

Premier Technology Public Company Limited
and its subsidiary
Report and consolidated financial statements
31 December 2013

Independent Auditor's Report

To the Shareholders of Premier Technology Public Company Limited

I have audited the accompanying consolidated financial statements of Premier Technology Public Company Limited and its subsidiary, which comprise the consolidated statement of financial position as at 31 December 2013, and the related consolidated statements of comprehensive income, changes in shareholders' equity and cash flows for the year then ended, and a summary of significant accounting policies and other explanatory information, and have also audited the separate financial statements of Premier Technology Public Company Limited for the same period.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with Thai Financial Reporting Standards, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

My responsibility is to express an opinion on these financial statements based on my audit. I conducted my audit in accordance with Thai Standards on Auditing. Those standards require that I comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my audit opinion.

Opinion

In my opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Premier Technology Public Company Limited and its subsidiary and of Premier Technology Public Company Limited as at 31 December 2013, and their financial performance and cash flows for the year then ended, in accordance with Thai Financial Reporting Standards.

Emphasis of matter

I draw attention to Note 4 to the financial statements regarding the change in accounting policy as the result of adoption of Thai Accounting Standard 12 *Income Taxes*. The Company has restated the consolidated and separate financial statements for the year ended 31 December 2012, presented herein as comparative information, to reflect the adjustments resulting from such change. The Company has also presented consolidated and separate statements of financial position as at 1 January 2012 as comparative information, using the newly adopted accounting policy for income taxes. My opinion is not qualified in respect of this matter.

Chonlaros Suntiasvaraporn
Certified Public Accountant (Thailand) No. 4523

Ernst & Young Office Limited
Bangkok: 19 February 2014

Premier Technology Public Company Limited and its subsidiary

Statement of financial position

As at 31 December 2013

(Unit: Baht)

	Consolidated financial statements			Separate financial statements			
	As at	As at	As at	As at	As at	As at	
	Note	31 December 2013	31 December 2012 (Restated)	1 January 2012	31 December 2013	31 December 2012	1 January 2012
Assets							
Current assets							
Cash and cash equivalents	8	31,768,666	54,759,568	10,632,603	836,619	2,150,626	449,052
Current investments		70,978	41,986	1,212,109	70,978	41,986	1,212,109
Trade and other receivables	9	521,372,418	439,902,853	376,606,881	-	1,942,040	541,033
Prepaid service cost		86,716,875	68,769,383	96,745,574	-	-	-
Dividend receivable from subsidiary		-	-	-	-	-	26,999,460
Short-term loan to related party	7	-	-	-	-	33,399,202	-
Inventories	10	305,951,661	442,980,612	215,371,870	-	-	-
Work in progress		33,334,311	31,582,186	33,293,880	-	-	-
Other current assets	11	25,614,658	28,825,257	47,151,188	5,612,879	3,365,599	1,040,328
Total current assets		1,004,829,567	1,066,861,845	781,014,105	6,520,476	40,899,453	30,241,982
Non-current assets							
Restricted bank deposits	12	51,789,061	32,757,545	48,511,696	1,203,100	1,203,100	-
Investment in subsidiary	13	-	-	-	222,726,261	152,726,861	152,726,861
Investment in associate	14	-	897,516	1,184,521	-	1,383,701	1,383,701
Investment properties	15	159,031,474	154,490,264	175,463,110	264,115,696	256,573,762	254,008,232
Property, plant and equipment	16	199,204,215	225,298,374	204,368,323	281,793	357,913	10,887
Intangible assets	17	10,109,334	11,428,234	10,727,294	-	-	-
Deferred tax assets	25	5,276,414	5,802,576	3,578,169	-	-	-
Other non-current assets		14,658,661	16,674,223	15,213,599	-	-	-
Total non-current assets		440,069,159	447,348,732	459,046,712	488,326,850	412,245,337	408,129,681
Total assets		1,444,898,726	1,514,210,577	1,240,060,817	494,847,326	453,144,790	438,371,663

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

Premier Technology Public Company Limited and its subsidiary

Statement of financial position (continued)

As at 31 December 2013

(Unit: Baht)

	Consolidated financial statements			Separate financial statements			
	As at	As at	As at	As at	As at	As at	
	Note	31 December 2013	31 December 2012 (Restated)	1 January 2012	31 December 2013	31 December 2012	1 January 2012
Liabilities and shareholders' equity							
Current liabilities							
Short-term loans from financial institutions	18	74,917,938	129,445,430	140,429,141	-	-	-
Trade and other payables	19	574,756,237	640,851,446	383,077,497	4,344,883	2,573,498	2,673,216
Advances received for goods and services		92,594,346	106,298,526	145,698,270	-	-	-
Short-term loan from related party	7	-	-	-	2,500,000	-	2,372,700
Current portion of long-term loans	20	11,424,733	7,592,915	2,140,000	11,424,733	7,592,915	-
Current portion of long-term liabilities	21	26,188,797	35,251,565	30,648,650	-	-	-
Income tax payable		1,105,399	-	5,245,990	-	-	-
Other current liabilities		32,831,345	18,908,727	25,874,431	2,799,395	3,629,655	79,136
Total current liabilities		813,818,795	938,348,609	733,113,979	21,069,011	13,796,068	5,125,052
Non-current liabilities							
Long-term loans - net of current portion	20	175,665,487	186,407,085	194,000,000	175,665,487	186,407,085	194,000,000
Long-term liabilities - net of current portion	21	14,545,879	30,127,137	20,812,664	-	-	-
Provision for long-term employee benefits	22	44,654,983	38,100,168	32,166,437	-	-	-
Other non-current liabilities		1,264,874	-	252,000	4,905,411	-	-
Total non-current liabilities		236,131,223	254,634,390	247,231,101	180,570,898	186,407,085	194,000,000
Total liabilities		1,049,950,018	1,192,982,999	980,345,080	201,639,909	200,203,153	199,125,052

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

Premier Technology Public Company Limited and its subsidiary

Statement of financial position (continued)

As at 31 December 2013

(Unit: Baht)

	Consolidated financial statements			Separate financial statements		
	As at	As at	As at	As at	As at	As at
	Note 31 December 2013	31 December 2012 (Restated)	1 January 2012	31 December 2013	31 December 2012	1 January 2012
Shareholders' equity						
Share capital						
Registered						
142,440,489 ordinary shares of Baht 1 each	142,440,489	142,440,489	142,440,489	142,440,489	142,440,489	142,440,489
Issued and fully paid up						
141,944,471 ordinary shares of Baht 1 each	141,944,471	141,944,471	141,944,471	141,944,471	141,944,471	141,944,471
Company's shares held by subsidiary	(230,175)	(230,175)	(230,175)	-	-	-
Retained earnings						
Appropriated - statutory reserve	23 14,194,447	10,820,000	9,420,000	14,194,447	10,820,000	9,420,000
Unappropriated	239,039,965	168,693,282	108,581,441	137,068,499	100,177,166	87,882,140
Total shareholders' equity	394,948,708	321,227,578	259,715,737	293,207,417	252,941,637	239,246,611
Total liabilities and shareholders' equity	1,444,898,726	1,514,210,577	1,240,060,817	494,847,326	453,144,790	438,371,663
	-	-	-	-	-	-

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

Directors

Premier Technology Public Company Limited and its subsidiary

Statement of comprehensive income

For the year ended 31 December 2013

(Unit: Baht)

	Note	Consolidated financial statements		Separate financial statements	
		2013	2012	2013	2012
Profit or loss:					
Revenues					
Sales		1,927,899,340	1,499,675,296	-	-
Rental and service income		667,978,373	705,539,247	43,195,921	28,089,033
Dividend income	13	-	-	83,998,320	39,899,202
Other income		33,879,336	27,358,443	2,459,403	2,011,037
Total revenues		<u>2,629,757,049</u>	<u>2,232,572,986</u>	<u>129,653,644</u>	<u>69,999,272</u>
Expenses					
Cost of sales and services		1,933,578,467	1,646,722,218	23,312,016	20,473,195
Selling expenses		215,953,581	180,681,614	-	-
Administrative expenses		309,627,769	277,735,580	6,231,715	4,082,939
Total expenses		<u>2,459,159,817</u>	<u>2,105,139,412</u>	<u>29,543,731</u>	<u>24,556,134</u>
Profit before share of loss from investment in associate, finance cost and income tax expenses					
Share of loss from investment in associate	14.2	(656,994)	(287,005)	-	-
Profit before finance cost and income tax expenses					
Finance cost		(23,848,687)	(31,646,513)	(17,260,792)	(17,553,665)
Profit before income tax expenses		<u>146,091,551</u>	<u>95,500,056</u>	<u>82,849,121</u>	<u>27,889,473</u>
Income tax expenses	25	(30,982,549)	(19,793,768)	-	-
Profit for the year		<u>115,109,002</u>	<u>75,706,288</u>	<u>82,849,121</u>	<u>27,889,473</u>
Other comprehensive income:					
Actuarial gains	22	1,494,336	-	-	-
Income tax effect	25	(298,867)	-	-	-
Other comprehensive income for the year		<u>1,195,469</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total comprehensive income for the year		<u>116,304,471</u>	<u>75,706,288</u>	<u>82,849,121</u>	<u>27,889,473</u>
Basic earnings per share					
Profit for the year	27	<u>0.81</u>	<u>0.53</u>	<u>0.58</u>	<u>0.20</u>

