

Premier Technology Public Company Limited  
and its subsidiaries  
Report and consolidated financial statements  
31 December 2015

## **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 2015, 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 judgement, 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 subsidiaries and of Premier Technology Public Company Limited as at 31 December 2015, and their financial performance and cash flows for the year then ended, in accordance with Thai Financial Reporting Standards.

Chonlaros Suntiasvaraporn  
Certified Public Accountant (Thailand) No. 4523

EY Office Limited  
Bangkok: 17 February 2016

**Premier Technology Public Company Limited and its subsidiaries**

**Statement of financial position**

**As at 31 December 2015**

(Unit: Baht)

	<u>Note</u>	<u>Consolidated financial statements</u>		<u>Separate financial statements</u>	
		<u>2015</u>	<u>2014</u>	<u>2015</u>	<u>2014</u>
<b>Assets</b>					
<b>Current assets</b>					
Cash and cash equivalents	7	55,711,217	39,723,716	345,909	846,354
Current investments	8	128,932,943	109,795,542	109,767	90,549
Trade and other receivables	9	631,287,434	589,297,606	3,254,822	-
Prepaid service cost		139,635,182	107,143,353	-	-
Short-term loan to related party	6	-	-	41,500,000	-
Inventories	10	198,909,726	206,192,784	-	-
Work in progress		62,520,161	92,893,611	-	-
Other current assets	11	22,972,949	26,096,916	8,592,789	6,894,074
<b>Total current assets</b>		<u>1,239,969,612</u>	<u>1,171,143,528</u>	<u>53,803,287</u>	<u>7,830,977</u>
<b>Non-current assets</b>					
Restricted bank deposits	12	34,639,562	63,336,052	1,203,100	1,203,100
Investment in subsidiaries	13	-	-	222,726,261	222,726,261
Investment properties	14	158,251,562	159,141,010	262,820,435	264,297,612
Property, plant and equipment	15	178,906,294	181,025,556	139,233	210,551
Intangible assets	16	7,471,534	8,790,434	-	-
Deferred tax assets	24	11,884,697	6,808,511	-	-
Other non-current assets		13,180,877	15,545,410	-	-
<b>Total non-current assets</b>		<u>404,334,526</u>	<u>434,646,973</u>	<u>486,889,029</u>	<u>488,437,524</u>
<b>Total assets</b>		<u>1,644,304,138</u>	<u>1,605,790,501</u>	<u>540,692,316</u>	<u>496,268,501</u>

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

Premier Technology Public Company Limited and its subsidiaries

Statement of financial position (continued)

As at 31 December 2015

(Unit: Baht)

	<u>Note</u>	<u>Consolidated financial statements</u>		<u>Separate financial statements</u>	
		<u>2015</u>	<u>2014</u>	<u>2015</u>	<u>2014</u>
<b>Liabilities and shareholders' equity</b>					
<b>Current liabilities</b>					
Trade and other payables	17	631,708,095	589,501,001	1,811,784	4,720,765
Advances received for goods and services		178,824,239	100,468,871	-	-
Short-term loan from related party	6	-	-	-	10,200,000
Short-term loans from other company	18	6,517,649	140,013,196	-	-
Current portion of long-term loans	19	28,560,000	14,256,883	28,560,000	14,256,883
Current portion of long-term liabilities	20	11,605,378	14,645,861	-	-
Income tax payable		126,535	6,731,073	-	-
Other current liabilities		14,673,030	30,442,682	2,672,836	2,768,680
<b>Total current liabilities</b>		<b>872,014,926</b>	<b>896,059,567</b>	<b>33,044,620</b>	<b>31,946,328</b>
<b>Non-current liabilities</b>					
Long-term loans - net of current portion	19	150,020,000	161,433,680	150,020,000	161,433,680
Long-term liabilities - net of current portion	20	9,687,184	7,540,036	-	-
Provision for long-term employee benefits	21	54,856,796	46,471,851	-	-
Other non-current liabilities		3,980,698	1,264,874	7,621,235	4,905,411
<b>Total non-current liabilities</b>		<b>218,544,678</b>	<b>216,710,441</b>	<b>157,641,235</b>	<b>166,339,091</b>
<b>Total liabilities</b>		<b>1,090,559,604</b>	<b>1,112,770,008</b>	<b>190,685,855</b>	<b>198,285,419</b>

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

Premier Technology Public Company Limited and its subsidiaries

Statement of financial position (continued)

As at 31 December 2015

(Unit: Baht)

	Note	<u>Consolidated financial statements</u>		<u>Separate financial statements</u>	
		<u>2015</u>	<u>2014</u>	<u>2015</u>	<u>2014</u>
<b>Shareholders' equity</b>					
Share capital					
Registered					
142,440,489 ordinary shares of Baht 1 each		<u>142,440,489</u>	<u>142,440,489</u>	<u>142,440,489</u>	<u>142,440,489</u>
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
Retained earnings					
Appropriated - statutory reserve	22	14,194,447	14,194,447	14,194,447	14,194,447
Unappropriated		397,539,945	336,881,575	193,867,543	141,844,164
Other components of shareholders' equity		<u>65,671</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>Total shareholders' equity</b>		<u>553,744,534</u>	<u>493,020,493</u>	<u>350,006,461</u>	<u>297,983,082</u>
<b>Total liabilities and shareholders' equity</b>		<u>1,644,304,138</u>	<u>1,605,790,501</u>	<u>540,692,316</u>	<u>496,268,501</u>
		-	-	-	-

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

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 Directors  
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Premier Technology Public Company Limited and its subsidiaries

Statement of comprehensive income

For the year ended 31 December 2015

(Unit: Baht)

	Note	Consolidated financial statements		Separate financial statements	
		2015	2014	2015	2014
<b>Profit or loss:</b>					
<b>Revenues</b>					
Sales		1,387,540,317	1,860,190,831	-	-
Rental and service income		813,777,976	720,397,771	49,663,786	42,281,383
Dividend income	13	-	-	99,998,800	61,999,256
Other income		33,488,410	70,659,817	1,965,473	607,786
<b>Total revenues</b>		<b>2,234,806,703</b>	<b>2,651,248,419</b>	<b>151,628,059</b>	<b>104,888,425</b>
<b>Expenses</b>					
Cost of sales and services		1,526,566,721	1,909,764,741	27,205,079	26,540,155
Selling expenses		204,094,306	238,867,247	-	-
Administrative expenses		343,294,774	297,135,388	4,765,476	4,786,514
<b>Total expenses</b>		<b>2,073,955,801</b>	<b>2,445,767,376</b>	<b>31,970,555</b>	<b>31,326,669</b>
<b>Profit before finance cost and income tax expenses</b>		<b>160,850,902</b>	<b>205,481,043</b>	<b>119,657,504</b>	<b>73,561,756</b>
Finance cost		(12,822,481)	(19,381,637)	(10,856,337)	(16,266,637)
<b>Profit before income tax expenses</b>		<b>148,028,421</b>	<b>186,099,406</b>	<b>108,801,167</b>	<b>57,295,119</b>
Income tax expenses	24	(27,363,049)	(35,738,342)	-	-
<b>Profit for the year</b>		<b>120,665,372</b>	<b>150,361,064</b>	<b>108,801,167</b>	<b>57,295,119</b>
<b>Other comprehensive income:</b>					
<i>Other comprehensive income to be reclassified</i>					
<i>to profit or loss in subsequent periods:</i>					
Exchange differences on translation of					
financial statements in foreign currency		65,671	-	-	-
Other comprehensive income to be reclassified					
<i>to profit or loss in subsequent periods</i>		65,671	-	-	-
<i>Other comprehensive income not to be reclassified</i>					
<i>to profit or loss in subsequent period:</i>					
Actuarial loss	21	(4,036,518)	-	-	-
Income tax effect	24	807,304	-	-	-
Other comprehensive income not to be reclassified					
to profit or loss in subsequent periods - net of income tax		(3,229,214)	-	-	-
<b>Other comprehensive income for the year</b>		<b>(3,163,543)</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Total comprehensive income for the year</b>		<b>117,501,829</b>	<b>150,361,064</b>	<b>108,801,167</b>	<b>57,295,119</b>
<b>Basic earnings per share</b>					
Profit for the year	26	0.85	1.06	0.77	0.40

