2017	1,250,000,000.00	125,000,000.00	19,077,318,786.38	20,452,318,786.38
Balance as at 1 January 2018	1,250,000,000.00	125,000,000.00	19,077,318,786.38	20,452,318,786.38
Comprehensive income	-	-	3,772,037,793.90	3,772,037,793.90
Dividend payable	-	-	(2,564,626,533.55)	(2,564,626,533.55)
Balance as at 31 December 2018	1,250,000,000.00	125,000,000.00	20,284,730,046.73	21,659,730,046.73

The accompanying notes are integral parts of these financial statements.

Statement of Changes in Shareholder's Equity

Thailand Post Company Limited and Subsidiaries
For the year ended 31 December 2018

Unit : baht

	Separate Financial Statement			Total
	Issued and paid-up share capital	Retained profit		
		Appropriated	Unappropriated	
Balance as at 1 January 2017	1,250,000,000.00	125,000,000.00	16,355,168,949.91	17,730,168,949.91
Comprehensive income	-	-	4,217,444,838.72	4,217,444,838.72
Dividend payable	-	-	(1,275,210,266.01)	(1,275,210,266.01)
Balance as at 31 December 2017	1,250,000,000.00	125,000,000.00	19,297,403,522.62	20,672,403,522.62
Balance as at 1 January 2018	1,250,000,000.00	125,000,000.00	19,297,403,522.62	20,672,403,522.62
Comprehensive income	-	-	3,753,994,289.84	3,753,994,289.84
Dividend payable	-	-	(2,564,626,533.55)	(2,564,626,533.55)
Balance as at 31 December 2018	1,250,000,000.00	125,000,000.00	20,486,771,278.91	21,861,771,278.91

The accompanying notes are integral parts of these financial statements.

Statement of Cash Flows

Thailand Post Company Limited and Subsidiaries
For the year ended 31 December 2018

Unit : baht

Note	Consolidated Financial Statement		Separate Financial Statement	
	2018	2017	2018	2017
Cash flows from operating activities				
Profit before income tax	4,900,101,793.85	5,371,713,637.64	4,881,784,923.31	5,381,174,191.37
Adjustments to reconcile profit before tax				
Cash received (paid) from operating activities:				
Depreciation and amortization	1,331,006,697.47	1,283,140,752.39	1,311,654,781.48	1,274,741,015.93
Revenue from assets acquired from donation	(231,076.00)	(1,787,644.48)	(231,076.00)	(1,787,644.48)
(Reversal) bad debt and doubtful account	15,356,620.15	(2,952,122.68)	15,356,620.15	(2,952,122.68)
Obsolete goods	5,902,935.13	(9,066,099.37)	5,902,935.13	(9,066,099.37)
Deferred revenue	(21,625,151.03)	(23,517,624.38)	(21,625,151.03)	(23,517,624.38)
Earned interest	(281,098,295.92)	(261,919,118.70)	(280,963,009.75)	(261,727,502.61)
Disposal of assets	4,950,000.00	38,656,192.97	4,950,000.00	38,656,192.97
Profit (Loss) from disposal of asset	(11,874,114.92)	1,584,248.42	(11,568,342.29)	1,561,694.97
Profit (Loss) from foreign exchange	(9,016,943.14)	818,016.07	(9,016,943.14)	818,016.07
Profit from operation before change in operating asset and liability	5,933,472,465.59	6,396,670,237.88	5,896,244,737.86	6,397,900,117.79
(Increase) decrease of change in operating asset				
Domestic trade account receivable	(132,238,528.89)	(126,880,315.93)	(154,829,061.79)	(130,787,513.53)
International trade account receivable	(133,305,577.46)	(203,915,742.57)	(133,305,577.46)	(203,915,742.57)
Other account receivable	(85,822,362.13)	50,672,897.58	(87,271,874.83)	53,479,695.05
Inventories	(23,406,534.00)	2,039,191.40	(23,406,534.00)	2,039,191.40
Accrued revenue	29,183,699.11	(84,430,005.64)	36,834,567.35	(76,339,005.62)
Prepaid expense	(1,281,696.26)	(63,307,065.66)	5,569,918.09	(153,094,173.06)
Other current asset	(52,904,168.68)	(11,005,328.15)	(51,343,242.29)	(1,939,932.22)
Other non-current asset	(6,231,810.74)	(4,765,207.77)	(6,231,810.74)	(2,804,107.77)
Increase (decrease) of change in operating liability				
Domestic money order	(43,547,485.64)	(50,111,271.26)	(43,547,485.64)	(50,111,271.26)
Agency services account payable	(22,852,097.68)	31,434,729.63	(22,852,097.68)	31,434,729.63
Domestic trade account payable	126,477,612.39	(123,066,368.11)	125,386,600.32	(120,944,646.76)
International trade account payable	130,483,030.43	91,307,674.49	130,483,030.43	91,307,674.49
Other account payable	5,212,179.01	27,562,107.25	(11,451,645.69)	28,960,219.97
Accrued expense	262,457,801.54	112,247,983.46	277,913,512.11	113,975,299.86
Advance revenue	22,213,622.23	18,584,579.59	20,541,380.23	18,207,919.59
Other current liability	28,851,372.94	4,323,209.84	28,610,845.74	5,186,358.87
Employee benefits	(27,022,344.26)	121,871,565.42	(27,495,236.05)	127,822,449.81
Pension fund for THP employees	4,893,249.34	1,778,297.59	4,893,249.34	1,778,297.59
Cash from operating activities	6,014,632,426.84	6,191,011,169.04	5,964,743,275.30	6,132,155,561.26
Income tax	(1,257,273,402.72)	(1,189,670,318.02)	(1,251,976,714.14)	(1,189,282,028.85)
Net cash from operating activities	4,757,359,024.12	5,001,340,851.02	4,712,766,561.16	4,942,873,532.41

The accompanying notes are integral parts of these financial statements.