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

Premier Technology Public Company Limited and its subsidiary

Cash flow statement

For the year ended 31 December 2013

(Unit: Baht)

	<u>Consolidated financial statements</u>		<u>Separate financial statements</u>	
	<u>2013</u>	<u>2012</u>	<u>2013</u>	<u>2012</u>
Cash flows from operating activities				
Profit before tax	146,091,551	95,500,056	82,849,121	27,889,473
Adjustments to reconcile profit before tax to net cash provided by (paid from) operating activities:				
Doubtful accounts (reversal)	6,327,125	(1,954,334)	-	-
Reduce cost of inventory to net realisable value (reversal)	(373,538)	136,908	-	-
Depreciation	55,442,159	60,244,495	6,251,059	5,760,311
Loss on sales of equipment	349,838	5,149,391	-	-
Amortisation of intangible assets	1,318,900	880,382	-	-
(Gain) loss on sales of investment in associated company	(24,678)	-	1,118,501	-
Share of loss from investment in associated company	656,994	287,005	-	-
Amortisation of prepaid rental expenses	999,629	1,818,075	-	-
Reversal of allowance for impairment loss on assets	-	(1,953,156)	-	-
Long-term employee benefits expenses	8,049,151	5,933,731	-	-
Income from investment - dividend received from investment in subsidiary	-	-	(83,998,320)	(39,899,202)
Interest income	(883,520)	-	(2,408,296)	-
Interest expenses	23,848,687	31,646,513	17,260,792	17,553,665
Profit from operating activities before changes in operating assets and liabilities	241,802,298	197,689,066	21,072,857	11,304,247
(Increase) decrease in operating assets				
Trade and other receivables	(87,796,691)	(61,341,637)	-	-
Prepaid service cost	(17,947,492)	27,976,191	-	-
Inventories	137,402,489	(227,745,650)	-	-
Work in progress	(1,096,343)	10,615,042	-	-
Other current assets	4,769,267	24,878,841	1,253,427	(3,043,037)
Other non-current assets	1,015,933	(1,325,542)	-	-
Increase (decrease) in operating liabilities				
Trade and other payables	(66,095,209)	257,773,949	1,798,145	(99,718)
Advances received for goods and services	(13,704,180)	(39,399,744)	-	-
Other current liabilities	13,327,515	(7,587,567)	(830,260)	3,550,519
Other non-current liabilities	1,264,874	(252,000)	4,905,411	-
Cash flows from operating activities	212,942,461	181,280,949	28,199,580	11,712,011
Cash paid for interest expenses	(23,253,584)	(31,024,650)	(17,287,552)	(17,553,665)
Cash paid for income tax	(31,208,523)	(33,817,075)	(1,558,668)	(683,240)
Net cash flows from (used in) operating activities	158,480,354	116,439,224	9,353,360	(6,524,894)

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

Premier Technology Public Company Limited and its subsidiary

Cash flow statement (continued)

For the year ended 31 December 2013

(Unit: Baht)

	<u>Consolidated financial statements</u>		<u>Separate financial statements</u>	
	<u>2013</u>	<u>2012</u>	<u>2013</u>	<u>2012</u>
Cash flows from investing activities				
(Increase) decrease in current investments	(28,991)	1,170,122	(28,991)	1,170,122
(Increase) decrease in short-term loan to related party	-	-	33,399,202	-33,399,202
(Increase) decrease in restricted bank deposits	(19,031,516)	15,754,151	-	(1,203,100)
Acquisition and renovation of investment properties	(8,259,314)	(5,006,624)	(13,716,873)	(8,314,883)
Acquisition of equipment	(14,668,575)	(13,083,320)	-	(357,984)
Proceeds from sales of equipment	226,201	218,755	-	-
Cash paid for acquisition of intangible assets	-	(1,581,322)	-	-
Dividend received from investment in subsidiary	-	-	83,998,320	66,898,662
Cash paid for increasing in share capital of subsidiary	-	-	(69,999,400)	-
Proceeds from sales of investment in associated company	265,200	-	265,200	-
Interest received	883,520	-	2,408,296	-
Net cash flows from (used in) investing activities	<u>(40,613,475)</u>	<u>(2,528,238)</u>	<u>36,325,754</u>	<u>24,793,615</u>
Cash flows from financing activities				
Decrease in short-term loans				
from financial institutions	(54,527,492)	(10,983,711)	-	-
Increase (decrease) in short-term loan from related party	-	-	2,500,000	(2,372,700)
Repayment of long-term loans	(6,909,780)	(2,140,000)	(6,909,780)	-
Repayment of long-term liabilities	(36,837,168)	(42,465,863)	-	-
Dividend paid	(42,583,341)	(14,194,447)	(42,583,341)	(14,194,447)
Net cash flows used in financing activities	<u>(140,857,781)</u>	<u>(69,784,021)</u>	<u>(46,993,121)</u>	<u>(16,567,147)</u>
Net increase (decrease) in cash and cash equivalents	(22,990,902)	44,126,965	(1,314,007)	1,701,574
Cash and cash equivalents at beginning of the year	54,759,568	10,632,603	2,150,626	449,052
Cash and cash equivalents at end of the year	<u>31,768,666</u>	<u>54,759,568</u>	<u>836,619</u>	<u>2,150,626</u>
	-	-	-	-
Supplementary disclosures of cash flows information:				
Non-cash items				
Assets acquired under finance lease agreements	12,193,142	56,383,250	-	-
Transfers of investment properties to property, plant and equipment	-	22,517,623	-	-

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

Premier Technology Public Company Limited and its subsidiary

Statement of changes in shareholders' equity

For the year ended 31 December 2013

(Unit: Baht)

Consolidated financial statements						
	Note	Issued	Company's shares held by subsidiary	Retained earnings		Total shareholders' equity
		and paid-up share capital		Appropriated - statutory reserve	Unappropriated	
Balance as at 1 January 2012 - as previously reported		141,944,471	(230,175)	9,420,000	105,003,272	256,137,568
Cumulative effect of change in accounting policy for deferred tax	4	-	-	-	3,578,169	3,578,169
Balance as at 1 January 2012 - as restated		141,944,471	(230,175)	9,420,000	108,581,441	259,715,737
Dividend paid	30	-	-	-	(14,194,447)	(14,194,447)
Total comprehensive income for the year - restated		-	-	-	75,706,288	75,706,288
Unappropriated retained earnings transferred to statutory reserve	23	-	-	1,400,000	(1,400,000)	-
Balance as at 31 December 2012 - as restated		<u>141,944,471</u>	<u>(230,175)</u>	<u>10,820,000</u>	<u>168,693,282</u>	<u>321,227,578</u>
						-
Balance as at 1 January 2013 - as previously reported		141,944,471	(230,175)	10,820,000	162,890,706	315,425,002
Cumulative effect of change in accounting policy for deferred tax	4	-	-	-	5,802,576	5,802,576
Balance as at 1 January 2013 - as restated		141,944,471	(230,175)	10,820,000	168,693,282	321,227,578
Dividend paid	30	-	-	-	(42,583,341)	(42,583,341)
Total comprehensive income for the year		-	-	-	116,304,471	116,304,471
Unappropriated retained earnings transferred to statutory reserve	23	-	-	3,374,447	(3,374,447)	-
Balance as at 31 December 2013		<u>141,944,471</u>	<u>(230,175)</u>	<u>14,194,447</u>	<u>239,039,965</u>	<u>394,948,708</u>

