

Thailand Post

4.

Smart Post

Smart Service

Quality Standard, Modern Service
and Customer Satisfaction

Smart Staff

Smart Community





Tusantana
THAILAND POST

Awards in 2017



Green Office Award 2017

THP received Green Office Award 2017, Excellent level (Gold) from Department of Environmental Quality Promotion of the Ministry of Natural Resources and Environment. This award endorsed the eco-friendly green office that promoted the efficient use of resources and energy as well as the protection of environment in the workplace.

Certification of ISO 14001:2015 Standard in 2017

THP was certified to ISO 14001:2015 Standard in 2017 by NQA (Thailand). ISO 14001 is the international standard that specifies requirements for an effective Environmental Management System (EMS) and provides framework for environmental management, performance enhancement and contribution to environmental sustainability within the organization.





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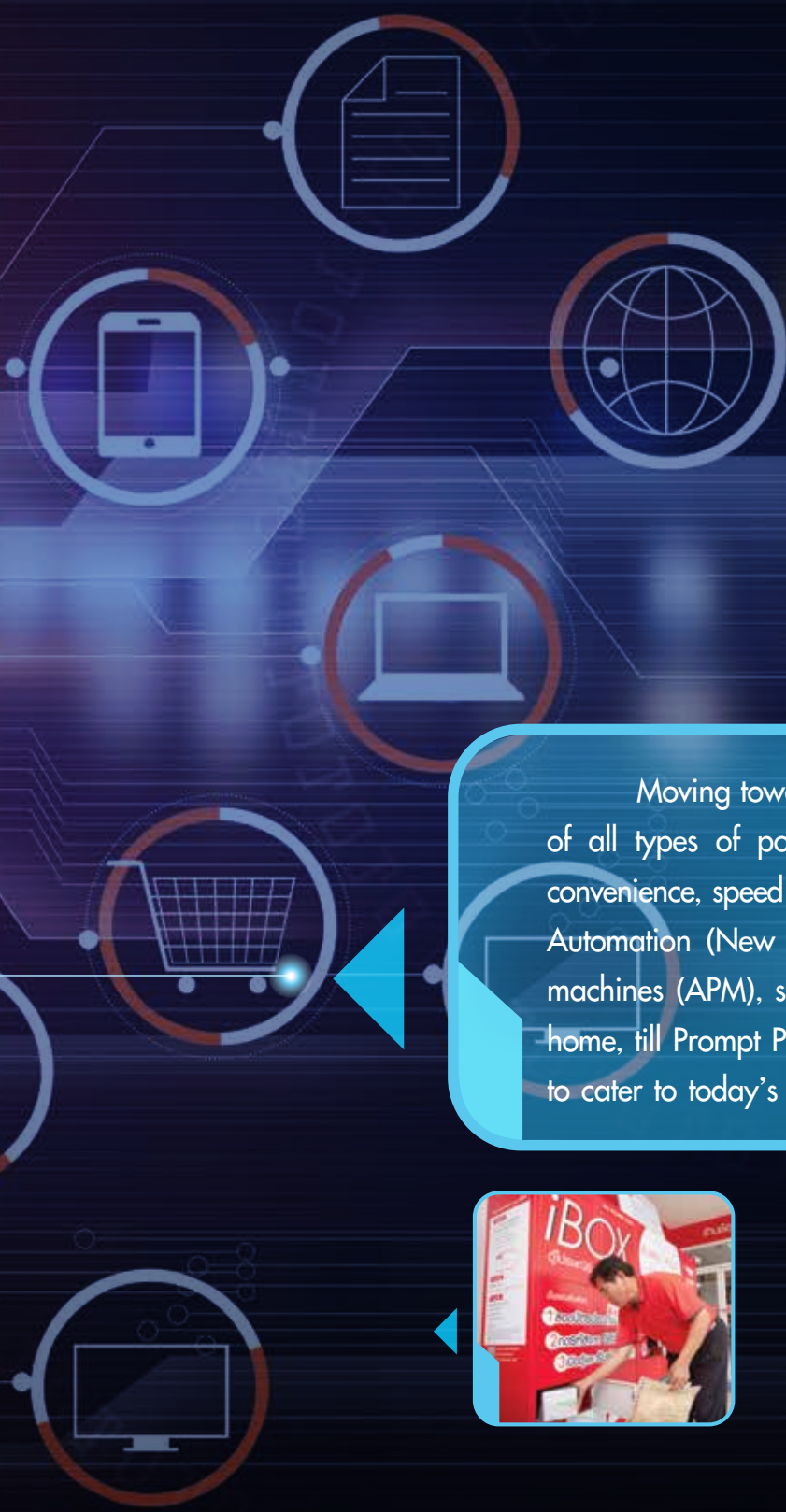
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Smart Service

Creation of Innovation Services,
responding to Digital Lifestyle

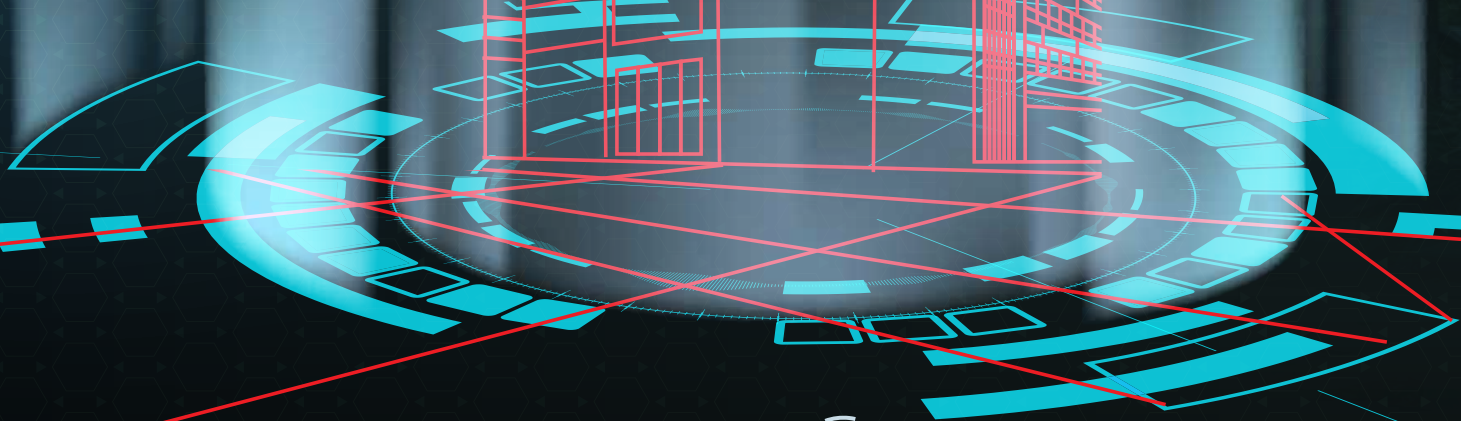




Moving toward Thailand 4.0 with improvement of all types of postal services in aspect of quality, convenience, speed and modernity. From New Counter Automation (New CA POS), New Automated Postal machines (APM), smart iBoxes, Drop stations close to home, till Prompt Post application, these are designed to cater to today's round-the-clock digital lifestyle.



www.konum.com
www.konum.com
10011001010101010101010101010101



Smart Post

Novel Feature in Logistic World,
with the Goal to meet all Demands



Enhancing Thailand Post image in the 21st century as a knowledge centre to benefit communities upon strong nationwide network stretching to all corners of the country, and a provider of efficient acceptance, shipment and delivery service under the broad vision of future-oriented organization.



Smart Staff

The Professional and Great Thailand Post people





“Great Thailand Post people”, DNA ingrained in core value and corporate culture I-SURE, drives the employees’ commitment to service excellence and customer satisfaction as well as dedication to the principles of good corporate governance, transparency and efficient customer service.



Smart Community

Propelling Local Economy for Networking
Sustainable Community Happiness



transferring



Thailand Post plays an important role in supporting the values of the sufficiency economy through “Thailand Post...for a Virtuous and Golden Land” project, by providing post office space for distributing OTOP goods and offering business opportunity for selling community products through e-Commerce. These activities, inheriting from “Happy Post” project, create happy network for local communities in a stable, prosperous and sustainable manner.



Chairman's Message

Thailand Post Co., Ltd.

“ we emphasize on “quality standard, modern service and customer satisfaction” as well as step on our way to becoming “Thailand Post 4.0” ”

In 2017, Thailand entered the age of digital technology, under the Thailand 4.0 model which was set by the government for economic development. Under the Thailand 4.0 development plan, all sectors have been called on to join forces to ensure the policy's success. To contribute to this success, Thailand Post is restructuring management and work systems through the introduction of new information technologies that enhance the organization and improve ability to meet the needs of customers and other business sectors. With these changes, we emphasize on “quality standard, modern service and customer satisfaction” as well as step on our way to becoming “Thailand Post 4.0”. Thailand Post stands ready to provide support to all players in the booming e-Commerce sector at the provincial level, help to drive economic growth in rural communities and raise the standards of local goods and services.

We focus not just on digital technology, but also on the personnel of the organization. The THP staff have the discipline, responsibility, harmony and vision needed to be ready to change and participate in creating THP as a moral and transparent organization. As proof of the collaboration of THP staff, in the assessment by the Office of Public Sector Anti-Corruption Commission (PACC) in 2017, Thailand Post was awarded a score of 93.50 points, ranking 6th among 422 government agencies.

In closing, I sincerely hope that all the THP staff will continue to contribute their energies to helping the organization become a successful and thriving postal business in today's digital world. At the same time, I would like to invite the powers of Triple Gems of Buddhism and all sacred items to bless the THP executives, employees, customers, business partners and all other related parties. May you all enjoy happiness, prosperity, good health, safety from all dangers, and may all your wishes be fulfilled.

Gen.



(Sathit Pitharat)

Chairman of the Board of Directors



President's Message

Thailand Post Co., Ltd.



“ No matter what future changes will affect Thailand Post's operation, I request all our personnel to believe in each other's power, and through cooperation, we can accomplish our goals. ”

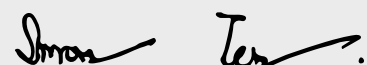
In 2017, Thailand Post focused its efforts on streamlining internal operations and improving work systems and services through the introduction of automation and information technology in all operating processes, from Drop-off services to mail sorting, forwarding and delivery. These developments need to proceed continually and seriously in order to steer the organization into the digital age, under the POST Excellence policy, aimed to be a leading organization. The key to success of Thailand Post is the framework 5D & 2S: D1 – Digital Products & Services, D2 – Digital Operations, D3 – Digital Infrastructure, D4 – Digital Communications & Experience, D5 – Digital People with a Digital Mindset, and S1 – Service Touch Point, S2 – Social Responsibility. With these guidelines, we are committed to upgrading the organization to modern Thailand Post 4.0 with an important role to respond the government's policy to creating Thailand 4.0 economic development scheme. Through the development of 3 key services: 1) the e-Marketplace & Platform, 2) e-Logistics, and 3) e-Payment, Thailand Post can assist SMEs and community enterprises in access to business opportunities afforded by the e-Commerce community digital project.

Over the past year, Thailand Post has introduced new Radio Frequency Identification (RFID) technology to improve management of supplies and equipment vital to postal operations in mail centers across the country. At Sri Racha Mail Center and Nakohn Ratchasima Mail Center, we installed new large-scale mail sorters with a sorting capacity of 8,000 items/hour, equipped with sorting slots for 90 final destinations. In addition, a sorter for packages weighing not more than 30 kilograms with a sorting capacity of 9,000 items/hour, equipped with slots for final destinations in 77 provinces was also installed at Sri Racha Mail Center. This new technology has improved the speed, efficiency and accuracy in mail operation of our postal employees.

Thailand Post, with nationwide network of postal outlets and other resources, continues to play a vital role in uniting Thai society through various projects and activities aimed at promoting sustainable social development. These include CSR programs, for instance, THP CSR volunteer leadership teams (for communities), Happy Post project, Exploring the World of Stamps program, etc. We have also launched a Green Office project starting at the company headquarters to raise awareness among the THP staff of the importance of environmental protection in the workplace. This project will result in the conservation of nature and the environment as a whole.

In 2017, Thailand Post's earnings totalled 28,293.82 million baht. Total expenses were 22,922.10 million baht, and net profits stood at 4,212.43 million baht. This was an improvement of 713.13 million baht, or 20.38%, over the previous year, and was due largely to the concerted efforts of the entire THP management team and staff at all levels. The hard work and commitment to excellence is always at the heart of our success.

Therefore, no matter what future changes will affect Thailand Post's operation, I request all our personnel to believe in each other's power, and through cooperation, we can accomplish our goals to provide a full range of goods and services that respond to the needs of customers and the general public. Thailand Post will remain in Thai society 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, such as, domestic and international Express Mail Service (EMS), Pay at Post service, online money order service, and many more.

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, Retail and Financial Services. In addition, the company continues to improve its services in all aspects to meet the need of customers which constantly changes. Thailand Post Co., Ltd. now offers new services to fulfill current lifestyles and business operations. These include Messenger Post service, Prompt Post application service including prompt parcel boxes, Drive Thru Post service whereby customers can send mail without having to leave their cars, Automated Mail Delivery Box (iBox), Same Day Post service in Bangkok Metropolitan area, Automated Postal Machine (APM), Logispost service for large goods and objects shipment, Yummy Post (ordering and delivery service of delicious food and specialties from different regions of the country), Agency for sale of products. 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 4,909 post offices and service units (as at 31 December 2017) 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.



Logisitic 4.0



Vision/Mission/Core Value and Statement of Direction (SOD)

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:

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

Statement of Direction (SOD) for the Year 2017

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.



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:	26,949 persons (as at 31 December 2017)
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 Fax: 0-2575-0849
Regional Postal Bureau (Region 1), Phra Nakorn Si Ayutthaya	No. 11/11 Dechawut Road, Pratuchai 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 Information

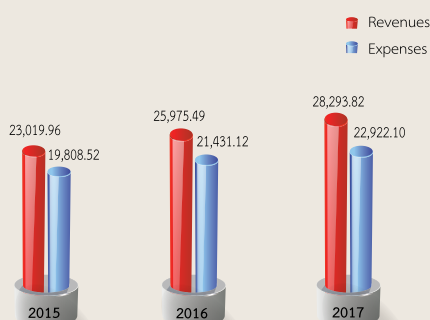
Summary of Financial Position and Financial Ratio

Unit: million Baht

Operating Performance	As at December 31, 2015 (Revised)	As at December 31, 2016	As at December 31, 2017	
Revenues	23,019.96	25,975.49	28,293.82	
Expenses (Exclusive of corporate income tax)	19,808.52	21,431.12	22,922.10	
Profit (Loss) before corporate income tax	3,211.43	4,544.37	5,371.71	
Corporate income tax	(764.45)	(1,045.07)	(1,159.29)	
Net Profit (Loss)	2,446.98	3,499.30	4,212.42	
Financial Position				
Assets	23,079.57	26,402.23	29,467.23	
Current Assets	13,280.61	12,528.19	15,965.14	
Non-current assets	9,798.96	13,874.04	13,502.09	
Liabilities and Owner's Equity	23,079.57	26,402.23	29,467.23	
Liabilities	8,173.16	8,882.69	9,014.91	
Current Liabilities	4,060.99	4,646.75	4,673.28	
Non-current Liabilities	4,112.17	4,235.94	4,341.63	
Shareholders' Equity	14,906.41	17,519.54	20,452.32	
Financial Ratio				
Current Ratio (Current Assets to Current Liabilities)	Times	3.27	2.70	3.42
Debt to assets Ratio	Times	0.35	0.34	0.31
Debt to equity Ratio	Times	0.55	0.51	0.44
Basic Earning (Profit before interests and corporate income tax) to Assets	%	0.14	0.17	0.18
Return on Assets	%	0.11	0.13	0.14
Return on Equity	%	0.16	0.20	0.21
Return on Revenues	%	0.11	0.13	0.15
Percentage of Expenses to Revenues	%	0.86	0.83	0.81

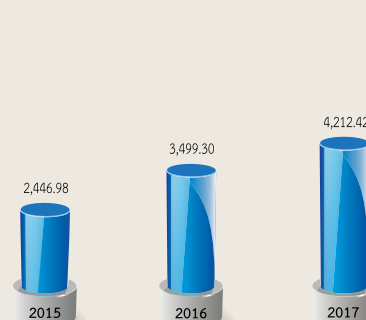
Revenues and Expenses

Unit: Million



Net Profit

Unit: Million



Work Volumes and Postal Network

Work Volumes		2015	2016	2017
Domestic Mail	(million items)			
Ordinary Letter-Post Items		2,010.37	2,027.25	2,012.82
Postal Parcels		12.15	12.81	13.70
Special Services		285.89	313.86	346.87
International Mail	(million items)			
Ordinary Letter-Post Items		43.63	41.59	45.21
Postal Parcels		0.61	0.69	0.72
Special Services		6.90	6.88	6.04
Financial Service	(million transactions)			
Domestic Money Order		9.37	8.26	5.17
Pay at Post		10.06	8.48	6.46
Number of Offices		As of December 31, 2015	As of December 31, 2016	As of December 31, 2017
THP Operating Office	(units)	1,258	1,269	1,275
Mail Center		18	19	19
Bulk Posting Center		6	6	6
Post Office		1,181	1,191	1,192
Mobile Post Office		53	53	53
Branch Post Office		-	-	5
Licensed Post Office	(units)	3,429	3,397	3,377
Thailand Post Counter	(units)	106	130	152
Thailand Post Shop	(units)	82	93	105
Postage Stamps Agency	(units)	1,398	1,398	1,398
Postage Stamps Agents	(units)	2,000	2,000	2,000
Posting Box	(boxes)	26,701	23,857	23,346

The Postal Business in 2017 and the Trend in 2018

Conditions and Trends of the Global Postal Business

In 2017, the global economy showed signs of continued recovery. In manufacturing sector, the value of exports has improved in many parts of the world. Growth in e-Commerce business seemed likely to continue in line with consumer behaviour in digital age. This had a direct impact on the mail volume and was a challenge for postal business to satisfy the customer need of transport service. There was greater demand for a new range of products when digital became a part of our daily lives.

Information from the International Post Corporation (IPC) showed that in 2016, the worldwide postal industry had revenues totalling US \$447.40 billion and an average profit margin on operations of approximately 3%. The IPC also revealed that the overall sending of documents fell by 4.20%, chiefly and concretely as a result of the growing reliance on digital technologies by governments, businesses and general public. The Internet, smart phones and other online communication devices, which play increasing role in everyday lives, have changed communication behaviour of the people and have had an impact on the postal business significantly.

Meanwhile, in 2016, the delivery of items experienced an approximately 7.80% increase. This was roughly equivalent to the increase in 2015, due to the growth in e-Commerce business. The website eMarketer.com estimated that in 2017, e-Commerce retail sales through e-Commerce around the world had a total value of US \$2.29 trillion, a year-on-year increase of roughly 23.20%, and of this total, a portion of 60%, or US \$1.37 trillion was the trade value in Asia Pacific region, due to the expanding of middle classes and their ready access to the Internet and smart phone technology. In light of government-funded improvements in infrastructure and logistics systems, including competition among e-Commerce entrepreneurs, the total value of online retail sales through e-Commerce worldwide is expected to grow to at least US \$2.77 trillion in 2018 and to as much as US \$4.48 trillion by 2021.

Further information from the eMarketer.com website shows that cross-border e-Commerce will play an increasingly important role in the e-Commerce market in the coming years, fuelled by the changing behaviour of digital buyers. Forrester Research estimates that business-to-consumer (B2C) cross-border e-Commerce around the world will be worth up to US \$424 billion by 2021, with the bulk of purchases being made from Chinese vendors, with US and UK merchants occupying the second and third spots. Clothing will account for about 46% of online buying, followed by electronic goods at 29%, based on a survey of online shopping behaviour by Ipsos and PayPal in 2016.

Given the situations described above, it can be concluded that the dominant factors responsible for changes in the global postal industry continue to be the digital society that changes communication technology and the borderless trade through e-Commerce. In response, it is vital that postal operators raise their standard of services and forge stronger global networks to cope with the growing borderless trade. The postal industry must improve existing services in line with changing technologies as well as develop new services to satisfy the needs of customers and replace other businesses adversely affected by the advent of new digital technologies.





Thai Postal Business Situation and Trend

Overall, traditional mail delivery of letters, postcards and printed matter declined in 2017 by approximately 3.20%, which is in line with trends worldwide. In contrast, deliveries of packages, parcels and items sent by EMS saw an increase of 10.75%, fuelled largely by the growth of e-Commerce. According to figures compiled by the Electronic Transactions Development Agency (Public Organization) or ETDA in 2016, the value of e-Commerce transactions in Thailand in 2017 was expected to reach 2,812.59 billion baht, a year-on-year increase of approximately 9.86%. Of this, B2C transactions represented a total of 812.62 billion baht, which is a 15.54% increase over the previous year and is due chiefly to the increasing number of e-Commerce entrepreneurs by more than 12.45% in 2016. A wider range of activities aimed at promoting online purchases has also made it easier for consumers to access goods and services online. At the same time, a growing number of e-Commerce entrepreneurs are marketing to overseas in Europe, North America, the Middle East and Asia, taking advantage of the deregulation of cross-border trade. Recent figures show that the percentage of cross-border sales by Thai e-Commerce businesses rose from 7.69% in 2015 to 13.47% in 2016.