Statement of Cash Flows (continued)

Thailand Post Company Limited and Subsidiaries
For the year ended 31 December 2018

Unit : baht

	Note	Consolidated Financial Statement		Separate Financial Statement	
		2018	2017	2018	2017
Cash flows from investment activities					
Cash receipt from interest		283,560,662.28	224,723,318.76	283,407,613.77	224,587,625.59
Long-term investment		2,920,678,246.59	(1,334,102,039.61)	2,920,678,246.59	(1,334,102,039.61)
Purchase of lands, buildings and equipment	13	(2,688,579,246.24)	(1,805,175,012.25)	(2,687,789,629.66)	(1,804,848,075.27)
Purchase of intangible assets	15	(21,126,827.61)	(54,790,450.97)	(21,126,827.61)	(37,966,771.90)
Cash receivable from sale of land, building, and equipment		16,847,536.38	7,136,389.22	14,782,673.34	6,781,249.03
(Increase) decrease of temporary investment		(2,843,594,620.73)	(497,981,480.92)	(2,843,594,620.73)	(497,981,480.92)
Net cash used for investment activities		(2,332,214,249.33)	(3,460,189,275.77)	(2,333,642,544.30)	(3,443,529,493.08)
Cash flows from financing activities					
Financial Cost		3,681,893.35	-	-	-
Installment payment under Financial Lease Agreement		(22,538,046.00)	-	-	-
Dividend payable		(2,564,626,533.55)	(1,275,210,266.01)	(2,564,626,533.55)	(1,275,210,266.01)
Net cash used for financing activities		(2,583,482,686.20)	(1,275,210,266.01)	(2,564,626,533.55)	(1,275,210,266.01)
Impact from exchange rate		13,106,107.50	(485,119.78)	13,106,107.50	(485,119.78)
Net increase (decrease) of cash and cash equivalent		(145,231,803.91)	265,456,189.46	(172,396,409.19)	223,648,653.54
Cash and cash equivalents as at beginning date		2,838,219,001.28	2,572,762,811.82	2,791,319,735.92	2,567,671,082.38
Cash and cash equivalents as at ending date		2,692,987,197.37	2,838,219,001.28	2,618,923,326.73	2,791,319,735.92
Additional information of the cash flows					
Land, building, and equipment acquired from donation		231,076.00	1,787,644.48	231,076.00	1,787,644.48
Purchase of land, building, and equipment with outstanding payment in cash		108,441,826.13	173,060,197.60	108,428,836.13	172,964,475.60

The accompanying notes are integral parts of these financial statements.



Notes to the Financial Statements

Thailand Post Company Limited and Subsidiaries
For the year ended 31 December 2018
(Unit : million baht, unless otherwise stated)

1. General Information

1.1 The Company's Establishment

Thailand Post Company Limited (THP) is located at 111, Chaeng Watthana Road, Thung Song Hong Sub-district, Lak Si District, Bangkok Metropolis, 10210 - 0299. It was a limited company incorporated on 14 August 2003. The Company accepted the transfer of all businesses, rights, debts, liabilities, assets, funds, and employees as well as authorities and privileges previously granted to postal business of the Communications Authority of Thailand (CAT) in accordance with the State Enterprise Capital Act, B.E. 2542 (1999). The Company is in full compliance with rules, regulations, requirements, and resolutions of the Cabinet applying to the state enterprises in general.

1.2 Business Operations

The Company primarily engages in all kinds of postal business as well as related or similar businesses beneficial to postal business both in and outside the country. For this purpose, the postal business shall include :

- a) Postal services mean the services of acceptance of messages, documents and articles from one person and delivery to another person, whether in the country or abroad, by post or other communication methods, including related and similar services;
- b) Financial services are the services of acceptance of money or payment from a customer at a post office for payment to another recipient or organization which has entered into an agreement with the Company, at a destination post office, by post or other communication methods determined by the Company;
- c) Postage stamp collection means collection of used or mint postage stamps and other articles relating to the postage stamps; and
- d) Postal goods are materials and equipment sold by the Company to facilitate the customers' use of postal services.

2. Accounting Policies

Significant accounting policies used in preparation of the Company's financial statements are as follows :

2.1 Basis for Preparation of Financial Statements

These consolidated and separate financial statements have been prepared in accordance with the generally accepted accounting standards under the Accounting Act, B.E. 2543 (2000), including the accounting standards issued pursuant to the Accounting Profession Act, B.E. 2547 (2004), as well as the interpretations and accounting guidelines published by the Federation of Accounting Professions, new financial reporting standards and interpretations of the new financial reporting standards that have become effective.

The separate financial statements consist of the financial statements of Thailand Post Company Limited and the Pension Fund for Thailand Post Employees.

The consolidated financial statements consist of the separate financial statements of the Company and Thailandpost Distribution Company Limited, whose 100% shares are held by the Company so it is considered the Company's subsidiary. The consolidated financial statements include accounting items of the Company and its subsidiary after cutting off of the related transactions.

Estimation for preparing financial statements is in accordance with financial reporting standards. The management has considered using estimates and assumptions which are continuously reviewed if it affects the report of assets, liabilities, revenues and expenses. Adjustment of accountant estimates are recorded in the period in which the estimates are reviewed and in the future period that is affected.

2.2 Foreign Currency Transactions

Transactions in foreign currencies are translated into baht at the exchange rate ruling at the date of the transaction. The assets and liabilities denominated in foreign currencies as at the date of financial position statement are translated into baht at the exchange rate quoted by the Bank of Thailand at such date. Exchange gains and losses arising from receipt or payment made in foreign currencies and on translation of assets and liabilities are recognized in the statement of income.

2.3 Cash and cash equivalent

Cash and cash equivalents consist of cash on hand, bank deposits or other short-term highly liquid investments with a maturity of 3 months or less.

2.4 Temporary investments

Temporary investments include fixed deposits, bills of exchange, promissory notes, government bonds and short-term treasury bills with a maturity of more than 3 months but not over 12 months.

Investments in debt instruments to be held to maturity are classified as held-to-maturity investment and stated at amortized cost. The difference between the cost and redemption value of a debt instrument is amortized by the effective rate of return method throughout the remaining life of the debt instrument.

2.5 Trade account receivables

Trade account receivables are stated at their recoverable amount. The allowance for doubtful accounts is assessed primarily on analysis of payment histories and current status, as at the date of the statement of financial position. Allowance for doubtful accounts is determined on the basis of the outstanding period as follows :

Outstanding periods	% of allowance for doubtful accounts
More than 3 months - 6 months	10
More than 6 months - 9 months	50
More than 9 months - 12 months	90
More than one year	100

2.6 Inventories

Inventories are stated at cost or net realizable value, whichever is lower. Cost of goods means costs of purchase, including the purchase price and direct expenses incurred in purchasing such goods or supplies, such as taxes, transportation, less discounts and rebates. Net realizable value is the estimated selling price in the ordinary course of business, less necessary selling expenses. Calculation of costs of each type of inventories is as follows :

Cost of postal boxes and envelopes is determined by the moving average cost method.

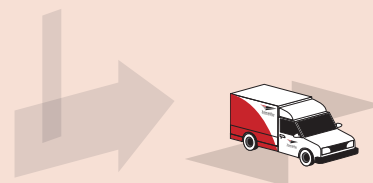
Cost of postage stamps, postage stamps for collection purpose, collectibles, miscellaneous goods, and souvenirs is calculated by the first-in, first-out (FIFO) method.