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

Premier Technology Public Company Limited and its subsidiary

Statement of changes in shareholders' equity (continued)

For the year ended 31 December 2013

(Unit: Baht)

	Note	Separate financial statements			Total shareholders' equity
		Issued and paid-up share capital	Retained earnings Appropriated - statutory reserve	Unappropriated	
Balance as at 1 January 2012		141,944,471	9,420,000	87,882,140	239,246,611
Dividend paid	30	-	-	(14,194,447)	(14,194,447)
Total comprehensive income for the year		-	-	27,889,473	27,889,473
Unappropriated retained earnings transferred to statutory reserve	23	-	1,400,000	(1,400,000)	-
Balance as at 31 December 2012		<u>141,944,471</u>	<u>10,820,000</u>	<u>100,177,166</u>	<u>252,941,637</u>
					-
Balance as at 1 January 2013		141,944,471	10,820,000	100,177,166	252,941,637
Dividend paid	30	-	-	(42,583,341)	(42,583,341)
Total comprehensive income for the year		-	-	82,849,121	82,849,121
Unappropriated retained earnings transferred to statutory reserve	23	-	3,374,447	(3,374,447)	-
Balance as at 31 December 2013		<u>141,944,471</u>	<u>14,194,447</u>	<u>137,068,499</u>	<u>293,207,417</u>
					-

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

Premier Technology Public Company Limited and its subsidiary

Notes to consolidated financial statements

For the year ended 31 December 2013

1. General information

Premier Technology Public Company Limited (“the Company”) is a public company incorporated and domiciled in Thailand. The Company is principally engaged in a holding company. The registered office of the Company is 1 Premier Corporate Park, Soi Premier 2, Srinakarin Road, Nongbon, Prawet, Bangkok.

2. Basis of preparation

2.1 The financial statements have been prepared in accordance with Thai Financial Reporting Standards enunciated under the Accounting Professions Act B.E. 2547 and their presentation has been made in compliance with the stipulations of the Notification of the Department of Business Development dated 28 September 2011, issued under the Accounting Act B.E. 2543.

The financial statements in Thai language are the official statutory financial statements of the Company. The financial statements in English language have been translated from the Thai language financial statements.

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

2.2 Basis of consolidation

a) The consolidated financial statements include the financial statements of Premier Technology Public Company Limited (“the Company”) and the following subsidiary (“the subsidiary”):

Company's name	Nature of business	Country of incorporation	Percentage of shareholding	
			2013 Percent	2012 Percent
Datapro Computer Systems Company Limited	Distribution and provision of services relating to computer and computer systems	Thailand	100	100

b) The subsidiary is fully consolidated, being the date on which the Company obtains control, and continue to be consolidated until the date when such control ceases.

c) The financial statements of the subsidiary are prepared using the same significant accounting policies as the Company.

d) Material balances and transactions between the Company and its subsidiary have been eliminated from the consolidated financial statements.

2.3 The separate financial statements, which present investments in subsidiary and associate under the cost method, have been prepared solely for the benefit of the public.

3. **New accounting standards**

Below is a summary of accounting standards that became effective in the current accounting year and those that will become effective in the future.

(a) Accounting standards that became effective in the current accounting year

Accounting standards:

TAS 12	Income Taxes
TAS 20 (revised 2009)	Accounting for Government Grants and Disclosure of Government Assistance
TAS 21 (revised 2009)	The Effects of Changes in Foreign Exchange Rates

Financial Reporting Standard:

TFRS 8	Operating Segments
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Accounting Standard Interpretations:

TSIC 10	Government Assistance - No Specific Relation to Operating Activities
TSIC 21	Income Taxes - Recovery of Revalued Non-Depreciable Assets
TSIC 25	Income Taxes - Changes in the Tax Status of an Entity or its Shareholders

Accounting Treatment Guidance for Transfers of Financial Assets

These accounting standards, financial reporting standard, accounting standard interpretations and accounting treatment guidance do not have any significant impact on the financial statements, except for the following accounting standard.

TAS 12 Income Taxes

This accounting standard requires an entity to identify temporary differences between the carrying amount of an asset or liability in the statement of financial position and its tax base and recognise the tax effects as deferred tax assets or liabilities subjecting to certain recognition criteria. The Company and its subsidiary have changed this accounting policy in this current year and restated the prior year's financial statements, presented as comparative information, as though the Company and its subsidiary had initially recognised the tax effects as deferred tax assets or liabilities. The cumulative effect of this change in accounting policy has been presented in Note 4 to the financial statements.

(b) Accounting standards that will become effective in the future

		<u>Effective date</u>
Accounting Standards:		
TAS 1 (revised 2012)	Presentation of Financial Statements	1 January 2014
TAS 7 (revised 2012)	Statement of Cash Flows	1 January 2014
TAS 12 (revised 2012)	Income Taxes	1 January 2014
TAS 17 (revised 2012)	Leases	1 January 2014
TAS 18 (revised 2012)	Revenue	1 January 2014
TAS 19 (revised 2012)	Employee Benefits	1 January 2014
TAS 21 (revised 2012)	The Effects of Changes in Foreign Exchange Rates	1 January 2014
TAS 24 (revised 2012)	Related Party Disclosures	1 January 2014
TAS 28 (revised 2012)	Investments in Associates	1 January 2014
TAS 31 (revised 2012)	Interests in Joint Ventures	1 January 2014
TAS 34 (revised 2012)	Interim Financial Reporting	1 January 2014
TAS 38 (revised 2012)	Intangible Assets	1 January 2014
Financial Reporting Standards:		
TFRS 2 (revised 2012)	Share-based Payment	1 January 2014
TFRS 3 (revised 2012)	Business Combinations	1 January 2014
TFRS 4	Insurance Contracts	1 January 2016
TFRS 5 (revised 2012)	Non-current Assets Held for Sale and Discontinued Operations	1 January 2014
TFRS 8 (revised 2012)	Operating Segments	1 January 2014
Accounting Standard Interpretations:		
TSIC 15	Operating Leases - Incentives	1 January 2014
TSIC 27	Evaluating the Substance of Transactions Involving the Legal Form of a Lease	1 January 2014
TSIC 29	Service Concession Arrangements: Disclosures	1 January 2014
TSIC 32	Intangible Assets - Web Site Costs	1 January 2014
Financial Reporting Standard Interpretations:		
TFRIC 1	Changes in Existing Decommissioning, Restoration and Similar Liabilities	1 January 2014
TFRIC 4	Determining whether an Arrangement contains a Lease	1 January 2014

		<u>Effective date</u>
TFRIC 5	Rights to Interests arising from Decommissioning, Restoration and Environmental Rehabilitation Funds	1 January 2014
TFRIC 7	Applying the Restatement Approach under TAS 29 <i>Financial Reporting in Hyperinflationary Economies</i>	1 January 2014
TFRIC 10	Interim Financial Reporting and Impairment	1 January 2014
TFRIC 12	Service Concession Arrangements	1 January 2014
TFRIC 13	Customer Loyalty Programmes	1 January 2014
TFRIC 17	Distributions of Non-cash Assets to Owners	1 January 2014
TFRIC 18	Transfers of Assets from Customers	1 January 2014

At present, the management of the Company has assessed the effect of the above accounting standard, financial reporting standard, accounting standard interpretations and financial reporting standard interpretations and believes that they will not have any effect to the financial statements of the year in which they are initially applied

4. Cumulative effect of changes in accounting policies due to the adoption of new accounting standard

During the current year, the Company and its subsidiary made the changes described in Note 3 to the financial statements to its significant accounting policies, as a result of the adoption of Thai Accounting Standard 12 Income Taxes. The cumulative effect of the changes in the accounting policies has been separately presented in the statements of changes in shareholders' equity.

The amounts of adjustments affecting the statements of financial position and the statements of comprehensive income are summarised below.