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

**Premier Technology Public Company Limited and its subsidiaries**

**Cash flow statement**

**For the year ended 31 December 2015**

(Unit: Baht)

	<u>Consolidated financial statements</u>		<u>Separate financial statements</u>	
	<u>2015</u>	<u>2014</u>	<u>2015</u>	<u>2014</u>
<b>Cash flows from operating activities</b>				
Profit before tax	148,028,421	186,099,406	108,801,167	57,295,119
Adjustments to reconcile profit before tax to net cash provided by (paid from) operating activities:				
Reversal of doubtful accounts	(55,226)	(5,783,467)	-	-
Reduce cost of inventory to net realisable value	800,405	3,429,071	-	-
Depreciation	45,292,316	50,895,283	8,474,649	7,612,260
(Gain) loss on sales of equipment	(35,351)	31,786	-	-
Amortisation of intangible assets	1,318,900	1,318,900	-	-
Unrealised loss on change in value of current investments	4,127,918	295,007	-	-
Amortisation of prepaid rental expenses	999,629	999,629	-	-
Long-term employee benefits expenses	7,807,647	7,379,652	-	-
Income from investment - dividend received from investment in subsidiaries	-	-	(99,998,800)	(61,999,256)
Interest expenses	<u>12,822,481</u>	<u>19,381,637</u>	<u>10,856,337</u>	<u>16,266,637</u>
Profit from operating activities before changes in operating assets and liabilities	221,107,140	264,046,904	28,133,353	19,174,760
(Increase) decrease in operating assets				
Trade and other receivables	(41,934,602)	(62,141,721)	(3,254,822)	-
Prepaid service cost	(32,491,829)	(20,426,478)	-	-
Inventories	6,482,653	96,329,806	-	-
Work in progress	30,373,450	(59,559,300)	-	-
Other current assets	4,783,178	1,009,993	(39,504)	211,057
Other non-current assets	1,364,904	(1,656,203)	-	-
Increase (decrease) in operating liabilities				
Trade and other payables	42,207,094	14,744,764	(2,433,270)	553,422
Advances received for goods and services	78,355,368	7,874,525	-	-
Other current liabilities	(15,167,406)	(2,169,413)	(95,844)	(30,715)
Other non-current liabilities	<u>(743,396)</u>	<u>(5,562,784)</u>	<u>2,715,824</u>	<u>-</u>
Cash flows from operating activities	294,336,554	232,490,093	25,025,737	19,908,524
Cash paid for interest expenses	(13,298,192)	(19,600,887)	(11,332,048)	(16,444,177)
Cash paid for income tax	<u>(40,022,215)</u>	<u>(33,137,016)</u>	<u>(1,659,211)</u>	<u>(1,492,252)</u>
<b>Net cash flows from operating activities</b>	<u>241,016,147</u>	<u>179,752,190</u>	<u>12,034,478</u>	<u>1,972,095</u>

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



**Premier Technology Public Company Limited and its subsidiaries**

**Cash flow statement (continued)**

**For the year ended 31 December 2015**

(Unit: Baht)

	<b>Consolidated financial statements</b>		<b>Separate financial statements</b>	
	<u>2015</u>	<u>2014</u>	<u>2015</u>	<u>2014</u>
<b>Cash flows from investing activities</b>				
Increase in fixed deposits	(19,218)	-	(19,218)	-
Increase in current investments	(23,246,101)	(110,019,571)	-	(19,571)
Increase in short-term loan to related party	-	-	(41,500,000)	-
(Increase) decrease in restricted bank deposits	28,696,490	(11,546,991)	-	-
Acquisition and renovation of investment properties	(4,170,433)	(4,650,195)	(6,926,154)	(7,722,934)
Acquisition of equipment	(20,700,523)	(19,380,797)	-	-
Proceeds from sales of equipment	145,880	89,300	-	-
Dividend received from investment in subsidiaries	-	-	99,998,800	61,999,256
<b>Net cash flows from (used in) investing activities</b>	<u>(19,293,905)</u>	<u>(145,508,254)</u>	<u>51,553,428</u>	<u>54,256,751</u>
<b>Cash flows from financing activities</b>				
Decrease in short-term loans from financial institutions	-	(74,917,938)	-	-
Increase (decrease) in short-term loan from related party	-	-	(10,200,000)	7,700,000
Increase (decrease) in short-term loans from other company	(133,495,547)	140,013,196	-	-
Cash received from long-term loans	200,000,000	-	200,000,000	-
Repayment of long-term loans	(197,110,563)	(11,399,657)	(197,110,563)	(11,399,657)
Repayment of long-term liabilities	(18,416,514)	(27,465,033)	-	-
Dividend paid	<u>(56,777,788)</u>	<u>(52,519,454)</u>	<u>(56,777,788)</u>	<u>(52,519,454)</u>
<b>Net cash flows used in financing activities</b>	<u>(205,800,412)</u>	<u>(26,288,886)</u>	<u>(64,088,351)</u>	<u>(56,219,111)</u>
<b>Increase in exchange difference on translation of financial statements in foreign currency</b>	<u>65,671</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>Net increase (decrease) in cash and cash equivalents</b>	<u>15,987,501</u>	<u>7,955,050</u>	<u>(500,445)</u>	<u>9,735</u>
Cash and cash equivalents at beginning of the year	<u>39,723,716</u>	<u>31,768,666</u>	<u>846,354</u>	<u>836,619</u>
<b>Cash and cash equivalents at end of the year</b>	<u><u>55,711,217</u></u>	<u><u>39,723,716</u></u>	<u><u>345,909</u></u>	<u><u>846,354</u></u>
	-	-	-	-
<b>Supplementary disclosures of cash flows information:</b>				
Non-cash items				
Assets acquired under finance lease agreements	17,523,179	8,916,254	-	-

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

Premier Technology Public Company Limited and its subsidiaries

Statement of changes in shareholders' equity

For the year ended 31 December 2015

(Unit: Baht)