2.7 Other account receivables

Most of the other account receivables are employees of the Company who borrow money from the Company to purchase motorcycles or to afford their children's schooling and those employees who take disaster loans. The interest is charged at the floating interest rate quoted by Krung Thai Bank Public Company Limited for its 12 - month fixed deposit accounts plus 1, except the disaster loans, which bear the interest rate plus 0.25. Guarantors are required to secure the loans and the employees' salary will be deducted on a monthly basis by the Company to repay the loans.

2.8 Other current assets

Most of other current assets are general materials, printed forms, medicines, and medical supplies.



2.9 Land, building, and equipment

Land, building, and equipment include buildings, structures, and improvements which are located on the leased state property land and their ownership will be transferred to the Treasury Department upon expiry of the lease contracts. These assets are recognized at cost on the date of acquisition or completion of construction and stated in the statement of financial position at cost less accumulated depreciation. The depreciation of all kinds of assets is calculated on the straight line basis over the estimated useful lives of all assets, except land. The estimated useful lives of each type of assets are as follows :

	Useful lives (years)
Buildings, structures and improvements	10 - 20
Land improvements	10
Machinery and equipment	10
General tools and appliances	5 - 10
Office equipment	1 - 5
Vehicles	5 - 7

Expenses incurred in additions or improvements of the assets on expected future economic benefits are recorded as cost of the assets. Depreciation is calculated according to the remaining useful lives of the assets. Maintenance and repair expenses are recognized as expenses in the accounting period when they actually occur.

2.10 Financial Lease Agreement

The Group of Companies record the Financial Lease as assets and liabilities in the consolidated financial statements in the amount equivalent to the fair value of the leased assets on the effective date of the lease agreement or the current value of the minimum amount payable under the lease agreement, whichever is less. The rent payable shall be part of financial expenses and deduction of the principal. Financial expenses are allocated to each installment through the term of the lease agreement for recognition of the interest rate in comparison to the remaining debts of each installment at fixed rate.

2.11 Intangible assets

Intangible assets consist of computer software licenses, which are stated at acquisition cost less accumulated amortization. Amortization is calculated on the straight-line basis over the estimated useful life of 10 years.

2.12 Other non-current assets

Other non-current assets include leasehold of the state property land, securities receivables, and reserve postage stamps for historical reference of the creation of postage stamps. Leasehold of the state property land is stated at net price after amortization. The leasehold of the state property land is amortized over its lease term of 30 years.

2.13 Provisions

Provisions are recognized when it appears likely that the Company has present legal or constructive obligation as a consequence of a past event. It is probable that the Company will be required to settle the obligation at some time in the future, and a reliable estimate of the amount of the obligation can be made.

2.14 Deferred revenue

Assets purchased with money from the Lottery Fund and compensations from government agencies (The Treasury Department) will be gradually recognized as income throughout the useful lives of the assets.

2.15 Income and expense recognition

Income from services is recognized upon completion of service provision.

Income from sale of goods is recognized upon delivery of the goods.

Incomes and expenses from international postal services are recorded as incomes and expenses each month, through estimation method, in the account of accrued incomes or accrued expenses. When an invoice is issued or received, the accrued income or accrued expense account will be transferred into the trade account receivable or payable of international terminal dues.

2.16 Related parties

Related parties comprise individuals and enterprises that control, or are controlled by, the Company, whether directly or indirectly, or which are under common control with the Company, and include firms holding shares in a subsidiary of the Company and entities in the same group with the Company. They also include associated companies and individual shareholders who directly or indirectly own a voting interest in the Company that gives them significant influence over the Company, key management personnel, directors and officers, as well as immediate family members of such persons and entities related to those persons.

In considering relationship between each related party, the Company pays more attention to nature of the relationship than legal pattern.

The Company is under control of the Ministry of Finance, which is the sole shareholder of the Company. The Company does not take other state enterprises as its related parties although their shares are held by the Ministry of Finance.

The Company established Thailandpost Distribution Company Limited, in accordance with resolution of the Cabinet on 22 October 2013 to manage the transport routes, addressing, packaging, storage and distribution of goods as well as to provide other related services. The Company holds 100% of shares in Thailandpost Distribution Company Limited, which has authorized capital of 350 million baht and was established on 9 January 2014. Its share capital of 350 million baht has been fully paid on 29 September 2014.

2.17 Employee benefits

2.17.1 Pension Fund for Thailand Post Employees

The Pension Fund for Thailand Post Employees is operated in accordance with Regulations of the Thailand Post Board of Directors, Issue 6, on the Pension Fund for Thailand Post Employees, B.E. 2548 (2005), and its first amendment of B.E. 2549 (2006). The purpose of the fund is to provide financial assistance to employees or workers who retire from work. The Company pays contributions to the Pension Fund on a monthly basis at the rate of 10% of the employees' salary and additional contribution at the rate equal to an obligation that the Company is required to pay at the end of accounting year calculated by multiplying the last month salary of the employees and the years of service in accordance with regulations of the Pension Fund.

Proceeds from assets of the Pension Fund are recognized as the Company's income whereas contributions are recognized as expenses in the statement of income in the occurring period. Assets of the Pension Fund are presented in the Company's statement of financial position.

2.17.2 Provident Fund

On 28 August 2012, the Company established and registered its provident fund under the name of “Registered Provident Fund of Thailand Post Company Limited Employees” by receiving a transfer of all businesses, rights, debts, liabilities, assets, directors, and members of Thailand Post Company Limited from the Registered Provident Fund of Employees of CAT Telecom Public Company Limited and Thailand Post Company Limited.

Those employees whose employment began before or on 13 December 1996 can choose whether they want to be members of the Provident Fund or the Pension Fund. However, the employees whose employment started after 13 December 1996 have to be members of the Provident Fund. When the employees’ and workers’ employment is terminated or if they resign from the fund without their employment terminated, they are entitled to benefits from the fund in accordance with regulations of the Provident Fund. The Company has no legal or constructive obligation to make additional payment if the Provident Fund does not have enough assets to pay all benefits to the employees. Contributions made by the Company to the Provident Fund are recorded as expenses in the statement of income in the occurring period. Assets of the Provident Fund are separated from those of the Company and managed by Krung Thai Asset Management Company Limited and SCB Asset Management Company Limited.

2.17.3 Severance Pay

Under the domestic labor laws, employees and workers who have worked consecutively for 120 days or more are entitled to compensation if their employment is terminated without their faults. For those employees or workers who retire and have worked for 5 consecutive years or more before retirement, they are entitled to remuneration to reward their work.

2.18 Income taxes

Income taxes comprise current and deferred income taxes. Current and deferred income taxes are recognized in profit or loss except to the extent that they relate to items recognized directly in equity, in which case they are recognized in shareholders’ equity or other comprehensive income as prescribed by the accounting standards.