	(Unit: Thousand Baht)					
	As at 31 December 2013		As at 31 December 2012		As at 1 January 2012	
	Consolidated financial statements	Separate financial statements	Consolidated financial statements	Separate financial statements	Consolidated financial statements	Separate financial statements
Statements of financial position						
Increase in deferred tax assets	5,276	-	5,802	-	3,578	-
Increase in unappropriated retained earnings	5,276	-	5,802	-	3,578	-

(Unit: Thousand Baht)

	For the year ended 31 December 2013		For the year ended 31 December 2012	
	Consolidated financial statements	Separate financial statements	Consolidated financial statements	Separate financial statements
Statements of comprehensive income				
Profit or loss:				
Increase (decrease) in income tax	227	-	(2,224)	-
Increase (decrease) in profit for the year	(227)	-	2,224	-
Increase (decrease) in basic earnings per share (Baht/share)	(0.002)	-	0.016	-
Other comprehensive income:				
Income tax effect - actuarial gains	299	-	-	-

5. Significant accounting policies

5.1 Revenue recognition

Sale of goods

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

Rendering of service

Service revenue is recognised when services have been rendered taking into account the stage of completion. The Company and its subsidiary assessed the stage of completion in accordance with the services rendered in proportion to the total services to be rendered.

Rental income

Rental income is monthly recognised as revenue at the amount as fixed under the related rental agreement.

Dividends

Dividends are recognised when the right to receive the dividends is established.

5.2 Cash and cash equivalents

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

5.3 Trade accounts receivable

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

5.4 Inventories

Inventories are valued at the lower of cost (under the first-in, first-out method and the specific identification method) and net realisable value.

5.5 Investments

- a) Investment in associate is accounted for in the consolidated financial statements using the equity method.
- b) Investments in subsidiary and associate are accounted for in the separate financial statements using the cost method.

On disposal of an investment, the difference between net disposal proceeds and the carrying amount of the investment is recognised in profit or loss.

5.6 Investment properties

Investment properties are measured initially at cost, including transaction costs. Subsequent to initial recognition, investment properties are stated at cost less accumulated depreciation and allowance for loss on impairment (if any).

Depreciation of investment properties is calculated by reference to their costs on the straight-line basis over estimated useful lives of 5 - 20 years. Depreciation of the investment properties is included in determining income.

On disposal of investment properties, the difference between the net disposal proceeds and the carrying amount of the asset is recognised in profit or loss in the period when the asset is derecognised.

5.7 Property, plant and equipment/Depreciation

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

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

Building	-	20 years
Leasehold improvements	-	5 years
Furniture and fixtures	-	5 years
Office equipment	-	5 years
Computer and equipment	-	3, 5 and 10 years
Motor vehicles	-	5 years

Depreciation is included in determining income.

No depreciation is provided on land and assets under installation.

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

5.8 Intangible assets

Intangible assets are recognised at cost. Following the initial recognition, the intangible assets are carried at cost less any accumulated amortisation and any accumulated impairment losses (if any).

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

The Company and its subsidiary amortise intangible assets, which comprise product design and development costs on the straight-line basis, with the periods of economic useful life being approximately 10 years.

5.9 Related party transactions

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

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

5.10 Long-term leases

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

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

5.11 Foreign currencies

The consolidated and separate financial statements are presented in Baht, which is also the Company's functional currency. Items of each entity included in the consolidated financial statements are measured using the functional currency of that entity.

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

Gains and losses on exchange are included in determining income.

5.12 Impairment of assets

At the end of each reporting period, the Company and its subsidiary perform impairment reviews in respect of the property, plant and equipment and intangible assets whenever events or changes in circumstances indicate that an asset may be impaired. An impairment loss is recognised when the recoverable amount of an asset, which is the higher of the asset's fair value less costs to sell and its value in use, is less than the carrying amount.

An impairment loss is recognised in profit or loss.

5.13 Employee benefits

Short-term employee benefits

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

Post-employment benefits

Defined contribution plans

The subsidiary and its employees have jointly established a provident fund. The fund is monthly contributed by employees and by the subsidiary. The fund's assets are held in a separate trust fund and the subsidiary's contributions are recognised as expenses when incurred.

Defined benefit plans

The Company and its subsidiary have obligations in respect of the severance payments they must make to employees upon retirement under labor law. The Company and its subsidiary treat these severance payment obligations as a defined benefit plan.

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

Actuarial gains and losses arising from post-employment benefits are recognised immediately in other comprehensive income.

5.14 Provisions

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

5.15 Income tax

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

Current tax

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

Deferred tax

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

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

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

The Company and its subsidiary record deferred tax directly to shareholders' equity if the tax relates to items that are recorded directly to shareholders' equity.

6. Significant accounting judgements and estimates

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

Leases

In determining whether a lease is to be classified as an operating lease or finance lease, the management is required to use judgement regarding whether significant risk and rewards of ownership of the leased asset has been transferred, taking into consideration terms and conditions of the arrangement.

Allowance for doubtful accounts

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

Property, plant and equipment/Depreciation

In determining depreciation of plant and equipment, the management is required to make estimates of the useful lives and residual values of the plant and equipment and to review estimate useful lives and residual values when there are any changes.

In addition, the management is required to review property, plant and equipment for impairment on a periodical basis and record impairment losses when it is determined that their recoverable amount is lower than the carrying amount. This requires judgements regarding forecast of future revenues and expenses relating to the assets subject to the review.

Intangible assets

The initial recognition and measurement intangible assets, and subsequent impairment testing, require management to make estimates of cash flows to be generated by the asset or the cash generating units and to choose a suitable discount rate in order to calculate the present value of those cash flows.

Post-employment benefits under defined benefit plans

The obligation under the defined benefit plan is determined based on actuarial techniques. Such determination is made based on various assumptions, including discount rate, future salary increase rate, mortality rate and staff turnover rate.

7. Related party transactions

During the years, the Company and its subsidiary had significant business transactions with related parties, which have been concluded on commercial terms and bases agreed upon in the ordinary course of business between the Company and those companies. Below is a summary of those transactions.

(Unit: Million Baht)

	Consolidated		Separate		Pricing policy
	financial statements	financial statements	financial statements	financial statements	
	2013	2012	2013	2012	
<u>Transactions with subsidiary</u>					
(eliminated from the consolidated financial statements)					
Rental and service income	-	-	30	20	Contract price, which is price in the ordinary course of business
Interest income	-	-	2	2	9% per annum
<u>Transactions with related companies</u>					
Sales and service income	51	53	-	-	Note 7.1
Rental and service income	13	8	13	8	Contract price, which is price in the ordinary course of business
Cost of sales and services	3	15	-	-	Contract price, which is price in the ordinary course of business
Administrative expenses	16	18	2	2	Contract price, which is price in the ordinary course of business

7.1 Sales prices are determined based on cost plus a margin while price of service are based on the contract price, which is price in the ordinary course of business. However pricing depends on the type of product or service and the pricing policy may change according to the type of business and the market situation at the time of the transaction.

The balances of the accounts as at 31 December 2013 and 2012 between the Company and those related parties are as follows:

	(Unit: Thousand Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	<u>2013</u>	<u>2012</u>	<u>2013</u>	<u>2012</u>
<u>Trade receivables - related parties (Note 9)</u>				
Related companies (related by common directors)	5,048	3,098	-	-
<u>Other receivables-related party (Note 9)</u>				
Subsidiary	-	-	-	1,942
<u>Amounts due to related parties (Note 19)</u>				
Subsidiary	-	-	5	-
Related companies (related by common directors)	6,052	1,837	-	15
	<u>6,052</u>	<u>1,837</u>	<u>5</u>	<u>15</u>

Loan to related party and loan from related party

As at 31 December 2013 and 2012, the balance of loan to and loan from between the Company and the related party and the movement are as follows:

		(Unit: Thousand Baht)			
		Separate financial statements			Balance as at
		Balance as at	During the year		
Related by	31 December 2012	Increase	Decrease	31 December 2013	
<u>Short-term loan to related party</u>					
Datapro Computer Systems Company Limited	Subsidiary	33,399	83,998	(117,397)	-
<u>Short-term loan from related party</u>					
Datapro Computer Systems Company Limited	Subsidiary	-	2,500	-	2,500

Short-term loan to related party

Short-term loan to Datapro Computer Systems Company Limited represents the loan in form of promissory note due for repayment at call and carrying interest at the rate of 9 percent per annum. During the year 2013, the Company received all payment of such loan.

Short-term loan from related party

Short-term loan from Datapro Computer Systems Company Limited represents the loan in form of promissory note of Baht 2.5 million due for repayment at call and carrying interest at the rate of 7.48 percent per annum.

Directors and management's benefits

During the years ended 31 December 2013 and 2012, the Company and its subsidiary had employee benefit expenses of their directors and management as below.