<b>Consolidated financial statements</b>							
		<u>Retained earnings</u>			<u>Other components of shareholder's equity</u>		
		<u>Appropriated -</u>		<u>Other comprehensive</u>			
		<u>statutory reserve</u>		<u>income</u>			
		<u>Unappropriated</u>		<u>Exchange difference on</u>			
		<u>translation of</u>		<u>Total other</u>			
		<u>financial statements</u>		<u>components of</u>			
		<u>in foreign currency</u>		<u>shareholders' equity</u>			
<u>Note</u>	<u>Issued</u>	<u>Company's shares</u>	<u>Appropriated -</u>	<u>Unappropriated</u>	<u>translation of</u>	<u>Total other</u>	<u>Total</u>
	<u>and paid-up</u>	<u>held by subsidiaries</u>	<u>statutory reserve</u>	<u>Unappropriated</u>	<u>in foreign currency</u>	<u>shareholders' equity</u>	<u>shareholders'</u>
	<u>share capital</u>	<u>held by subsidiaries</u>	<u>statutory reserve</u>	<u>Unappropriated</u>	<u>in foreign currency</u>	<u>shareholders' equity</u>	<u>equity</u>
<b>Balance as at 1 January 2014</b>	141,944,471	(230,175)	14,194,447	239,039,965	-	-	394,948,708
Total comprehensive income for the year	-	-	-	150,361,064	-	-	150,361,064
Sale of the Company's shares held by subsidiaries	-	230,175	-	-	-	-	230,175
Dividend paid	-	-	-	(52,519,454)	-	-	(52,519,454)
<b>Balance as at 31 December 2014</b>	<u>141,944,471</u>	<u>-</u>	<u>14,194,447</u>	<u>336,881,575</u>	<u>-</u>	<u>-</u>	<u>493,020,493</u>
							-
<b>Balance as at 1 January 2015</b>	141,944,471	-	14,194,447	336,881,575	-	-	493,020,493
Profit for the year	-	-	-	120,665,372	-	-	120,665,372
Other comprehensive income for the year	-	-	-	(3,229,214)	65,671	65,671	(3,163,543)
Total comprehensive income for the year	-	-	-	117,436,158	65,671	65,671	117,501,829
Dividend paid	-	-	-	(56,777,788)	-	-	(56,777,788)
<b>Balance as at 31 December 2015</b>	<u>141,944,471</u>	<u>-</u>	<u>14,194,447</u>	<u>397,539,945</u>	<u>65,671</u>	<u>65,671</u>	<u>553,744,534</u>

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

**Premier Technology Public Company Limited and its subsidiaries**

**Statement of changes in shareholders' equity (continued)**

**For the year ended 31 December 2015**

(Unit: Baht)

		<b>Separate financial statements</b>			
		Issued	Retained earnings		Total
		and paid-up	Appropriated -		shareholders'
Note		<u>share capital</u>	<u>statutory reserve</u>	<u>Unappropriated</u>	<u>equity</u>
	<b>Balance as at 1 January 2014</b>	141,944,471	14,194,447	137,068,499	293,207,417
	Total comprehensive income for the year	-	-	57,295,119	57,295,119
	Dividend paid	-	-	(52,519,454)	(52,519,454)
	<b>Balance as at 31 December 2014</b>	<u>141,944,471</u>	<u>14,194,447</u>	<u>141,844,164</u>	<u>297,983,082</u>
					-
	<b>Balance as at 1 January 2015</b>	141,944,471	14,194,447	141,844,164	297,983,082
	Total comprehensive income for the year	-	-	108,801,167	108,801,167
	Dividend paid	-	-	(56,777,788)	(56,777,788)
	<b>Balance as at 31 December 2015</b>	<u>141,944,471</u>	<u>14,194,447</u>	<u>193,867,543</u>	<u>350,006,461</u>
					-

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

**Premier Technology Public Company Limited and its subsidiaries**  
**Notes to consolidated financial statements**  
**For the year ended 31 December 2015**

**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 subsidiaries (“the subsidiaries”).

Company's name	Nature of business	Country of incorporation	Percentage of shareholding	
			2015 Percent	2014 Percent
<u>Owned by the Company</u>				
Datapro Computer Systems Company Limited	Distribution and provision of services relating to computer and computer systems	Thailand	100	100
<u>Owned by the Company's subsidiary</u>				
Datapro Computer Systems (Myanmar) Company Limited (Wholly owned by Datapro Computer Systems Company Limited)	Provision of services relating to computer systems	The Republic of the Union of Myanmar	100	-

- b) The Company is deemed to have control over an investee or subsidiaries if it has rights, or is exposed, to variable returns from its involvement with the investee, and it has the ability to direct the activities that affect the amount of its returns.
- c) The subsidiaries are fully consolidated, being the date on which the Company obtains control, and continue to be consolidated until the date when such control ceases.
- d) The financial statements of the subsidiaries are prepared using the same significant accounting policies as the Company.
- e) The assets and liabilities in the financial statements of overseas subsidiary company are translated to Baht using the exchange rate prevailing on the end of reporting period, and revenues and expenses translated using monthly average exchange rates. The resulting differences are shown under the caption of “Exchange differences on translation of financial statements in foreign currency” in the statements of changes in shareholders’ equity.
- f) Material balances and transactions between the Company and its subsidiaries have been eliminated from the consolidated financial statements.

2.3 The separate financial statements present investments in subsidiaries under the cost method.

### **3. New financial reporting standards**

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

#### **(a) Financial reporting standards that became effective in the current year**

The Company and its subsidiaries have adopted the revised (revised 2014) and new financial reporting standards issued by the Federation of Accounting Professions which become effective for fiscal years beginning on or after 1 January 2015. These financial reporting standards were aimed at alignment with the corresponding International Financial Reporting Standards, with most of the changes directed towards revision of wording and terminology, and provision of interpretations and accounting guidance to users of standards. The adoption of these financial reporting standards does not have any significant impact on the financial statements of the Company and its subsidiaries. However, some of these standards involve changes to key principles, which are summarised below:

### **TAS 19 (revised 2014) Employee Benefits**

This revised standard requires that the entity recognise actuarial gains and losses immediately in other comprehensive income while the former standard allowed the entity to recognise such gains and losses immediately in either profit or loss or other comprehensive income, or to recognise them gradually in profit or loss.

This revised standard does not have any impact on the financial statements as the Company and its subsidiaries already recognise actuarial gains and losses immediately in other comprehensive income.

### **TFRS 10 Consolidated Financial Statements**

TFRS 10 prescribes requirements for the preparation of consolidated financial statements and replaces the content of TAS 27 *Consolidated and Separate Financial Statements* dealing with consolidated financial statements. This standard changes the principles used in considering whether control exists. Under this standard, an investor is deemed to have control over an investee if it has rights, or is exposed, to variable returns from its involvement with the investee, and it has the ability to direct the activities that affect the amount of its returns, even if it holds less than half of the shares or voting rights. This important change requires the management to exercise a lot of judgement when reviewing whether the Company and its subsidiaries have control over investees and determining which entities have to be included in preparation of the consolidated financial statements.

This standard does not have any impact on the financial statements of the Company and its subsidiaries.

### **TFRS 13 Fair Value Measurement**

This standard provides guidance on how to measure fair value and stipulates disclosures related to fair value measurement. Entities are to apply the guidance under this standard if they are required by other financial reporting standards to measure their assets or liabilities at fair value. The effects of the adoption of this standard are to be recognised prospectively.