2.18.1 Current income tax

Current income tax is measured at the amount expected to be paid to or recovered from taxation authorities in respect of the taxable profit or tax loss for a period, using the rates that have been enacted or substantively enacted at end of the reporting period, as well as tax adjustments relevant to items in the previous years.

2.18.2 Deferred income tax

Deferred income tax is provided on temporary differences between the book values of assets and liabilities stated in the statement of financial position and tax base. However, the deferred income tax is not accounted for if it arises from recognition of following temporary differences including initial recognition of goodwill, initial recognition of an asset or liability in a transaction other than a business combination that at the time of the transaction does not affect either accounting or taxable profit or loss, and differences associated with investments in subsidiaries and joint ventures, if it is probable that the reversal will not occur in the foreseeable future. Deferred income tax assets are measured at the tax rates that are expected to apply to the temporary differences when there is reversal of the entries, based on tax rates that have been enacted or substantively enacted by the end of the reporting period.

To determine the value of the current income tax and deferred income tax, the Company needs to consider the effects of uncertain tax circumstances, which may result in an increase in the amount of tax to be paid and interest. The Company believes that the provisions set up for accrued income tax to be paid in the future are sufficient. Such provisions are derived from an assessment of many factors as well as interpretations of tax laws and historical experiences. Such assessment is based on estimates and assumptions and may involve decision-making process in relation future events. New information may cause the Company to change its decision and it depends on adequacy of the existing accrued income taxes. Change in accrued income taxes will affect the tax expenses in the period of such change.

Deferred income tax assets are recognized to the extent that it is probable that there will be sufficient future taxable profit against which such income tax assets can be utilized. Deferred income tax assets are reviewed at the end of each reporting period and considered from an assumption regarding future taxable profit expected to occur in each future period. Established assumption on future taxable profit is uncertain and there may be change, which will affect the recognition of deferred income tax assets.

2.19 Earnings per share

Basic earnings per share is calculated by dividing the net profit attributable to ordinary shareholders by the weighted average number of ordinary shares issued and paid.

3. New financial reporting standards

During the year, the Company has applied Accounting Reporting Standards, Financial Reporting Standards and Revised Financial Reporting Standards Interpretations (revised 2016) including new accounting practices, that were effective for financial period beginning on or after 1 January 2018. The Financial Reporting Standards have been improved or provided in line with international financial reporting standards. Major improvements are adjustment and clarification on disclosure in note to the financial statements. The usage of such Financial Reporting Standards has no material impacts on the Company's financial statements. The significant change of principles in Financial Reporting Standard is summarized as follows :

Accounting Standard 7 (Revised 2017) Statement of Cash Flows

The additional disclosure of information about changes in an entity's liabilities arising from financing activities was adjusted, both changes arising from cash flows and non-cash changes

Accounting Standard 12 (Revised 2017) Income tax

The accounting method for deferred income tax is clarified, in case of assets measured at fair value which is lower than the tax base value of such assets, in the following matters :

- In the case of assets measured at fair value which is lower than the tax base of that asset, at the end of the reporting period, it is considered that temporary differences used for tax deduction occur.
- In estimating future taxable profits, the entity can assume that it will benefit from the asset at a higher value than the book value.
- In the case that the source of taxable profits is restricted by tax law, only deferred tax assets in the specified category can be used. The utilization of deferred tax assets must be assessed together with those in the same category only.
- In estimating future taxable profits, the amount used for tax deduction resulting from the reversal of temporary differences is excluded.

Financial Reporting Standard 12 (Revised 2017) Disclosure of Interests in Other Entities

The standard clarifies that the disclosure according to the requirements of this financial reporting standard has to apply to interest held for sale within the scope of Financial Reporting Standard 5 (revised 2017), except for disclosure of summarized financial information.

Accounting standards and financial reporting standards that will be effective in the future

New accounting standards, new financial reporting standards, new interpretations of financial reporting standards which are announced in the Royal Gazette during the year include the following details :

- Effective for accounting period beginning on or after January 1, 2019

Financial Reporting Standard 15	Revenue from Contracts with Customers
---------------------------------	---------------------------------------
- Effective for accounting period beginning on or after January 1, 2020

Accounting Standard 32	Financial Instruments Listing
Financial Reporting Standard 7	Financial Instruments Disclosure
Financial Reporting Standard 9	Financial Instruments
Financial Reporting Standard Interpretation 16	Hedges of a Net Investment in a Foreign Operation
Financial Reporting Standard Interpretation 19	Extinguishing Financial Liabilities with Equity Instruments

The above accounting standards, financial reporting standards and interpretation of financial reporting standards are prepared to provide equal content to the announced international financial reporting standards. The company did not adopt the above-mentioned revised standards before the enforcement date.

In addition, these new and revised financial reporting standards may be relevant to the operations of the Company and applied to the consolidated financial statements for the accounting periods beginning on or after January 1, 2019 and 2020. The management of the Company believes that the application of the revised financial reporting standards will not have a significant impact on the financial statements.

4. Cash and cash equivalent consist of

	Consolidated Financial Statement		Separate Financial Statement	
	2018	2017	2018	2017
Cash	286.10	296.49	285.75	296.21
Bank deposits				
Current account	24.95	(0.94)	24.94	(0.94)
Saving deposit Fixed deposit not exceeding 3 months	1,823.78	1,970.77	1,751.11	1,925.18
Total bank deposits	558.16	571.90	557.12	570.87
Total bank deposits	2,406.89	2,541.73	2,333.17	2,495.11
Total	2,692.99	2,838.22	2,618.92	2,791.32

The Company's bank deposits as at 31 December 2018 and 2017 totaling 2,333.17 million baht and 2,495.11 million baht, respectively, include payments from outside parties and are recorded in the accrued domestic money order and agency services accounts payable, and deemed to be liabilities repayable to the payables in total amount of 364.88 million baht and 431.28 million baht, respectively. At the meanwhile, the savings amount of 20 million baht was used as guarantee for contract service of coin movement.

5. **Temporary investment** consist of

	Consolidated Financial Statement		Separate Financial Statement	
	2018	2017	2018	2017
4 months fixed deposit	200.00	-	200.00	-
6 months fixed deposit	1,476.03	150.00	1,476.03	150.00
12 months fixed deposit	6,124.09	4,634.48	6,124.09	4,634.48
Debt instrument matured within 1 year	-	1,396.70	-	1,396.70
Long term bank deposit matured within 1 year	3,810.11	3,374.25	3,810.11	3,374.25
Other temporary investments	1,751.25	682.08	1,751.25	682.08
Total	13,361.48	10,237.51	13,361.48	10,237.51

12 - month fixed deposit amounting to 6,124.09 million baht was the deposits placed as guarantee for loans of pension fund in the amount of 34.17 million baht.