In brief, what this indicates is that the present Thai postal business trend is subject to the same forces for change as the international postal business. With the development of new communications technologies, deliveries of documents have declined while the rapid growth of the e-Commerce sector has spurred increased demand for delivery services of packages and parcels to both domestic and foreign buyers. In particular, cross-border e-Commerce has become increasingly popular worldwide. Although traditional postal services continue to account for a majority of Thailand Post's total workload today, it seems clear that in the future, shipments of goods and other services will dominate. Therefore, it is essential that Thailand's postal business take steps to adapt to changing conditions by first of all, improving the quality of services in the issues that matter to customers. These include, for examples, providing faster delivery, delivering direct to customers, introducing new technologies to mail operation of acceptance, transmission and delivery, building new business partnerships for the purpose of developing new services, and strengthening international networks to facilitate cross-border shipments of goods which seem certain to increase in the future.



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

In the past few years, the world has been transformed into a new dimension, owing to the merger of digital technologies and the Internet that leads to the subsequent advancement of Artificial Intelligence (AI). In many ways, Thailand has been laying the groundwork for the advent of AI and driving the country into the era of “Thailand 4.0.” These new technologies are posed to bring immense changes to consumer behaviour and the way of lives in the future.

In business, Thai companies already recognize the importance of information technology (IT) and innovation. Thailand Post has also made preparations to cope with the intensifying social and economic changes, focusing on these 5 business groups: (1) mail services, (2) express and logistics services, (3) international service, (4) retail, and (5) financial services. To meet future goals, the company has devised these 4 key operating strategies:

Strategy 1: Improving Quality of Services and Image for Upgrading to “Thailand Post 4.0”

THP plans to focus on improving the quality standards of operating systems and restructuring internal management in response to change. The company will upgrade its image, giving postal outlets a more modern look, and in conjunction with partner organizations, will introduce a range of new services to strengthen the THP brand. New technologies will be introduced to improve quality of service, meanwhile organization and operation will be restructured in response to changes in the business climate and the advent of automated systems.

Strategy 2: Improving Service Expertise to Become an “e-Commerce 4.0” Provider

THP will improve operations and introduce a full range of new services designed to meet the needs of business. The strategy will focus on developing comprehensive logistics services based on the e-Commerce business model with both B2C and C2C options, to expand customer base in the long term. At the same time, THP intends to create new models of mail and shipping services to accommodate the growing e-Commerce sector. This move will help the company to maintain its long-term revenue base.

Strategy 3: Forming a Network of Business Alliances to Create a New Revenue Base and Support for Full Range of Services

THP will focus on improving the capacities of retail sales and financial service and enhancing operational

system of the subsidiary company called Thailand Post Distribution Co., Ltd., to support THP work by taking use of integrated transportation and warehousing effectively.

Strategy 4: Building Logistics Expertise to Create a Long-term Revenue Generating

THP plans to develop domestic logistical experience and expertise to accommodate services in special economic zones. At the same time, the company will work with partners to deliver cross-border logistics services, contributing to the creation of a multimodal transportation network for importing and exporting goods among the CLMV bloc. At the heart of this group of countries, Thailand will serve as the center for cross-border e-Commerce transactions.





Whatever it is, just think of "Thailand Post"

Logispost Service, "sending big items at a low cost"

This service is designed for shipping materials in large size or special shape, it is suitable for sending heavy loads or goods packed in large containers. Customers can drop and pick up the items at any post office at their convenience. Track & Trace service is available for following up and checking the sending status.



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 item throughout the process.



EMS WORLD Service, "Express Delivery Worldwide, call 1545"

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



International e-Packet

THP launches a new international shipping service for lightweight and low-value items. The users can check the status of their items via 'track & trace' system from drop-off to delivery to the destinations in Asia-Pacific, Europe and North America.

Logispost World

This service is for sending large international packages (by airmail) to the recipient's address. It is suitable for shipping large items weighing 20-200 kg. Customers can post the packages at 186 available post offices. The sending status can be checked 24 hours via Track & Trace system.



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.



Ready-to-Post Box

Prompt Post application comes with ready-to-post box which is a new service 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 box 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 available at post offices in Bangkok/vicinity areas that provide this service.



Same Day Post service

This service is express delivery within the same day in Bangkok area. The items which are dropped off in the morning will be delivered to the addressees in the afternoon. This service is provided for e-Commerce business customers/big customers who make an agreement with Thailand Post. The delivery status can be checked via the internet and smart phone system in Same Day status section on www.thailandpost.co.th.



Community e-Commerce

This service provides online sale/purchase of local products and services through community shops or post offices. These shops, village funds or communities can use THP's POS (point of sales) system via computer, tablet or smartphone to register their merchandise/services and put on sale through Thailand Post marketplace or on social media. The service takes advantage of internet under Pracharat Internet project to boost commercial potential of communities across the country upon the application of digital technology.



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 "Community Digital" project which is a center for gathering the best community-made merchandise and famous food from various areas, and deliver 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.



Express International MoneyGram (Western Union), "express international money sending-receipt 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.



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 Service

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, such as at the bank counter.



Online Money Orders, "express money transfer and receipt"

This service is a special express transfer of money to domestic recipient via convenient and fast 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.



** Remark: For more information of all services, please call THP Contact Center 1545 or visit www.thailandpost.co.th

Commemorative Stamps 2017



Issue Number	1131
Title	H.M. King Maha Vajiralongkorn Bodindradebayavarangkun's 65 th Birthday Anniversary
Date of Issue	28 th July 2017
Denomination	10 Baht



Issue Number 1115
Title The Seventieth Anniversary Celebrations of His Majesty's Accession to the Throne
Date of Issue 1st April 2017
Denomination 9 Baht



Issue Number 1135
Title The Royal Cremation Ceremony of His Majesty King Bhumibol Adulyadej
Date of Issue 25th October 2017
Denomination 9 Baht (9 Designs)
 3 Baht (3 Designs)
 9 Baht

Commemorative Stamps 2017



Issue Number 1130
Title H.R.H. Princess Chulabhorn's
 5th Cycle Birthday Anniversary
Date of Issue 4th July 2017
Denomination 5 Baht



Issue Number 1120
Title Zodiac Postage Stamp
 (Year of the Rooster)
Date of Issue 1st January 2017
Denomination 3 Baht



Issue Number 1121
Title National Children Day 2017
Date of Issue 14th January 2017
Denomination 3 Baht



Issue Number 1122
Title 80th Anniversary of Suan Sunandha Rajabhat University 2017
Date of Issue 17th May 2017
Denomination 3 Baht



Issue Number 1123
Title Symbol of Love
Date of Issue 7th February 2017
Denomination 5 Baht



Issue Number 1124
Title 120th Anniversary of State Railway of Thailand
Date of Issue 26th March 2017
Denomination 3 Baht (4 Designs)

Issue Number 1125
Title Thai Heritage Conservation Day 2017
Date of Issue 2nd April 2017
Denomination 3 Baht (4 Designs)



Commemorative Stamps 2017



Issue Number 1126
 Title Thai Traditional Festival
 Date of Issue 7th April 2017
 Denomination 3 Baht (4 Designs)



Issue Number 1127
 Title Important Buddhist Religious Day (Vesak Day)
 Date of Issue 3rd May 2017
 Denomination 3 Baht (4 Designs)



Issue Number 1128
 Title Chao Phraya River
 Postage Stamps
 Date of Issue 5th June 2017
 Denomination 3 Baht (4 Designs)



Issue Number 1129
Title 120th Anniversary of Diplomatic Relations between Thailand and Russia
Date of Issue 3rd July 2017
Denomination 3 Baht



Issue Number 1132
Title 50th Anniversary of ASEAN
Date of Issue 8th August 2017
Denomination 3 Baht



Issue Number 1133
Title The Centennial of the Thai National Flag
Date of Issue 28th September 2017
Denomination 3 Baht



Issue Number 1134
Title World Post Day 2017
Date of Issue 5th October 2017
Denomination 3 Baht

Commemorative Stamps 2017



Issue Number 1136
 Title New Year 2018 (1st Series)
 Date of Issue 15th November 2017
 Denomination 3 Baht (4 Designs)



Issue Number 1137
 Title New Year 2018 (2nd Series)
 Date of Issue 15th November 2017
 Denomination 15 Baht (2 Designs)



Issue Number 1138
Title Khru Ba Siwichai Amulet
Date of Issue 1st December 2017
Denomination 9 Baht



Issue Number 1139
Title National Day
Date of Issue 5th December 2017
Denomination 3 Baht

Issue Number 1140
Title 250th Anniversary of King Taksin the Great
Date of Issue 6th November 2017
Denomination 3 Baht



Organization Chart Thailand Post Co., Ltd.

Board of Directors

President

Occupational Safety, Health and Environment Department

Office of the President

- Secretarial Department
- Administrative Department
- Corporate Communications Department

Senior Executive Vice President Marketing & Business

- Central Administration Department
- Customer Management Department

Express/Logistics

- Customer Experience Department (Express/Logistics)
- Customer Conversion Department (Express/Logistics)

Mail Service

- Customer Experience Department (Mail)
- Customer Conversion Department (Mail)

International Business

- Customer Experience Department (International)
- Customer Conversion Department (International)
- International Operating Systems Management Department

Senior Executive Vice President General Administration

Administration

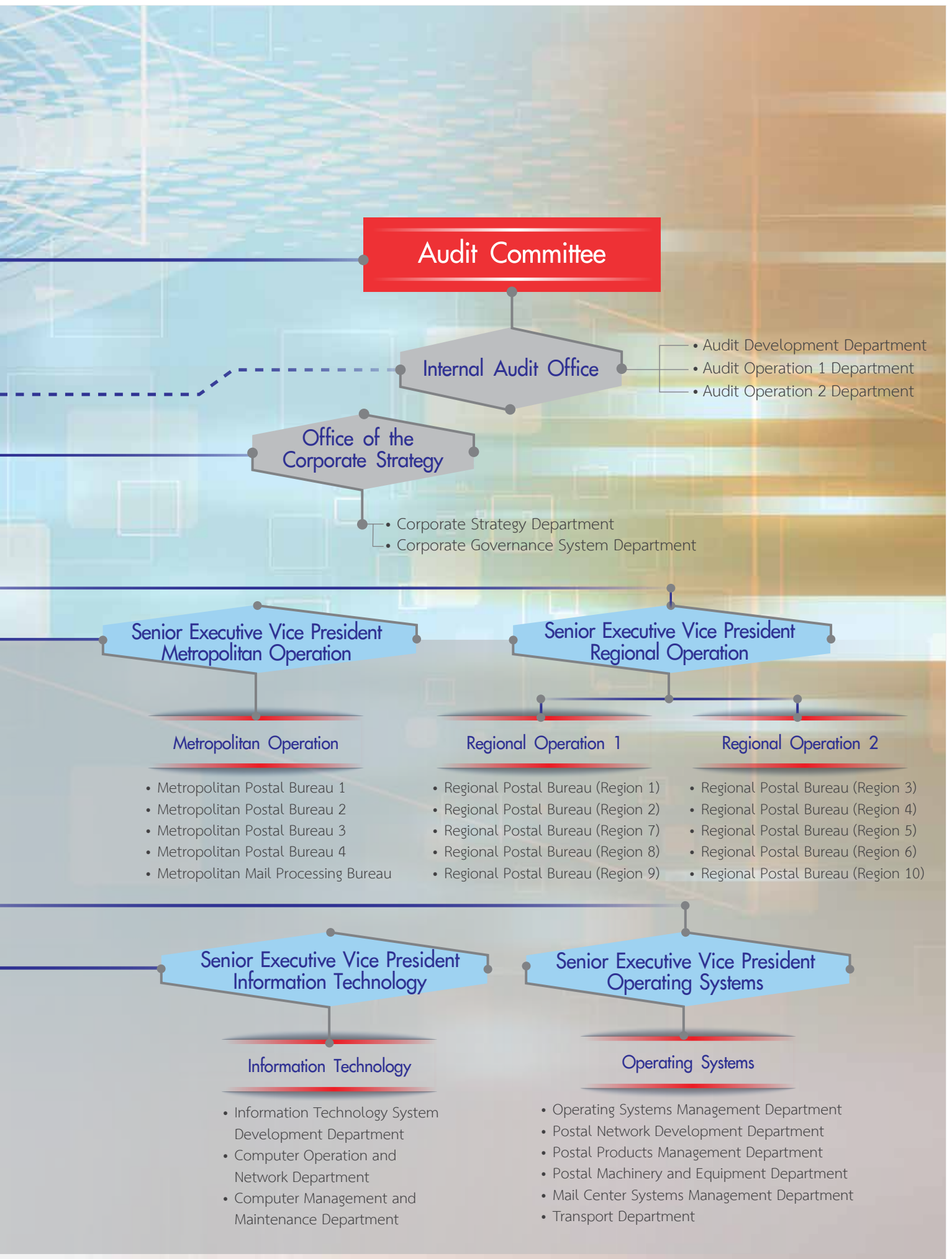
- Procurement and Supply Department
- Construction and Maintenance Department
- Property Management Department
- Legal Department

Human Resources

- Human Resources Management and Discipline Department
- Personnel Development Department
- Welfare and Labour Relations Department
- Health Department

Finance & Accounting

- Budget and Cost Department
- Finance Department
- Accounting Department
- Service Subsidiary Account Department



Board of Directors

General Sathit Pitharat Chairman

Age 61 years

Education

- Bachelor of Science, Chulachomklao Royal Military Academy

Other Positions

- Senior Royal Aide-de-Camp

Experience

- Senior Army Advisor Army Headquarters Area
- Commander, 3rd Army Area
- 3rd Corps Commander
- Deputy Commander, 3rd Army Area
- Chief of Staff, 3rd Army Area

In accounting year 2017, the above-mentioned person did not own in excess of 10% of total voting shares in a state enterprise/company associate with Thailand Post.

Pol.Maj.Gen. Sompong Chingduang Vice Chairman

Age 54 years

Education

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

Other Positions

- Deputy Commissioner of the Metropolitan Police, Metropolitan Police, Royal Thai Police.

Experience

- Deputy Commissioner of the Metropolitan Police, Royal Thai Police.
- Deputy Commissioner of Narcotics Control, 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 2017, the above-mentioned person did not own in excess of 10% of total voting shares in a state enterprise/company associate with Thailand Post.



Dr. Pornchai Thiraveja Director

Age 49 years

Education

- Doctor of Philosophy (Non-Formal Education), Chulalongkorn University
- Doctor of Management (Public Management), Suan Dusit 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

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 Development Policy Bureau
- Senior Expert on Policy and Fiscal System

In accounting year 2017, the above-mentioned person did not own in excess of 10% of total voting shares in a state enterprise/company associate with Thailand Post.

Mr. Rathapol Bhakdibhumi Director

Age 50 years

Education

- Executive Master in International Logistics and Supply Chain Strategy, Georgia Institute of Technology, Atlanta, USA.
- Master of Business Administration, 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 Co., Ltd.
- Director, CAT Telecom Public Company Limited
- Director, Thai Airways International Public Company Limited
- Director, Nok Airlines Public Company Limited

Experience

- Chairman of the Board, DX Innovation Co., Ltd.
- Chairman of the Board, SFG Public Company Limited
- Executive Director, SK Mineral Co., Ltd.
- Logistics Development Committee, Thai Chamber of Commerce
- Sub-Committee on Economic Corporation with Neighboring Countries (Southern China), Thai Chamber of Commerce

In accounting year 2017, the above-mentioned person did not own in excess of 10% of total voting shares in a state enterprise/company associate with Thailand Post.



Dr. Thitipong Nandhabiwat

Director

Age 41 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

- Commissioner, Port Authority of Thailand
- Director, ThailandPost Distribution Co., Ltd.
- Advisor to the Commander, Immigration Bureau

Experience

- Acting CEO, ThailandPost Distribution Co., Ltd.
- Assistant President for International Admissions and Services, Rangsit University
- Dean, International College, Rangsit University
- Information Technology Advisor, Port Authority of Thailand
- Honorary Advisor to Standing Committee on Local Administration, the National Legislative Assembly (NLA)

In accounting year 2017, the above-mentioned person did not own in excess of 10% of total voting shares in a state enterprise/company associate with Thailand Post.

Mrs. Pratana Mongkolkul

Director

Age 53 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 (Thailand)
- 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 Limited

Experience

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

In accounting year 2017, the above-mentioned person did not own in excess of 10% of total voting shares in a state enterprise/company associate with Thailand Post.



Professor Dr. Narumon Saardchom Director

Age 44 years

Education

- Doctor of Philosophy (Finance and Risk Management) Wharton School, University of Pennsylvania, USA.
- Master of Applied Economics, Wharton School, University of Pennsylvania, USA.
- Master of Science (Actuarial Science) Georgia State University, USA.
- Bachelor of Science (Statistics) (Statistics – Insurance), Chulalongkorn University

Other Positions

- Director, Doctor of Philosophy Program, National Institute of Development Administration (NIDA)

Experience

- Professor, National Institute of Development Administration (NIDA)
- Director, Precise Corporation Co.,Ltd.
- Director, Government Housing Bank
- Director, Saha Pathana Inter-Holding Plc.

In accounting year 2017, the above-mentioned person did not own in excess of 10% of total voting shares in a state enterprise/company associate with Thailand Post.

Mr. Sorasak Meenatoree Director

Age 56 years

Education

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

Other Positions

- Deputy Director, The Customs Department.

Experience

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

In accounting year 2017, the above-mentioned person did not own in excess of 10% of total voting shares in a state enterprise/company associate with Thailand Post.



Mrs. Smorn Terdthampiboon Director

Age 57 years

Education

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

Other Positions

- President, Thailand Post Co., Ltd.
- Director, ThailandPost Distribution Co., Ltd.

Experience

- Senior Executive Vice President (Finance & Accounting), Thailand Post Co., Ltd.
- Acting Senior Executive Vice President (Information Technology), Thailand Post Co., Ltd.
- Executive Vice President (Finance & Accounting), Thailand Post Co., Ltd.
- Vice President of Budget Department, Thailand Post Co., Ltd.

In accounting year 2017, the above-mentioned person did not own in excess of 10% of total voting shares in a state enterprise/company associate with Thailand Post.