	(Unit: Million Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	<u>2013</u>	<u>2012</u>	<u>2013</u>	<u>2012</u>
Short-term employee benefits	30	25	1	1
Post-employment benefits	2	1	-	-
Total	<u>32</u>	<u>26</u>	<u>1</u>	<u>1</u>

8. Cash and cash equivalents

	(Unit: Thousand Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	<u>2013</u>	<u>2012</u>	<u>2013</u>	<u>2012</u>
Cash	105	108	5	5
Bank deposits	<u>31,664</u>	<u>54,652</u>	<u>832</u>	<u>2,146</u>
Total	<u>31,769</u>	<u>54,760</u>	<u>837</u>	<u>2,151</u>

As at 31 December 2013, bank deposits in saving accounts carried interests between 0.13 and 0.85 percent per annum (2012: between 0.60 and 0.63 percent per annum).

9. Trade and other receivables

	(Unit: Thousand Baht)	
	Consolidated	
	financial statements	
	<u>2013</u>	<u>2012</u>
<u>Trade receivables - related parties</u> (Note 7)		
Aged on the basis of due dates		
Not yet due	438	1,002
Past due		
Up to 3 months	2,949	2,028
3 - 6 months	1,107	-
6 - 12 months	554	68
Total trade receivables - related parties	<u>5,048</u>	<u>3,098</u>
<u>Trade receivables - unrelated parties</u>		
Aged on the basis of due dates		
Not yet due	344,208	277,165
Past due		
Up to 3 months	122,803	97,339
3 - 6 months	20,215	49,385
6 - 12 months	21,851	7,134
Over 12 months	15,800	10,080
Total	<u>524,877</u>	<u>441,103</u>
Less: Allowance for doubtful debts	<u>(16,377)</u>	<u>(10,050)</u>
Total trade receivables - unrelated parties, net	<u>508,500</u>	<u>431,053</u>
Total trade receivable - net	<u>513,548</u>	<u>434,151</u>
<u>Other receivables</u>		
Other receivables	10,201	10,201
Accrued income	7,824	5,752
Total	<u>18,025</u>	<u>15,953</u>
Less: Allowance for doubtful debts	<u>(10,201)</u>	<u>(10,201)</u>
Total other receivables - net	<u>7,824</u>	<u>5,752</u>
Total trade and other receivables - net	<u>521,372</u>	<u>439,903</u>

(Unit: Thousand Baht)

Separate
financial statements

	<u>2013</u>	<u>2012</u>
<u>Other receivables</u>		
Other receivables-related party (Note 7)	-	1,942
Total other receivables	-	1,942

The balance of trade receivables as at 31 December 2013 included trade receivables amounting to Baht 33 million (2012: Baht 112 million) which the subsidiary has assigned its rights over collection to factoring companies in accordance with the factoring agreements with interest as stipulated in the agreements. If the assignees are unable to make collection from the subsidiary's debtors, the subsidiary agrees to pay the outstanding debt balances to the assignees.

10. Inventories

(Unit: Thousand Baht)

Consolidated financial statements

	Cost		Reduce cost to net realisable value		Inventories - net	
	<u>2013</u>	<u>2012</u>	<u>2013</u>	<u>2012</u>	<u>2013</u>	<u>2012</u>
Finished goods	39,290	134,542	(1,401)	(1,775)	37,889	132,767
Goods under installation	194,315	265,439	-	-	194,315	265,439
Goods in transit	73,748	44,775	-	-	73,748	44,775
Total	<u>307,353</u>	<u>444,756</u>	<u>(1,401)</u>	<u>(1,775)</u>	<u>305,952</u>	<u>442,981</u>

11. Other current assets

(Unit: Thousand Baht)

	Consolidated financial statements		Separate financial statements	
	<u>2013</u>	<u>2012</u>	<u>2013</u>	<u>2012</u>
Withholding tax deducted at source	7,757	6,694	2,384	825
Prepaid expenses	13,436	12,989	347	386
Others	4,422	9,142	2,882	2,155
Total other current assets	<u>25,615</u>	<u>28,825</u>	<u>5,613</u>	<u>3,366</u>

12. Restricted bank deposits

Deposits with banks of the Company and its subsidiary have been pledged as security against credit facilities obtained from the financial institutions which are consist of loans, bank guarantees and other credit facilities.

13. Investment in subsidiary

Details of investment in subsidiary as presented in separate financial statements are as follows:

(Unit: Thousand Baht)

Company's	Paid-up capital		Shareholding percentage		Cost		Dividend received during the year	
	<u>2013</u>	<u>2012</u>	<u>2013</u>	<u>2012</u>	<u>2013</u>	<u>2012</u>	<u>2013</u>	<u>2012</u>
			(%)	(%)				
Datapro Computer Systems Company Limited	100,000	30,000	100	100	325,887	255,887	83,998	39,899
Less: Allowance for impairment of investment in subsidiary					(103,160)	(103,160)		
Investment in subsidiary - net					<u>222,727</u>	<u>152,727</u>		

On 3 June 2013, the extraordinary general meeting of shareholders of Datapro Computer Systems Company Limited approved the increase of its registered capital by Baht 30 million (300,000 ordinary shares of Baht 100 each) to Baht 100 million (1,000,000 ordinary shares of Baht 100 each), through the issuance of 700,000 additional ordinary shares with a par value of Baht 100 each, for offer to existing shareholders of the subsidiary. The subsidiary registered the increase of its capital with the Ministry of Commerce on 21 June 2013 and received such share subscription in full.

In April 2013, the annual general meeting of shareholders of subsidiary approved the payment of a dividend for the year 2012 of approximately Baht 84 million to the shareholders at Baht 280 per share. The subsidiary paid such dividend in May 2013.

In June 2012, a meeting of subsidiary's Board of Directors approved the payment of an interim dividend for 2012 of approximately Baht 40 million to the shareholders at Baht 133 per share. The subsidiary paid such dividend in June 2012.

14. Investment in associate

14.1 Details of associate:

(Unit: Thousand Baht)

Company's name	Nature of business	Country of incorporation	Consolidated financial statements						
			Shareholding percentage		Cost		Carrying amounts based on equity method		
			<u>2013</u>	<u>2012</u>	<u>2013</u>	<u>2012</u>	<u>2013</u>	<u>2012</u>	
			(%)	(%)					
Advance Cyber Technology Company Limited	Service	Thailand	-	26	-	5,200	-	898	

(Unit: Thousand Baht)

Company's name	Nature of business	Country of incorporation	Separate financial statements							
			Shareholding percentage		Cost		Allowance for impairment of investment	Carrying amounts based on cost method - net		
			<u>2013</u>	<u>2012</u>	<u>2013</u>	<u>2012</u>	<u>2013</u>	<u>2012</u>	<u>2013</u>	<u>2012</u>
			(%)	(%)						
Advance Cyber Technology Company Limited	Service	Thailand	-	26	-	5,200	-	(3,816)	-	1,384

On 7 August 2013, the Company's Board of Directors meeting had a resolution approving the sales of all investment in Advance Cyber Technology Company Limited at a price of Baht 0.3 million to an unrelated person. The Company sold such investment in September 2013.

14.2 Share of profit/loss

During the years, the Company has recognised its share of loss from investment in associated company in the consolidated financial statements as follows:

Company's name	(Unit: Thousand Baht)	
	Consolidated financial statements	
	Share of loss from investment in associate during the year	
	<u>2013</u>	<u>2012</u>
Advance Cyber Technology Company Limited	<u>(657)</u>	<u>(287)</u>

15. Investment properties

The net book value of investment properties as at 31 December 2013 and 2012 are presented below.

	(Unit: Thousand Baht)	
	Consolidated financial statements	Separate financial statements
	Land and office building	Land and office building
31 December 2013		
Cost	166,901	277,187
<u>Less</u> Accumulated depreciation	<u>(7,870)</u>	<u>(13,071)</u>
Net book value	<u>159,031</u>	<u>264,116</u>

	(Unit: Thousand Baht)	
	Consolidated financial statements	Separate financial statements
	Land and office building	Land and office building
31 December 2012		
Cost	158,744	263,470
<u>Less</u> Accumulated depreciation	<u>(4,254)</u>	<u>(6,896)</u>
Net book value	<u>154,490</u>	<u>256,574</u>

A reconciliation of the net book value of investment properties for the year 2013 and 2012 are presented below.