6. **Domestic trade account receivable** consists of

	Consolidated Financial Statement		Separate Financial Statement	
	2018	2017	2018	2017
Postal service receivable	1,034.46	923.36	1,034.46	923.36
Business customer service receivable	126.48	79.96	137.43	80.01
Transportation service receivable	101.29	128.95	-	-
One-stop storage service receivable	47.84	35.24	-	-
Place and equipment usage receivable	8.99	15.83	7.82	14.72
Receivable from sale of postage stamps/collectibles	1.21	6.99	1.21	6.99
Other trade receivable	5.76	3.87	2.45	3.87
	1,326.03	1,194.20	1,183.37	1,028.95
less Allowance for doubtful account	(53.40)	(37.81)	(35.98)	(20.39)
Domestic trade receivable	1,272.63	1,156.39	1,147.39	1,008.56

Divided by debt age as follows :

	Consolidated Financial Statement		Separate Financial Statement	
	2018	2017	2018	2017
Not yet due	970.71	939.11	926.80	871.73
Maturity				
- Not exceeding 3 months	231.97	154.24	184.50	95.45
- Exceeding 3 - 6 months	41.88	55.78	30.87	38.55
- Exceeding 6 - 9 months	17.38	5.13	15.36	2.62
- Exceeding 9 - 12 months	11.47	1.42	8.36	0.66
- Exceeding 1 year	52.62	38.52	17.48	19.94
	1,326.03	1,194.20	1,183.37	1,028.95
less Allowance for doubtful account	(53.40)	(37.81)	(35.98)	(20.39)
Total	1,272.63	1,156.39	1,147.39	1,008.56

7. International trade receivable consists of

	Consolidated Financial Statement		Separate Financial Statement	
	2018	2017	2018	2017
International post terminal dues receivable	631.61	506.89	631.61	506.89
International money order receivable	18.77	20.26	18.77	20.26
International trade receivable	0.08	0.12	0.08	0.12
	650.46	527.27	650.46	527.27
<u>less</u> Allowance for doubtful account	(0.08)	(0.12)	(0.08)	(0.12)
International trade receivable	650.38	527.15	650.38	527.15

8. Other accounts receivable consists of

	Consolidated Financial Statement		Separate Financial Statement	
	2018	2017	2018	2017
Employees receivable	224.63	140.65	221.29	134.83
Other accounts receivable	54.01	52.57	53.35	52.94
	278.64	193.22	274.64	187.77
<u>less</u> Allowance for doubtful account	(75.11)	(76.11)	(75.11)	(76.11)
Other accounts receivable	203.55	117.11	199.53	111.66

9. Inventories consist of

	Consolidated Financial Statement		Separate Financial Statement	
	2018	2017	2018	2017
Postal goods	162.32	127.63	162.32	127.63
Collectibles	86.73	94.88	86.73	94.88
Postage stamps for collection	52.50	44.66	52.50	44.66
Definitive postage stamps	13.98	24.94	13.98	24.94
Miscellaneous goods	0.04	0.04	0.04	0.04
	315.57	292.15	315.57	292.15
<u>less</u> Allowance for damaged or obsolete goods	(74.97)	(69.06)	(74.97)	(69.06)
Inventories	240.60	223.09	240.60	223.09

Inventory cost, stated as expense and included in sales cost for the year ended on 31 December 2018 and 2017, consists of

	Consolidated Financial Statement		Separate Financial Statement	
	2018	2017	2018	2017
Inventory cost stated as expense and included in sales cost	524.67	479.22	524.67	479.22

10. Temporary investment with obligation

The Company has made agreement on housing loan credit for employees with the Government Housing Bank. According to such agreement, the Company must retain deposit with the Bank at amount equivalent to the outstanding debt as at 31 December 2018. Temporary investment under the term of this agreement is the fixed deposit with the Government Housing Bank amounting to 462.68 million baht (308.10 million baht, as at 31 December 2017).

11. Investment in subsidiary

The Company has established Thailandpost Distribution Company Limited according to the cabinet resolution on 22 October 2013 for management of transport routes, addressing, packaging, storage and distribution of goods, including providing other related supplementary services. The Company holds 100% of shares in the new company. ThailandPost Distribution Company Limited was incorporated on 9 January 2014 with the registered capital of 350 million baht, and 100% of shares was fully paid.

12. Long-term investment consists of

	Consolidated Financial Statement		Separate Financial Statement	
	2018	2017	2018	2017
14 months fixed deposit	-	250.00	-	250.00
18 months fixed deposit	-	150.00	-	150.00
24 months fixed deposit	2,046.70	3,834.13	2,046.70	3,834.13
36 months fixed deposit	2,377.52	3,110.77	2,377.52	3,110.77
less long-term bank deposit matured within 1 year	(3,810.11)	(3,374.25)	(3,810.11)	(3,374.25)
Total	614.11	3,970.65	614.11	3,970.65

13. Land, building, and equipment consist of**Consolidated Financial Statement**

	Land	Land improvement	Buildings, construction and improvements	Machinery and equipment	Tool and general equipment	Office appliances	Vehicles	Assets under construction and installation	Total
Cost									
As at 1 January 2018	1,961.85	338.43	12,126.27	2,554.98	522.08	2,990.93	2,437.64	620.93	23,553.11
Purchase of assets	545.62	4.88	45.82	89.71	51.59	484.38	508.95	893.00	2,623.95
Transfer of assets under construction	-	91.14	716.96	7.06	25.08	42.39	-	(931.00)	(48.37)
Transfer of deferred expense	-	-	-	1.89	1.53	-	-	-	3.42
From donation	-	-	-	-	0.01	0.12	-	-	0.13
Disposal	-	(0.55)	(26.32)	(54.31)	(17.37)	(154.63)	(75.84)	-	(329.02)
Reclassification	-	-	(1.80)	0.90	(0.14)	1.72	(0.68)	-	-
As at 31 December 2018	2,507.47	433.90	12,860.93	2,600.23	582.78	3,364.91	2,870.07	582.93	25,803.22
Accumulated depreciation									
As at 1 January 2018	-	153.88	9,356.13	1,978.20	380.24	2,103.22	1,545.73	-	15,517.40
Disposal	-	(0.48)	(23.17)	(53.44)	(16.86)	(154.30)	(75.81)	-	(324.07)
Reclassification	-	-	(1.90)	0.09	(0.13)	1.81	0.13	-	-
Depreciation in the period	-	31.55	482.52	105.43	51.64	356.59	245.66	-	1,273.39
As at 31 December 2018	-	184.95	9,813.58	2,030.27	414.89	2,307.32	1,715.71	-	16,466.72
Book value									
As at 1 January 2018	1,961.85	184.55	2,770.14	576.78	141.84	887.71	891.91	620.93	8,035.71
As at 31 December 2018	2,507.47	248.95	3,047.35	569.96	167.89	1,057.59	1,154.36	582.93	9,336.50

- Original cost of land, building and equipment, fully depreciated but still in use, was 10,830.10 million baht (as at 31 December 2017 amounting to 8,280.91 million baht).
- Depreciation for the year ended 31 December 2018 was 1,273.39 million baht, divided into sales and service cost of 961.69 million baht, and selling and administrative expense of 311.70 million baht.

