

Premier Technology Public Company Limited
and its subsidiary
Report and consolidated interim financial statements
For the three-month and six-month periods ended
30 June 2012

Independent Auditor's Report on Review of Interim Financial Information

To the Shareholders of Premier Technology Public Company Limited

I have reviewed the accompanying consolidated statement of financial position of Premier Technology Public Company Limited and its subsidiary as at 30 June 2012, the related consolidated statements of comprehensive income for the three-month and six-month periods ended 30 June 2012 and 2011, and the related consolidated statements of changes in shareholders' equity and cash flows for the six-month periods ended 30 June 2012 and 2011, as well as the condensed notes to the consolidated financial statements, and have also reviewed the separate financial information of Premier Technology Public Company Limited for the same periods. Management is responsible for the preparation and presentation of this interim financial information in accordance with Accounting Standard 34 *Interim Financial Reporting*. My responsibility is to express a conclusion on this interim financial information based on my reviews.

Scope of review

I conducted my reviews in accordance with Standard on Review Engagements 2410, *Review of Interim Financial Information Performed by the Independent Auditor of the Entity*. A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with auditing standards and consequently does not enable me to obtain assurance that I would become aware of all significant matters that might be identified in an audit. Accordingly, I do not express an audit opinion.

Conclusion

Based on my reviews, nothing has come to my attention that causes me to believe that the accompanying interim financial information is not prepared, in all material respects, in accordance with Accounting Standard 34 *Interim Financial Reporting*.

Statements of financial position as at 31 December 2011 for comparative purposes

I have previously audited the consolidated financial statements of Premier Technology Public Company Limited and its subsidiary and the separate financial statements of Premier Technology Public Company Limited for the year ended 31 December 2011 in accordance with auditing standards, and expressed an unqualified opinion on those statements, but drew attention that the Company adopted the revised and new accounting standards for the preparation and presentation of its financial statements, under my report dated 16 February 2012. The consolidated and separate statements of financial position as at 31 December 2011, as presented herein for comparative purposes, formed an integral part of those financial statements. I have not performed any other audit procedures subsequent to the date of the above report.

Chonlaros Suntiasvaraporn
Certified Public Accountant (Thailand) No. 4523

Ernst & Young Office Limited
Bangkok: 9 August 2012

Premier Technology Public Company Limited and its subsidiary

Statements of financial position

(Unit: Thousand Baht)

| | <u>Consolidated financial statements</u> | | <u>Separate financial statements</u> | | |
|-------------------------------------|--|-----------------------------|--------------------------------------|-----------------------------|-------------------------|
| | <u>Note</u> | <u>30 June 2012</u> | <u>31 December 2011</u> | <u>30 June 2012</u> | <u>31 December 2011</u> |
| | | (Unaudited but reviewed) | (Audited) | (Unaudited but reviewed) | (Audited) |
| Assets | | | | | |
| Current assets | | | | | |
| Cash and cash equivalents | | 13,603 | 10,633 | 2,897 | 449 |
| Current investments | | 9 | 1,212 | 9 | 1,212 |
| Trade and other receivables | 3 | 394,757 | 376,607 | - | - |
| Prepaid service cost | | 89,791 | 96,746 | - | - |
| Dividend receivable from subsidiary | | - | - | - | 26,999 |
| Short-term loan to related party | 2 | - | - | 39,899 | - |
| Inventories | | 285,411 | 215,372 | - | - |
| Work in progress | | 92,281 | 33,294 | - | - |
| Other current assets | | 30,663 | 47,151 | 2,106 | 1,581 |
| Total current assets | | 906,515 | 781,015 | 44,911 | 30,241 |
| Non-current assets | | | | | |
| Restricted bank deposits | 4 | 32,394 | 48,512 | 1,203 | - |
| Investment in subsidiary | 5 | - | - | 152,727 | 152,727 |
| Investment in associate | 6 | 759 | 1,184 | 1,384 | 1,384 |
| Investment properties | 7 | 174,707 | 175,463 | 252,368 | 254,008 |
| Property, plant and equipment | 8 | 213,414 | 204,368 | 8 | 11 |
| Intangible assets | 9 | 11,560 | 10,727 | - | - |
| Other non-current assets | | 13,994 | 15,214 | - | - |
| Total non-current assets | | 446,828 | 455,468 | 407,690 | 408,130 |
| Total assets | | 1,353,343 | 1,236,483 | 452,601 | 438,371 |