(Unit: Thousand Baht)

	For the years ended 31 December			
	Consolidated		Separate	
	financial statements		financial statements	
	<u>2013</u>	<u>2012</u>	<u>2013</u>	<u>2012</u>
Net book value at beginning of year	154,490	175,463	256,574	254,008
Transfers of investment properties to property and plant	-	(22,518)	-	-
Renovation of office building	8,259	5,007	13,717	8,315
Depreciation charged	(3,718)	(3,462)	(6,175)	(5,749)
Net book value at end of year	<u>159,031</u>	<u>154,490</u>	<u>264,116</u>	<u>256,574</u>

The portion of the Company's investment properties, consist of land and office building, has leased to its subsidiary.

The Company has mortgaged such investment properties as collateral against a long-term loan from a company.

The fair value of the investment properties of the Company as at 31 December 2013 and 2012 stated below.

(Unit: Thousand Baht)

	<u>2013</u>	<u>2012</u>
Land and office building	278,000	278,000

The fair value of the above investment properties have been determined based on valuations performed by an accredited independent valuer by using market prices and the cost approach.

16. Property, plant and equipment

(Unit: Thousand Baht)

	Consolidated financial statements						Total
	Land	Building	Furniture, fixtures and equipment	Computer and equipment	Motor vehicles	Assets under installation	
Cost:							
1 January 2012	43,440	35,460	128,732	310,229	1,590	2,866	522,317
Additions	-	-	3,709	46,106	-	10,748	60,563
Disposals	-	-	(6,048)	(61,670)	-	-	(67,718)
Transfers in (out)	-	977	8,560	-	-	(9,537)	-
Transfers of investment properties to property and plant	12,454	10,063	-	-	-	-	22,517
31 December 2012	55,894	46,500	134,953	294,665	1,590	4,077	537,679
Additions	-	-	2,553	17,624	-	6,028	26,205
Disposals	-	-	(2,423)	(25,159)	(3)	(348)	(27,933)
Transfers in (out)	-	3,928	814	1,154	-	(5,896)	-
31 December 2013	55,894	50,428	135,897	288,284	1,587	3,861	535,951
Accumulated depreciation:							
1 January 2012	-	355	71,696	245,192	706	-	317,949
Depreciation for the year	-	2,287	13,215	41,066	215	-	56,783
Depreciation on disposals	-	-	(5,933)	(56,418)	-	-	(62,351)
31 December 2012	-	2,642	78,978	229,840	921	-	312,381
Depreciation for the year	-	2,457	12,356	36,697	214	-	51,724
Depreciation on disposals	-	-	(2,388)	(24,967)	(3)	-	(27,358)
31 December 2013	-	5,099	88,946	241,570	1,132	-	336,747
Net book value:							
31 December 2012	55,894	43,858	55,975	64,825	669	4,077	225,298
31 December 2013	55,894	45,329	46,951	46,714	455	3,861	199,204
Depreciation for the year:							
2012 (Baht 28 million included in service cost, and the balance in administrative expenses)							56,783
2013 (Baht 25 million included in service cost, and the balance in administrative expenses)							51,724

16. Property, plant and equipment (continued)

	(Unit: Thousand Baht)
	Separate financial statements
	Furniture and office equipment
Cost:	
1 January 2012	31
Additions	358
31 December 2012	389
31 December 2013	389
Accumulated depreciation:	
1 January 2012	20
Depreciation for the year	11
31 December 2012	31
Depreciation for the year	76
31 December 2013	107
Net book value:	
31 December 2012	358
31 December 2013	282
Depreciation for the year (include in administrative expenses):	
2012	11
2013	76

As at 31 December 2013 and 2012, land and building as presented in the consolidated financial statements is the portion of the Company's investment properties that it has leased to its subsidiary.

As at 31 December 2013, the subsidiary had equipment under finance lease agreements with net book values amounting to Baht 33 million (2012: Baht 73 million).

As at 31 December 2013, certain equipment items of the subsidiary have been fully depreciated but are still in use. The gross carrying amount before deducting accumulated depreciation of those assets amounted to Baht 244 million (2012: Baht 232 million).

Land and building have been mortgaged as collateral against a long-term loan from a company.

17. Intangible assets

Details of intangible assets which are the products' design and development costs are as follows:

	(Unit: Thousand Baht) Consolidated financial statements
As at 31 December 2013	
Cost	13,188
<u>Less</u> Accumulated amortisation	<u>(3,079)</u>
Net book value	<u>10,109</u>
As at 31 December 2012	
Cost	13,188
<u>Less</u> Accumulated amortisation	<u>(1,760)</u>
Net book value	<u>11,428</u>

A reconciliation of the net book value of intangible assets for the years 2013 and 2012 is presented below.

	(Unit: Thousand Baht) Consolidated financial statements	
	<u>2013</u>	<u>2012</u>
Net book value at beginning of year	11,428	10,727
Development costs	-	1,581
Amortisation	<u>(1,319)</u>	<u>(880)</u>
Net book value at end of year	<u>10,109</u>	<u>11,428</u>

18. Short-term loans from financial institutions

		(Unit: Thousand Baht) Consolidated financial statements	
	Interest rate (percent per annum)	<u>2013</u>	<u>2012</u>
Short-term loans from banks	MLR, MLR+0.25	-	28,198
Trust receipts	MOR - 1.5	44,974	-
Accounts payable - factoring companies (Note 9)	7.48 and 7.75	<u>29,944</u>	<u>101,247</u>
Total		<u>74,918</u>	<u>129,445</u>

Short-term loans from banks and trust receipt of the subsidiary are secured by the pledge of bank deposits of the subsidiary.

19. Trade and other payables

(Unit: Thousand Baht)

	Consolidated		Separate	
	financial statements		financial statements	
	<u>2013</u>	<u>2012</u>	<u>2013</u>	<u>2012</u>
Trade payables - unrelated parties	425,820	531,325	-	-
Amounts due to related parties (Note 7)	6,052	1,837	5	15
Accrued expenses	142,884	107,689	4,340	2,558
Total trade and other payables	<u>574,756</u>	<u>640,851</u>	<u>4,345</u>	<u>2,573</u>

20. Long-term loans

Long-term loans of the Company consist of the followings:

(Unit: Thousand Baht)

	Consolidated		Separate	
	financial statements		financial statements	
	<u>2013</u>	<u>2012</u>	<u>2013</u>	<u>2012</u>
Long-term loans	187,090	194,000	187,090	194,000
Less: Current portion	(11,425)	(7,593)	(11,425)	(7,593)
Long-term loans - net of current portion	<u>175,665</u>	<u>186,407</u>	<u>175,665</u>	<u>186,407</u>

In December 2011, the Company entered into a loan agreement with a company, under which interest is to be paid at 9% per annum for the first three years and then at MLR+1.25% per annum. However, if the resulting interest rate is less than 7% per annum, the Company will pay interest at 7% per annum and if the resulting interest rate is greater than 10% per annum, the Company will pay interest at 10% per annum. There is a grace period until April 2013, after which principal and interest are to be paid monthly, with full payment to be made within October 2024. The loan is secured by the mortgage of investment properties of the Company and the pledge of 299,994 shares of the subsidiary.

21. Long-term liabilities

Long-term liabilities of the subsidiary represent liabilities under finance lease agreements which are summarised below.

	(Unit: Thousand Baht)	
	Consolidated	
	financial statements	
	<u>2013</u>	<u>2012</u>
Liabilities under finance lease agreements	42,606	70,081
Less: Deferred interest expenses	<u>(1,871)</u>	<u>(4,702)</u>
	40,735	65,379
Less: Current portion	<u>(26,189)</u>	<u>(35,252)</u>
Long-term liabilities - net of current portion	<u><u>14,546</u></u>	<u><u>30,127</u></u>

The subsidiary has entered into the finance lease agreements with leasing companies for rental of equipment for use in its operation, whereby it is committed to pay rental on a monthly basis. The terms of the agreements are 3 years. The assets acquired by the subsidiary under the finance lease agreements have been recorded at their cash price.