This standard does not have any significant impact on the financial statements of the Company and its subsidiaries.

**(b) Financial reporting standard that will become effective in the future**

During the current year, the Federation of Accounting Professions issued a number of the revised (revised 2015) and new financial reporting standards and accounting treatment guidance which is effective for fiscal years beginning on or after 1 January 2016. These financial reporting standards were aimed at alignment with the corresponding International Financial Reporting Standards. The management of Company and its subsidiaries believe that the revised and new financial reporting standards and accounting treatment guidance will not have any significant impact on the financial statements when it is initially applied.

**4. Significant accounting policies**

**4.1 Revenues and expenses recognition**

a) Revenues

*Sales and service income*

Revenues from the sale, design, installation for computer systems and information technology network systems are recognised on the basis of percentage of completion, as assessed by the entity's engineers/the project managers. Recognised revenues, that are not yet due, per the contracts, are presented under the caption of "unbilled receivables" under trade and other receivables in the statement of financial position.

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.

Service revenues are recognised when the services have been rendered taking into account the stage of completion.

*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.

b) Expenses

Costs of sales, design, installation for computer systems and information technology network systems are recognised in accordance with the percentage of work completed for which revenue has already been recognised, based on total estimated costs. Differences between the estimated costs and the actual costs are recognised as “work in progress” under current assets or “unbilled payables” under current liabilities in the statement of financial position. Provision for anticipated losses on projects is made in the accounts in full when the possibility of loss is ascertained.

Other expenses are recognised on an accrual basis.

#### **4.2 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.

#### **4.3 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.

#### **4.4 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.

#### **4.5 Investments**

a) Investments in unit trusts are stated at fair value. Changes in the fair value of unit trusts are recorded in profit or loss. The fair value of unit trusts is determined from their net asset value.

b) Investments in subsidiaries are accounted for in the separate financial statements using the cost method net of allowance for impairment loss (if any).

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

The weighted average method is used for computation of the cost of investments.



#### **4.6 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.

#### **4.7 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.

#### **4.8 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 subsidiaries 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.

#### **4.9 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.

#### **4.10 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.

#### **4.11 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.

#### **4.12 Impairment of assets**

At the end of each reporting period, the Company and its subsidiaries 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.

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

### Defined benefit plans

The Company and its subsidiaries have obligations in respect of the severance payments they must make to employees upon retirement under labor law. The Company and its subsidiaries 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.

#### **4.14 Provisions**

Provisions are recognised when the Company and its subsidiaries 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.

#### **4.15 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 subsidiaries 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 subsidiaries 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 subsidiaries record deferred tax directly to shareholders' equity if the tax relates to items that are recorded directly to shareholders' equity.

#### **4.16 Fair value measurement**

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between buyer and seller (market participants) at the measurement date. The Company and its subsidiaries apply a quoted market price in an active market to measure their assets and liabilities that are required to be measured at fair value by relevant financial reporting standards. Except in case of no active market of an identical asset or liability or when a quoted market price is not available, the Company and its subsidiaries measure fair value using valuation technique that are appropriate in the circumstances and maximises the use of relevant observable inputs related to assets and liabilities that are required to be measured at fair value.

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorised within the fair value hierarchy into three levels based on categorise of input to be used in fair value measurement as follows:

- Level 1 - Use of quoted market prices in an observable active market for such assets or liabilities
- Level 2 - Use of other observable inputs for such assets or liabilities, whether directly or indirectly
- Level 3 - Use of unobservable inputs such as estimates of future cash flows

At the end of each reporting period, the Company and its subsidiaries determine whether transfers have occurred between levels within the fair value hierarchy for assets and liabilities held at the end of the reporting period that are measured at fair value on a recurring basis.

#### **5. 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:

### **Estimation of revenues and costs of sales, design, installation for computer systems and information technology network systems**

In estimation of revenues and costs of sales, design, installation for computer systems and information technology network systems, management are required to make judgement based on their best knowledge of the current events and arrangements and their experience of the business in order to estimate the percentage of completion and total cost of each contracts, based on information from the engineers/project managers. These estimates are revisited on a periodical basis or when the actual costs incurred significantly vary from the estimation.

### **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.

### **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.

## 6. Related party transactions

During the years, the Company and its subsidiaries 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		
	<u>2015</u>	<u>2014</u>	<u>2015</u>	<u>2014</u>	
<u>Transactions with subsidiary</u>					
(eliminated from the consolidated financial statements)					
Rental and service income	-	-	35	30	Contract price, which is price in the ordinary course of business
Interest income	-	-	2	-	5.25 percent per annum
<u>Transactions with related companies</u>					
Sales and service income	61	55	-	-	Note 6.1
Rental and service income	11	12	11	12	Contract price, which is price in the ordinary course of business
Cost of sales and services	4	2	-	-	Contract price, which is price in the ordinary course of business
Administrative expenses	14	16	2	2	Contract price, which is price in the ordinary course of business

6.1 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 2015 and 2014 between the Company and those related parties are as follows:

(Unit: Thousand Baht)

	Consolidated		Separate	
	financial statements		financial statements	
	<u>2015</u>	<u>2014</u>	<u>2015</u>	<u>2014</u>
<b><u>Trade receivables - related parties (Note 9)</u></b>				
Related companies (related by common directors)	5,015	4,074	-	-
Less: Allowance for doubtful debts	-	(279)	-	-
	<u>5,015</u>	<u>3,795</u>	<u>-</u>	<u>-</u>
<b><u>Amounts due from related parties (Note 9)</u></b>				
Subsidiary	-	-	3,135	-
	<u>-</u>	<u>-</u>	<u>3,135</u>	<u>-</u>
<b><u>Amounts due to related parties (Note 17)</u></b>				
Subsidiary	-	-	-	42
Related companies (related by common directors)	2,951	2,216	-	16
	<u>2,951</u>	<u>2,216</u>	<u>-</u>	<u>58</u>

**Loan to related party and loan from related party**

As at 31 December 2015 and 2014, the balance of loan to and loan from between the Company and the related party and the movement are as follows:

(Unit: Thousand Baht)

	Related by	Separate financial statements			
		Balance as at	During the year		Balance as at
		31 December 2014	Increase	Decrease	31 December 2015
<b><u>Short-term loan to related party</u></b>					
Datapro Computer Systems Company Limited	Subsidiary	-	67,000	(25,500)	41,500
<b><u>Short-term loan from related party</u></b>					
Datapro Computer Systems Company Limited	Subsidiary	10,200	-	(10,200)	-



### **Short-term loan to related party**

Short-term loan to Datapro Computer Systems Company Limited represents in form of promissory notes, which is repayable on demand and carries interest at the rate of 5.25 percent per annum.

### **Short-term loan from related party**

Short-term loan from 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 5.17 and 6.05 percent per annum. During the current year, the Company paid all such loan.

### **Directors and management's benefits**

During the years ended 31 December 2015 and 2014, the Company and its subsidiaries had employee benefit expenses of their directors and management as below.