Thailand Post Co., Ltd. Board of Directors

As of January 1, 2017 - December 31, 2017

1. General Sathit Pitharat
2. Pol.Maj.Gen. Sompong Chingduang*
3. Dr. Pornchai Thiraveja
4. Mr. Rathapol Bhakdibhumi
5. Dr. Thitipong Nandhabiwat
6. Mrs. Pratana Mongkolkul
7. Professor Dr. Narumon Saardchom
8. Mr. Sorasak Meenatoree*
9. Mrs. Smorn Terdthampiboon
10. Mr. Napong Sirikantayakul*
11. Mr. Chumpol Rimsakorn*
12. Dr. Jaruvan Hengtrakool*
13. Assistant Professor Dr. M.L. Vittratorn Chirapravati*

Note

- Pol.Maj.Gen. Sompong Chingduang
The starting date of the Director of Thailand post is effective from January 9th, 2017
- Mr. Sorasak Meenatoree
The starting date of the Director of Thailand post is effective from October 20th, 2017
- Mr. Chumpol Rimsakorn
The discharged date of the Director of Thailand post is effective from April 7th, 2017
- Dr. Jaruvan Hengtrakool
The discharged date of the Director of Thailand post is effective from April 28th, 2017
- Assistant Professor Dr. M.L. Vittratorn Chirapravati
The discharged date of the Director of Thailand post is effective from August 1st, 2017
- Mr. Napong Sirikantayakul
The discharged date of the Director of Thailand post is effective from October 1st, 2017





Thailand Post Executives

Mrs. Smorn Terdthampiboon

Position: President

Age: 57 years

Educational Background:

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



Mr. Manop Sornviboonsak

Position: Senior Executive Vice President
(Metropolitan Operation)

Age: 59 years

Educational Background:

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



Mr. Kalong Subsaart

Position: Senior Executive Vice President
(Operating System)

Age: 57 years

Educational Background:

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





Miss Suchada Buddharuksa

Position: Senior Executive Vice President (Marketing)

Age: 56 years

Educational Background:

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



Mr. Phitsanu Wanitchaphol

Position: Senior Executive Vice President (Business Development)

Age: 44 years

Educational Background:

- 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: 58 years

Educational Background:

- 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: 58 years

Educational Background:

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



Mr. Somchit Wairuengsiripong

Position: Senior Executive Vice President
(Regional Operation)

Age: 59 years

Educational Background:

- Master of Public Administration (Public Policy), Bansomdejchaopraya Rajabhat University
- Bachelor of Public Administration, Sukhothai Thammathirat Open University
- Certificate, Postal and Telecommunications School



Miss Somchintana Kirdsuebma

Position: Senior Executive Vice President
(Finance & Accounting)

Age: 57 years

Educational Background:

- 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: 52 years

Educational Background:

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



Mr. Somrak Hemwimon

Position: Executive Vice President (Operating Systems)

Age: 59 years

Educational Background

- Bachelor of Laws, Ramkhamhaeng University
- Certificate, Postal and Telecommunications School



Mr. Prasit Thaweephol

Position: Executive Vice President
(Regional Operation 2)

Age: 59 years

Educational Background:

- Bachelor of Public Administration, Udon Thani Rajabhat University
- Certificate, Postal and Telecommunications School

Mr. Niyom Jindapateep

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

Age: 47 years

Educational Background:

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



Mrs. Parisa Pananond

Position: Executive Vice President (Marketing)

Age: 47 years

Educational Background:

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



Miss Churairat Sinbanchongjit

Position: Executive Vice President (Human Resources)

Age: 52 years

Educational Background:

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





Mr. Ukrit Dulyakasem

Position: Executive Vice President
(Metropolitan Operation)

Age: 59 years

Educational Background:

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



Mr. Sanan Suksawang

Position: Executive Vice President
(Administration and Property Management)

Age: 53 years

Educational Background:

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



Mr. Singhol Sangchampar

Position: Executive Vice President
(Internal Audit Office)

Age: 58 years

Educational Background:

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

Mr. Saksit Akkalertlarp

Position: Executive Vice President
(Regional Operation 1)

Age: 59 years

Educational Background:

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



Thailand Post Co., Ltd. Executives

As of 1 January 2017 – 31 December 2017

1. Mrs. Smorn	Terdthampiboon	12. Mr. Somrak	Hemwimon
2. Mr. Manop	Sornviboonsak	13. Mr. Prasit	Thaweephol
3. Mr. Kalong	Subsaart	14. Mr. Niyom	Jindapateep
4. Miss Suchada	Buddharuksa	15. Mrs. Parisa	Pananond
5. Mr. Phitsanu	Wanitchaphol	16. Miss Churairat	Sinbanchongjit
6. Mr. Songsak	Polnork	17. Mr. Ukrit	Dulyakasem
7. Mrs. Naiyana	Sirisuvan	18. Mr. Sanan	Suksawang
8. Mrs. Nitsa	Chivapruck*	19. Mr. Singhol	Sangchampar
9. Miss Somchintana	Kirdsuebma*	20. Mr. Saksit	Akkalertlarp*
10. Mr. Somchit	Wairuengsiripong	21. Mr. Phanom	Palrat*
11. Miss Pilantanee	Suwanbubbha		

- * Note:
- Mr. Saksit Akkalertlarp assumed the position of President, effective 1st October 2017
 - Miss Somchintana Kirdsuebma assumed the position of Senior Executive Vice President (Finance and Accounting), effective 20th October 2017
 - Mrs. Nitsa Chivapruck resigned from the position on Thailand Post Executives, effective 1st October 2017
 - Mr. Phanom Palrat resigned from the position on Thailand Post Executives, effective 1st October 2017



Staffing Structure

Number of employees/permanent and temporary workers

Employees	16,810	Persons	Male	21,628	Persons
Permanent workers	1,862	Persons	Female	5,321	Persons
Temporary Workers	8,277	Persons			
Total 26,949 Persons					

Unit : Persons

Number of employees/permanent and temporary workers classified by line of work unit

Attached to	Total	Percent	Employees	Permanent Workers	Temporary Workers	Male	Female
Units directly report to the President	329	1.22	322	5	2	179	150
Information Technology	155	0.58	154	-	1	101	54
Operating Systems	646	2.40	448	38	160	519	127
Metropolitan Operation	10,744	39.87	6,524	887	3,333	8,854	1,890
Regional Operation	13,838	51.35	8,183	905	4,750	11,533	2,305
General Administration	816	3.03	793	16	7	294	522
Corporate Business	421	1.56	386	11	24	148	273
Total	26,949	100.00	16,810	1,862	8,277	21,628	5,321

*As of December 31, 2017

Payments to the Government (Dividends) in the Past 3 Years

Thailand Post has made payment in the term of dividend to the Ministry of Finance, the sole shareholder during 2015 – 2017 as described in the following table.

Unit : million Baht

Dividends	2015	2016	2017 (Jan. - Sep.)
Dividends by resolution of the Shareholders Meeting	1,027.96	1,428.71*	791.72**
Dividends paid each year	544.47	891.36	791.72**

Note: * The interim payment for 2016 amounted to 671.02 million baht was made from dividends totaling 1,428.71 million baht, while the second half-year dividend payment of 757.69 million baht awaits approval by resolution of the shareholders' meeting.

** Dividends for 2017 are interim dividends only (from net profit of the first six months of the year) paid to the Ministry of Finance on October 31, 2017.

Important Investment Plans in 2017



In 2017, Thailand Post implemented the important plans and projects with the investment budget allocated from the Company's income, as described below.

1. Purchase of Land and Land with Commercial Properties Plan (Phase 2)

Thailand Post plans to purchase 32 plots of land with and without commercial buildings for a total of 514 million baht, with 6 purchases completed and the other 26 in progress. The new facilities are intended to accommodate the greater volumes of work in the future, and to enhance customer service in all areas.

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

The Company allocated a budget of 578.71 million baht to construct 45 post office buildings, with 18 buildings completed and the other 27 under construction, as well as a budget of 237 million baht to renovate 36 post office buildings, with 4 buildings completed and the other 32 in progress. Development of operation space and service area is essential to make service more effective and satisfactory as well as provide convenience to customers.

3. Purchase of Replacement Vehicles

THP plans to purchase a fleet of new vehicles to replace those that have been in service for over 10 years. The project, for which 176.50 million baht has been budgeted, will expand THP's delivery capacity and help to ensure customers of reliable mail delivery service.

4. Construction of an International Airmail Center

A budget of 109.67 million baht has been approved for the construction of a dedicated international airmail sorting center. The new facility will accommodate increased work volume over the long term and provide additional work space for postal officers in handling airmail workload without difficulty.

5. Improvement of Vehicle Delivery System

To improve delivery of large packages and parcels, including to supplement delivery by motorcycles which were inadequate to accommodate mail volumes, in 2017, THP purchased 99 new delivery vehicles. These vehicles include 12 delivery cars with sliding side doors, 56 one-ton transport vans, and 31 EMS delivery vans with solid cabinet. Approved cost of the purchases was 84.20 million baht.

6. Expansion of Postal Service Stations

THP plans to increase the number of postal service stations covering all areas to enhance service efficiency and provide more convenience and easier access to THP services to customers, as well as expand customer bases. The budget of 33.15 million baht has been allocated to this project.

7. Purchase of High-Efficiency Database Equipment

THP has purchased high-efficiency database equipment for data management to improve search efficiency of real-time electronic transactions. With this equipment, customers can search and retrieve information from the THP database faster and more efficiently. The approved budget is 30 million baht.

8. Purchase of CA POS Equipment for Service Counters

THP is purchasing technology system for services provision at postal service counters nationwide. Ultimately, the adequate CA POS equipment will serve THP customers efficiently and respond speedily to the business demands. The budget for the project totals 20.64 million baht.

9. Purchase of a Helpdesk System

At a cost of 20 million baht, THP plans to purchase a new Helpdesk system to replace the expired one. The new system updates the company's hardware and software and records reports of IT system problems more efficiently.

10. Purchase of New Data Security Software on Wireless Devices (Mobile Phone/Tablet) and THP website

THP plans to purchase new software to improve security of data accessed via wireless devices like mobile phones and tablets, and through the THP website. It prevents persons with ill intentions from destroying, changing or deleting data and makes more secure exchange of information between the system and users. The approved budget for the purchase is 20 million baht.



Thailand Post 4.0



Important Projects Expected to Invest in Next 3 Years

1. Renovating and Extending Laksi Mail Centre Building

THP is building an extension on to the front of Laksi Mail Centre to provide additional work space for staff and to accommodate increasing work volume. The new addition will also bolster customer confidence in THP services. The project will take 4 years (2018-2021) to complete and cost a total of 1,760.00 million baht. Details are as follows:

Unit : million Baht

Category	2018	2019	2020	2021	Total Investment
Buildings Improvement/ Extension	900.00	-	-	700.00	1,600.00
Total	900.00	-	-	700.00	1,600.00
Reserve money in case of higher price	90.00	-	-	70.00	160.00
Grant total	990.00	-	-	770.00	1,760.00

2. Establishing Bangkok Mail Center (New Location)

THP is in the process of constructing new Bangkok Mail Centre in suburb that can link to the mail centers in Metropolitan area and those in regional areas. The new Center, which will be equipped with modern sorting machine featuring a mail center automation, represents an investment of 3,080.00 million baht spread out over for a period of 4 years (2018-2021), Details are as follows:

Unit : million Baht

Category	2018	2019	2020	2021	Total Investment
Land	600.00	-	-	-	600.00
Buildings and structures	-	-	1,000.00	-	1,000.00
Machines and equipment	-	-	100.00	1,100.00	1,200.00
Total	600.00	-	1,100.00	1,100.00	2,800.00
Reserve money in case of higher price	60.00	-	110.00	110.00	280.00
Grand total	660.00	-	1,210.00	1,210.00	3,080.00

3. Procuring Sorting Machines for Mail Centers

THP intends to procure new sorting machines for processing postal items at mail centers in order to accommodate increasing mail volumes and to improve mail operation potential. The project is scheduled to run for a period of 5 years (2018-2022) with a total investment of 4,422.00 million baht. Details are as follows:

Unit : million Baht

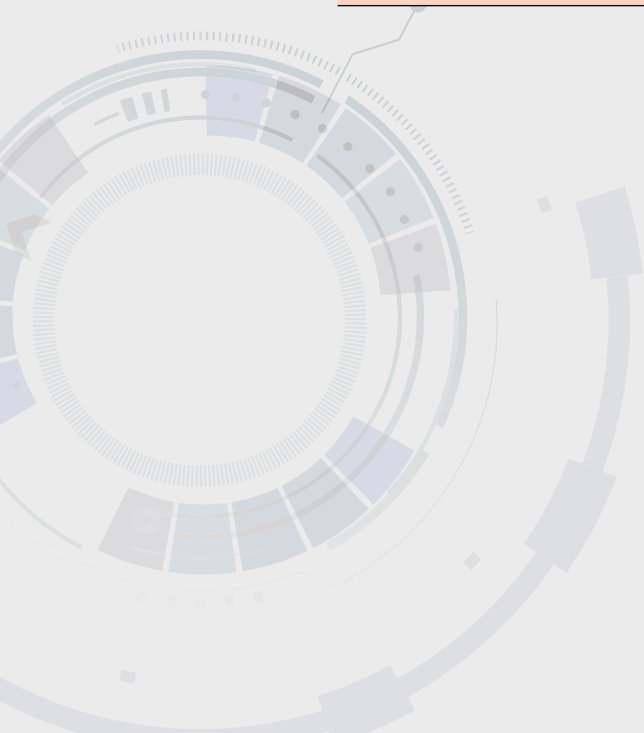
Category	2018	2019	2020	2021	2022	Total Investment
Machines and equipment	250.00	1,250.00	520.00	1,000.00	1,000.00	4,020.00
Total	250.00	1,250.00	520.00	1,000.00	1,000.00	4,020.00
Reserve money in case of higher price	25.00	125.00	52.00	100.00	100.00	402.00
Grand total	275.00	1,375.00	572.00	1,100.00	1,100.00	4,422.00

4. Developing the Employee Self Service System

In 2018, THP will make a one-year investment of 275.00 million baht in developing the Human Resource Information System in order to raise the efficiency of work systems and processes, with details as follows:

Unit: million Baht

Category	2018	Total Investment
Office supplies	250.00	250.00
Total	250.00	250.00
Reserve money in case of higher price	25.00	25.00
Grand total	275.00	275.00



5. Establishing Sakon Nakhon Mail Center

THP plans to open an additional postal facility in Sakon Nakhon to serve as a center for forwarding shipments of postal items to post offices in three provinces: Sakon Nakhon, Nakhon Phanom, and Mukdahan for the purpose of accommodating higher mail volumes in the Northeast. A budget of 274.47 million baht over for a period of 2 years (2018-2019) was approved, according to the details as follows:

Unit: Million Baht

Category	2018	2019	Total Investment
Buildings and structures	150.00	53.20	203.20
Machines and equipment	-	46.32	46.32
Total	150.00	99.52	249.52
Reserve money in case of higher price	15.00	9.95	24.95
Grand total	165.00	109.47	274.47





Non-Financial Performance Analysis

In 2017, overall non-financial performance showed a decline of 2.41%, as a result of decreasing demand for domestic ordinary mail service which accounted for more than 90% of THP's total work volume and fell by 4.18% from the previous year. In particular, the sharp decline at 17.07%, in domestic printed matter volume reflected clearly the impact of information technology that replaced postal service in marketing promotion activity of the business sector who was the major user of domestic printed matter delivery service.

Meanwhile, domestic special services still showed an upward trend in 2017, with a year-on-year increase of 5.96%. Domestic registered mail service was mostly used and increased by 7.27%. The major customer of this service was e-Commerce businesses who ship lightweight packages without the need for speed, but require delivery confirmation of recipient.

THP's express and logistics service likewise continued to show increasing volume. Domestic parcel service and domestic EMS, driven by an expanding e-Commerce market, saw increases of 5.16% and 11.54% respectively in 2017. Looking ahead, THP expects continued growth in the express and logistics sector. However, a significant impact in the next phase is the competition in e-commerce delivery service which will be more intense in line with market expansion and consumer changing demand.

The overall work volume of international business rose by 7.75%, fuelled mostly by increased volume of ordinary mail and registered mail by 8.24% and 14.96% respectively. The use of these two services was higher as a consequence of an increase in international EMS service charges in accordance with the agreement among the postal administrations. The use of international EMS service fell by 8.90%, whereas customers turned to ordinary mail and registered mail service due to lower rate.

As for the use of financial services, downward trend was found in 2017, with Pay at Post and money orders, both ordinary and online, on the decline, mostly as a result of increasingly popular internet banking services. Today, financial transactions through internet banking are accounted for almost 50% of all service channels. In contrast, retail sales services continued to grow, especially sales of cartons and envelopes in response to higher demand for delivery and logistics services.



EMS Super Speed



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



1. e-Commerce Community Digital project

This project aims to boost the commercial potential of communities around Thailand by taking full advantage of digital technology application. Thailand Post provides full services to help communities sell their goods and services online and at community stores or designated postal outlets, through Point of Sale : POS system and internet network under Pracharat Internet project run by TOT Public Company Limited

In 2017, Thailand Post identified appropriate locations for installing of Points of Sale (POS) system for licensed post offices, community stores or agency groups. People in 67 different locations were trained in the use of the new program, as follows:

- Nan province – 20 locations
- Phrae province – 10 locations
- Uttaradit province – 10 locations
- Phitsanulok province – 7 locations
- Phetchabun province – 7 locations
- Pichit province – 7 locations
- Sukhothai province – 6 locations

2. "Thai Smart Farmers Promotion from the Rice Field Straight to Consumers project"

In conjunction with the Commerce Ministry's Department of International Trade Promotion, Thailand Post has launched a new project, the Thai Smart Farmers Promotion from the Rice Field Straight to the Consumer. The project provides a direct channel via electronic commerce for farmers from the country's major rice-producing provinces to sell varieties of top-grade rice to consumers, who likewise benefit from the convenience of buying good quality rice online. Thailand Post provides delivery service for rice purchased through the website www.thaitrade.com/rice at cost saving service charge starting at 30 baht for weight up to 5 kilos. Shipments of 6 kilos or more are charged just 8 baht per kilo (up to 20 kilos). Deliveries can be made all around the country within 3-4 working days, and customers can track their shipment 24 hours a day through the Track & Trace application or website at www.thailandpost.co.th.

Management Performance Report

In 2017, 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. Introduction of Automated Postal Machine (APM)

Thailand Post has launched Automated Postal Machines (APM) by installing 2 units on the fourth floor of Suvarnabhumi Airport to serve passengers with small items that cannot be carried on board. Thanks to these machines, now the items can be put in an envelope and shipped home via the APM which are open 24 hours a day. To use the service, senders must present their national ID card or a passport. Packages are restricted to not more than 500 grams, and do not contain prohibited articles. The packages are sent through domestic EMS and delivered to destination within 3 days. In 2018, Thailand Post has plans to install more APM at airports all around the country in order to better serve the needs of travelers.

2. Expansion of Smart Postbox Service (iBox)

Thailand Post expanded its network of Delivery Stations in response to increasing customer demand. Today, 'smart' postboxes (iBox) are available at postal outlets throughout greater Bangkok and at provincial post offices in different regions of the country, like Ubon Ratchathani, Chiang Mai, and Nakhon Ratchasima.

3. Launch of International ePacket Service

Thailand Post has introduced a new international postal package service specifically for lightweight, relatively not high value articles/goods. Customers can monitor the status of their packages via THP's Track&Trace system, from acceptance up to delivery to destination countries in Asia-Pacific, Europe and America. The service is intended to meet the needs of the growing e-Commerce sector.

4. Sale of "4Commerce" Boxes and Envelopes

Thailand Post has added the range of postal products: sale of "4Commerce" boxes and envelopes made of recycled paper. Boxes are available in four sizes: aa, A, B and C, and envelopes in two sizes: A4 and A3. All are clearly labelled with the "4Commerce" logo. These new products, which are economical, easy to pack and sturdy, will meet the customer demand in the e-Commerce sector.

5. Opening of e-Marketplace

To better respond to the lifestyle changes of customers in today's digital world, Thailand Post has revamped its Thailand Post mart website (www.thailandpostmart.com) into an e-Marketplace with a range of new, attractive, up-to-the-minute functions. The site is now more user-friendly, with a display of clearly categorized merchandise and accompanied by pictures, descriptions, and specific shipping details. Customers also have an enlarged range of online payment options, whether through credit cards or debit cards, at counter service, convenience stores or banks. The e-Marketplace creates an additional efficient channel for selling local products and serves as a platform where local businesses, SMEs and farmers from all around Thailand can sell local high quality goods, outstanding local merchandise, OTOP products, and other miscellaneous goods directly to interested consumers.





Operating Systems



1. Installation of Mail Sorting Machines

Thailand Post installed mix mail sorters and cross-belt sorters to handle increased mail volume and to accelerate process of sorting/forwarding postal items containing in boxes/envelopes in order that mail can reach the destination post office within THP d + 1 standard (the next working day).

2. Installation of Belt Conveyors

Thailand Post installed belt conveyors for moving items more quickly from the counter to the mail room. The development of mail conveyance through belt conveyors not only cuts down damage of postal items but also reduces accidents from the operation of the postal officers.

3. Improvement of Vehicle Delivery System

THP has upgraded the system of delivering packages and large items by car for better delivery to high-rise buildings and in the rainy season when delivery by motorbike is impractical or unsafe. This improvement has raised the customer satisfaction while enabling the company to handle higher volumes of larger mailed items more efficiently.

4. Improvement of EMS Delivery with the “day + 1” standard



Thailand Post has improved EMS delivery system of all provincial post offices. EMS Deliveries are now made every day without exception to meet the “day + 1” standard (next day delivery). The upgrade of EMS delivery standard in provincial post offices area is intended to support the growth of EMS service and to better compete with private operators.

Personnel

1. Fostering a Culture to support THP Business

THP fosters an organizational culture corresponding to the directions defined by the THP vision, goals and work-related policies. Employees are aware of this culture and encouraged to comport themselves in line with the culture that can be applied effectively in their work.

2. Pledge to Prevent and Suppress Corruption

THP executives and employees at all levels throughout the organization have signed a pledge to prevent and combat all forms of corruption. The pledge is an expression of their determination to comply with the Code of Ethics and the law. The commitment also reflects the transparency and moral of the state enterprise that involves in the development of the country.

3. THP Top Innovation Award 2017

THP encourages its employees to submit entries to the THP innovation contest under THP Top Innovation Award at the office level, division level and organizational level. This activity provides a platform for THP staff to demonstrate their creativity and hone their skills in developing new ideas and ways of doing things that improve the work. In 2017, most of the awards were given to new ideas that improve the quality of operations.

Information Technology

1. Improvement of the UPU Global Monitor System – GMS

THP monitors and evaluates the quality of its international letter-post service by means of RFID (radio frequency identification) technology and GMS inbound system by measuring the transmission time of test items containing RFID from receipt of the mail bag to final delivery both domestically and abroad. This technology is a test of the service quality to meet standards and reduce the number of lost mail during transit.

2. Installation of an IT Security System to Prevent Network Breaches

THP has installed a security system to guard against breaches to its network as a means of preventing hackers from accessing sensitive company information. The new system enables development of a standardized and efficient work process.