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

	(Unit: Million Baht)		
	As at 31 December 2013		
	Less than		
	<u>1 year</u>	<u>1-3 years</u>	<u>Total</u>
Future minimum lease payments	28	15	43
Deferred interest expenses	<u>(2)</u>	<u>-</u>	<u>(2)</u>
Present value of future minimum lease payments	<u><u>26</u></u>	<u><u>15</u></u>	<u><u>41</u></u>

	(Unit: Million Baht)		
	As at 31 December 2012		
	Less than		
	<u>1 year</u>	<u>1-3 years</u>	<u>Total</u>
Future minimum lease payments	38	32	70
Deferred interest expenses	<u>(3)</u>	<u>(2)</u>	<u>(5)</u>
Present value of future minimum lease payments	<u><u>35</u></u>	<u><u>30</u></u>	<u><u>65</u></u>

22. Provision for long-term employee benefits

Provision for long-term employee benefits which is compensations on employees' retirement, was as follows:

	(Unit: Thousand Baht)	
	Consolidated	
	financial statements	
	<u>2013</u>	<u>2012</u>
Provision for long-term employee benefits at beginning of year	38,100	32,166
Current service cost	3,548	4,521
Interest cost	1,578	1,413
Increase in past service cost	2,923	-
Actuarial gains	(1,494)	-
Provision for long-term employee benefits at end of year	<u>44,655</u>	<u>38,100</u>

Long-term employee benefit expenses presented in administrative expenses which included in the profit or loss for the year ended 31 December 2013 amounted to Baht 8 million (2012: Baht 6 million).

The cumulative amount of actuarial gains recognised in the other comprehensive income and taken as part of retained earnings of subsidiary for the year ended 31 December 2013 amounted to Baht 1 million.

Principal actuarial assumptions at the valuation date were as follows:

	Consolidated	
	financial statements	
	<u>2013</u>	<u>2012</u>
	(% per annum)	(% per annum)
Discount rate	4.4	4.0
Future salary increase rate	5.5	5.0, 5.5
Staff turnover rate (depending on age of employee)	1.0 - 15.0	1.0 - 15.0

Amounts of defined benefit obligation for the current and previous three years are as follows:

	(Unit: Thousand Baht)	
	Consolidated financial statements	
	Defined benefit obligation	Experience adjustments on the obligation
Year 2013	44,655	51
Year 2012	38,100	-
Year 2011	32,166	-
Year 2010	34,177	-

23. Statutory reserve

Pursuant to Section 116 of the Public Limited Companies Act B.E. 2535, the Company is required to set aside to a statutory reserve at least 5 percent of its profit after deducting accumulated deficit brought forward (if any), until the reserve reaches 10 percent of the registered capital. The statutory reserve is not available for dividend distribution.

24. Expenses by nature

Significant expenses by nature are as follows:

	(Unit: Thousand Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	<u>2013</u>	<u>2012</u>	<u>2013</u>	<u>2012</u>
Salary and other employee benefits	450,555	397,492	1,194	1,194
Depreciation	55,442	60,244	6,251	5,760
Rental expenses from operating lease agreements	26,315	26,002	-	-
Purchase of goods and services	1,687,586	1,717,628	-	-
Changes in finished goods and goods under installation	166,375	(200,865)	-	-

25. Income tax expenses

Income tax expenses for the years ended 31 December 2013 and 2012 are made up as follows:

	(Unit: Thousand Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	<u>2013</u>	<u>2012</u>	<u>2013</u>	<u>2012</u>
		(Restated)		
Current income tax:				
Current corporate income tax charge	30,756	22,018	-	-
Deferred tax:				
Relating to origination and reversal of temporary differences	<u>227</u>	<u>(2,224)</u>	<u>-</u>	<u>-</u>
Income tax expenses reported in the statements of comprehensive income	<u>30,983</u>	<u>19,794</u>	<u>-</u>	<u>-</u>

The amounts of income tax relating to each component of other comprehensive income for the years ended 31 December 2013 and 2012 are as follows:

	(Unit: Thousand Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	<u>2013</u>	<u>2012</u>	<u>2013</u>	<u>2012</u>
Deferred tax relating to actuarial gains	<u>299</u>	<u>-</u>	<u>-</u>	<u>-</u>
	<u>299</u>	<u>-</u>	<u>-</u>	<u>-</u>

Reconciliation between income tax expenses and the product of accounting profit multiplied by the applicable tax rates for the years ended 31 December 2013 and 2012.

	(Unit: Thousand Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	<u>2013</u>	<u>2012</u>	<u>2013</u>	<u>2012</u>
		(Restated)		
Accounting profit before tax	146,092	95,500	82,849	27,889
Applicable tax rate	20%	23%	20%	23%
Accounting profit before tax multiplied by applicable tax rate	29,218	21,965	16,570	6,414
Effects of changes in the applicable tax rates	-	376	-	-
Tax loss for the year which unrecognised as deferred tax assets	225	1,589	225	1,589
Effects of:				
Additional taxable income	-	1,128	-	1,128
Tax-exempt income	-	-	(16,800)	(9,177)
Non-deductible expenses	3,004	683	5	46
Additional expense deductions allowed	(1,464)	(5,947)	-	-
Total	1,540	(4,136)	(16,795)	(8,003)
Income tax expenses reported in the statement of comprehensive income	30,983	19,794	-	-

The components of deferred tax assets and deferred tax liabilities are as follows:

	(Unit: Thousand Baht)					
	Statements of financial position					
	Consolidated financial statements			Separate financial statements		
	As at	As at	As at	As at	As at	As at
	31 December	31 December	1 January	31 December	31 December	1 January
	2013	2012	2012	2013	2012	2012
			(Restated)			
Deferred tax assets						
Provision for long-term employee benefits	8,931	7,620	6,433	-	-	-
Others	-	1,320	-	-	-	-
Total	8,931	8,940	6,433	-	-	-
Deferred tax liabilities						
Difference depreciation between tax and accounting base of assets under finance lease agreements	3,655	3,138	2,855	-	-	-
Total	3,655	3,138	2,855	-	-	-
Total deferred tax assets - net	5,276	5,802	3,578	-	-	-

In December 2011, there was a royal decree to reduce the corporate income tax rates for 2012 - 2014 according to the resolution of the cabinet to reduce the corporate income tax rate from 30 percent to 23 percent in 2012, and then to 20 percent from 2013. The Company and its subsidiary have reflected the changes in the income tax rates in its deferred tax calculation, as presented above.

As at 31 December 2013 the Company has unused tax losses totaling Baht 30 million (2012: Baht 29 million), on which deferred tax assets have not been recognised as the Company believes future taxable profits may not be sufficient to allow utilisation of the unused tax losses.

The Company had no corporate income tax payable for the years 2013 and 2012 since dividend income was exempted from income tax under section 65 bis (10) of the Revenue Code.

26. Promotional privileges

The subsidiary has received promotional privileges from the Board of Investment for Enterprise Software and Digital Content, pursuant to the promotion certificate No. 1924(7)/2553 issued on 30 July 2010. Subject to certain imposed conditions, the privileges include an exemption from corporate income tax for a period of 8 years from the date the promoted operations commenced generating revenues (20 June 2012)

However, for the year 2013 and 2012 the subsidiary has operating loss from this promoted activity.

27. Basic earnings per share

Basic earnings per share is calculated by dividing profit for the year (excluding other comprehensive income) by the weighted average number of ordinary shares in issue during the year after deducting 230,175 shares of the Company held by the subsidiary.

	Consolidated		Separate	
	financial statements		financial statements	
	<u>2013</u>	<u>2012</u>	<u>2013</u>	<u>2012</u>
		(Restated)		
Profit for the year (Thousand Baht)	115,109	75,706	82,849	27,889
Weighted average number of ordinary shares (Thousand shares)	141,714	141,714	141,714	141,714
Earnings per share (Baht/share)	0.81	0.53	0.58	0.20

28. Financial information by segment

Operating segment information is reported in a manner consistent with the internal reports that are regularly reviewed by the chief operating decision maker in order to make decisions about the allocation of resources to the segment and assess its performance. The chief operating decision maker has been identified as the Company's Board of Directors.

For management purposes, the Company and its subsidiary are organised into business units based on its products and services and have 2 reportable segments as follows:

- (1) Distribution and provision of services relating to computer and computer systems.
- (2) Rent out space and services.

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

The chief operating decision maker monitors the operating results of the business units separately for the purpose of making decisions about resource allocation and assessing performance. Segment performance is measured based on operating profit or loss and total assets and on a basis consistent with that used to measure operating profit or loss and total assets in the financial statements. However, the Company and its subsidiary's central administrative activities, financing activities (including finance costs and finance income) and income taxes are managed on a group basis. Therefore these income and expenses are not allocated to operating segments.

The basis of accounting for any transactions between reportable segments is consistent with that for third party transactions.

The following tables present revenue, profit and total assets information regarding the Company and its subsidiary's operating segments for the years ended 31 December 2013 and 2012.