	Consolidated		(Unit: Million Baht)	
	financial statements		Separate	
	<u>2015</u>	<u>2014</u>	<u>2015</u>	<u>2014</u>
Short-term employee benefits	32	35	1	1
Post-employment benefits	2	2	-	-
Total	<u>34</u>	<u>37</u>	<u>1</u>	<u>1</u>

## **7. Cash and cash equivalents**

	Consolidated		(Unit: Thousand Baht)	
	financial statements		Separate	
	<u>2015</u>	<u>2014</u>	<u>2015</u>	<u>2014</u>
Cash	135	126	5	5
Bank deposits	<u>55,576</u>	<u>39,598</u>	<u>341</u>	<u>841</u>
Total	<u>55,711</u>	<u>39,724</u>	<u>346</u>	<u>846</u>

As at 31 December 2015, bank deposits carried interests between 0.20 to 0.85 percent per annum (2014: between 0.13 and 0.50 percent per annum).

## 8. Current investments

	(Unit: Thousand Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	<u>2015</u>	<u>2014</u>	<u>2015</u>	<u>2014</u>
Fixed deposit	110	91	110	91
Investments in unit trust in equity securities				
open-ended fund (Fair value)	45,332	49,521	-	-
Investments in unit trust in debt securities				
open-ended fund (Fair value)	<u>83,491</u>	<u>60,184</u>	-	-
Total	<u>128,933</u>	<u>109,796</u>	<u>110</u>	<u>91</u>

Investments in unit trust in equity securities open-ended fund and debt securities open-ended fund are stated at fair value using inputs of Level 2 which is use of other observable inputs for such assets or liabilities, whether directly or indirectly. Such fair value of investments in unit trust has been determined by using the net asset value as published by the Asset Management.

## 9. Trade and other receivables

	(Unit: Thousand Baht)	
	Consolidated	
	financial statements	
	<u>2015</u>	<u>2014</u>
<u>Trade receivables - related parties</u> (Note 6)		
Aged on the basis of due dates		
Not yet due	54	144
Past due		
Up to 3 months	1,799	1,646
3 - 6 months	1,572	1,725
6 - 12 months	<u>1,590</u>	<u>559</u>
Total	5,015	4,074
Less: Allowance for doubtful debts	-	(279)
Total trade receivables - related parties, net	<u>5,015</u>	<u>3,795</u>

	(Unit: Thousand Baht)	
	Consolidated	
	financial statements	
	<u>2015</u>	<u>2014</u>
<u>Trade receivables - unrelated parties</u>		
Aged on the basis of due dates		
Not yet due	427,623	336,988
Past due		
Up to 3 months	81,760	100,441
3 - 6 months	652	11,168
6 - 12 months	3,849	12,612
Over 12 months	9,812	12,640
Total	523,696	473,849
Less: Allowance for doubtful debts	(10,539)	(10,314)
Total trade receivables - unrelated parties, net	513,157	463,535
Total trade receivables - net	518,172	467,330
<u>Other receivables</u>		
Other receivables	10,321	10,201
Unbilled receivables	112,995	121,968
Total	123,316	132,169
Less: Allowance for doubtful debts	(10,201)	(10,201)
Total other receivables - net	113,115	121,968
Total trade and other receivables - net	631,287	589,298

	(Unit: Thousand Baht)	
	Separate	
	financial statements	
	<u>2015</u>	<u>2014</u>
<u>Other receivables</u>		
Other receivables	120	-
Amounts due from related parties (Note 6)	3,135	-
Total other receivables	3,255	-

## 10. Inventories

(Unit: Thousand Baht)

	Consolidated financial statements					
	Cost		Reduce cost to net realisable value		Inventories - net	
	<u>2015</u>	<u>2014</u>	<u>2015</u>	<u>2014</u>	<u>2015</u>	<u>2014</u>
Finished goods	147,495	52,690	(5,631)	(4,831)	141,864	47,859
Goods under installation	46,578	153,088	-	-	46,578	153,088
Goods in transit	10,468	5,246	-	-	10,468	5,246
Total	<u>204,541</u>	<u>211,024</u>	<u>(5,631)</u>	<u>(4,831)</u>	<u>198,910</u>	<u>206,193</u>

During the current year, the subsidiary reduced cost of inventories by Baht 6 million (2014: Baht 5 million), to reflect the net realisable value. This was included in cost of sales. In addition, the subsidiary reversed the write-down of cost of inventories by Baht 5 million (2014: Baht 2 million), and reduced the amount of inventories recognised as expenses during the year.

## 11. Other current assets

(Unit: Thousand Baht)

	Consolidated		Separate	
	financial statements		financial statements	
	<u>2015</u>	<u>2014</u>	<u>2015</u>	<u>2014</u>
Withholding tax deducted at source	5,535	3,876	5,535	3,876
Prepaid expenses	12,202	11,153	80	157
Others	5,236	11,068	2,978	2,861
Total other current assets	<u>22,973</u>	<u>26,097</u>	<u>8,593</u>	<u>6,894</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 subsidiaries

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

(Unit: Thousand Baht)

Company	Paid-up capital		Shareholding percentage		Cost		Dividend received during the years	
	<u>2015</u>	<u>2014</u>	<u>2015</u>	<u>2014</u>	<u>2015</u>	<u>2014</u>	<u>2015</u>	<u>2014</u>
			(%)	(%)				
Datapro Computer Systems Company Limited	100,000	100,000	100	100	325,886	325,886	99,999	61,999
Less: Allowance for impairment of investment in subsidiary					(103,160)	(103,160)		
Investment in subsidiary - net					<u>222,726</u>	<u>222,726</u>		

In April 2014, the annual general meeting of shareholders of the subsidiary passed a resolution approving the payment of a dividend for the year 2013 of Baht 62 per share, a total of Baht 62 million, to the subsidiary's shareholders. The subsidiary paid such dividend in May 2014.

In April 2015, the annual general meeting of shareholders of the subsidiary passed a resolution approving the payment of a dividend for the year 2014 of Baht 100 per share, a total of Baht 100 million, to the subsidiary's shareholders. The subsidiary paid such dividend in May 2015.

During the current year, Datapro Computer Systems Company Limited invested in a new subsidiary, Datapro Computer Systems (Myanmar) Company Limited which is registered and incorporated in the Republic of the Union of Myanmar and engaged in the provision of services relating to computer systems, with a registered capital of USD 50,000 (50,000 ordinary shares of USD 1 each) and an issued and paid-up share capital of USD 50,000 (50,000 ordinary shares of USD 1 each). The subsidiary holds a 100% interest in this company, which has not yet commenced operation of its business.

#### 14. Investment properties

The net book value of investment properties as at 31 December 2015 and 2014 are presented below.

	(Unit: Thousand Baht)	
	Consolidated financial statements	Separate financial statements
	Land and office building	Land and office building
31 December 2015		
Cost	175,723	291,835
<u>Less</u> Accumulated depreciation	(17,471)	(29,015)
Net book value	<u>158,252</u>	<u>262,820</u>

	(Unit: Thousand Baht)	
	Consolidated financial statements	Separate financial statements
	Land and office building	Land and office building
31 December 2014		
Cost	171,552	284,910
<u>Less</u> Accumulated depreciation	(12,411)	(20,612)
Net book value	<u>159,141</u>	<u>264,298</u>

A reconciliation of the net book value of investment properties for the year 2015 and 2014 are presented below.