3. Improvement in line with ISO 27001:2013 Standard

THP upgraded information security management system to cover the entire IT system, to secure the appropriate information security and the safe electronic transactions. A surveillance audit is applied to ensure that operations comply with accepted standards and system is consistently improved.

4. Application for Assessing Employee Engagement

THP has developed a new application for assessing personnel engagement and satisfaction across the organization through smartphones, tablets, and computers. This application can be applied to other surveys for optimum use and maximum benefit to the organization.

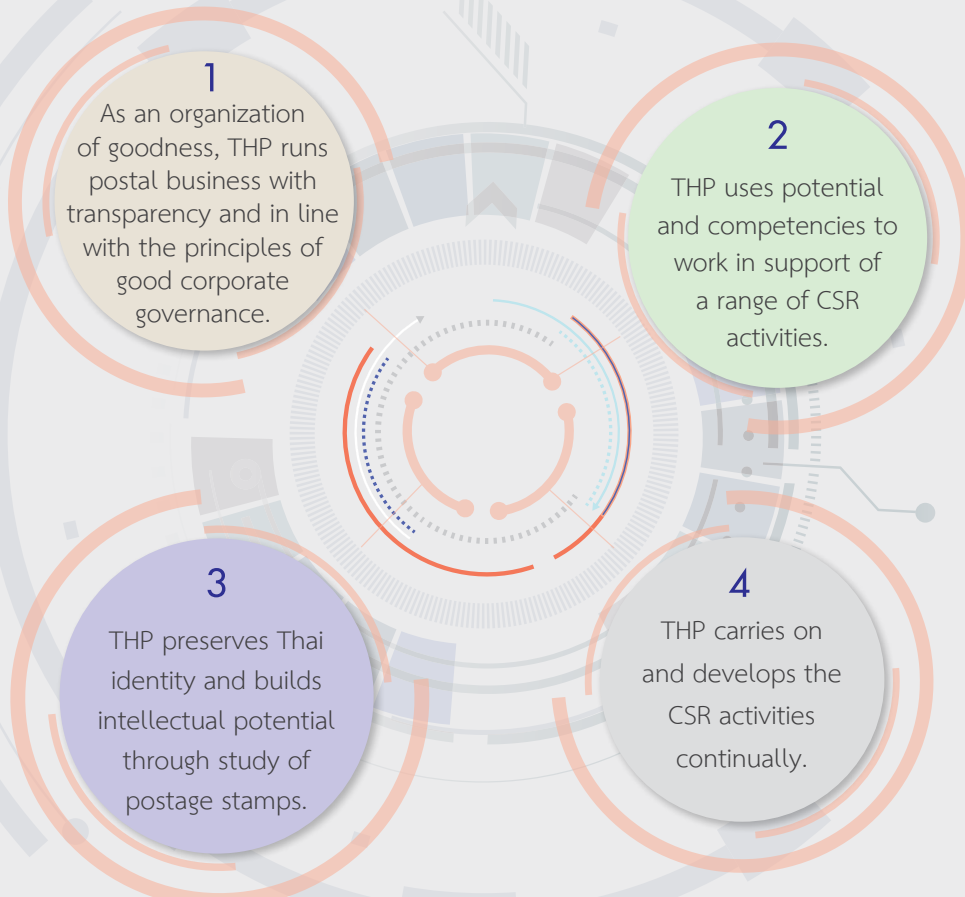
Thailand Post's Corporate Social Responsibility (CSR)

2017: Commitment to Thai society and Driving Force for Thailand's Economy

For 135 years, Thailand Post has provided transport and delivery services as well as has linked information for businesses, merchants and organizations across the country, and also has connected the happiness of people in all regions of Thailand. As a state enterprise that has grown together with Thai society for a long time, Thailand Post Co., Ltd. remains committed to be a “network connecting Thai lives and the Thai economy” with intention to run the business along with working in partnership with Thai society, using the nationwide network to provide support and assistance and repay to the society. The corporate social responsibility (CSR) vision is summed up below:

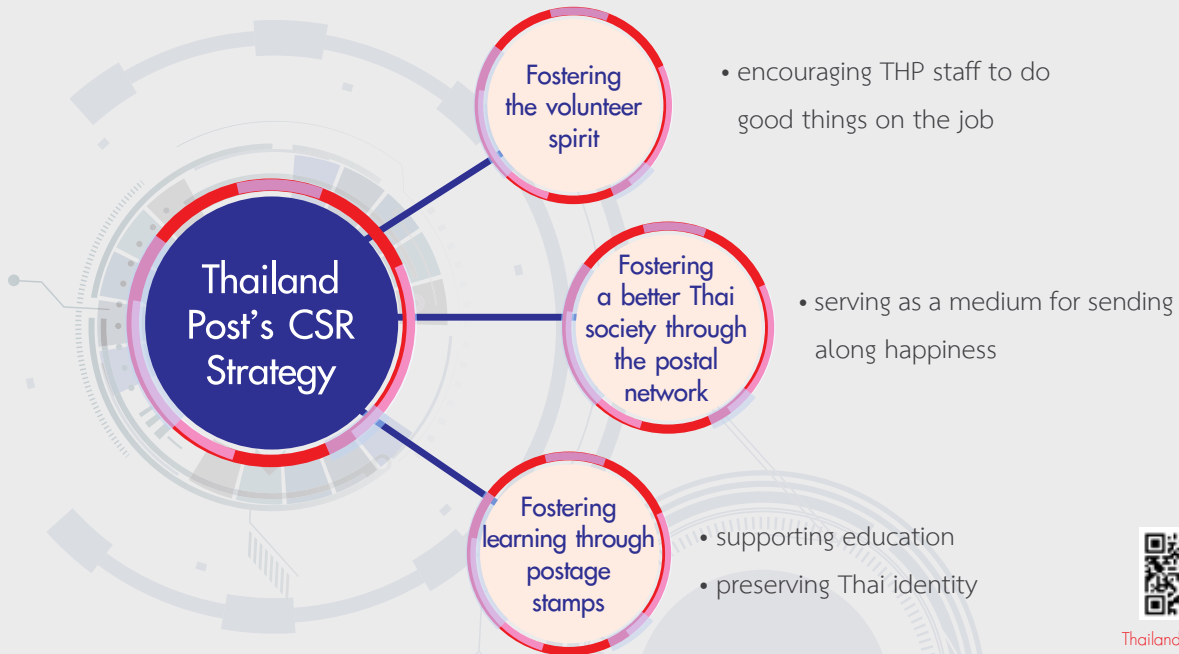
“Linking Thai society through existing postal network and resources in order to play a part in the country's sustainable development.”

Corporate Social Responsibility (CSR), which is one of Thailand Post's major burdens, is an intention to pay back to society, by promoting positive change in local communities and Thai society, contributing to sustainable development economically, socially and environmentally. At Thailand Post, CSR is more than just polishing public image; CSR after process is proof of the company's determination to do business together with taking care of people's life quality in society. With the potential of the organization, skill of the personnel, nationwide network of post offices, transport and logistics system, and expertise in postage stamps, Thailand Post is working to benefit Thai society through 4 key missions:



The success of CSR is not the ability to fulfill the plans and achieve the benchmarks. True success must be measured in tangible results of the work and recognition of the organization value by targeted society and community.

Thailand Post has established certain guidelines for CSR activities to help achieve the objectives and mission by adopting this 3-pronged CSR strategy:



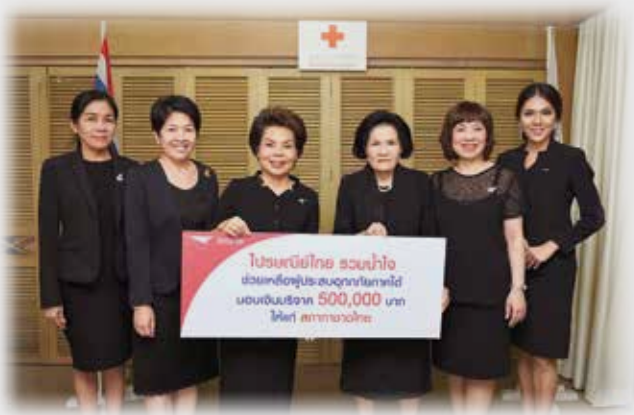
Thailand Post CSR

Fostering the volunteer spirit

Thailand Post wants to instill a work spirit in all staff, in keeping with the corporate culture that seeks to promote integrity, a commitment to service, a love for the job, focus on success and readiness to change. Thailand Post employees are also expected to have the “volunteer spirit,” demonstrating a whole-hearted willingness to help others, to work for a better society, and to promote the country’s sustainable development. In all areas around the country, whether under control of Metropolitan Postal Bureaus or Regional Postal Bureaus, there are

core leadership teams actively involved in activities benefiting local communities and society. These teams form the heart of the “THP volunteer spirit”.

For many years, Thailand Post has been a regular partner of the Thai Red Cross, under the royal patronage of Her Royal Highness Princess Maha Chakri Sirindhorn. Thailand Post staff have demonstrated self-sacrifice and concern for others through their participation in blood donation aimed at helping those in need. Thailand Post also contributes to the annual Thai Red Cross raffle, which raises money in support of the organization’s many charitable activities.



Fostering a better society through the postal network

This CSR strategy takes advantage of Thailand Post's strengths, chiefly its network of more than 1,300 post offices stretching across every region of the country, in cooperation with partners or alliances, both public and private, as well as educational institutions, to fortify the network of Thai lives and Thai economy, and promote sustainable development. Under the projects for the benefit of community and society, activities in each locality are carried out in 4 areas: upgrading product standard, connecting local wisdom, developing tourist destinations, and improving marketing. These efforts fall into 2 broad categories:

1. Support for key communities: Thailand Post has begun to provide support in key communities as part of a program called "Thailand Post...for a Virtuous and Golden Land." Under this project, the Company uses the mission of transportation and the strong postal network to support community-based activities that address real needs. These activities are run on an integrated, participatory basis in conjunction with THP partners in the private and public sectors, and focus on the three cornerstones of village life: home (H), temple (T), and school (S). These institutions, along with THP potential, are instrumental in fostering good morals and an appreciation for the principle of the sufficiency economy and developing the community. Specifically:

- **Home/Community:** Support is given for new marketing channels, training workshops, and new centers for the sale of community-made goods, such as Rom Daeng Market @thailandpost, sale of community goods through e-Commerce.
- **Temple/Place of Worship:** Activities and trainings instilling good morals and ethics are organized. These activities include camps for children, 'happiness through goodness' activities, religious rituals between local residents and THP employees, and joint clean-up activities at community places of worship.
- **School:** THP provides support for workshops for local children, like the Little Merchants Workshop and Stamp@School Activity.

In addition, THP is committed to observing "Pracharat" guidelines as a means of fostering cooperation with various agencies. In 2017, for instance, THP succeeded in forming a network that connects the Community Development Department and Silpakorn University's Faculty of Interior Design. Another network brings together 36 entities, including provincial and local government administrative bodies and civil society groups. A subsequent evaluation showed that participating members were 80.55% of the whole associated network, while satisfaction among all stakeholders was 85.61%.

In 2017, Thailand Post's support for key communities was spread across 12 zones in all parts of the country and focused on strengthening small businesses and improving their management practices. Efforts were also made to exploit community wisdom to create unique identities and boost local economies. The project featured a total of 16 products, including: crispy shrimp, herbal tea (Charakul brand), court dolls (Phumisiri brand), charcoal air-freshener dolls (Dek Kid Pun brand), baked banana sheet rolls (Saengthong brand), semi-dried longans (Laphun brand), and hang rice (Hang Thip Rice brand). Meanwhile, another 14 community businesses became THP partners. They include: Aranyik knives, Dan Kwien pottery, rice bran powder (Chan Hom brand), sweet jujubes (Thansuk brand), Koh Yoh textiles, (Yoh Thoh Meu brand), and basketry products. Community businesses that took part in the program saw year-on-year incomes rise by 50.30% on total revenues of 3,413,870 baht, largely owing to Happy Post projects.

2. Transport and Delivery: Thailand Post has made important contributions to alleviating some of the more pressing problems affecting the country. For instance, THP used its transportation vans and postal network to support public and private organizations, including mass media, in case of natural disasters like earthquakes and floods. The Company provides delivery of consumer goods and educational equipment to remote communities around the country. In 2017, 25 shipments of donated goods were made, weighing in total more than 150 tons.

Thailand Post also supports transportation of agriculture products and community goods. For example, in conjunction with the Bank for Agriculture and Agricultural Cooperatives, THP delivered shipments of Sainamphung oranges from Fang district in Chiang Mai and rice of Naiin under “Sharing Love through Learning” project. Furthermore, THP shipped 60,000 kilograms of rice under “Pookpintokao” program, from farmers (grooms) directly to consumers (brides) throughout Thailand. The project was aimed at helping rice farmers struggling with an oversupply of rice in the market. Also, the company has supported delivery services in special projects, such as a project conducted by the Pollution Control Department since 2010 to collect scrap aluminum, which is then used to produce prosthetic limbs for the disabled in Thailand. Public donations of aluminum were transported by Thailand Post free of charge. The company also offers Frontier Forces Parcel Service which makes free delivery of medicine, clothing, dried food and other necessities to soldiers and police working on the country’s borders.

Fostering Learning through Postage Stamps

Another long-standing part of the Thailand Post identity is postage stamps, which create learning among children and general public. Postage Stamps are also a medium that reflects the culture, traditions and wisdom of the nation, and through a wide range of activities, they serve to broaden the horizons of the country’s youth. In 2017, these activities included the following:



Exploring the World of Stamps: Thailand Post organized a camp activity to bring together more than 100 local children for an educational trip that linked important historical events with the postage stamps and connected the young participants with the cultural root. Held at the Puparn Royal Development Study Center in Sakon Nakhon province between October 10-12, 2017, the camp taught an appreciation of the Thai culture value and the importance of preserving it for future generations.



“Father’s Stamps 2493, for the benefits and happiness of the Siamese people”: exhibition was held between June - December 2017 at Praisanee Narumit Hall of the General Post Office Building, for Thai people to recall the kindness of their beloved late monarch, His Majesty King Bhumibol Adulyadej. The exhibition, featuring exhibits and video presentations, told the story of the great king, from the time of his coronation, through the postage stamps that celebrated him and his achievements. The concept of the exhibition was derived from B.E. 2493 (1950), the year of His Majesty’s coronation, when his first royal proclamation: “We shall reign with righteousness for the benefits and happiness of the Siamese people.” was given to Thai people. The story was presented through numerals 2 4 9 3 which associated to the events : 2 for the King and the Queen, the Royal Couple; 4 for his royal visits to the 4 regions; 9 for 9 works for Thai subjects, and 3 for the King’s 3 principles of philosophy. Over the course of the exhibit, guided visitings and educational activities involving postage stamps were provided for students. Interest was high among young people and general public, both walk-ins and scheduled groups. Total attendance numbered more than 90,000, with 91.05% expressing satisfaction with the content of the exhibit, 92.50% satisfied with the exhibit’s design, and 93.75% satisfied with the services.

The social responsibility of Thailand Post is not only driven by just one person or one small group of individuals, but also by the entire organization working together as a team. From the executives to operation staff, the people who work for Thailand Post share a commitment to solving problems and protecting the good image of the company. While awards and other accolades may be gratifying, they are not as important to the success of social responsibility activities as the devotion, determination, unity and shared understanding of the Thailand Post employees. After all, they appreciate the bonds that connect Thailand Post with people and communities in all regions of the country

No matter the changes at work through the years, Thailand Post remains committed to its role as the “network connecting Thai lives and the Thai economy”. Benefiting from the invaluable knowledge and experience of their predecessors, today’s employees of Thailand Post remain fully aware of the true nature of the company’s purpose: to strengthen the network of connections that join Thai people all across the country. This is a source of pride for all postal staff. With a determination to exercise social responsibility for the benefit of the country, the entire Thailand Post family plays a part in strengthening communities and promoting sustainable development. As an organization that helps drive the Thai economy and Thai society, Thailand Post is contributing to the country’s stability, prosperity and sustainability now and tomorrow.

Photo Collection of Main Activities in 2017

THP launched a set of commemorative postage stamps on the occasion of “the Royal Cremation Ceremony of His Majesty King Bhumibol Adulyadej”



The set of postage stamps commemorating His Majesty King Bhumibol Adulyadej’s royal cremation ceremony consisted of three sheets : the first sheet containing 9 stamps featuring His Majesty the late King’s portraits; the second one consisting of 3 stamps depicting components of the royal cremation ceremony, and the third one having a single stamp with an image of the royal crematorium. Each set, comprising of 13 stamps and 13 designs, was on sale at a price of 99 baht. These postage stamps were intended for the Thai public to keep in memory of the much loved monarch’s great merits to the people and as valued collectible items of the reign of His Majesty King Bhumibol Adulyadej



THP held an exhibition entitled “Father’s Stamps 2493, for the benets and happiness of the Siamese people”

This exhibition was held at the General Post Office in Bangrak district, Bangkok, to pay a final tribute and farewell to His Majesty King Bhumibol Adulyadej and to commemorate his support and generosity for Thailand Post throughout his long 70-year reign.



THP contributed to the project “Volunteers to Produce Royal Cremation Sandalwood Flowers”

Thailand Post submitted a total of 15,000 sandalwood flowers made by THP employees/workers, under the project “Volunteers to Produce Royal Cremation Sandalwood Flowers” to the Royal Household Bureau on the occasion of the funeral of His Majesty King Bhumibol Adulyadej.



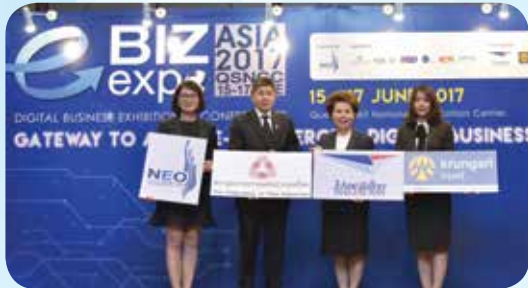
THP planted marigolds as a mark of loyalty to His Majesty the late King.

Thailand Post organized an activity “Offering Marigolds from people’s heart to Father with loyalty” to combine THP staff’s energy to plant marigolds in front of the company sign at the entrance to the Headquarters and all along the walls of the compound on Chaeng Wattana Road in Bangkok as a show of loyalty and in remembrance of His Majesty King Bhumibol Adulyadej.

THP provided support to flood victims in the country’s Northeast.

The Minister of Digital Economy and Society, the THP President and the executives submitted a total of 500,000 baht to the Prime Minister to support relief efforts benefiting flood victims in Thailand’s Northeast.





THP joined e-Biz Expo Asia 2017.

Thailand Post participated in the e-Biz Expo Asia 2017 held at the Queen Sirikit National Convention Center. The exposition featured Prompt Post application and D-Packet delivery service which are ideal for B2C transactions in the e-Commerce sector, as they facilitate the use of shipping services for online purchases.



THP signed an agreement with PTT (Public) Co., Ltd. to provide a channel for distributing community goods.

THP entered into an agreement with PTT to provide support for shipping community goods as well as OTOP and SME-made merchandise across the country and abroad. Sale points were opened at PTT service stations and purchases were shipped via the THP logistics system nationwide.

THP joined with Bangchak Corporation (Public) Co., Ltd. to Expand Markets for Agricultural Goods.

Thailand Post and the Bangchak Corporation (Public) Co., Ltd. joined forces to improve business to the service level of Thailand 4.0. Some post office branches and smart PO. boxes (iBoxes) were installed at Bangchak gas stations to develop delivery and logistics system as well as to expand market channel for the sale of agricultural goods. The arrangement also provided online sales of Bangchak lubricating oil through the THP website at www.thailandpostmart.com.





THP signed an agreement with the Provincial Electricity Authority (PEA) to promote energy saving of mail transport

THP and PEA signed an R&D agreement to save energy used in the company's delivery business and in office buildings. The agreement provided for the study and testing of energy saving by the use of solar energy in office buildings, mail centers and post offices throughout Thailand.



THP unveiled 4.0 model iBoxes named "Mr. Know-it-all."

THP unveiled the latest model of mailboxes named "Mr. Know-it-all", which were changed from the ordinary mailboxes to 4.0-model intelligent iBoxes that can give information about nearby tourist attractions when the users scan QR code on them. This innovation promotes local tourism and small-scale community businesses, including encourage local economic circulation.

Analysis of Operating Results and Financial Position

Operating Results of Thailand Post and Subsidiary Company in 2017

In 2017, Thailand Post and its subsidiary had total revenues of 28,293.82 million baht, a year-on-year increase of 2,318.32 million baht, or 8.93%. Total expenses for the year were 24,081.39 million baht, increased by 1,605.19 million baht, or 7.14%, higher than the year 2016. Net profit was 4,212.43 million baht, an increase of 713.13 million baht, or 20.38% from the previous year. The increase in revenues was due chiefly to higher volume of domestic EMS items which were posted by the e-Commerce businesses. In addition, sales of commemorative postage stamps and collectible items relating to the royal funeral of His Majesty King Bhumibol Adulyadej, contributed to higher revenues in 2017.