(Unit: Million Baht)

	Distribution and provision of services relating to computer and computer systems segment		Rent out space and services segment		Elimination of inter- segment		Consolidation	
	<u>2013</u>	<u>2012</u>	<u>2013</u>	<u>2012</u>	<u>2013</u>	<u>2012</u>	<u>2013</u>	<u>2012</u>
								(Restated)
Revenues								
Revenues from external customers								
Sales	1,928	1,500	-	-	-	-	1,928	1,500
Rental and service income	655	697	13	8	-	-	668	705
Total revenues from external customers	2,583	2,197	13	8	-	-	2,596	2,205
Inter-segment revenues	-	-	30	20	(30)	(20)	-	-
Total revenues	2,583	2,197	43	28	(30)	(20)	2,596	2,205
Results								
Segment profit	188	172	14	4	-	-	202	176
Unallocated income and expenses:								
Other income							34	27
Selling expenses							(8)	(19)
Administrative expenses							(57)	(57)
Share of loss from investment in associate							(1)	-
Finance cost							(24)	(32)
Profit before income tax expenses							146	95
Income tax expenses							(31)	(20)
Profit for the year							115	75
Segment total assets	1,179	1,251	495	453	(229)	(190)	1,445	1,514

Geographic information

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

Major customers

For the year 2013, the Company and its subsidiary have revenue from one major customer in amount of Baht 597 million (2012: Baht 653 million derived from two major customers), arising from distribution and provision of services relating to computer and computer systems segment.

29. Provident fund

The subsidiary and its employees have jointly established a provident fund in accordance with the Provident Fund Act B.E. 2530. Both employees and the subsidiary contributed to the fund monthly at the rate of 5 percent of basic salary. The fund, which is managed by KASIKORN Assets Management Company Limited, will be paid to employees upon termination in accordance with the fund rules. During the year 2013, the subsidiary contributed Baht 8 million (2012: Baht 7 million) to the fund.

30. Dividends

	Approved by	Total dividends (Million Baht)	Dividend per share (Baht)	Paid in month
Dividends for 2011	Annual General Meeting of the shareholders on 26 April 2012	14	0.10	May 2012
Total dividends for 2012		<u>14</u>		
Dividends for 2012	Annual General Meeting of the shareholders on 24 April 2013	21	0.15	May 2013
Interim dividends for 2013	Board of Director's meeting on 7 August 2013	21	0.15	September 2013
Total dividends for 2013		<u>42</u>		

31. Commitments and contingent liabilities

31.1 Operating lease commitments

The subsidiary has entered into several lease agreements with other companies and related company in respect of the lease of office building space and related services. The terms of the agreements are generally between 1 and 13 years.

Future minimum lease payments required under these operating leases contracts were as follows:

	(Unit: Million Baht)	
	As at 31 December	
	<u>2013</u>	<u>2012</u>
Payable:		
In up to 1 year	14	14
In over 1 year and up to 5 years	22	36
In over 5 years	4	6

31.2 Service commitments

The Company and its subsidiary have entered into management service agreements with a related company, whereby management fees totaling Baht 0.5 million per month (2012: Baht 0.5 million per month) are payable in the future, with Baht 0.1 million per month (2012: Baht 0.1 million per month) payable by the Company. The agreements end in December 2014 but they automatically renew for periods of one year each time until terminated.

31.3 Bank guarantees

As at 31 December 2013, the Company and its subsidiary have outstanding bank guarantees of approximately Baht 77 million (2012: Baht 73 million) issued by banks on behalf of the Company and its subsidiary in respect of certain performance bonds as required in the normal course of business of the Company and its subsidiary. These included letters of guarantee amounting to Baht 76 million (2012: Baht 72 million) to guarantee contractual performance of the subsidiary and amounting to Baht 1 million (2012: Baht 1 million) to guarantee electricity use of the Company.

32. Financial instruments

32.1 Financial risk management

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

Credit risk

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

Interest rate risk

The Company and its subsidiary's exposure to interest rate risk relates primarily to their cash at banks, loans, short-term and long-term loans and long-term liabilities. Most of the Company and its subsidiary's financial assets and liabilities bear floating interest rates or fixed interest rates which are close to the market rate.

Significant financial assets and liabilities classified by type of interest rates are summarised in the table below, with those financial assets and liabilities that carry fixed interest rates further classified based on the maturity date, or the repricing date if this occurs before the maturity date.

(Unit: Million Baht)

As at 31 December 2013						
Consolidated financial statements	Fixed interest rates		Floating interest rate	Non-interest bearing	Total	Interest rate (% p.a.)
	Within 1 year	1-3 years				
Financial assets						
Cash and cash equivalents	-	-	32	-	32	0.13 - 0.85
Trade and other receivables	-	-	-	521	521	-
Restricted bank deposits	-	-	52	-	52	1.30
	-	-	84	521	605	
Financial liabilities						
Short-term loans from financial institutions	30	-	45	-	75	MOR - 1.5, 7.48 and 7.75
Trade and other payables	-	-	-	575	575	-
Long-term loans	11	-	176	-	187	9.00 and MLR + 1.25
Long-term liabilities	26	15	-	-	41	1.03 - 9.84
	67	15	221	575	878	

(Unit: Million Baht)

As at 31 December 2012						
Consolidated financial statements	Fixed interest rates		Floating interest rate	Non-interest bearing	Total	Interest rate (% p.a.)
	Within 1 year	1-3 years				
Financial assets						
Cash and cash equivalents	-	-	55	-	55	0.60 - 0.63
Trade and other receivables	-	-	-	440	440	-
Restricted bank deposits	-	-	33	-	33	1.60
	-	-	88	440	528	
Financial liabilities						
Short-term loans from financial institutions	101	-	28	-	129	MLR, MLR+0.25, 7.48 and 7.75
Trade and other payables	-	-	-	641	641	-
Long-term loans	8	8	178	-	194	9.00 and MLR + 1.25
Long-term liabilities	35	30	-	-	65	3.14 - 9.84
	144	38	206	641	1,029	

(Unit: Million Baht)

As at 31 December 2013

Separate financial statements	Fixed interest rates				Total	Interest rate (% p.a.)
	Within 1 year	1-3 years	Floating interest rate	Non-interest bearing		
Financial assets						
Cash and cash equivalents	-	-	1	-	1	0.50
Restricted bank deposits	-	-	1	-	1	0.70
	-	-	2	-	2	
Financial liabilities						
Trade and other payables	-	-	-	4	4	-
Short-term loan from related party	3	-	-	-	3	7.48
Long-term loan	11	-	176	-	187	9.00 and MLR + 1.25
	14	-	176	4	194	

(Unit: Million Baht)

As at 31 December 2012

Separate financial statements	Fixed interest rates				Total	Interest rate (% p.a.)
	Within 1 year	1-3 years	Floating interest rate	Non-interest bearing		
Financial assets						
Cash and cash equivalents	-	-	2	-	2	0.50
Other receivables	-	-	-	2	2	-
Short-term loan to related party	33	-	-	-	33	9.00
Restricted bank deposits	-	-	1	-	1	1.60
	33	-	3	2	38	
Financial liabilities						
Trade and other payables	-	-	-	3	3	-
Long-term loan	8	8	178	-	194	9.00 and MLR + 1.25
	8	8	178	3	197	

Foreign currency risk

The subsidiary's exposure to foreign currency risk arises mainly from trading transactions that are denominated in foreign currencies. As at 31 December 2013, the subsidiary had the net liabilities denominated in foreign currency amounting to USD 5 million (2012: USD 6 million) which had not been hedged against foreign exchange rate risk.

32.2 Fair values of financial instruments

As the majority of financial instruments are short-term and long-term financial liabilities carry interest rates which are close to market rates, the Company and its subsidiary expect that fair value of their financial instruments are close to the amounts presented in the statements of financial position.

A fair value is the amount for which an asset can be exchanged or a liability settled between knowledgeable, willing parties in an arm's length transaction. The fair value is determined by reference to the market price of the financial instrument or by using an appropriate valuation technique, depending on the nature of the instrument.

33. Capital management

The primary objective of the Company's capital management is to ensure that it has appropriate capital structure in order to support its business and maximise shareholder value. As at 31 December 2013, the Group's debt-to-equity ratio was 2.7:1 (2012: 3.7:1) and the Company's was 0.7:1 (2012: 0.8:1).

34. Approval of financial statements

These financial statements were authorised for issue by the Company's Board of Directors on 19 February 2014.