	(Unit: Thousand Baht)			
	For the years ended 31 December			
	Consolidated financial statements		Separate financial statements	
	<u>2015</u>	<u>2014</u>	<u>2015</u>	<u>2014</u>
Net book value at beginning of year	159,141	159,031	264,298	264,116
Renovation of office building	4,171	4,651	6,926	7,723
Depreciation charged	(5,060)	(4,541)	(8,404)	(7,541)
Net book value at end of year	<u>158,252</u>	<u>159,141</u>	<u>262,820</u>	<u>264,298</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 bank.

The fair value of the investment properties of the Company as at 31 December 2015 and 2014 stated below.

	(Unit: Thousand Baht)	
	<u>2015</u>	<u>2014</u>
Land and office building	431,687	278,000

The fair values of the above investment properties have been determined based on valuations performed by an accredited independent value in 2015. The fair value of the land has been determined based on market prices, while that of the building for rent has been determined using the cost approach. The disclosed fair values are based on the use of Level 2 inputs, which are other inputs that are observable, either directly or indirectly, for the asset being measured.

## 15. 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	
<b>Cost:</b>							
1 January 2014	55,894	50,428	135,897	288,284	1,587	3,861	535,951
Additions	-	-	2,888	22,336	-	3,073	28,297
Disposals	-	-	(408)	(4,897)	-	-	(5,305)
Transfers in (out)	-	3,557	-	-	-	(3,557)	-
31 December 2014	55,894	53,985	138,377	305,723	1,587	3,377	558,943
Additions	-	44	9,838	25,629	-	2,712	38,223
Disposals	-	-	(1,409)	(11,363)	(521)	-	(13,293)
Transfers in (out)	-	6,089	-	-	-	(6,089)	-
31 December 2015	55,894	60,118	146,806	319,989	1,066	-	583,873
<b>Accumulated depreciation:</b>							
1 January 2014	-	5,099	88,946	241,570	1,132	-	336,747
Depreciation for the year	-	3,000	11,847	31,294	213	-	46,354
Depreciation on disposals	-	-	(287)	(4,897)	-	-	(5,184)
31 December 2014	-	8,099	100,506	267,967	1,345	-	377,917
Depreciation for the year	-	3,344	11,347	25,328	213	-	40,232
Depreciation on disposals	-	-	(1,302)	(11,359)	(521)	-	(13,182)
31 December 2015	-	11,443	110,551	281,936	1,037	-	404,967
<b>Net book value:</b>							
31 December 2014	55,894	45,886	37,871	37,756	242	3,377	181,026
31 December 2015	55,894	48,675	36,255	38,053	29	-	178,906
<b>Depreciation for the year:</b>							
2014 (Baht 17 million included in service cost, and the balance in administrative expenses)							46,354
2015 (Baht 12 million included in service cost, and the balance in administrative expenses)							40,232



**15. Property, plant and equipment (continued)**

	(Unit: Thousand Baht)
	Separate financial statements
	Furniture and office equipment
<b>Cost:</b>	
1 January 2014	389
31 December 2014	389
31 December 2015	389
<b>Accumulated depreciation:</b>	
1 January 2014	107
Depreciation for the year	71
31 December 2014	178
Depreciation for the year	72
31 December 2015	250
<b>Net book value:</b>	
31 December 2014	211
31 December 2015	139
<b>Depreciation for the year (include in administrative expenses):</b>	
2014	71
2015	72

As at 31 December 2015 and 2014, 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 2015, the subsidiary had equipment under finance lease agreements with net book values amounting to Baht 21 million (2014: Baht 19 million).

As at 31 December 2015, 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 318 million (2014: Baht 279 million).

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

## 16. 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 2015:	
Cost	13,188
<u>Less</u> Accumulated amortisation	<u>(5,717)</u>
Net book value	<u><u>7,471</u></u>
As at 31 December 2014:	
Cost	13,188
<u>Less</u> Accumulated amortisation	<u>(4,398)</u>
Net book value	<u><u>8,790</u></u>

A reconciliation of the net book value of intangible assets for the years 2015 and 2014 is presented below.

	(Unit: Thousand Baht)	
	Consolidated financial statements	
	<u>2015</u>	<u>2014</u>
Net book value at beginning of year	8,790	10,109
Amortisation	<u>(1,319)</u>	<u>(1,319)</u>
Net book value at end of year	<u><u>7,471</u></u>	<u><u>8,790</u></u>

## 17. Trade and other payables

	(Unit: Thousand Baht)			
	Consolidated financial statements		Separate financial statements	
	<u>2015</u>	<u>2014</u>	<u>2015</u>	<u>2014</u>
Trade payables - unrelated parties	470,463	411,551	1,361	2,124
Amounts due to related parties (Note 6)	2,951	2,216	-	58
Accrued expenses	<u>158,294</u>	<u>175,734</u>	<u>451</u>	<u>2,539</u>
Total trade and other payables	<u><u>631,708</u></u>	<u><u>589,501</u></u>	<u><u>1,812</u></u>	<u><u>4,721</u></u>

## 18. Short-term loans from other company

As at 31 December 2015, short-term loans of a subsidiary, amounting to Baht 7 million, are loans granted to the subsidiary under agreements with a local company, in order to make payment for goods, on which principal is to be repaid in quarterly installments, and which carry interest at a rate of zero percent per annum (2014: Baht 140 million, consisting of loans of Baht 101 million on which principal was to be repaid in quarterly installments, and which carried interest at a rate of zero percent per annum, and a loan of Baht 39 million on which principal and interest were to be repaid in monthly installments, and on which interest was charged at a rate of 6.64 percent per annum).

## 19. Long-term loans

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

	(Unit: Thousand Baht)	
	Consolidated/Separate financial statements	
	<u>2015</u>	<u>2014</u>
Long-term loans	178,580	175,691
Less: Current portion	(28,560)	(14,257)
Long-term loans - net of current portion	<u>150,020</u>	<u>161,434</u>

In December 2011, the Company entered into a loan agreement with a company. 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.

However, during the year 2015, the Company entered into a loan agreement with a bank in order to settle a long-term loan from that company. The Company then paid all outstanding principal and interest to that company, amounting to Baht 179 million.

Details of the long-term loan agreement with a bank are as follows:

1. Principal Baht 200 million
2. Interest rate MLR - 1.5 percent per annum
3. Repayment schedules
  - Principal Payable on a monthly basis for an amount of Baht 2.4 million per month, starting from April 2015 (total 84 months)
  - Interest Monthly basis

The loan agreement contains certain covenants and restrictions imposed by the lenders regarding, among other things, sales or transfers of assets other than in the ordinary course of business and merger or consolidation with any other companies.

The loan is secured by the mortgage of investment properties of the Company.