Financial Position in 2017

As at 31st December 2017, THP and its subsidiary had total assets valued at 29,467.23 million baht, a year-on-year increase of 3,064.99 million baht, or 11.61%. This was attributable to an increase in revolving assets of 3,436.94 million baht, mainly due to the increase in short-term investments of 2,692.99 million baht. Total Liabilities were 9,014.91 million baht, an increase of 132.22 million baht or 1.49%, from 2016. Total shareholders' equity amounted to 20,452.32 million baht, up from 2016 by 2,932.77 million baht, or 16.74%.

Liquidity in 2017

As at 31st December 2017, Thailand Post and subsidiary company had cash and cash equivalents of 2,838.22 million baht. Net cash flow details of each activity are as follows:

	Unit : million Baht
Net cash derived from operations	5,001.34
Net cash spent in investment activities	(3,460.19)
Net cash spent in financing activities	(1,275.21)
Impact from exchange rate	(0.48)
Net increase (decrease) of cash and cash equivalents	265.46
Cash and cash equivalents at beginning date	2,572.76
Cash and cash equivalents at ending date	2,838.22

Overall, performance, financial standing and liquidity of Thailand Post and its subsidiary in 2017 were considered good. In addition to internal factors, the major external factor having the impact on THP's performance and financial standing in 2017 was the rapid growth of the e-Commerce market, which created greater demand for postal delivery of goods.

Risk Management

THP recognizes the importance of risk management for achieving business goals, and thus implements an integrated risk management system covering the entire organization in line with the COSO-ERM framework. This system incorporates structures, policies and guidelines for managing risk that link risk management process with strategic plans. THP also provides training and knowledge on risk management to THP staff to make them aware and take part in managing risk. As a result, the various units and divisions within the organization can adopt risk management strategies as an integral part of operational culture, enabling THP to achieve the company goals.

THP's risk management process consist of: identifying major risk factors with a bearing on the organization; analysing causes of risk; assessing risk; setting trigger points and key risk indicators, and determining THP's risk appetite and tolerance for all types of risk. The risk management plans and measures are defined and then monitored to ensure that the target is met, or the level of risk is acceptable.

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.

Risk and Measures for Managing Risk

In today's environment, businesses are confronting constant changes that have the significant impact on the organization. This is why THP has identified types of risk pertaining to strategic objectives and adopted a set of measures intended to manage these risks and bolster confidence in THP's ability to achieve its goals. These risks are classified below:

1. Strategic Risk

THP's business requires knowledgeable, skilled, and experienced employees who are considered personnel in key positions. If a significant number of employees in this core group are to retire at the same time, it will affect the company's operations. Because of the time required to recruit new staff and replacement training, THP is required to work in the long term to accommodate potential events to ensure on-going operations. It is necessary to select and develop substitute personnel with competency and capability of performing the duties who are able to step in immediately should a key position need to be filled. In this way, THP's operations are not disrupted and business goals can be achieved on schedule.

2. Operation Risk

In today's world, technology is crucial in business and takes part in all activities for improving efficiency, creating opportunities for new revenue streams, and building confidence and satisfaction in customers and other stakeholders. Customers today demand fast service and easy access to up-to-the-minute information. Failure to upgrade information technology to keep pace with competition can represent a serious risk. For this reason, THP stepped up its plans to develop counter automation system in order to accommodate future business expansion called for in the organization's strategic plans. The new technology also responds to customer demands for high quality services.

3. Financial Risk

Advances in technology play an important role in our lives today. This is especially true of communications technology. Easy access to high-speed internet and inexpensive new smartphones are bringing about major changes in consumer behaviour. People today send information via social media platforms. Marketers contact potential customers directly through electronic channels as a means of cutting costs. Consequently, traditional means of sending news and advertising have experienced a significant decline. In addition, the rapidly growing e-Commerce sector allows an increasing number of Thai and foreign businesses to earn revenue from transport and logistics services. Owing to the increasing investments in Thailand, THP realized that this changing environment poses a potential risk to its own core businesses and an intensified competition that affect the Company's operating revenues. In response, THP has developed new services and made improvements to existing ones; it has upgraded its IT system in order to raise levels of customer satisfaction, and it has established a new subsidiary called Thailand Post Distribution Company Limited to facilitate operations by its logistics division and to enhance the company's overall profit potential.

4. Compliance Risk

THP recognizes the risk associated with a failure to comply with business laws and regulations, such as the Anti-Money Laundering Act B.E. 2542 (1999) and Prevention and Suppression of Financial Support to Terrorism and the Proliferation of Weapons of Mass Destruction B.E. 2559 (2016). To manage this risk, THP undertakes regular reviews and following up of its operations to ensure compliance with relevant laws, rules and regulations. In this way, the company can avoid legal ramifications resulting from violations of laws in force.

Environmental Risk

THP recognizes the potential risks associated with operations having an impact on the environment and nearby communities. Therefore, the organization has implemented environmental management standard ISO 14001:2015 to minimize these risks and to reduce costs by maximizing efficiency in the use of resources. In 2017, THP was certified to ISO 14001:2015 Standard assuring stakeholders that its operations as well as its goods and services are all eco-friendly.

Business Continuity Management

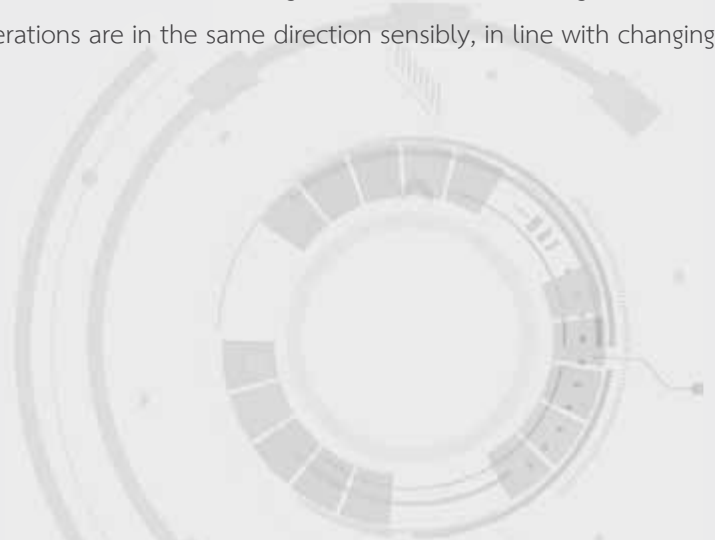
Thailand Post has adopted the approach to business continuity management in line with ISO 22301:2012 standards as preparation for unanticipated crisis that could disrupt its core businesses. THP has defined strategies, prepared and tested business continuity management as well as regularly educated the THP staff on these management procedures so that the company can continue the core businesses and deliver goods and services to customers at satisfactory levels even under crisis. The THP business continuity management program also enables the company to restore disrupted work processes within time limit in order to keep impact at acceptable level.

Internal Controls

THP recognizes the importance of internal controls and creation of working atmosphere conducive to good internal control environment by promoting honesty, integrity, transparency, and ethical and moral conduct in the workplace, as well as positive attitude toward internal controls. THP's internal control system is fully integrated and covers the entire organization in multiple dimensions, and is essential to efficient and effective operations, accurate and reliable financial reports and accounting system. In addition, the company complies strictly with all relevant laws, regulations and Cabinet resolutions, including THP operation handbook and policies.

In recognizing the importance of internal controls, the THP Board of Directors has appointed a Good Corporate Governance Subcommittee responsible for overseeing and determining strategies, policies, goals and planning related to internal controls, which are clear and tailored to Thailand Post's specific business activities. THP executives are charged with implementing the internal control system in line with standards set by the State Audit Commission. According to the proclamation of internal control policy, department heads have been instructed to conduct ongoing monitoring and separate evaluations regularly to ensure that the company's internal controls are adequate, appropriate, effective, efficient and up-to-date, and that any weaknesses identified during these evaluations are promptly corrected. Control self-assessments (CSA) are applied as another tool for self-evaluation of THP management and staff, by reviewing and assessing the sufficiency of the company's internal control and risk management mechanisms pertinent to their own work responsibilities. They also have a role in analysing work procedures, assessing internal control components and recommending improvements in the internal control system. A review of the THP internal control system is conducted annually and a report of the findings is submitted to the Good Corporate Governance Subcommittee, the THP Audit Committee, the THP Board of Directors, the State Audit Commission, the Ministry of Digital Economy and Society (to which Thailand Post is attached), and the Ministry of Finance (as THP's sole shareholder). Further monitoring reviews of the company's internal controls are conducted on a quarterly basis.

In 2017, THP operated in compliance with the internal control policies and procedures outlined in the company's internal controls evaluation handbook, which was consistent with the principles / guidelines for risk management and internal controls set down by the State Enterprise Policy Office in 2012. These policies and procedures promoted efficient and effective operations, ensured the reliability of financial reports and the compliance with all relevant regulations and proved the adequacy and suitability of the internal control system with immediate corrective action. THP's internal controls were also integrated with its risk management and internal audit to enhance confidence that the operations are in the same direction sensibly, in line with changing circumstances.



Internal Audit



Internal Audit is considered one of the major mechanisms in supervision process of Thailand Post Audit Committee and Executives to monitor the Company operations. The Internal Audit Office is an independent unit that reports directly to the THP Audit Committee and President. Charter of Internal Audit Office distinctly defines objectives, mission, scope of operations and responsibilities as well as rights to conduct an audit. Internal audit manual is also prepared for use as standard practice. The Charter and the internal audit manual are regularly reviewed. The Internal Audit Office has a main mission of auditing to ensure the reliability as well as providing fair and independent advice to enhance the value and improve operation process of THP. Its work allows the Company to achieve its objectives by assessing and improving the effectiveness of risk management, control and supervision. The significant performances of Internal Audit in the year 2017 can be summarized as follows.

1. Internal Audit Planning: Preparations were made for the annual Operational and Internal Audit Plan in 2018 and the Five-years Strategic Operational and Audit Plan (2018–2022) based on potential risks and in accordance with the Company's objectives. A systematic and concrete risk assessment was undertaken in consideration of various factors, i.e. postal business plans, enterprise risks, external auditor's observations, previous audit results, and opinions of the Executives. These factors were taken in account for preparing audit plans. Sufficient resources were allocated for the internal audit activity. The plans were submitted to the President and the Company's Audit Committee for approval, and were reviewed and improved 1 time in 2017.

2. Audit Performing: Audit was conducted in accordance with the approved audit plan to ensure the accuracy, completeness, and reliability of financial information, accounting, information technology related activities, the compliance with relevant laws, regulations, rules, orders, cabinet resolutions, policies and contracts. There was also a revision of efficiency and effectiveness of the internal control procedure, good corporate governance, risk management, the Company's morals and code of ethics as well as other relevant items or those potentially causing conflict of interest or fraudulent actions that can affect Thailand Post's operations.

3. Audit Result Reporting and Following-Up: Quarterly and annual reports on audit results were submitted to the Company's Executives, President and Audit Committee. The reports included findings, issues, impact, significant risks, internal controls, supervision and other matters as well as suggestions for improvement. Moreover, follow-up auditing was carried out to ensure that the audited departments could put suggestions into practice in an efficient and effective manner.

4. Audit Quality Maintaining: Internal auditors and Internal Audit Office were subject to Control Self – Assessment (CSA) and assessment by the audited departments after the completion of all audit plans. The assessment results were used for development of audit performance and Internal Audit Office personnel. The Company emphasized on consecutive development and professional training. Accordingly, internal auditors were assigned to participate in 11 courses of training and professional certification exam. In the past year, there were 2 persons who got the Certification of CPIAT (Certified Professional Internal Audit of Thailand). The Company also promoted relationships with external organizations in terms of professional knowledge sharing which will enhance its internal audit to meet the professional standards and achieve more efficient performance.

Report in Line with Good Corporate Governance Policy

Good Corporate Governance Policy

The 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 of all stakeholders with honesty, performing duty with due regard to rights of stakeholder and behaving towards all stakeholders with equality and fairness.

2.4 Transparency in all operations that can be verified and transparent disclosure 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 candidates prepared by the Ministry of Finance and experts experienced in various fields useful to the Company's business. All potential appointees 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 board 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, 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 create long-term public benefits.
- Take responsibility for Thailand Post's performance
- 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 and ensure implementation of its internal control propriety evaluation process.
- Set performance criteria of the Thailand Post Board of Directors and self-assessment against such criteria 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

Appointment of Committees/Subcommittees

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

THP Audit Committee

The responsibilities of the THP Audit Committee, as assigned by the Board of Directors and in line with the THP Audit Committee charter which complies with the guidelines set down in the Ministry of Finance handbook pertaining to state enterprise audit committees (revised 2012), include: inspecting the adequacy and effectiveness of good corporate governance, risk management and internal control mechanisms; overseeing THP financial reporting for accuracy and reliability; ensuring that company operations comply with all pertinent laws, rules, regulations, Cabinet resolutions, orders, announcements and standard operating procedures; inspecting THP's internal audit system and the independence of internal audit agencies; expressing opinions to the THP Board of Directors on issues relating to appointments, transfers and removals; conducting annual performance reviews of heads and members of internal audit agencies; reviewing related transactions or transactions representing possible conflicts of interest or malfeasance which could have an adverse effect on Thailand Post; and attending meetings with THP management, accounting auditors, and internal auditors.

In 2017, key operations of the THP Audit Committee included the following: reviewing the key performance indicators (KPI) for 2017; quarterly monitoring of progress in line with operating plans and internal audits for 2017; approving THP's 5-year operating and strategic auditing plans (2018-2022); approving operating and internal auditing plans for 2018; assessing the suitability and sufficiency of internal auditing resources; inspecting risk management outcomes at the organizational level and the Risk Correlation Map for 2017 on a quarterly basis; acknowledging the internal controls assessment report for 2016; considering the appointment of an auditor; inspecting THP budgets and financial standing on a quarterly basis; reviewing the annual budget, and monitoring compliance with THP Board of Directors' regulations regarding conflicts between personal interests and the interests of Thailand Post. In 2017, the THP Audit Committee met a total of 8 times and the attendance record of the Board members who were appointed to the Committee is as follows:

THP Audit Committee 1/2017

No.	Committee	Period of office	Number of attendance/ all meetings convened in 2017
1	Dr. Jaruvan Hengtrakool	27 Jul. 2015 – 30 Apr. 2017	4/4
2	Mrs. Pratana Mongkolkul	27 Jul. 2015 – 30 Apr. 2017	2/4
3	Dr. Thitipong Nandhabiwat	21 Dec. 2015 – 30 Apr. 2017	4/4
4	Prof.Dr. Narumon Saardchom	23 Nov. 2016 – 30 Apr. 2017	4/4

THP Audit Committee 2/2017

No.	Committee	Period of office	Number of attendance/ all meetings convened in 2017
1	Mr. Napon Sirikantayakul	1 May 2017 – 30 Sep. 2017	3/3
2	Mrs. Pratana Mongkolkul	1 May 2017 – 5 Nov. 2017	3/3
3	Dr. Thitipong Nandhabiwat	1 May 2017 – 5 Nov. 2017	3/3
4	Prof.Dr. Narumon Saardchom	1 May 2017 – 5 Nov. 2017	3/3

THP Audit Committee 3/2017

No.	Committee	Period of office	Number of attendance/ all meetings convened in 2017
1	Mrs. Pratana Mongkolkul	6 Nov. 2017 – 31 Dec. 2017	1/1
2	Dr. Thitipong Nandhabiwat	6 Nov. 2017 – 31 Dec. 2017	1/1
3	Prof.Dr. Narumon Saardchom	6 Nov. 2017 – 31 Dec. 2017	1/1

THP Relations Affairs Committee

The THP Relations Affairs Committee is responsible for commenting on improving operational efficiency and labor relations. The committee is engaged in resolving internal conflicts, and amending work-related rules and regulations to 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.

In 2017, the THP Relations Affairs Committee met a total of 12 times to amend working regulations and give advice to solve problems on complaints. The attendance record of the Board members appointed to the committee is follows:

THP Relations Affairs Committee 1/2017

No.	Committee	Period of office	Number of attendance/ all meetings convened in 2017
-	Asst.Prof.Dr.M.L. Vittratorn Chirapravati	3 Apr. 2016 – 31 Jul. 2017	7/7

THP Relations Affairs Committee 2/2017

No.	Committee	Period of office	Number of attendance/ all meetings convened in 2017
-	Pol.Maj.Gen. Sompong Chingduang	8 Sep. 2017 – 31 Dec. 2017	4/4

- Note:
1. Asst.Prof.Dr.M.L. Vittratorn Chirapravati, the Chair of the Relations Affairs Committee resigned from his position, effective 1 August 2017.
 2. Pol.Maj.Gen. Sompong Chingduang was appointed to the Chair of the Relations Affairs Committee, effective 8 September 2017.
 3. None of the THP Directors attended the meeting of the THP Relations Affairs Committee (8/2560) held on 30 August 2017.

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 2017, key activities of the President's Performance Evaluation Subcommittee in 2017 included: reviewing the President's performance evaluation outcome in 2016; setting guidelines for evaluating the President's performance in 2017; setting benchmarks for individual indicators, and evaluating the THP President's performance in the first 6 months of 2017. In 2017, the President's Performance Evaluation Subcommittee met a total of 7 times.

The attendance record of the Board members who were appointed to the subcommittee is as follows:

President's Performance Evaluation Subcommittee 1/2017

No.	Subcommittee	Period of office	Number of attendance/ all meetings convened in 2017
1	Mr. Chumpol Rimsakorn	27 Jul. 2015 – 6 Apr. 2017	3/3
2	Mrs. Pratana Mongkolkul	18 May 2016 – 30 Apr. 2017	3/3
3	Mr. Rathapol Bhakdibhumi	1 Oct. 2016 – 30 Apr. 2017	2/3

President's Performance Evaluation Subcommittee 2/2017

No.	Subcommittee	Period of office	Number of attendance/ all meetings convened in 2017
1	Mr. Napong Sirikantayakul	1 May 2017 – 30 Sep. 2017	3/3
2	Prof.Dr. Narumon Saardchom	1 May 2017 – 5 Nov. 2017	3/3
3	Pol.Maj.Gen. Sompong Chingduang	1 May 2017 – 5 Nov. 2017	3/3

President's Performance Evaluation Subcommittee 3/2017

No.	Subcommittee	Period of office	Number of attendance/ all meetings convened in 2017
1	Prof.Dr. Narumon Saardchom	6 Nov. 2017– 31 Dec. 2017	1/1
2	Mr. Sorasak Meenatoree	6 Nov. 2017– 31 Dec. 2017	1/1
3	Pol.Maj.Gen. Sompong Chingduang	6 Nov. 2017– 31 Dec. 2017	1/1

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. The Subcommittee also takes charge of following up the performance, reviewing and improving rules and regulations to comply with the relevant laws.

In 2017, key activities of the Good Corporate Governance Subcommittee included: acknowledging internal controls reports; acknowledging reviews of the THP code of ethics and measures for preventing conflicts of interest; acknowledging reports on laws with a potential impact on THP business; approving the good corporate governance master plan for 2018-2022; approving Thailand Post's planned CSR activities for 2018, and approving good corporate governance assessment indicators and procedures for 2018. In 2017, the Good Corporate Governance Subcommittee met a total of 6 times and the attendance record of Board members who were appointed to the Subcommittee is as follows:

Good Corporate Governance Subcommittee 1/2017

No.	Subcommittee	Period of office	Number of attendance/ all meetings convened in 2017
1	Dr. Jaruvan Hengtrakool	1 Oct. 2016 – 27 Apr. 2017	2/2
2	Asst.Prof.Dr.M.L. Vittratorn Chirapravati	1 Oct. 2016 – 23 May 2017	2/2
3	Dr. Pornchai Thiraveja	1 Oct. 2016 – 23 May 2017	2/2
4	Mrs. Smorn Terdthampiboon	1 Oct. 2016 – 23 May 2017	-/2

Good Corporate Governance Subcommittee 2/2017

No.	Subcommittee	Period of office	Number of attendance/ all meetings convened in 2017
1	Pol.Maj.Gen. Sompong Chingduang	24 May 2017 - 31 Dec. 2017	4/4
2	Asst.Prof.Dr.M.L. Vittratorn Chirapravati	24 May 2017 - 31 Jul. 2017	1/1
3	Mr. Pornchai Thiraveja	24 May 2017 - 31 Dec. 2017	1/4
4	Mrs. Smorn Terdthampiboon	24 May 2017 - 31 Dec. 2017	4/4

Risk Management Subcommittee

Risk Management Subcommittee is responsible for proposing risk management policies, strategies, structures and models in compliance with principles and guidelines for good corporate governance in state enterprises and the state enterprise operational evaluation agreement, and supervising the performance to ensure compliance with the risk management policies, strategies and models throughout the entire organization. The Subcommittee is also charged with supporting, promoting and driving the integration of Thailand Post risk management, information technology management and strategic planning.