13. Land, building, and equipment (continued)

Separate Financial Statement

	Land	Land improvement	Buildings, construction and improvements	Machinery and equipment	Tool and general equipment	Office appliances	Vehicles	Assets under construction and installation	Total
Cost									
As at 1 January 2018	1,961.85	338.43	12,105.47	2,554.43	521.93	2,984.34	2,437.64	620.93	23,525.02
Purchase of assets	545.62	4.88	45.82	89.61	51.52	483.85	508.95	893.00	2,623.25
Transfer of assets under construction	-	91.14	716.96	7.06	25.08	42.39	-	(931.00)	(48.37)
Transfer of deferred expense	-	-	-	1.89	1.53	-	-	-	3.42
From donation	-	-	-	-	0.01	0.12	-	-	0.13
Disposal	-	(0.55)	(21.34)	(54.31)	(17.37)	(154.63)	(75.84)	-	(324.04)
Reclassification	-	-	(1.80)	0.90	(0.14)	1.72	(0.68)	-	-
As at 31 December 2018	2,507.47	433.90	12,845.11	2,599.58	582.56	3,357.79	2,870.07	582.93	25,779.41
Accumulated depreciation									
As at 1 January 2018	-	153.88	9,348.61	1,977.90	380.18	2,099.11	1,545.73	-	15,505.41
Disposal	-	(0.48)	(19.95)	(53.45)	(16.86)	(154.30)	(75.81)	-	(320.85)
Reclassification	-	-	(1.90)	0.09	(0.13)	1.81	0.13	-	-
Depreciation in the period	-	31.55	478.45	105.31	51.59	355.46	245.66	-	1,268.02
As at 31 December 2018	-	184.95	9,805.21	2,029.85	414.78	2,302.08	1,715.71	-	16,452.58
Book value									
As at 1 January 2018	1,961.85	184.55	2,756.86	576.53	141.75	885.23	891.91	620.93	8,019.61
As at 31 December 2018	2,507.47	248.95	3,039.90	569.73	167.78	1,055.71	1,154.36	582.93	9,326.83

- Original cost of land, building and equipment, fully depreciated but still in use, was 10,830.10 million baht (as at 31 December 2017 amounting to 8,280.91 million baht).
- Depreciation for the year ended 31 December 2018 was 1,268.02 million baht, divided into sales and service cost of 957.27 million baht, and selling and administrative expense of 310.75 million baht.

14. Assets under financial lease agreement consist of

	Consolidated Financial Statement	Separate Financial Statement
Cost		
As at 1 January 2018	-	-
Purchase of assets	161.81	-
As at 31 December 2018	161.81	-
Accumulated depreciation		
As at 1 January 2018	-	-
Depreciation in the period	(9.88)	-
As at 31 December 2018	(9.88)	-
Book value		
As at 1 January 2018	-	-
As at 31 December 2018	151.93	-

15. Intangible asset consists of

	Consolidated Financial Statement	Separate Financial Statement
Cost-Computer program		
As at 1 January 2018	414.14	393.65
Purchase of asset	21.13	21.13
From donation	0.10	0.10
Amortization	(0.05)	(0.05)
Transfer of assets under installation	43.43	43.43
Transfer of deferred expenses	0.03	0.03
As at 31 December 2018	478.78	458.29
Accumulated amortization		
As at 1 January 2018	165.94	163.06
Amortization in installment	(0.03)	(0.03)
Deferred cost in installment	46.18	42.09
As at 31 December 2018	212.09	205.12
Book value		
As at 1 January 2018	248.20	230.59
As at 31 December 2018	266.69	253.17

16. **Income tax and deferred income tax** consist of

**Consolidated Financial Statement and
Separate Financial Statement**

	Employee benefits	Pension fund for THP employees	Other particulars	Total
As at 1 January 2017	821.98	14.71	31.96	868.65
Particulars stated in the statement of income	25.57	0.63	(4.31)	21.89
Particulars stated in the statement of comprehensive income	1.11	-	-	1.11
As at 31 December 2017	848.66	15.34	27.65	891.65
Particulars stated in the statement of income	(5.50)	1.65	5.15	1.30
Particulars stated in the statement of comprehensive income	13.81	-	-	13.81
As at 31 December 2018	856.97	16.99	32.80	906.76

	Consolidated Financial Statement		Separate Financial Statement	
	2018	2017	2018	2017
Income tax recognized				
Income tax as per the Revenue Code	1,073.59	1,186.67	1,073.59	1,186.67
Change of temporary difference	(1.30)	(21.89)	(1.30)	(21.89)
Previous year's tax recoded lower than the actual amount	0.27	(5.49)	0.27	(5.49)
Total	1,072.56	1,159.29	1,072.56	1,159.29
Income tax recognized in statement of comprehensive income				
Change of temporary difference				
Employee benefit obligation	13.81	1.11	13.81	1.11

Reconciliation to obtain the actual tax rate for the year ended 31 December 2018 is as follows :

	Consolidated Financial Statement	
	2018	2017
	Tax rate (%)	Tax rate (%)
Profit before income tax payment	4,900.10	5,371.71
Tax amount based on income tax rate	20.00	20.00
Tax-related forbidden payment	204.40	202.60
Income not included as income	(0.78)	(0.89)
Deductible expense		
Tax benefit	(106.39)	(91.27)
Present year's income tax	1,077.25	1,184.78
Previous year's income tax recoded higher (lower) than the actual amount	0.27	(5.49)
Change of temporary difference	(1.30)	(21.89)
Effects of write-off with the subsidiaries	(3.66)	1.89
Total	21.88	21.58

16. Deferred income tax (continued) consists of

	Separate Financial Statement			
	2018		2017	
	Tax rate (%)		Tax rate (%)	
Profit before income tax payment		4,881.78		5,381.17
Tax amount based on income tax rate	20.00	976.36	20.00	1,076.23
Tax-related forbidden payment		204.40		202.60
Income not included as income		(0.78)		(0.89)
Deductible expense				
Tax benefit		(106.39)		(91.27)
Present year's income tax		1,073.59		1,186.67
Previous year's income tax recorded higher (lower) than the actual amount		0.27		(5.49)
Change of temporary difference		(1.30)		(21.89)
Total	21.97	1,072.56	21.54	1,159.29