## 20. 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>2015</u>	<u>2014</u>
Liabilities under finance lease agreements	21,985	22,841
Less: Deferred interest expenses	(692)	(655)
	<u>21,293</u>	<u>22,186</u>
Less: Current portion	(11,605)	(14,646)
Long-term liabilities - net of current portion	<u><u>9,688</u></u>	<u><u>7,540</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 2015		
	Less than		
	<u>1 year</u>	<u>1-3 years</u>	<u>Total</u>
Future minimum lease payments	12	9	21
Deferred interest expenses	(1)	-	(1)
Present value of future minimum lease payments	<u>11</u>	<u>9</u>	<u>20</u>

	(Unit: Million Baht)		
	As at 31 December 2014		
	Less than		
	<u>1 year</u>	<u>1-3 years</u>	<u>Total</u>
Future minimum lease payments	16	7	23
Deferred interest expenses	(1)	-	(1)
Present value of future minimum lease payments	<u>15</u>	<u>7</u>	<u>22</u>

## 21. Provision for long-term employee benefits

Provision for long-term employee benefits which, represents compensations payable to employees after they retire from a subsidiary was as follows:

	(Unit: Thousand Baht)	
	Consolidated	
	financial statements	
	<u>2015</u>	<u>2014</u>
<b>Provision for long-term employee benefits at beginning of year</b>	46,472	44,655
Included in profit or loss:		
Current service cost	5,748	5,471
Interest cost	2,059	1,909
Included in other comprehensive income:		
Actuarial loss arising from		
Demographic assumptions changes	(3,179)	-
Financial assumptions changes	4,861	-
Experience adjustments	2,355	-
Benefits paid during the year	(3,459)	(5,563)
<b>Provision for long-term employee benefits at end of year</b>	<u>54,857</u>	<u>46,472</u>

Long-term employee benefit expenses presented in administrative expenses which included in the profit or loss for the year ended 31 December 2015 amounted to Baht 8 million (2014: Baht 7 million).

The subsidiary expects to pay Baht 5 million of long-term employee benefits during the next year.

As at 31 December 2015, the weighted average duration of the liabilities for long-term employee benefit of subsidiary is 19 years.

Key actuarial assumptions used for the valuation are as follows:

	Consolidated	
	financial statements	
	<u>2015</u>	<u>2014</u>
	(Percent)	(Percent)
Discount rate	3.1	4.4
Future salary increase rate	5.6	5.5
Staff turnover rate (depending on age of employee)	0 - 15.0	1.0 - 15.0

The result of sensitivity analysis for significant assumptions that affect the present value of the long-term employee benefit obligation as at 31 December 2015 are summarised below:

	(Unit: Million Baht)	
	Consolidated financial statements	
	Increase 1%	Decrease 1%
Discount rate	(4)	5
Salary increase rate	5	(4)
Turnover rate	(3)	6

## 22. 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. At present, the statutory reserve has fully been set aside.

## 23. Expenses by nature

Significant expenses classified by nature are as follows:

	Consolidated		(Unit: Thousand Baht)	
	financial statements		Separate financial statements	
	<u>2015</u>	<u>2014</u>	<u>2015</u>	<u>2014</u>
Salaries and other employee benefits	450,555	500,632	1,495	1,464
Depreciation	45,292	50,895	8,475	7,612
Rental expenses from operating lease agreements	28,052	26,372	-	-
Purchase of goods and services	1,442,675	1,787,593	-	-
Changes in finished goods and goods under installation	11,705	27,827	-	-

## 24. Income tax expenses

Income tax expenses for the years ended 31 December 2015 and 2014 are made up as follows:

	(Unit: Thousand Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	<u>2015</u>	<u>2014</u>	<u>2015</u>	<u>2014</u>
<b>Current income tax:</b>				
Current corporate income tax charge	31,632	37,270	-	-
<b>Deferred tax:</b>				
Relating to origination and reversal of temporary differences	(4,269)	(1,532)	-	-
<b>Income tax expenses reported in the statements of comprehensive income</b>	<u>27,363</u>	<u>35,738</u>	<u>-</u>	<u>-</u>

The amounts of income tax relating to each component of other comprehensive income for the years ended 31 December 2015 and 2014 are as follows:

	(Unit: Thousand Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	<u>2015</u>	<u>2014</u>	<u>2015</u>	<u>2014</u>
Deferred tax relating to actuarial losses	<u>807</u>	<u>-</u>	<u>-</u>	<u>-</u>

The reconciliation between accounting profit and income tax expenses is shown below.

(Unit: Thousand Baht)

	Consolidated		Separate	
	financial statements		financial statements	
	2015	2014	2015	2014
Accounting profit before tax	148,028	186,099	108,801	57,295
Applicable tax rate	20%	20%	20%	20%
Accounting profit before tax multiplied by income tax rate	29,606	37,220	21,760	11,459
Utilisation of previous unrecognised tax losses as deferred tax assets	(1,760)	-	(1,760)	-
Tax loss for the year which unrecognised as deferred tax assets	10	941	-	941
Recognised of deferred tax assets of previous years	(2,040)	-	-	-
Effects of:				
Tax-exempt income	-	-	(20,000)	(12,400)
Non-deductible expenses	2,963	2,184	-	-
Additional expense deductions allowed	(1,416)	(4,607)	-	-
Total	1,547	(2,423)	(20,000)	(12,400)
Income tax expenses reported in the statement of comprehensive income	27,363	35,738	-	-

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

(Unit: Thousand Baht)

	Statements of financial position			
	Consolidated		Separate	
	financial statements		financial statements	
	2015	2014	2015	2014
<b>Deferred tax assets</b>				
Allowance for doubtful accounts	2,040	-	-	-
Allowance for diminution in value of inventories	1,126	-	-	-
Provision for long-term employee benefits	10,972	9,294	-	-
Others	922	967	-	-
Total	15,060	10,261	-	-
<b>Deferred tax liabilities</b>				
Difference depreciation between tax and accounting base of assets under finance lease agreements	3,175	3,452	-	-
Total	3,175	3,452	-	-
Total deferred tax assets - net	11,885	6,809	-	-



As at 31 December 2015 the Company has unused tax losses totaling Baht 15 million (2014: Baht 28 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 2015 and 2014 since dividend income was exempted from income tax under section 65 bis (10) of the Revenue Code and the Company has tax losses brought forward from previous years.

## 25. 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 2015 the subsidiary has not used the promotion tax privileges (2014: the subsidiary had operating loss from this promoted activity).

## 26. Basic earnings per share

In April 2014, the subsidiary sold investments in the Company of 230,175 shares to non-related persons. Therefore, basic earnings per share for the year ended 31 December 2014 are calculated by dividing profit for the year (excluding other comprehensive income) by the weighted average number of ordinary shares in issue during the year.

Basic earnings per share for the year ended 31 December 2015 are calculated by dividing profit for the year (excluding other comprehensive income) by the weighted average number of ordinary shares in issue during the year.

	Consolidated		Separate	
	financial statements		financial statements	
	<u>2015</u>	<u>2014</u>	<u>2015</u>	<u>2014</u>
Profit for the year (Thousand Baht)	120,665	150,361	108,801	57,295
Weighted average number of ordinary shares (Thousand shares)	141,944	141,887	141,944	141,887
Earnings per share (Baht/share)	0.85	1.06	0.77	0.40

## **27. 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 subsidiaries 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 subsidiaries'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 and profit information regarding the Company and its subsidiaries's operating segments for the years ended 31 December 2015 and 2014.