Key activities of the THP Risk Management Subcommittee in 2017 included: approving the 2016 organization-level risk management outcomes and Risk Correlation Map; approving the 2016 risk appetite report; approving the organization-level risk management outcomes and the Risk Correlation Map for quarters 1-4, of 2017; approving the 2017 organizational risks as well as the 2018 risk management policy review; and approving the 2018 organization-level risk, risk factors and risk management measures.

In 2017, the THP Risk Management Subcommittee met a total of 7 times and the attendance record of the Thailand Post Board members who were appointed to the Subcommittee is as follows:

No.	Subcommittee	Period of office	Number of attendance/ all meetings convened in 2017
1	Dr. Pornchai Thiraveja	29 Nov. 2016 – 31 Dec. 2017	6/7
2	Dr. Thitipong Nandhabiwat	29 Nov. 2016 – 30 Apr. 2017	1/2
3	Asst.Prof.Dr.M.L. Vittratorn Chirapravati	29 Nov. 2016 – 30 Apr. 2017	2/2
4	Prof.Dr. Narumon Saardchom	29 Nov. 2016 – 31 Dec. 2017	7/7
5	Mrs. Smorn Terdthampiboon	29 Nov. 2016 – 31 Dec. 2017	4/7
6	Mr. Rathapol Bhakdibhumi	1 May 2017 - 31 Dec. 2017	-/5

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.

In 2017, the Employee/Permanent Worker Appeal Review Subcommittee convened 8 meetings and the attendance record of the Thailand Post Board members who were appointed to the Subcommittee is as follows:

Employee/Permanent Worker Appeal Review Subcommittee 1/2017

No.	Subcommittee	Period of office	Number of attendance/ all meetings convened in 2017
-	Dr. Jaruvan Hengtrakool	17 Oct. 2014 – 27 Apr. 2017	2/2

Employee/Permanent Worker Appeal Review Subcommittee 2/2017

No.	Subcommittee	Period of office	Number of attendance/ all meetings convened in 2017
-	Pol.Maj.Gen. Sompong Chingduang	1 May 2017 - 31 Dec. 2017	2/2

Information Technology Development Subcommittee

This subcommittee is responsible for developing THP IT system in line with the company's strategic plans and the IT development master plan. It also oversees, supervises, monitors and assesses the implementation progress of IT development plans to ensure the compliance with the stated goal, and screens issues relating to the development of the IT systems which are then forwarded to the Board of Directors for their consideration.

In 2017, the IT System Development Sub-committee's major works included the following: acknowledging progress reports on implementation of the IT development master plan for the period 2016-2020; reviewing proposals to purchase and install an organizational resource planning system; considering possible leasing of equipment for the shipping and delivery systems; acknowledging progress reports on the project to install counter automation system; reviewing the IT development master plan for 2018-2022, and reviewing plans to expand installation of counter automation system. In 2017, the IT System Development Subcommittee met a total of 9 times and the attendance record of the Thailand Post Board members who were appointed to the Subcommittee is as follows:

No.	Subcommittee	Period of office	Number of attendance/ all meetings convened in 2017
1	Dr. Thitipong Nandhabiwat	27 Apr. 2017 - 31 Dec. 2017	9/9
2	Mrs. Smorn Terdthampiboon	27 Apr. 2017 - 31 Dec. 2017	6/9

Subcommittee for Strategy and Capacity Improvement of IT Systems

Subcommittee for Strategy and Capacity Improvement of IT Systems is responsible for screening matters related to strategic operation and IT system development; supervising strategic operation and IT system to comply with THP strategic plan and IT master plan; and following up and assessing progress in implementing the defined guidelines and strategies.

In 2017, Subcommittee for Strategy and Capacity Improvement of IT Systems conducted the following activities: acknowledging progress reports on strategic planning and the IT master plan; acknowledging progress reports on the purchase and installation of the organizational resource planning system; and acknowledging progress reports on the installation of counter automation system. In 2017, the sub-committee met a total of 3 times and the attendance record of the Thailand Post Board members who were appointed to the Subcommittee is as follows:

No.	Subcommittee	Period of office	Number of attendance/ all meetings convened in 2017
1	Mr. Chumpol Rimsakorn	1 Oct. 2016 – 6 Apr. 2017	3/3
2	Mr. Rathapol Bhakdibhumi	1 Oct. 2016 – 30 Apr. 2017	3/3
3	Dr. Thitipong Nandhabiwat	1 Oct. 2016 – 30 Apr. 2017	3/3
4	Mrs. Pratana Mongkolkul	1 Oct. 2016 – 30 Apr. 2017	3/3
5	Mrs. Smorn Terdthampiboon	1 Oct. 2016 – 30 Apr. 2017	3/3

Subcommittee on Follow-up of Performance of ThailandPost Distribution Co., Ltd.

Subcommittee on Follow-up of Performance of ThailandPost Distribution Co., Ltd. is responsible for supervising, following up and evaluating performance, as well as scrutinizing and advising on business operation of ThailandPost Distribution Co.,Ltd.

In 2017, Subcommittee on Follow-up of Performance of ThailandPost Distribution Co., Ltd. convened 9 meetings and the attendance record of Thailand Post Board members who were appointed to the Subcommittee is as follows:

No.	Subcommittee	Period of office	Number of attendance/ all meetings convened in 2017
1	Mrs. Pratana Mongkolkul	1 Oct. 2016 – 31 Dec. 2017	9/9
2	Dr. Jaruvan Hengtrakool	1 Oct. 2016 – 27 Apr. 2017	3/4
3	Dr. Thitipong Nandhabiwat	1 Oct. 2016 – 31 Dec. 2017	9/9
4	Mrs. Smorn Terdthampiboon	1 Oct. 2016 – 31 Dec. 2017	6/9

Subcommittee on Investment Screening and Budget Disbursement Expediting

The duties of the subcommittee include: considering additional mid-year budget allotments; monitoring and expediting spending on approved investments; considering issues relating to procurements/hiring; approving conditions for bidding announcements; and offering solutions for problems related to procurement/hiring and investment budget spending.

In 2017, the subcommittee met 9 times to review investment projects and monitor the annual investment budget disbursement. Attendance at these meetings by the THP Directors appointed to serve on the subcommittee is as follows:

Subcommittee on Investment Screening and Budget Disbursement Expediting 1/2017

No.	Subcommittee	Period of office	Number of attendance/ all meetings convened in 2017
1	Mr. Chumpol Rimsakorn	1 Oct. 2016 – 6 Apr. 2017	3/3
2	Mr. Pornchai Thiraveja	1 Oct. 2016 – 30 Apr. 2017	3/3
3	Mr. Rathapol Bhakdibhumi	1 Oct. 2016 – 30 Apr. 2017	2/3
4	Mrs. Smorn Terdthampiboon	1 Oct. 2016 – 30 Apr. 2017	-/3
5	Prof.Dr. Narumon Saardchom	17 Nov. 2016 – 30 Apr. 2017	3/3

Subcommittee on Investment Screening and Budget Disbursement Expediting 2/2017

No.	Subcommittee	Period of office	Number of attendance/ all meetings convened in 2017
1	Mr. Napong Sirikantayakul	1 May 2017 – 30 Sep. 2017	5/5
2	Mr. Pornchai Thiraveja	1 May 2017 – 5 Nov. 2017	4/5
3	Mr. Rathapol Bhakdibhumi	1 May 2017 – 5 Nov. 2017	4/5
4	Mrs. Pratana Mongkolkul	1 May 2017 – 5 Nov. 2017	2/5
5	Mrs. Smorn Terdthampiboon	1 May 2017 – 5 Nov. 2017	5/5

Subcommittee on Investment Screening and Budget Disbursement Expediting 3/2017

No.	Subcommittee	Period of office	Number of attendance/ all meetings convened in 2017
1	Dr. Pornchai Thiraveja	6 Nov. 2017 – 31 Dec. 2017	1/1
2	Mr. Rathapol Bhakdibhumi	6 Nov. 2017 – 31 Dec. 2017	-/1
3	Mrs. Pratana Mongkolkul	6 Nov. 2017 – 31 Dec. 2017	1/1
4	Mrs. Smorn Terdthampiboon	6 Nov. 2017 – 31 Dec. 2017	1/1

Meeting of the Board of Directors

Under THP regulations, the Board of Directors is required to meet not less than once each month, on the third Friday of the month. Prior to these meetings, the Board secretary sends out invitations to all Directors informing them of the date of the meeting and the agenda, along with any other accompanying documents, so that they may review them before the meeting is convened. At each meeting, the Directors may offer opinions openly and freely, and written minutes of the proceedings are taken. After these minutes are approved by the THP Board, they are made available to the Directors and other relevant individuals for their inspection. Copies of the minutes are also sent to the Ministry of Finance, the Ministry of Digital Economy and Society, the State Audit Office, and the auditor of the State Audit Office assigned specifically to Thailand Post. THP also posts the agenda items for each meeting on its intranet system for the benefit of interested staff members, and a summary of the highlights from each meeting is sent to the THP State Enterprise Labor Union in the interest of transparency and as part of the checks and balances intended to protect the interests of THP stakeholders.

In 2017, the Thailand Post Board of Directors convened 13 meetings with attendance record of each member as follows:

No.	Director	Period of office	Number of attendance/ all meetings convened in 2017
1	General Sathit Pitharat	25 Aug. 2014 – 31 Dec. 2017	13/13
2	Mr. Chumpol Rimsakorn	17 Mar. 2015 - 6 Apr. 2017	3/3
3	Dr. Jaruvan Hengtrakool	25 Aug. 2014 – 27 Apr. 2017	4/4
4	Mr. Rathapol Bhakdibhumi	25 Aug. 2014 – 31 Dec. 2017	10/13
5	Dr. Thitipong Nandhabiwat	25 Aug. 2014 – 31 Dec. 2017	13/13
6	Asst.Prof.Dr.M.L. Vittratorn Chirapravati	25 Aug. 2014 – 31 Jul. 2017	8/8
7	Mrs. Pratana Mongkolkul	24 Apr. 2015– 31 Dec. 2017	12/13
8	Mrs. Smorn Terdthampiboon	15 Jan. 2016 – 31 Dec. 2017	13/13
9	Dr. Pornchai Thiraveja	19 Feb. 2016 – 31 Dec. 2017	13/13
10	Prof.Dr. Narumon Saardchom	11 Nov. 2016 – 31 Dec. 2017	13/13
11	Pol.Maj.Gen. Sompong Chingduang	9 Jan. 2017 – 31 Dec. 2017	11/13
12	Mr. Naponng Sirikantayakul	21 Apr. 2017 – 30 Sep. 2017	7/7
13	Mr. Sorasak Meenatoree	20 Oct. 2017 – 30 Dec. 2017	2/2

- Note:
1. Mr. Chumpol Rimsakorn (No.2) resigned his office, effective 7 April 2017
 2. Dr. Jaruvan Hengtrakool (No.3) resigned her office, effective 28 April 2017
 3. Asst.Prof.Dr.M.L. Vittratorn Chirapravati (No.6) resigned his office, effective 1 August 2017
 4. Mr. Naponng Sirikantayakul (No.12) resigned his office, effective 1 October 2017

Remuneration of the Thailand Post Board of Directors and Subcommittee

Thailand Post sets the remuneration paid to its Directors and all subcommittee members in a clear and transparent manner as below:

Monthly remuneration: Thailand Post, in compliance with the Cabinet resolution of 2nd July 2013, defines that the monthly remuneration of Directors shall not exceed 10,000 baht and the Chairman of the Board shall receive double the amount paid to Directors.

Meeting allowance: Thailand Post, in compliance with the Cabinet resolution of 2nd July 2013, defines that:

- Not more than 10,000 baht per person per meeting is paid to Directors not more than once per month provided that they attend; the Chairperson is paid an additional 25% and the Deputy Chairperson receives an additional 12.50%

- Directors appointed to serve on a subcommittee or working group receive an additional stipend equal to that paid to attend meetings of the Board provided that Directors attend; additional fees will be paid for participation in not more than two subcommittees/working groups which meet not more than one time per month.

In 2017, the remuneration paid to the Thailand Post Board of Directors is as Follows:

NO.	Director	Remuneration (Baht)			
		Monthly pay	Meeting allowance	Meeting allowance other party	Total
1	General Sathit Pitharat	240,000.00	150,000.00	-	390,000.00
2	Mr. Chumpol Rimsakorn	32,000.00	33,750.00	87,500.00	153,250.00
3	Dr. Jaruvan Hengtrakool	39,000.00	40,000.00	116,250.00	195,250.00
4	Mr. Rathapol Bhakdibhumi	120,000.00	90,000.00	152,500.00	362,500.00
5	Dr. Thitipong Nandhabiwat	120,000.00	120,000.00	378,750.00	618,750.00
6	Asst.Prof.Dr.M.L. Vittratorn Chirapravati	70,000.00	70,000.00	157,500.00	297,500.00
7	Mrs. Pratana Mongkolkul	120,000.00	110,000.00	307,083.40	537,083.40
8	Mrs. Smorn Terdthampiboon	120,000.00	120,000.00	230,000.00	470,000.00
9	Dr. Pornchai Thiraveja	120,000.00	120,000.00	187,500.00	427,500.00
10	Prof.Dr. Narumon Saardchom	120,000.00	120,000.00	345,000.00	585,000.00
11	Pol.Maj.Gen. Sompong Chingduang	117,419.35	101,250.00	132,500.00	351,169.35
12	Mr. Napong Sirikantayakul	53,333.33	66,250.00	176,000.00	295,583.33
13	Mr. Sorasak Meenatoree	23,870.96	20,000.00	30,000.00	73,870.96

Note:

1. Mr. Chumpol Rimsakorn (No.2) resigned, effective 7 April 2017
2. Dr. Jaruvan Hengtrakool (No.3) resigned, effective 28 April 2017
3. Asst.Prof.Dr.M.L. Vittratorn Chirapravati (No.6) resigned, effective 1 August 2017
4. Mr. Napong Sirikantayakul (No.12) was elected as Vice Chairman of the THP Board of Directors in place of Mr. Chumpol Rimsakorn as of 25 May 2017 and resigned effective 1 October 2017
5. Pol.Maj.Gen. Sompong Chingduang (No.11) was elected as Vice Chairman of the THP Board of Directors in place of Mr. Napong Sirikantayakul as of 15 December 2017
6. THP has not yet paid Directors' bonuses for 2016 and 2017.

Remuneration for Top Executives

Thailand Post pays to top executives, 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

During 2015-2017, Thailand Post had paid remuneration to top executives as follows:

Type of remuneration	Remuneration of top executives (Baht)		
	2015	2016	2017
Payment for work	13,963,734.00	16,529,803.74	18,262,362.97
Welfare benefits	2,355,578.22	1,446,166.33	2,219,539.23
Employer contribution to provident fund	1,082,210.16	1,105,707.00	1,270,749.46
Other compensation	2,691,248.17	3,557,961.80	3,816,659.23
Total	20,092,770.55	22,639,638.87	25,569,310.89

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 Internal Audit Office shall randomly examine the behavior of the employees and their spouses in regard to ethical receipt of assets or benefits, actions taken in bidding process, being contract parties or stakeholders in contracts made with Thailand Post. If any action that is deemed as a breach occurs, the Office shall report to the President immediately. In addition, the employees are required to disclose information on conflicts of interests, 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 2017 to be Published in Thailand Post Annual Report

Thailand Post Audit Committee consists of 3 members of the Thailand Post Board of Directors who are knowledgeable and experienced experts in various fields. The Audit Committee has fulfilled its duties and carried out all the responsibilities assigned by the Company's Board of Directors in compliance with the Ministry of Finance Regulations on State Enterprise Audit Committee and Internal Audit B.E. 2555 (2012), State Enterprise Internal Audit Committee Manual issued by Ministry of Finance, amended version B.E. 2555 (2012) and Thailand Post Audit Committee Charter.

As of 31 December 2017, the Thailand Post Audit Committee consisted of:

1. Mrs. Pratana Mongkolkul	Chairman
2. Dr. Thitipong Nandhabiwat	Member
3. Professor Dr. Narumon Saardchom	Member

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

During the year 2017, the Audit Committee has held total 8 meetings with the Company's Executives, Chief of Internal Audit Unit and Office of Auditor General of Thailand (OAG) Auditor, concerning relevant agendas. The major subject matters can be summarized as follows.

1. Review internal controls reports; oversee THP management control and monitor operations to ensure adequacy and appropriateness of the internal controls system so that operations can proceed systematically and in an efficient and effective manner. In this regard, the THP Audit Committee provides recommendations to the THP management when major shortcomings are detected so that they can be corrected. The Audit Committee also monitors to ensure that the operations are regularly and continuously improved.

2. Monitor the work on THP Risk Management and appropriate operating guidelines through review of THP's quarterly risk management reports and Risk Correlation Map as well as identification of company-level risk, key risk factors, and risk management measures prepared by THP in 2017; provide recommendations to the management to improve THP risk management system and thereby ensure more effective and efficient operations.

3. Review quarterly and annual financial reports before and after the Auditor's audit by considering the accuracy and completeness of the financial statements and significant adjusting entries to ensure that the preparation of financial statements is reliable, in accordance with legal requirements and generally accepted accounting principles. The revision also aimed to ensure the sufficient disclosure of information beneficial to users of the financial statements. The Company's financial operational results and status are reviewed on a quarterly basis. Suggestions regarding improvement of operational efficiency were also provided to the THP executives.

4. Oversee management and work of the Internal Audit Office through review; approve the Internal Audit Office Charter, plans and strategic audits for the five-year period 2018-2022, plans and internal audits for 2018, strategic plans and audits for the five-year period 2017-2021, and the internal audit handbook for 2017; approve the appointment of internal audit units personnel and evaluate the heads' performance; inspect appropriateness and adequacy of internal audit resources and approve the 2019 Internal Audit Office budget and performance indicators; review internal audit performance reports for compliance with audit plans and forward observations to the THP Board of Directors for consideration; supervise and monitor improvements initiated by THP management and monitor progress in the

implementation of operating and audit plans; provide ongoing opportunities for skills development and professional certification in internal auditing; support hiring of consultants to conduct quality assessments of internal audit processes (QAR: Quality Assurance Review).

5. Attend a meeting with Auditors from the Office of Auditor General (OAG), in the absence of the Company executives, to discuss the scope and approaches of the audit as well as findings and recommendations arising from the revision or auditing of financial statements, and to follow up the Company implementation of corrective actions as suggested by the Auditors from the Office of Auditor General (OAG).

6. Attend an official meeting with the Company executives, by inviting the President and executive officers at the level of Executive Vice President and above, to discuss the Company's business, risks and internal controls, as well as to provide recommendations for improvement of operational efficiency.

7. Prepare meeting reports, and quarterly and annual performance reports for submission to the Company Board of Directors, and send copies of the annual report to Ministry of Digital Economy and Society and Ministry of Finance.

8. Review for improvement of Thailand Post Audit Committee Charter as well as self-evaluation in compliance with the good practices prescribed in the Manual for Internal State Enterprise Audit Committee issued by Ministry of Finance, amended version B.E. 2555 (2012) to ensure that the Audit Committee's performance was efficient and reliable.

9. Monitor compliance with relevant laws, rules and regulations that have the potential impact to THP's image and business, e.g. complaints, progress on civil cases, and disciplinary actions. Also, monitor actions in line with the regulations of the THP Board of Directors (Volume 7 B.E. 2548 (2005)), on conflicts between the interests of individuals and those of Thailand Post.

10. Approve the appointment of the Office of Auditor General of Thailand (OAG) as Auditor of Thailand Post Co., Ltd. with the remuneration rate of 2,400,000 Baht.



(Mrs. Pratana Mongkolkul)
Chairman of Audit Committee

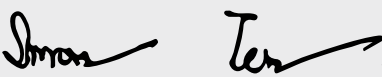
4 January 2018

Report on Board of Directors' Responsibility for Financial Report

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.

Gen. 
(Sathit Pitharat)
Chairman of the Board of Directors


(Mrs. Smorn Terdthampiboon)
President



Auditor's Report



To the Shareholders of Thailand Post Company Limited Opinion

The State Audit Office of the Kingdom of Thailand has audited the consolidated financial statements of Thailand Post Company Limited and its subsidiaries (the “Group”) and separate financial statements of Thailand Post Company Limited (the “Company”), which comprise the consolidated and separate statements of financial position as at 31 December 2017, the consolidated and separate statements of income, the consolidated and separate statements of comprehensive income, the consolidated and separate statements of changes in shareholders’ equity, and the consolidated and separate statements of cash flows for the year then ended, and notes to financial statements, including a summary of significant accounting policies.

In the opinion of the State Audit Office of the Kingdom of Thailand, the above consolidated and separate financial statements present fairly the consolidated financial position of Thailand Post Company Limited and its subsidiaries as at 31 December 2017, the consolidated and separate financial performance, and the consolidated and separate cash flows for the year then ended, as it should be in substantive matters and in compliance with the financial reporting standards.