17. Other non-current asset consists of

	Consolidated Financial Statement		Separate Financial Statement	
	2018	2017	2018	2017
Rental right brought forward	14.23	15.79	14.23	15.79
less Rental right to be amortized within 1 year	(1.55)	(1.56)	(1.55)	(1.56)
Rental right-net	12.68	14.23	12.68	14.23
Security deposit receivable	28.91	26.48	9.07	6.64
Deferred expense	6.75	6.43	6.75	6.43
Reserve for postage stamps	0.65	0.63	0.65	0.63
Total	48.99	47.77	29.15	27.93

18. Other account payable consists of

	Consolidated Financial Statement		Separate Financial Statement	
	2018	2017	2018	2017
Security deposit payable	262.03	250.17	241.60	246.40
Revenue Department account payable	30.61	35.47	30.02	34.75
Other account payable	3.87	5.66	3.24	5.16
Total	296.51	291.30	274.86	286.31

19. Liabilities under Financial Lease Agreement consist of

	Consolidated Financial Statement		Separate Financial Statement	
	2018	2017	2018	2017
Liabilities under Financial Lease Agreement	158.61	-	-	-
Less deferred interest	(11.03)	-	-	-
	147.58	-	-	-
Less liabilities under Financial Lease Agreement-matured within 1 year	(31.88)	-	-	-
Total	115.70	-	-	-

Thailandpost Distribution Company Limited, which is a subsidiary of THP, entered into the Financial Lease Agreement with a leasing company to rent vehicles for the purpose of business operation. The rent is paid on monthly basis, and the agreement term is 5 years. ThailandPost Distribution Company Limited. has obligations to pay the minimum rent under the Financial Lease Agreement as follows :

	2018			2017		
	Principal	Deferred Interest	Amount Payable	Principal	Deferred Interest	Amount Payable
Due date						
within 1 year	31.88	4.35	36.23	-	-	-
Due date 1 year						
but not over 5 years	115.70	6.68	112.38	-	-	-
Total	147.58	11.03	158.61	-	-	-

20. Accrued expense consists of

	Consolidated Financial Statement		Separate Financial Statement	
	2018	2017	2018	2017
Bonus	605.97	587.39	605.97	587.39
International post terminal dues payable	277.82	285.55	277.82	285.55
Transport cost for international mail bags	124.50	102.58	124.50	102.58
Others	1,118.11	895.11	1,083.20	844.74
Total	2,126.40	1,870.63	2,091.49	1,820.26



21. Advance revenue consists of

	Consolidated Financial Statement		Separate Financial Statement	
	2018	2017	2018	2017
International post terminal dues receivable	176.29	151.32	176.29	151.32
Rental of place and equipment	27.87	28.36	27.87	28.36
Deposit accounts of postage stamp collection members	22.95	28.89	22.95	28.89
Domestic business reply service	15.18	19.64	15.18	19.64
Postage charge with franking machine	6.08	6.40	6.08	6.40
Others	12.61	13.41	10.56	13.03
Total	260.98	248.02	258.93	247.64

22. Other current liabilities consist of

	Consolidated Financial Statement		Separate Financial Statement	
	2018	2017	2018	2017
Deferred provident fund contribution	324.98	303.80	324.98	303.80
Customs duties in arrears for international parcels	74.63	65.18	74.63	65.18
Deferred outstanding	28.33	14.73	28.33	14.73
Special remuneration fund for the Lottery Project	23.26	44.02	23.26	44.02
Advance cash receipt, international money orders	2.30	2.57	2.30	2.57
Pending sales tax	6.43	6.36	3.57	3.74
Donations awaiting delivery	0.72	1.58	0.72	1.58
Others	16.13	5.66	16.13	5.66
Total	476.78	443.90	473.92	441.28

23. Employee benefit obligations consist of

	Consolidated Financial Statement		Separate Financial Statement	
	2018	2017	2018	2017
Beginning balance	4,244.07	4,116.65	4,243.28	4,109.90
Current service cost	218.60	224.17	217.87	223.70
Interest cost	113.79	155.36	113.79	155.36
loss from estimation based on actuarial science basis	69.31	5.55	69.04	5.55
Benefits paid	(359.45)	(251.38)	(359.16)	(251.23)
Downgrade estimate	-	(6.28)	-	-
Ending balance	4,286.36	4,244.07	4,284.82	4,243.28

The main assumption in estimation based on actuarial science basis which is used for calculation of obligation under the employee benefit project as at 31 December 2018 is as follows :

	% rate per year
(a) Financial Assumption	
Discount Rate	2.81
Long-term Inflation Rate	2.75
Pay Raise Rate	6.00
(b) Demographic Assumption	
Turnover categorized by age range	
Age under 25	1.72
Age between 25 and 29	1.72
Age between 30 and 34	1.15
Age between 35 and 39	0.76
Age between 40 and 44	0.57
Age between 45 and 49	0.38
Age between 50 and 60	0.19
Mortality rate	105 of Thai Death Table 2017

Labour Protection Act (No. 7), B.E. 2562 (A.D. 2019), was published in the Royal Gazette on 5 April 2019 and would be effective after 30 days from the date of publication in the Royal Gazette. This Labour Protection Act determines the rate of additional compensation for dismissal. In the case that an employee working continuously for 20 years or more is dismissed, he/she shall be entitled to compensation pursuant to the law at the rate not less than the latest normal wage for 400 days. The Company is not affected by this provision as the Public Enterprise Labour Relations Commission is in the process of determination of additional compensation. After the Public Enterprise Labour Relations Commission issues the amendment of related order, the Company shall review the effects of such change.

24. Pension Fund for employees

The Company has a pension fund for employees as at December 31, 2018, amounting to 34.08 million baht (as at December 31, 2017, amounting to 29.18 million baht). In this period, the Company contributes to the pension fund to complete the obligation in the amount of 8.28 million baht and makes the payment of pension fund for the year 2018 in the amount of 3.38 million baht (the number of employees in the pension fund as at 31 December 2018 amounting to 49 persons)

25. Legal reserve

In 2008, the Company fully set the legal reserve at 10% of the paid-up registered capital amounting to 125 million baht.