(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	
	2015	2014	2015	2014	2015	2014	2015	2014
	<u>2015</u>	<u>2014</u>	<u>2015</u>	<u>2014</u>	<u>2015</u>	<u>2014</u>	<u>2015</u>	<u>2014</u>
<b>Revenues</b>								
Revenues from external customers								
Sales	1,387	1,860	-	-	-	-	1,387	1,860
Rental and service income	799	708	15	12	-	-	814	720
Total revenues from external customers	2,186	2,568	15	12	-	-	2,201	2,580
Inter-segment revenues	-	-	35	30	(35)	(30)	-	-
<b>Total revenues</b>	<b>2,186</b>	<b>2,568</b>	<b>50</b>	<b>42</b>	<b>(35)</b>	<b>(30)</b>	<b>2,201</b>	<b>2,580</b>
<b>Segment profit</b>	<b>220</b>	<b>215</b>	<b>5</b>	<b>4</b>	<b>-</b>	<b>-</b>	<b>225</b>	<b>219</b>
<b>Unallocated income and expenses:</b>								
Other income							33	71
Selling expenses							(18)	(16)
Administrative expenses							(80)	(69)
Finance cost							(12)	(19)
<b>Profit before income tax expenses</b>							148	186
Income tax expenses							(27)	(36)
<b>Profit for the year</b>							121	150

### 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 2015, the Company and its subsidiary have revenue from 3 major customers in amount of Baht 477 million (2014: Baht 593 million derived from three major customers), arising from distribution and provision of services relating to computer and computer systems segment.

## 28. 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 and 8 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. The contributions for the year 2015 amounting to approximately Baht 13 million (2014: Baht 8 million) were recognised as expenses.

## 29. Dividends

	Approved by	Dividends (Million Baht)	Dividend per share (Baht)	Paid in month
Dividends for 2013	Annual General Meeting of the shareholders on 23 April 2014	35	0.25	May 2014
Interim dividends for 2014	Board of Directors' meeting on 4 August 2014	17	0.12	September 2014
Total dividends for 2014		<u>52</u>		
Dividends for 2014	Annual General Meeting of the shareholders on 22 April 2015	40	0.28	May 2015
Interim dividends for 2015	Board of Directors' meeting on 11 August 2015	17	0.12	September 2015
Total dividend for 2015		<u>57</u>		

## 30. Commitments and contingent liabilities

### 30.1 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>2015</u>	<u>2014</u>
Payable:		
In up to 1 year	8	17
In over 1 year and up to 5 years	9	11
In over 5 years	-	2

## **30.2 Service commitments**

The Company and its subsidiary have entered into management service agreements with a related company, whereby management fees totaling Baht 0.7 million per month (2014: Baht 0.5 million per month) are payable in the future, with Baht 0.2 million per month (2014: Baht 0.1 million per month) payable by the Company. The agreements end in December 2016 but they automatically renew for periods of one year each time until terminated.

## **30.3 Bank guarantees**

As at 31 December 2015, the Company and its subsidiary have outstanding bank guarantees of approximately Baht 93 million (2014: Baht 106 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 92 million (2014: Baht 105 million) to guarantee contractual performance of the subsidiary and amounting to Baht 1 million (2014: Baht 1 million) to guarantee electricity use of the Company.

## **31. Financial instruments**

### **31.1 Financial risk management**

The Company and its subsidiaries' financial instruments, as defined under Thai Accounting Standard No. 107 "Financial Instruments: Disclosure and Presentations", principally comprise cash and cash equivalents, current investments, restricted bank deposits, trade and other receivables, loan to, 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 subsidiaries's exposure to interest rate risk relates primarily to their cash at banks, loan to, short-term and long-term loans and long-term liabilities. Most of the Company and its subsidiaries'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 2015						
<b>Consolidated financial statements</b>	Fixed interest rates		Floating interest rate	Non-interest bearing	Total	Interest rate  (% p.a.)
	Within 1 year	1-3 years				
<b>Financial assets</b>						
Cash and cash equivalents	-	-	56	-	56	0.20 - 0.85
Current investments	-	-	-	129	129	-
Trade and other receivables	-	-	-	631	631	-
Restricted bank deposits	-	-	35	-	35	0.40 and 0.85
	-	-	91	760	851	
<b>Financial liabilities</b>						
Trade and other payables	-	-	-	632	632	-
Short-term loan from other company	-	-	-	7	7	-
Long-term loans	-	-	179	-	179	MLR - 1.50
Long-term liabilities	12	9	-	-	21	0.74 - 7.51
	12	9	179	639	839	

(Unit: Million Baht)

As at 31 December 2014

Consolidated financial statements	Fixed interest rates				Total	Interest rate (% p.a.)
	Within	1-3	Floating	Non-interest		
	1 year	years	interest rate	bearing		
<b>Financial assets</b>						
Cash and cash equivalents	-	-	40	-	40	0.13 - 0.50
Current investments	-	-	-	110	110	-
Trade and other receivables	-	-	-	589	589	-
Restricted bank deposits	-	-	63	-	63	0.40 and 1.05
	-	-	103	699	802	
<b>Financial liabilities</b>						
Trade and other payables	-	-	-	590	590	-
Short-term loan from other company	39	-	-	101	140	6.64
Long-term loans	-	-	176	-	176	MLR + 1.25
Long-term liabilities	15	7	-	-	22	1.03 - 9.82
	54	7	176	691	928	

(Unit: Million Baht)

As at 31 December 2015

Separate financial statements	Fixed interest rates				Total	Interest rate (% p.a.)
	Within	1-3	Floating	Non-interest		
	1 year	years	interest rate	bearing		
<b>Financial assets</b>						
Trade and other receivables	-	-	-	3	3	-
Short-term loan to related party	42	-	-	-	42	5.25
Restricted bank deposits	-	-	1	-	1	0.40
	42	-	1	3	46	
<b>Financial liabilities</b>						
Trade and other payables	-	-	-	2	2	-
Long-term loans	-	-	179	-	179	MLR - 1.50
	-	-	179	2	181	

(Unit: Million Baht)

As at 31 December 2014						
Separate financial statements	Fixed interest rates				Total	Interest rate (% p.a.)
	Within 1 year	1-3 years	Floating interest rate	Non-interest bearing		
<b>Financial assets</b>						
Cash and cash equivalents	-	-	1	-	1	0.30
Restricted bank deposits	-	-	1	-	1	0.40
	-	-	2	-	2	
<b>Financial liabilities</b>						
Trade and other payables	-	-	-	5	5	-
Short-term loan from related party	10	-	-	-	10	5.17 and 6.05
Long-term loan	-	-	176	-	176	MLR + 1.25
	10	-	176	5	191	

### **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 2015, the subsidiary had the net liabilities denominated in foreign currency amounting to USD 4 million (2014: USD 3 million)

The subsidiary had outstanding forward exchange contracts in order to hedge the foreign currency risk as follows:

Consolidated		
Foreign currency	Bought Amount	Contractual exchange rate of bought amount
	(Million)	(Baht per 1 foreign currency unit)
US Dollar	0.6	35.7536 - 36.0736

### **31.2 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 subsidiaries expect that fair value of their financial instruments are close to the amounts presented in the statements of financial position.



### **32. Capital management**

The primary objective of the Company and its subsidiaries' 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 2015, the Group's debt-to-equity ratio was 2.0:1 (2014: 2.3:1) and the Company's was 0.5:1 (2014: 0.7:1).

### **33. Approval of financial statements**

These financial statements were authorised for issue by the Company's Board of Directors on 17 February 2016.