Basis for Opinion

The State Audit Office of the Kingdom of Thailand has conducted audits in accordance with the generally accepted auditing standards. Its responsibility has been stated under the auditor’s responsibility for auditing the consolidated and separate financial statements in the Report. It is independent of the Group and the Company in accordance with the Government Auditing Standards established by the State Audit Commission (SAC) and the Code of Ethics for Accounting Professions established by the Federation of Accounting Professions under the Royal Patronage of His Majesty the King, in relation to auditing of consolidated and separate financial statements. Furthermore, it has complied with other ethical responsibilities that are consistent with such Government Auditing Standards and Code of Ethics for Accounting Professions. The State Audit Office of the Kingdom of Thailand believes that the audit evidence obtained is sufficient and appropriate to provide a basis for its audit opinion.

Other Information

The Executives are responsible for other information, which includes the data contained in the Annual Report, but excluding the consolidated and separate financial statements and the auditor’s report in such Annual Report.

The Executives expect that the Annual Report will be prepared for the State Audit Office of the Kingdom of Thailand after the date of this Auditor’s Report.

The opinion of the State Audit Office of the Kingdom of Thailand on the consolidated and separate financial statements does not cover other information and it does not give confidence to other information.

Its responsibility in relation to auditing of the consolidated and separate financial statements is to read and determine if the conflicting information is significant to the consolidated and separate financial statements or knowledge obtained from its audit or whether there is any other information that is against any material facts.

After reading the Annual Report, if it is concluded that there is any material misstatement of the facts, the State Audit Office of the Kingdom of Thailand shall communicate such matters to the person in charge of supervision.

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

The Executives are responsible for the preparation and presentation of the consolidated and separate financial statements as it should be and in accordance with the Financial Reporting Standards, and for internal control that the Executives consider necessary to enable the preparation of consolidated and separate financial statements without any material misstatement, whether due to fraud or error.

In preparing the consolidated and separate financial statements, the Executives are responsible for evaluating the ability of the Group and the Company to continue its operation, disclosing the ongoing matters, and using the accounting criteria for ongoing operations, unless the Executives determine to dissolve the Group and the Company, or to cease its operation, or the operation is unable to proceed.

The regulator is responsible for supervising the process of preparation of financial reports of the Group and the Company.

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

The audit objectives of the State Audit Office of the Kingdom of Thailand are to ensure reasonably that the consolidated and separate financial statements are free from material misstatement, whether due to fraud or error, and to present the Auditor's Report, including the opinion of the State Audit Office of the Kingdom of Thailand. Reasonable assurance is a high level of assurance, but it cannot be assured that the auditing in accordance with the Auditing Standards would always discover the existing material misstatements. A misstatement may arise from fraud or error and it is considered material if it is reasonably anticipated that each misstatement or all misstatements combined would affect economic decision making of users of these consolidated and separate financial statements.

In conducting the audit in accordance with the Auditing Standards, the State Audit Office of the Kingdom of Thailand has used skeptical judgment and observation, and professional skepticism throughout the audit performance, including:

- To identify and assess the risks of material misstatement of the consolidated and separate financial statements, whether due to fraud or error, to design and conduct the audit in accordance with the audit procedures in response to such risks, and to obtain audit evidence that is sufficient and appropriate to provide a basis for the audit opinion. The risk of not discovering material misstatements due to fraud is higher than that of material misstatements due to error because of the fact that fraud may involve conspiracy, alteration of documents or evidence, intentional presentation of false information, or interference with internal control;
- To understand the internal control system relevant to the audit in order to design the audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group and the Company's internal control;
- To evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and disclosures of related information made by the Executives;
- To make a conclusion on appropriateness of the Executives' use of accounting criteria for ongoing operations and from obtained audit evidence, to determine whether there is material uncertainty regarding events or circumstances that may cause significant doubt on the ability of the Group and the Company to continue as a going concern or not. If it is concluded that there is material uncertainty, it must be stated in the Auditor's Report relating to concerned disclosures in the consolidated and separate financial statements or if such disclosures are not sufficient, the opinion of the State Audit Office of the Kingdom of Thailand would change. The conclusion depends on audit evidence received to date of the Auditor's Report. However, future events or circumstances may cause the Company to cease its ongoing operation; and
- To evaluate the overall presentation, structure, and contents of the consolidated and separate financial statements as well as the disclosure whether the consolidated and separate financial statements present the particulars and events properly as it should be.

The State Audit Office of the Kingdom of Thailand has communicated with the Regulator about the planned scope and timing of the audit, as well as key points found in the audit including significant deficiencies in the internal control system encountered during the audit.

(Signed) Warin Tulakoop

(Mrs. Warin Tulakoop)
Director of Financial Audit Office No. 6

(Signed) Apadcharee Wongnoraset

(Mrs. Apadcharee Wongnoraset)
Professional Level Auditor,
Acting Senior Professional Level Auditor

Statement of Financial Position

Thailand Post Company Limited and Subsidiaries
For the year ended 31 December 2017

Unit: Baht

	Note	Consolidated Financial Statement		Separate Financial Statement	
		2017	2016	2017	2016
Assets					
Current assets					
Cash and cash equivalent	4	2,838,219,001.28	2,572,762,811.82	2,791,319,735.92	2,567,671,082.38
Temporary investment	5	10,237,514,261.77	7,544,528,554.17	10,237,514,261.77	7,544,528,554.17
Domestic trade account receivable	6	1,156,388,473.62	1,026,921,594.84	1,008,555,608.34	875,181,531.96
International trade account receivable	7	527,149,034.28	330,191,737.82	527,149,034.28	330,191,737.82
Other account receivable	8	117,108,985.46	167,452,909.35	111,656,054.75	164,806,776.11
Inventories	9	223,093,803.20	216,066,895.23	223,093,803.20	216,066,895.23
Accrued expense		327,093,278.81	204,492,562.88	286,417,060.29	171,963,267.30
Advance payment		412,457,293.53	351,056,484.95	499,176,744.92	347,988,828.94
Other current asset		126,114,116.13	114,720,498.81	107,577,661.23	105,637,729.01
Total current assets		15,965,138,248.08	12,528,194,049.87	15,792,459,964.70	12,324,036,402.92
Non-current assets					
Temporary investment with obligation	10	308,104,993.12	254,328,955.00	308,104,993.12	254,328,955.00
Investment in subsidiary	11	-	-	350,000,000.00	350,000,000.00
Long term investment	12	3,970,652,915.21	4,886,220,306.15	3,970,652,915.21	4,886,220,306.15
Land, building, and equipment	13	8,035,709,523.95	7,610,875,049.35	8,019,612,134.97	7,588,759,166.88
Intangible asset	14	248,201,738.32	209,341,492.59	230,588,831.39	206,097,869.60
Deferred income tax asset	15	891,649,236.85	868,647,756.14	891,649,236.85	868,647,756.14
Other non-current asset	16	47,768,425.78	44,627,364.87	27,926,872.03	26,746,911.12
Total non-current assets		13,502,086,833.23	13,874,040,924.10	13,798,534,983.57	14,180,800,964.89
Total assets		29,467,225,081.31	26,402,234,973.97	29,590,994,948.27	26,504,837,367.81

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 2017

Unit: Baht

	Note	Consolidated Financial Statement		Separate Financial Statement	
		2017	2016	2017	2016
Liabilities and shareholders' equity					
Current liabilities					
Accrued domestic money order		260,982,337.98	311,093,609.24	260,982,337.98	311,093,609.24
Agency service account payable		170,294,625.11	138,859,895.48	170,294,625.11	138,859,895.48
Domestic trade account payable		469,224,640.46	661,455,959.80	432,048,186.84	622,135,389.33
International trade account payable		283,364,826.10	194,850,179.98	283,364,826.10	194,850,179.98
Other account payable	17	291,295,179.46	263,733,072.21	286,314,979.56	257,354,759.59
Accrued expense	18	1,870,629,135.19	1,760,872,559.88	1,820,259,047.06	1,708,775,155.35
Accrued corporate income tax		635,573,267.93	643,675,941.58	635,573,267.93	643,675,941.58
Deferred revenue	19	248,017,602.29	232,308,418.81	247,640,942.29	232,308,418.81
Other current liabilities	20	443,897,475.24	439,897,081.21	441,280,751.03	436,417,207.97
Total current liabilities		4,673,279,089.76	4,646,746,718.19	4,577,758,963.90	4,545,470,557.33
Non-current liabilities					
Unearned revenue		68,371,355.32	91,888,979.70	68,371,355.32	91,888,979.70
Employee benefit obligation	21	4,244,072,447.73	4,116,649,404.15	4,243,277,704.31	4,109,903,776.34
Pension fund for THP workers	22	29,183,402.12	27,405,104.53	29,183,402.12	27,405,104.53
Total non-current liabilities		4,341,627,205.17	4,235,943,488.38	4,340,832,461.75	4,229,197,860.57
Total liabilities		9,014,906,294.93	8,882,690,206.57	8,918,591,425.65	8,774,668,417.90

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 2017

Unit: Baht

	Consolidated Financial Statement		Separate Financial Statement	
	2017	2016	2017	2016
Note				
Liabilities and shareholders' equity				
Shareholders' equity				
Share capital				
Registered capital				
125,000,000 ordinary shares of baht 10 par value	1,250,000,000.00	1,250,000,000.00	1,250,000,000.00	1,250,000,000.00
Issued and paid-up capital				
125,000,000 ordinary shares of baht 10 par value	1,250,000,000.00	1,250,000,000.00	1,250,000,000.00	1,250,000,000.00
Retained profit				
Appropriated				
Legal reserve	23 125,000,000.00	125,000,000.00	125,000,000.00	125,000,000.00
Unappropriated	19,077,318,786.38	16,144,544,767.40	19,297,403,522.62	16,355,168,949.91
Other components of shareholders' equity	-	-	-	-
Total equity of the parent company	20,452,318,786.38	17,519,544,767.40	20,672,403,522.62	17,730,168,949.91
Non-controlling Interest	-	-	-	-
Total shareholders' equity	20,452,318,786.38	17,519,544,767.40	20,672,403,522.62	17,730,168,949.91
Total liabilities and shareholders' equity	29,467,225,081.31	26,402,234,973.97	29,590,994,948.27	26,504,837,367.81

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 2017

Unit: Baht

	Note	Consolidated Financial Statement		Separate Financial Statement	
		2017	2016	2017	2016
Revenue					
Revenue from sale and service	24	27,896,930,802.46	25,570,845,498.73	27,484,123,599.91	25,199,473,845.33
Other revenue	25	396,884,566.32	404,649,360.52	388,246,617.47	403,502,862.33
Total revenues		28,293,815,368.78	25,975,494,859.25	27,872,370,217.38	25,602,976,707.66
Expense					
Sale and service cost		20,593,947,482.54	19,123,154,433.93	20,195,907,528.78	18,730,507,926.36
Sale expense		494,658,045.81	563,544,682.57	494,252,015.70	563,026,947.67
Administrative expense		1,787,942,757.33	1,624,521,370.73	1,756,616,776.75	1,572,975,484.09
Other expense		45,553,445.46	119,900,109.47	44,419,704.78	119,628,973.90
Total expenses	26	22,922,101,731.14	21,431,120,596.70	22,491,196,026.01	20,986,139,332.02
Profit before income tax		5,371,713,637.64	4,544,374,262.55	5,381,174,191.37	4,616,837,375.64
Income tax	27	(1,159,288,170.12)	(1,045,074,638.78)	(1,159,288,170.12)	(1,045,074,638.78)
Net profit for the period		4,212,425,467.52	3,499,299,623.77	4,221,886,021.25	3,571,762,736.86
Apportionment of net profit for the period					
Equity of the parent company		4,212,425,467.52	3,499,299,623.77	4,221,886,021.25	3,571,762,736.86
Equity of non-controlling interest		-	-	-	-
		4,212,425,467.52	3,499,299,623.77	4,221,886,021.25	3,571,762,736.86
Profit per share					
Basic profit per share		33.70	27.99	33.78	28.57

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 2017

Unit: Baht

	Note	Consolidated Financial Statement		Separate Financial Statement	
		2017	2016	2017	2016
Net profit for the period		4,212,425,467.52	3,499,299,623.77	4,221,886,021.25	3,571,762,736.86
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	21	(5,551,478.16)	6,492,579.03	(5,551,478.16)	6,492,579.03
Income tax calculated from other comprehensive income					
for particulars not to be reclassified	15	1,110,295.63	(1,298,515.81)	1,110,295.63	(1,298,515.81)
Other comprehensive income - net from tax		(4,441,182.53)	5,194,063.22	(4,441,182.53)	5,194,063.22
Total comprehensive income for the period		4,207,984,284.99	3,504,493,686.99	4,217,444,838.72	3,576,956,800.08
Apportionment of total comprehensive income for the period					
Equity of the parent company		4,207,984,284.99	3,504,493,686.99	4,217,444,838.72	3,576,956,800.08
Equity of non-controlling interest		-	-	-	-
		4,207,984,284.99	3,504,493,686.99	4,217,444,838.72	3,576,956,800.08

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 2017

Unit: Baht

Consolidated Financial Statement

	Issued and paid-up share capital	Retained profit		Total
		Appropriated	Unappropriated	
Balance as at 1 January 2016	1,250,000,000.00	125,000,000.00	13,531,411,439.04	14,906,411,439.04
Comprehensive income	-	-	3,504,493,686.99	3,504,493,686.99
Dividend payable	-	-	(891,360,358.63)	(891,360,358.63)
Balance as at 31 December 2016	1,250,000,000.00	125,000,000.00	16,144,544,767.40	17,519,544,767.40
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

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 2017

Unit: Baht

	Separate Financial Statement			
	Issued and paid-up share capital	Retained profit		Total
		Appropriated	Unappropriated	
Balance as at 1 January 2016	1,250,000,000.00	125,000,000.00	13,669,572,508.46	15,044,572,508.46
Comprehensive income	-	-	3,576,956,800.08	3,576,956,800.08
Dividend payable	-	-	(891,360,358.63)	(891,360,358.63)
Balance as at 31 December 2016	1,250,000,000.00	125,000,000.00	16,355,168,949.91	17,730,168,949.91
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

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 2017

Unit: Baht

	Note	Consolidated Financial Statement		Separate Financial Statement	
		2017	2016	2017	2016
Cash flows from operating activities					
Profit before income tax		5,371,713,637.64	4,544,374,262.55	5,381,174,191.37	4,616,837,375.64
Adjustments to reconcile profit before tax					
Cash received (paid) from operating activities:					
Depreciation and amortization		1,283,140,752.39	1,119,949,040.81	1,274,741,015.93	1,114,887,981.39
Revenue from assets acquired from donation		(1,787,644.48)	(333,685.60)	(1,787,644.48)	(333,685.60)
(Reversal) bad debt and doubtful account		(2,952,122.68)	16,577,865.60	(2,952,122.68)	(755,562.74)
Obsolete goods		(9,066,099.37)	(20,678,202.68)	(9,066,099.37)	(20,678,202.68)
Deferred revenue		(23,517,624.38)	(38,266,394.92)	(23,517,624.38)	(38,266,394.92)
Earned interest		(261,919,118.70)	(237,041,254.78)	(261,727,502.61)	(236,965,257.02)
Amortized assets		38,656,192.97	-	38,656,192.97	-
(Profit) Loss from disposal of asset		1,584,248.42	(577,753.27)	1,561,694.97	(577,753.27)
(Profit) Loss from foreign exchange		818,016.07	(8,416,680.78)	818,016.07	(8,416,680.78)
Profit from operation before change in operating asset and liability		6,396,670,237.88	5,375,587,196.93	6,397,900,117.79	5,425,731,820.02
(Increase) decrease of change in operating asset					
Domestic trade account receivable		(126,880,315.93)	78,466,794.53	(130,787,513.53)	119,190,535.10
International trade account receivable		(203,915,742.57)	(78,687,415.46)	(203,915,742.57)	(78,687,415.46)
Other account receivable		50,672,897.58	(17,152,193.44)	53,479,695.05	5,967,342.26
Inventories		2,039,191.40	83,314,395.67	2,039,191.40	83,314,395.67
Accrued revenue		(84,430,005.64)	59,995,927.07	(76,339,005.62)	(2,830,023.46)
Prepaid expense		(63,307,065.66)	(190,005,064.62)	(153,094,173.06)	(188,695,666.67)
Other current asset		(11,005,328.15)	(34,697,896.14)	(1,939,932.22)	(28,710,580.48)
Other non-current asset		(4,765,207.77)	(4,482,548.43)	(2,804,107.77)	(4,400,298.43)
Increase (decrease) of change in operating liability					
Accrued payable domestic money order		(50,111,271.26)	(93,389,723.21)	(50,111,271.26)	(93,389,723.21)
Agency services account payable		31,434,729.63	(23,764,750.54)	31,434,729.63	(23,764,750.54)
Domestic trade account payable		(123,066,368.11)	169,385,359.72	(120,944,646.76)	161,437,242.20
International trade account payable		91,307,674.49	11,403,344.80	91,307,674.49	11,403,344.80
Other account payable		27,562,107.25	38,804,755.70	28,960,219.97	37,723,874.94
Accrued expense		112,247,983.46	102,936,982.56	113,975,299.86	51,712,294.36
Advance revenue		18,584,579.59	70,011,701.36	18,207,919.59	70,011,701.36
Other current liability		4,323,209.84	36,273,474.82	5,186,358.87	35,198,640.87
Employee benefit obligation		121,871,565.42	167,102,347.52	127,822,449.81	160,356,719.71
Pension fund for THP employees		1,778,297.59	1,427,747.08	1,778,297.59	1,427,747.08
Cash from operating activities		6,191,011,169.04	5,752,530,435.92	6,132,155,561.26	5,742,997,200.12
Income tax		(1,189,670,318.02)	(947,354,432.92)	(1,189,282,028.85)	(946,096,365.41)
Net cash from operating activities		5,001,340,851.02	4,805,176,003.00	4,942,873,532.41	4,796,900,834.71

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 2017

Unit: Baht

	Note	Consolidated Financial Statement		Separate Financial Statement	
		2017	2016	2017	2016
Cash flows from investment activities					
Cash receipt from interest		224,723,318.76	260,636,938.37	224,587,625.59	260,560,801.41
Investments in subsidiaries		-	-	-	-
Increase of long-term investment		(1,334,102,039.61)	(3,335,796,129.45)	(1,334,102,039.61)	(3,335,796,129.45)
Cash payable for purchase of land, building, and equipment	13	(1,805,175,012.25)	(1,590,550,585.37)	(1,804,848,075.27)	(1,576,784,960.62)
Cash payable for purchase of intangible asset	14	(54,790,450.97)	(61,830,743.26)	(37,966,771.90)	(59,171,174.57)
Cash receivable from sale of land, building, and equipment		7,136,389.22	6,043,048.01	6,781,249.03	6,043,048.01
(Increase) decrease of temporary investment		(497,981,480.92)	397,028,904.15	(497,981,480.92)	397,028,904.15
Net cash used for investment activities		(3,460,189,275.77)	(4,324,468,567.55)	(3,443,529,493.08)	(4,308,119,511.07)
Cash flows from financing activities					
Dividend payable		(1,275,210,266.01)	(891,360,358.63)	(1,275,210,266.01)	(891,360,358.63)
Net cash used for financing activities		(1,275,210,266.01)	(891,360,358.63)	(1,275,210,266.01)	(891,360,358.63)
Impact from exchange rate		(485,119.78)	18,432,662.19	(485,119.78)	18,432,662.19
Net increase (decrease) of cash and cash equivalent		265,456,189.46	(392,220,260.99)	223,648,653.54	(384,146,372.80)
Cash and cash equivalents as at beginning date		2,572,762,811.82	2,964,983,072.81	2,567,671,082.38	2,951,817,455.18
Cash and cash equivalents as at ending date		2,838,219,001.28	2,572,762,811.82	2,791,319,735.92	2,567,671,082.38
Additional information of the cash flows					
Land, building, and equipment acquired from donation		1,787,644.48	333,685.60	1,787,644.48	333,685.60
Purchase of land, building, and equipment with outstanding payment in cash		173,060,197.60	242,225,148.83	172,964,475.60	242,107,031.33

The accompanying notes are integral parts of these financial statements.

Notes to the Financial Statement

Thailand Post Company Limited and Subsidiaries
For the Year Ended 31 December 2017
(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.

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 of customers, which are not government agencies or state enterprises, 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 12-month fixed deposit 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 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.

2.11 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.

2.12 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.

2.13 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.

2.14 Income and expense recognition

Income from services is recognized upon completion of provision of the services.

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 postal services.

2.15 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.

2.16 Employee benefits

2.16.1 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.

2.16.2 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.

2.16.3 Severance Pay

Under the domestic labor laws, employees and workers who have worked consecutively for 120 days 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 before retirement, they are entitled to remuneration to reward their work.

2.17 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.

2.17.1 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.

2.17.2 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.