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

Premier Technology Public Company Limited and its subsidiary

Statements of financial position (continued)

(Unit: Thousand Baht)

| | <u>Consolidated financial statements</u> | | <u>Separate financial statements</u> | | |
|--|--|-----------------------------|--------------------------------------|-----------------------------|-------------------------|
| | <u>Note</u> | <u>30 June 2012</u> | <u>31 December 2011</u> | <u>30 June 2012</u> | <u>31 December 2011</u> |
| | | (Unaudited but reviewed) | (Audited) | (Unaudited but reviewed) | (Audited) |
| Liabilities and shareholders' equity | | | | | |
| Current liabilities | | | | | |
| Bank overdrafts and short-term loans | | | | | |
| from financial institutions | 10 | 168,645 | 140,429 | - | - |
| Trade and other payables | 11 | 428,038 | 383,077 | 3,561 | 2,673 |
| Deferred service income | | 169,185 | 145,699 | - | - |
| Short-term loan from related party | 2 | - | - | - | 2,373 |
| Current portion of long-term loans | 12 | 1,858 | 2,140 | 1,858 | - |
| Current portion of long-term liabilities | 13 | 38,752 | 30,648 | - | - |
| Income tax payable | | - | 5,246 | - | - |
| Other current liabilities | | 27,490 | 25,876 | 28 | 79 |
| Total current liabilities | | 833,968 | 733,115 | 5,447 | 5,125 |
| Non-current liabilities | | | | | |
| Long-term loans - net of current portion | 12 | 192,142 | 194,000 | 192,142 | 194,000 |
| Long-term liabilities - net of current portion | 13 | 32,544 | 20,813 | - | - |
| Provision for long-term employee benefits | 14 | 35,133 | 32,166 | - | - |
| Other non-current liabilities | | 252 | 252 | - | - |
| Total non-current liabilities | | 260,071 | 247,231 | 192,142 | 194,000 |
| Total liabilities | | 1,094,039 | 980,346 | 197,589 | 199,125 |

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

Premier Technology Public Company Limited and its subsidiary

Statements of financial position (continued)

(Unit: Thousand Baht)

| | <u>Consolidated financial statements</u> | | <u>Separate financial statements</u> | |
|---|--|-------------------------|--------------------------------------|-------------------------|
| | <u>30 June 2012</u> | <u>31 December 2011</u> | <u>30 June 2012</u> | <u>31 December 2011</u> |
| | (Unaudited but reviewed) | (Audited) | (Unaudited but reviewed) | (Audited) |
| Shareholders' equity | | | | |
| Share capital | | | | |
| Registered | | | | |
| 142,440,489 ordinary shares of Baht 1 each | 142,440 | 142,440 | 142,440 | 142,440 |
| Issued and fully paid up | | | | |
| 141,944,471 ordinary shares of Baht 1 each | 141,944 | 141,944 | 141,944 | 141,944 |
| Company's shares held by subsidiary | (230) | (230) | - | - |
| Retained earnings | | | | |
| Appropriated - statutory reserve | 9,420 | 9,420 | 9,420 | 9,420 |
| Unappropriated | 108,170 | 105,003 | 103,648 | 87,882 |
| Total shareholders' equity | 259,304 | 256,137 | 255,012 | 239,246 |
| Total liabilities and shareholders' equity | 1,353,343 | 1,236,483 | 452,601 | 438,371 |
| | - | - | - | - |

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

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Directors
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(Unaudited but reviewed)

Premier Technology Public Company Limited and its subsidiary**Statements of comprehensive income****For the three-month periods ended 30 June 2012 and 2011**