26. Revenue from sales and service consists of

	Consolidated Financial Statement		Separate Financial Statement	
	2018	2017	2018	2017
Express and logistics services	14,071.38	13,141.09	13,638.16	12,723.97
Mail services	9,762.87	9,350.79	9,762.87	9,350.79
International services	4,044.48	3,490.15	4,044.48	3,490.15
Retail business	971.95	1,368.62	971.95	1,368.62
Financial business	274.13	369.25	274.13	369.25
Other businesses	181.69	177.03	189.95	181.34
Total	29,306.50	27,896.93	28,881.54	27,484.12

27. Other revenues consist of

	Consolidated Financial Statement		Separate Financial Statement	
	2018	2017	2018	2017
Interest receivable	281.10	261.92	280.96	261.73
Profit from the sale of fixed assets	11.87	-	11.57	-
Profit from currency exchange	1.62	-	1.62	-
Other	127.16	134.96	122.63	126.52
Total	421.75	396.88	416.78	388.25

28. Expense by nature consists of

	Consolidated Financial Statement		Separate Financial Statement	
	2018	2017	2018	2017
Expense for employees	13,486.45	12,686.08	13,409.27	12,642.74
Rental fee	2,563.60	2,249.31	2,471.37	2,152.41
Other operation expense	1,968.11	1,778.66	1,922.25	1,755.91
Postal transport expense	1,800.51	1,779.43	1,649.67	1,538.91
Depreciation and amortization	1,331.01	1,283.14	1,311.66	1,274.74
Terminal dues and financial services remuneration	1,018.53	861.24	1,018.53	861.24
Postal expense	753.21	671.51	745.16	669.28
Cost of products sold	524.67	479.22	524.67	479.22
Repair and maintenance fee	490.89	493.50	489.40	492.48
Utility expense	490.58	432.62	478.88	418.42
Expense for publication and marketing promotion	362.64	161.84	361.93	161.43
Financial costs	3.21	-	-	-
Other expenses	33.74	45.55	33.74	44.42
Total	24,828.15	22,922.10	24,416.53	22,491.20

Expense for employees consists of wage, welfare, and expense for personnel development and training. Expenses in the form of salaries paid to employees totaling 7,196.29 million baht.

29. Remuneration of directors consists of

	Consolidated Financial Statement		Separate Financial Statement	
	2018	2017	2018	2017
Meeting allowance	2.83	2.85	0.88	1.16
Bonus	0.86	1.01	0.86	1.01
Total	3.69	3.86	1.74	2.17

30. Dividend payable

In 2017, THP paid dividends to the Ministry of Finance as the company's sole shareholder totaling 1,275.21 million baht. This consisted of dividend payments for the second half of 2015 in the amount of 483.49 million baht, and interim dividend payments for 2017 in the amount of 791.72 million baht.

In 2018, THP paid dividends to the Ministry of Finance as the company's sole shareholder totaling 2,564.63 million baht. This consisted of dividends payments for the second half of 2016 and 2017 in the amount of 757.69 million baht and 897.03 million respectively, and interim dividend payments for 2018 in the amount of 909.91 million baht.

31. Transactions with Related Persons or Businesses

Thailand Post Company Limited is the sole shareholder of Thailandpost Distribution Company Limited and has the power to control the Company. Therefore, the Company and Thailandpost Distribution Company Limited are deemed as being the related business.

During the period, Thailand Post Company Limited traded goods and services with Thailand Post Distribution Company Limited under the normal course of business. The related transactions are as follows :

	Consolidated Financial Statement		Separate Financial Statement	
	2018	2017	2018	2017
Subsidiary account receivable-ThailandPost Distribution Company Limited	-	-	1.83	1.55
Business customer service account receivable	-	-	10.95	0.04
Accrued revenue	-	-	1.21	2.40
Prepaid expenses	-	-	82.10	88.18
Accrued expenses	-	-	41.01	0.80
Undue output tax	-	-	0.85	0.18
Related Revenue				
Revenue from parcel transport-business customers	-	-	17.79	4.38
Revenue from place and equipment usage	-	-	3.89	3.55
Revenue from utility fee	-	-	1.52	1.04
Revenue from other operations	-	-	3.48	-
Total	-	-	26.68	8.97

	Consolidated Financial Statement		Separate Financial Statement	
	2018	2017	2018	2017
Related Expenses				
Domestic mail bag transportation fee-contracted	-	-	77.76	-
Domestic mail bag transportation fee-not contracted	-	-	3.93	5.32
EMS bag transportation fee-contracted	-	-	6.33	-
Postal work assistance fee	-	-	5.18	-
Total	-	-	93.20	5.32

32. Contingent assets and liabilities

32.1 Contingent assets

The Company was the plaintiff in lawsuits against several persons and businesses mostly in matters relating to the breach of purchase agreement, construction agreement and employment agreement, with total amount claimed of 213.68 million baht as at 31 December 2018 (174.57 million baht as at 31 December 2017). Significant lawsuits are as follows :

- 32.1.1 V-Smart Company Limited : lawsuit was filed for breach of employment contract for Enterprise Resource Planning (ERP) development, the amount claimed of 44.06 million baht. The case was under jurisdiction of the Court of First Instance.

As the Company was the plaintiff in the 59 closed and enforcement cases with the claimed amount of 144.36 million baht which is not recognized as asset in the financial statements because it is still unclear whether such amount will be received. Therefore, the estimate of such asset is not recorded in the financial statements.

32.2 Contingent liabilities

Lawsuits were filed against the Company in several disputes with several persons and businesses mostly in matters relating to the breach of purchase agreement, construction agreement and employment agreement, with total amount claimed in those lawsuits amounting to 628.74 million baht as of 31 December 2018 (613.50 million baht as at 31 December 2017) Significant lawsuits are as follows :

- 32.2.1 V-Smart Company Limited and ICE Consulting Company Limited : lawsuit was filed since the Company terminated the contract for jointly development of Enterprise Resource Planning (ERP) system, the amount claimed of 432.32 million baht. The case was under jurisdiction of the Court of First Instance.
- 32.2.2 Mr. Niphun Charoenkan : lawsuit was filed against the Company due to the termination of employment. The plaintiff requests the court to revoke the dismissal and re-employ the plaintiff as the Post Office Head with the claimed amount of 68.41 million baht. The case is under jurisdiction of the Court of First Instance.
- 32.2.3 Miss Chantima Ruangrattanatrai : lawsuit was filed against the Company due to the explosion of postal parcel at Trat Post Office, the amount claimed of 64.07 million baht. The Court of First Instance ordered THP to pay damages totaling 0.11 million baht. The case was under appeal.
- 32.2.4 Ms. Kanokporn Vanichayanont and other persons, totaling 5 people : lawsuit was filed against the Company due to a crash between the THP's mail transport van and a car in which the plaintiff's wife was a passenger and was killed. The plaintiff sought damages of 12.36 million baht. The case was under appeal.

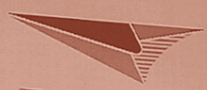




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