2.18 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 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 2017. The Financial Reporting Standards have been improved and are in line with international financial reporting standards. Major improvements are adjustment of wording and terminology, interpretations and providing accounting practice to the standard users. 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:

Thai Accounting Standards 27 (revised 2016) Separate Financial Statements

This revised standard deals with the option for accounting record of investment in subsidiaries, joint ventures and associate in the separate financial statements by equity method according to explanation in TAS 28 (revised 2016) Investments in Associates and Joint Ventures. The company has to apply the same accounting record method for each type of investment. If the Company chooses to record its investment in equity method in the separate financial statements, the Company has to adjust such items by retrospective restatement

Such Standard has no impact on the Company's financial statements, due to Management 's decision to apply the cost method for separate accounting purposes as previously.

4. Cash and cash equivalent consists of

	Consolidated Financial Statement		Separate Financial Statement	
	2017	2016	2017	2016
Cash	296.49	260.31	296.21	260.10
Bank deposits				
Current account	(0.94)	34.41	(0.94)	34.41
Saving deposit	1,970.77	2,233.43	1,925.18	2,229.58
Fixed deposit not exceeding 3 months	571.90	44.61	570.87	43.58
Total bank deposits	2,541.73	2,312.45	2,495.11	2,307.57
Total	2,838.22	2,572.76	2,791.32	2,567.67

The Company's bank deposits as at 31 December 2017 and 2016 totaling 2,495.11 million baht and 2,307.57 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 431.28 million baht and 449.95 million baht, respectively.

5. Temporary investment consists of

	Consolidated Financial Statement		Separate Financial Statement	
	2017	2016	2017	2016
6 months fixed deposit	150.00	400.75	150.00	400.75
12 months fixed deposit	4,634.48	3,468.63	4,634.48	3,468.63
Debt instrument matured within 1 year	1,396.70	2,550.57	1,396.70	2,550.57
Long term bank deposit matured within 1 year	3,374.25	1,124.58	3,374.25	1,124.58
Other temporary investments	682.08	-	682.08	-
Total	10,237.51	7,544.53	10,237.51	7,544.53

6. Domestic trade account receivable consists of

	Consolidated Financial Statement		Separate Financial Statement	
	2017	2016	2017	2016
Postal service receivable	923.36	827.54	923.36	827.54
Transportation service receivable	128.95	134.48	-	1.07
Business customer service receivable	79.96	51.44	80.01	51.44
One-stop storage service receivable	35.24	35.72	-	-
Place and equipment usage receivable	15.83	8.70	14.72	8.67
Receivable from sale of postage stamps/collectibles	6.99	6.93	6.99	6.93
Other trade receivable	3.87	3.26	3.87	3.26
	1,194.20	1,068.07	1,028.95	898.91
<u>less</u> Allowance for doubtful account	(37.81)	(41.15)	(20.39)	(23.73)
Domestic trade receivable	1,156.39	1,026.92	1,008.56	875.18

Divided by debt age as follows:

	Consolidated Financial Statement		Separate Financial Statement	
	2017	2016	2017	2016
Not yet due	939.11	833.43	871.73	791.60
Maturity				
- Not exceeding 3 months	154.24	111.98	95.45	40.53
- Exceeding 3-6 months	55.78	47.48	38.55	28.27
- Exceeding 6-9 months	5.13	20.33	2.62	6.61
- Exceeding 9-12 months	1.42	18.56	0.66	3.73
- Exceeding 1 year	38.52	36.29	19.94	28.16
	1,194.20	1,068.07	1,028.95	898.90
less Allowance for doubtful account	(37.81)	(41.15)	(20.39)	(23.72)
Total	1,156.39	1,026.92	1,008.56	875.18

7. International trade receivable consists of

	Consolidated Financial Statement		Separate Financial Statement	
	2017	2016	2017	2016
International post terminal dues receivable	506.89	316.92	506.89	316.92
International money order receivable	20.26	13.27	20.26	13.27
International trade receivable	0.12	0.13	0.12	0.13
	527.27	330.32	527.27	330.32
less Allowance for doubtful account	(0.12)	(0.13)	(0.12)	(0.13)
International trade receivable	527.15	330.19	527.15	330.19

8. Other accounts receivable consists of

	Consolidated Financial Statement		Separate Financial Statement	
	2017	2016	2017	2016
Employees receivable	140.65	181.15	134.83	180.80
Other accounts receivable	52.57	62.74	52.94	60.45
	193.22	243.89	187.77	241.25
less Allowance for doubtful account	(76.11)	(76.44)	(76.11)	(76.44)
Other accounts receivable	117.11	167.45	111.66	164.81

9. Inventories consists of

	Consolidated Financial Statement		Separate Financial Statement	
	2017	2016	2017	2016
Postal goods	127.63	99.64	127.63	99.64
Collectibles	94.88	103.14	94.88	103.14
Postage stamps for collection	44.66	52.29	44.66	52.29
Definitive postage stamps	24.94	38.99	24.94	38.99
Miscellaneous goods	0.04	0.14	0.04	0.14
	292.15	294.20	292.15	294.20
less Allowance for damaged or obsolete goods	(69.06)	(78.13)	(69.06)	(78.13)
Inventories	223.09	216.07	223.09	216.07

Inventory cost, stated as expense and included in sales cost for the year ended on 31 December 2017 and 2016, consists of

	Consolidated Financial Statement		Separate Financial Statement	
	2017	2016	2017	2016
Inventory cost stated as expense and included in sales cost	479.22	632.48	479.22	632.48

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 2017. Temporary investment under the term of this agreement is the fixed deposit with the Government Housing Bank amounting to 308.10 million baht (254.33 million baht, as at 31 December 2016).

11. Investment in subsidiary

The Company has established Thailand Post 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 in amount of 350 million baht was fully paid on 9 January 2014.

12. Long-term Investment consists of

	Consolidated Financial Statement		Separate Financial Statement	
	2017	2016	2017	2016
14 months fixed deposit	250.00	200.00	250.00	200.00
18 months fixed deposit	150.00	150.00	150.00	150.00
24 months fixed deposit	3,834.13	3,165.58	3,834.13	3,165.58
36 months fixed deposit	3,110.77	2,495.22	3,110.77	2,495.22
less long- term bank deposit matured within 1 year	(3,374.25)	(1,124.58)	(3,374.25)	(1,124.58)
Total	3,970.65	4,886.22	3,970.65	4,886.22

13. Land, building, and equipment consists of

Consolidated Financial Statement

	Land	Land improvement	Building, construction and improvements	Machinery and equipment	Tool and general equipment	Office appliances	Vehicles	Assets under construction and installation	Total
Cost									
As at 1 January 2017	1,859.75	289.80	11,887.24	2,409.44	499.38	2,317.61	2,094.06	806.45	22,163.73
Purchase of assets	126.13	8.87	86.07	198.87	27.85	211.33	383.70	695.88	1,738.70
Transfer of assets under construction	-	39.87	256.45	8.17	3.33	508.63	-	(881.40)	(64.95)
Transfer of deferred expense	-	-	-	0.05	0.01	-	-	-	0.06
From donation	-	-	0.03	-	-	1.76	-	-	1.79
Disposal	(1.65)	(0.11)	(124.07)	(61.56)	(8.45)	(50.26)	(40.12)	-	(286.22)
Reclassification	(22.38)	-	20.55	0.01	(0.04)	1.86	-	-	-
As at 31 December 2017	1,961.85	338.43	12,126.27	2,554.98	522.08	2,990.93	2,437.64	620.93	23,553.11
Accumulated depreciation									
As at 1 January 2017	-	127.28	8,948.90	1,947.13	339.38	1,812.96	1,377.21	-	14,552.86
Disposal	-	(0.11)	(118.08)	(61.22)	(7.88)	(50.14)	(40.09)	-	(277.52)
Reclassification	-	-	(1.72)	0.02	0.01	1.69	-	-	-
Depreciation in the period	-	26.71	527.03	92.27	48.73	338.71	208.61	-	1,242.06
As at 31 December 2017	-	153.88	9,356.13	1,978.20	380.24	2,103.22	1,545.73	-	15,517.40
Book value									
As at 1 January 2017	1,859.75	162.52	2,938.34	462.31	160.00	504.65	716.85	806.45	7,610.87
As at 31 December 2017	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 2017, original cost of land, building and equipment, fully depreciated but still in use, was 8,280.91 million baht (as at 31 December 2016 amounting to 6,839.66 million baht).

As at 31 December 2017, depreciation for the year ended 31 December 2017 was 1,242.06 million baht, divided into sales and service cost of 1,040.11 million baht, and selling and administrative expense of 201.95 million baht.

13. Land, building, and equipment (continued)

Separate Financial Statement

	Land	Land improvement	Building, construction and improvements	Machinery and equipment	Tool and general equipment	Office appliances	Vehicles	Assets under construction and installation	Total
Cost									
As at 1 January 2017	1,859.75	289.80	11,866.44	2,408.89	498.75	2,311.32	2,094.06	806.45	22,135.46
Purchase of assets	126.13	8.87	86.07	198.87	27.85	211.03	383.70	695.88	1,738.40
Transfer of assets under construction	-	39.87	256.45	8.17	3.33	508.63	-	(881.40)	(64.95)
Transfer of deferred expense	-	-	-	0.05	0.01	-	-	-	0.06
From donation	-	-	0.03	-	-	1.76	-	-	1.79
Disposal	(1.65)	(0.11)	(124.07)	(61.56)	(7.97)	(50.26)	(40.12)	-	(285.74)
Reclassification	(22.38)	-	20.55	0.01	(0.04)	1.86	-	-	0.00
As at 31 December 2017	1,961.85	338.43	12,105.47	2,554.43	521.93	2,984.34	2,437.64	620.93	23,525.02
Accumulated depreciation									
As at 1 January 2017	-	127.28	8,945.54	1,946.94	339.28	1,810.45	1,377.21	-	14,546.70
Disposals	-	(0.11)	(118.08)	(61.22)	(7.77)	(50.14)	(40.09)	-	(277.41)
Reclassification	-	-	(1.72)	0.02	0.01	1.69	-	-	-
Depreciation in the period	-	26.71	522.87	92.16	48.66	337.11	208.61	-	1,236.12
As at 31 December 2017	-	153.88	9,348.61	1,977.90	380.18	2,099.11	1,545.73	-	15,505.41
Book value									
As at 1 January 2017	1,859.75	162.52	2,920.90	461.95	159.47	500.87	716.85	806.45	7,588.76
As at 31 December 2017	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 2017, original cost of land, building, and equipment, fully depreciated but still in use, was 8,280.91 million baht (as at 31 December 2016 amounting to 6,839.66 million baht).

As at 31 December 2017, depreciation for the year ended 31 December 2017 was 1,236.12 million baht, divided into sales and service cost of 1,035.62 million baht, and selling and administrative expense of 200.50 million baht.

14. Intangible asset consists of

	Consolidated Financial Statement	Separate Financial Statement
Cost - Computer program		
As at 1 January 2017	335.78	332.12
Purchase of asset	54.80	37.97
Amortization	(0.04)	(0.04)
Transfer of assets under installation	23.60	23.60
As at 31 December 2017	414.14	393.65
Accumulated amortization		
As at 1 January 2016	126.44	126.02
Amortization	(0.02)	(0.02)
Amortization for the period	39.52	37.06
As at 31 December 2017	165.94	163.06
Book value		
As at 1 January 2017	209.34	206.10
As at 31 December 2017	248.20	230.59

15. Deferred income tax asset consists of

	Consolidated Financial Statement and Separate Financial Statement			
	Employee benefit	Pension fund for THP employees	Other particulars	Total
As at 1 January 2016	791.20	14.24	40.50	845.94
Particulars stated in the statement of income	32.08	0.47	(8.54)	24.01
Particulars stated in the statement of comprehensive income	(1.30)	-	-	(1.30)
As at 31 December 2016	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

16. Other non-current consists of

	Consolidated		Separate	
	Financial Statement		Financial Statement	
	2017	2016	2017	2016
Rental right brought forward	15.79	17.34	15.79	17.34
less Rental right to be amortized within 1 year	(1.56)	(1.55)	(1.56)	(1.55)
Rental right - net	14.23	15.79	14.23	15.79
Security deposit receivable	26.48	23.58	6.64	5.70
Deferred expense	6.43	4.65	6.43	4.65
Reserve for postage stamps	0.63	0.61	0.63	0.61
Total	47.77	44.63	27.93	26.75

17. Other account payable consists of

	Consolidated		Separate	
	Financial Statement		Financial Statement	
	2017	2016	2017	2016
Security deposit payable	250.17	208.13	246.40	206.06
Revenue Department account payable	35.47	47.58	34.75	46.86
Other account payable	5.66	8.02	5.16	4.43
Total	291.30	263.73	286.31	257.35

18. Accrued expense consists of

	Consolidated		Separate	
	Financial Statement		Financial Statement	
	2017	2016	2017	2016
Bonus	587.39	563.13	587.39	563.13
International post terminal dues payable	285.55	266.70	285.55	266.70
Transport cost for international mail bags	102.58	91.21	102.58	91.21
Others	895.11	839.83	844.74	787.74
Total	1,870.63	1,760.87	1,820.26	1,708.78

19. Advance revenue consists of

	Consolidated		Separate	
	Financial Statement		Financial Statement	
	2017	2016	2017	2016
International post terminal dues receivable	151.32	139.35	151.32	139.35
Deposit accounts of postage stamp collection members	28.89	30.60	28.89	30.60
Rental of place and equipment	28.36	26.63	28.36	26.63
Domestic business reply service	19.64	21.29	19.64	21.29
Postage charge with franking machine	6.40	5.19	6.40	5.19
Others	13.41	9.25	13.03	9.25
Total	248.02	232.31	247.64	232.31

20. Other current liabilities consists of

	Consolidated		Separate	
	Financial Statement		Financial Statement	
	2017	2016	2017	2016
Deferred provident fund contribution	303.80	255.81	303.80	255.81
Customs duties in arrears for international parcels	65.18	74.39	65.18	74.39
Special remuneration fund for the Lottery Project	44.02	61.44	44.02	61.44
Deferred outstanding	14.73	17.08	14.73	17.08
Advance cash receipt, international money orders	2.57	11.07	2.57	11.07
Pending sales tax	6.36	5.32	3.74	1.84
Donations awaiting delivery	1.58	1.74	1.58	1.74
Others	5.66	13.05	5.66	13.05
Total	443.90	439.90	441.28	436.42

21. Employee benefit obligation consists of

	Consolidated		Separate	
	Financial Statement		Financial Statement	
	2017	2016	2017	2016
Beginning balance	4,116.65	3,956.04	4,109.90	3,956.04
Current service cost	224.17	218.83	223.70	212.29
Interest cost	155.36	144.37	155.36	144.16
(Profit) loss from estimation				
based on actuarial science basis	5.55	(6.49)	5.55	(6.49)
Benefits paid	(251.38)	(196.10)	(251.23)	(196.10)
Downgrade estimate	(6.28)	-	-	-
Ending balance	4,244.07	4,116.65	4,243.28	4,109.90

The main assumption in estimation based on actuarial science basis used for calculation of obligation under the employee benefit project as at 31 December 2017 is as follow:

	% rate per year
Interest rate of 16-year government bond	3.78
Average turnover rate	0.73
Average mortality rate	0.20
Salary increase rate per year	7.50

22. Pension fund for Thailand Post employees

Pension fund for Thailand Post's employees as at 31 December 2017 amounted to 29.18 million baht (27.40 million baht as at 31 December 2016). For this period, the company contributed to the pension fund in the amount of 8.81 million baht, and paid pension fund to the retirees of 2017 in the amount of 7.03 million baht. (50 employees enrolled in the pension fund as of 31 December 2017)

23. Legal reserve

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

24. Revenue from sales and service consists of

	Consolidated		Separate	
	Financial Statement		Financial Statement	
	2017	2016	2017	2016
Express and logistics services	13,141.09	11,095.67	12,723.97	10,719.29
Mail services	9,350.79	9,271.08	9,350.79	9,271.08
International services	3,490.15	3,330.85	3,490.15	3,330.85
Retail business	1,368.62	1,270.19	1,368.62	1,270.19
Financial business	369.25	458.27	369.25	458.27
Other businesses	177.03	144.79	181.34	149.79
Total	27,896.93	25,570.85	27,484.12	25,199.47

25. Other revenue consists of

	Consolidated		Separate	
	Financial Statement		Financial Statement	
	2017	2016	2017	2016
Interest receivable	261.92	237.04	261.73	236.96
Profit from currency exchange	-	18.78	-	18.78
Profit from equipment sale	-	0.58	-	0.58
Other	134.96	148.25	126.52	147.18
Total	396.88	404.65	388.25	403.50

26. Expense by nature consists of

	Consolidated		Separate	
	Financial Statement		Financial Statement	
	2017	2016	2017	2016
Expense for employees	12,686.08	11,768.76	12,642.74	11,707.40
Rental fee	2,249.31	1,965.06	2,152.41	1,857.95
Other operation expense	1,778.66	1,579.77	1,755.91	1,545.25
Postal transport expense	1,779.43	1,643.29	1,538.91	1,423.71
Depreciation and amortization	1,283.14	1,119.95	1,274.74	1,114.88
Remuneration from international post and financial services	861.24	861.32	861.24	861.33
Postal expense	671.51	608.44	669.28	608.33
Repair and maintenance fee	493.50	476.68	492.48	476.04
Cost of products sold	479.22	632.48	479.22	632.48
Utility expense	432.62	390.68	418.42	374.86
Expense for publication and marketing promotion	161.84	264.79	161.43	264.28
Other expenses	45.55	119.90	44.42	119.63
Total	22,922.10	21,431.12	22,491.20	20,986.14

Expense for employees consists of wage, welfare, and expense for personnel development and training. Expenses in the form of salaries paid to THP employees totalling 6,973.21 million baht. Audit fee amounting to 3 million baht is included in the other operating expense.

27. Income tax

	Consolidated Financial Statement		Separate Financial Statement	
	2017	2016	2017	2016
Income tax recognized in statement of income				
Income tax as per the Revenue Code	1,186.67	1,069.08	1,186.67	1,069.08
Change of temporary difference	(21.89)	(24.01)	(21.89)	(24.01)
Surplus taxes	(5.49)	-	(5.49)	-
Total	1,159.29	1,045.07	1,159.29	1,045.07
Income tax recognized in statement of comprehensive income				
Change of temporary difference				
Employee benefit obligation	1.11	(1.30)	1.11	(1.30)

28. Remuneration of directors consists of

	Consolidated Financial Statement		Separate Financial Statement	
	2017	2016	2017	2016
Meeting allowance	2.85	2.17	1.16	1.18
Bonus	1.01	1.05	1.01	1.05
Total	3.86	3.22	2.17	2.23

29. Dividend payable

In 2016, THP paid dividends to the Ministry of Finance as the company's sole shareholder totaling 891.36 million baht. This consisted of dividend payments for the second half of 2014 in the amount of 220.34 million baht, and interim dividend payments for 2016 in the amount of 671.02 million baht.

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 dividends 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.

30. Contingent assets and liabilities

30.1 Contingent assets

The Company was the plaintiff in lawsuits against several persons and business mostly in matters relating to the breach of purchase agreement, construction agreement and employment agreement, with total amount claimed of 174.57 million baht as at 31 December 2017 (96.08 million baht as at 31 December 2016). Significant lawsuits are as follows:

- 30.1.1 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.
- 30.1.2 Pracharat Visavakit Company Limited: lawsuit was filed for breach of contract for expansion of Phra Khanong Post Office building, the amount claimed of 16.52 million baht. The case was under execution.
- 30.1.3 Angthong Visavakarn Limited Partnership: lawsuit was filed for breach of contract for hospital facility construction, the amount claimed of 5.66 million baht. The case was under execution.

30.2 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 613.50 million baht as of 31 December 2017 (Baht 648.40 million baht as at 31 December 2015)

Significant lawsuits are as follows:

- 30.2.1 V-Smart Company Limited and ICE Consulting Company Limited: lawsuit was filed since the Company terminated the contract for Enterprise Resource Planning (ERP) development, the amount claimed of 432.32 million baht. The case was under jurisdiction of the Court of First Instance.
- 30.2.2 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 totalling 0.11 million baht. The case was under appeal.
- 30.2.3 Toyota Krungthepyont Toyota's Dealer Company Limited: lawsuit was filed against the Company due to breach of bidding agreement for the purchase of mail transport trucks, the amount claimed of 44.54 million baht. The case was under jurisdiction of the Court of First Instance.
- 30.2.4 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 the jurisdiction of the Court of First Instance.
- 30.2.5 Mr. Puwapat Paoduang: lawsuit was filed against the Company due to unfair termination of employment agreement as a result of serious disciplinary breach, the amount claimed of 10.18 million baht; the Court of First Instance dismissed the case, and the case is still pending in the Supreme Court since the plaintiff appealed the judgment.

As at 31 December 2017, no resolution had been reached, and it was uncertain whether the Company would be required to pay any obligation or not. Therefore, these liability estimates were not recorded in the financial statements.





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