(Unit: Thousand Baht except basic earnings per share expressed in Baht)

| | Note | <u>Consolidated financial statements</u> | | <u>Separate financial statements</u> | |
|---|------|--|----------------|--------------------------------------|---------------|
| | | <u>2012</u> | <u>2011</u> | <u>2012</u> | <u>2011</u> |
| Profit or loss: | | | | | |
| Revenues | | | | | |
| Sales | | 352,588 | 374,581 | - | - |
| Service income | | 162,293 | 131,751 | - | - |
| Dividend income | 5 | - | - | 39,899 | 30,000 |
| Other income | | 134 | 2,142 | 4,576 | 390 |
| Total revenues | | <u>515,015</u> | <u>508,474</u> | <u>44,475</u> | <u>30,390</u> |
| Expenses | | | | | |
| Cost of sales and services | | 375,983 | 385,044 | - | - |
| Selling expenses | | 41,472 | 34,719 | - | - |
| Administrative expenses | | <u>73,672</u> | <u>67,648</u> | <u>5,193</u> | <u>706</u> |
| Total expenses | | <u>491,127</u> | <u>487,411</u> | <u>5,193</u> | <u>706</u> |
| Profit before share of loss from investment in associated company, finance cost and corporate income tax | | | | | |
| Share of loss from investment in associated company | 6 | <u>(2)</u> | <u>(136)</u> | <u>-</u> | <u>-</u> |
| Profit before finance cost and corporate income tax | | <u>23,886</u> | <u>20,927</u> | <u>39,282</u> | <u>29,684</u> |
| Finance cost | | <u>(7,961)</u> | <u>(1,670)</u> | <u>(4,354)</u> | <u>-</u> |
| Profit before corporate income tax | | <u>15,925</u> | <u>19,257</u> | <u>34,928</u> | <u>29,684</u> |
| Corporate income tax | 15 | <u>(5,148)</u> | <u>(7,278)</u> | <u>-</u> | <u>-</u> |
| Profit for the period | | <u>10,777</u> | <u>11,979</u> | <u>34,928</u> | <u>29,684</u> |
| Other comprehensive income for the period | | | | | |
| | | <u>-</u> | <u>-</u> | <u>-</u> | <u>-</u> |
| Total comprehensive income for the period | | <u>10,777</u> | <u>11,979</u> | <u>34,928</u> | <u>29,684</u> |
| Basic earnings per share (Baht) | | | | | |
| Profit for the period | 16 | <u>0.08</u> | <u>0.09</u> | <u>0.25</u> | <u>0.21</u> |

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

(Unaudited but reviewed)

Premier Technology Public Company Limited and its subsidiary**Statements of comprehensive income****For the six-month periods ended 30 June 2012 and 2011**

(Unit: Thousand Baht except basic earnings per share expressed in Baht)

| | Note | <u>Consolidated financial statements</u> | | <u>Separate financial statements</u> | |
|---|------|--|----------------|--------------------------------------|---------------|
| | | <u>2012</u> | <u>2011</u> | <u>2012</u> | <u>2011</u> |
| Profit or loss: | | | | | |
| Revenues | | | | | |
| Sales | | 597,298 | 595,664 | - | - |
| Service income | | 312,208 | 263,409 | - | - |
| Dividend income | 5 | - | - | 39,899 | 30,000 |
| Other income | | 8,974 | 8,728 | 9,288 | 637 |
| Total revenues | | <u>918,480</u> | <u>867,801</u> | <u>49,187</u> | <u>30,637</u> |
| Expenses | | | | | |
| Cost of sales and services | | 650,326 | 633,255 | - | - |
| Selling expenses | | 77,591 | 55,201 | - | - |
| Administrative expenses | | 148,442 | 138,559 | 10,475 | 1,414 |
| Total expenses | | <u>876,359</u> | <u>827,015</u> | <u>10,475</u> | <u>1,414</u> |
| Profit before share of loss from investment in associated company, finance cost and corporate income tax | | | | | |
| Share of loss from investment in associated company | 6 | (425) | (188) | - | - |
| Profit before finance cost and corporate income tax | | <u>41,696</u> | <u>40,598</u> | <u>38,712</u> | <u>29,223</u> |
| Finance cost | | (15,167) | (2,628) | (8,752) | - |
| Profit before corporate income tax | | <u>26,529</u> | <u>37,970</u> | <u>29,960</u> | <u>29,223</u> |
| Corporate income tax | 15 | (9,168) | (13,046) | - | - |
| Profit for the period | | <u>17,361</u> | <u>24,924</u> | <u>29,960</u> | <u>29,223</u> |
| Other comprehensive income for the period | | | | | |
| | | - | - | - | - |
| Total comprehensive income for the period | | <u>17,361</u> | <u>24,924</u> | <u>29,960</u> | <u>29,223</u> |
| Basic earnings per share (Baht) | | | | | |
| Profit for the period | 16 | <u>0.12</u> | <u>0.18</u> | <u>0.21</u> | <u>0.21</u> |

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

(Unaudited but reviewed)

Premier Technology Public Company Limited and its subsidiary

Cash flow statements

For the six-month periods ended 30 June 2012 and 2011

(Unit: Thousand Baht)

| | <u>Consolidated financial statements</u> | | <u>Separate financial statements</u> | |
|--|--|-----------------|--------------------------------------|----------------|
| | <u>2012</u> | <u>2011</u> | <u>2012</u> | <u>2011</u> |
| Cash flows from operating activities | | | | |
| Profit before tax | 26,529 | 37,970 | 29,960 | 29,223 |
| Adjustments to reconcile profit before tax to net cash provided by (paid from) operating activities: | | | | |
| Decrease in doubtful accounts | (1,225) | (701) | - | - |
| Reduce cost of inventory to net realisable value (reversal) | 33 | (611) | - | - |
| Depreciation | 30,098 | 27,577 | 2,862 | 3 |
| (Gain) loss on sales of equipment | 435 | (520) | - | - |
| Amortisation of intangible assets | 440 | 440 | - | - |
| Share of loss from investment in associate | 425 | 188 | - | - |
| Amortisation of prepaid rental expenses | 1,237 | 1,235 | - | - |
| Provision for long-term employee benefits | 2,967 | 2,938 | - | - |
| Income from investment - dividend received | | | | |
| from investment in subsidiary | - | - | (39,899) | (30,000) |
| Interest income | - | - | (353) | - |
| Interest expenses | 15,167 | 2,628 | 8,752 | - |
| Profit (loss) from operating activities before changes in operating assets and liabilities | 76,106 | 71,144 | 1,322 | (774) |
| (Increase) decrease in operating assets | | | | |
| Trade and other receivables | (16,925) | (48,197) | - | - |
| Inventories | (70,072) | (13,853) | - | - |
| Other current assets | (24,974) | (56,793) | (380) | (290) |
| Other non-current assets | (17) | (1,794) | - | - |
| Increase (decrease) in operating liabilities | | | | |
| Trade and other payables | 44,961 | 5,087 | 888 | (261) |
| Other current liabilities | 25,100 | 38,208 | (51) | 10 |
| Cash flows from (used in) operating activities | 34,179 | (6,198) | 1,779 | (1,315) |
| Cash paid for interest expenses | (15,167) | (2,628) | (8,752) | - |
| Cash paid for corporate income tax | (18,381) | (10,367) | (125) | - |
| Net cash flows from (used in) operating activities | 631 | (19,193) | (7,098) | (1,315) |

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

(Unaudited but reviewed)

Premier Technology Public Company Limited and its subsidiary**Cash flow statements (continued)**

For the six-month periods ended 30 June 2012 and 2011

(Unit: Thousand Baht)

| | <u>Consolidated financial statements</u> | | <u>Separate financial statements</u> | |
|--|--|---------------|--------------------------------------|-----------------|
| | <u>2012</u> | <u>2011</u> | <u>2012</u> | <u>2011</u> |
| Cash flows from investing activities | | | | |
| Decrease in current investments | 1,203 | 50,000 | 1,203 | 50,000 |
| Increase in short-term loan to related party | - | - | (39,899) | (14,000) |
| (Increase) decrease in restricted bank deposits | 16,118 | (17,341) | (1,203) | - |
| Cash paid for renovation of investment properties | (1,219) | - | (1,219) | - |
| Acquisition of equipment | (4,703) | (19,308) | - | - |
| Proceeds from sales of equipment | 115 | 1,162 | - | - |
| Cash paid for acquisition of intangible assets | (1,273) | (1,527) | - | - |
| Dividend received from investment in subsidiary | - | - | 66,898 | 30,000 |
| Interest received | - | - | 333 | - |
| Net cash flows from investing activities | 10,241 | 12,986 | 26,113 | 66,000 |
| Cash flows from financing activities | | | | |
| Increase in bank overdrafts and short-term loans | | | | |
| from financial institutions | 28,216 | 60,899 | - | - |
| Decrease in short-term loan from related party | - | - | (2,373) | - |
| Repayment of long-term loans | (2,140) | (2,140) | - | - |
| Repayment of long-term liabilities | (19,784) | (21,985) | - | - |
| Repayment of long-term liabilities under rehabilitation plan | - | (501) | - | (501) |
| Dividend paid | (14,194) | (21,292) | (14,194) | (21,292) |
| Net cash flows from (used in) financing activities | (7,902) | 14,981 | (16,567) | (21,793) |
| Net increase in cash and cash equivalents | 2,970 | 8,774 | 2,448 | 42,892 |
| Cash and cash equivalents at beginning of period | 10,633 | 61,961 | 449 | 25,262 |
| Cash and cash equivalents at end of period | 13,603 | 70,735 | 2,897 | 68,154 |
| | - | - | - | - |
| Supplementary disclosures of cash flows information | | | | |
| Non cash items | | | | |
| Assets acquired under finance lease agreements | 39,619 | 15,594 | - | - |

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

(Unaudited but reviewed)

Premier Technology Public Company Limited and its subsidiary

Statements of changes in shareholders' equity

For the six-month periods ended 30 June 2012 and 2011

(Unit: Thousand Baht)

| | Consolidated financial statements | | | | Total shareholders' equity |
|--|---|--|---|-----------------------|---------------------------------------|
| | Issued and paid-up share capital | Company's shares held by subsidiary | Retained earnings | | |
| | | | Appropriated - statutory reserve | Unappropriated | |
| Balance as at 31 December 2010 | 141,944 | (230) | 7,120 | 120,435 | 269,269 |
| Cumulative effect of change in accounting policy | | | | | |
| for employee benefits | - | - | - | (34,177) | (34,177) |
| Dividend paid (Note 17) | - | - | - | (21,292) | (21,292) |
| Total comprehensive income for the period | - | - | - | 24,924 | 24,924 |
| Balance as at 30 June 2011 | <u>141,944</u> | <u>(230)</u> | <u>7,120</u> | <u>89,890</u> | <u>238,724</u> |
| Balance as at 31 December 2011 | 141,944 | (230) | 9,420 | 105,003 | 256,137 |
| Dividend paid (Note 17) | - | - | - | (14,194) | (14,194) |
| Total comprehensive income for the period | - | - | - | 17,361 | 17,361 |
| Balance as at 30 June 2012 | <u>141,944</u> | <u>(230)</u> | <u>9,420</u> | <u>108,170</u> | <u>259,304</u> |

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

(Unaudited but reviewed)

Premier Technology Public Company Limited and its subsidiary

Statements of changes in shareholders' equity (continued)

For the six-month periods ended 30 June 2012 and 2011

(Unit: Thousand Baht)

| | Separate financial statements | | | Total |
|---|--------------------------------------|--|-----------------------|----------------|
| | Issued and paid-up | Retained earnings | | |
| | share capital | Appropriated- statutory reserve | Unappropriated | |
| Balance as at 31 December 2010 | 141,944 | 7,120 | 80,318 | 229,382 |
| Dividend paid (Note 17) | - | - | (21,292) | (21,292) |
| Total comprehensive income for the period | - | - | 29,223 | 29,223 |
| Balance as at 30 June 2011 | <u>141,944</u> | <u>7,120</u> | <u>88,249</u> | <u>237,313</u> |
| Balance as at 31 December 2011 | 141,944 | 9,420 | 87,882 | 239,246 |
| Dividend paid (Note 17) | - | - | (14,194) | (14,194) |
| Total comprehensive income for the period | - | - | 29,960 | 29,960 |
| Balance as at 30 June 2012 | <u>141,944</u> | <u>9,420</u> | <u>103,648</u> | <u>255,012</u> |
| | | | | - |

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

Premier Technology Public Company Limited and its subsidiary
Notes to consolidated interim financial statements
For the three-month and six-month periods ended 30 June 2012

1. General information

1.1 Corporate 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 at 1 Premier Corporate Park, Soi Premier 2, Srinakarin Road, Nongbon, Prawet, Bangkok.

1.2 Basis for the preparation of interim financial statements

These interim financial statements are prepared in accordance with Accounting Standard No. 34 (revised 2009) "Interim Financial Reporting", with the Company choosing to present condensed interim financial statements. However, the Company has presented the statements of financial position, comprehensive income, changes in shareholders' equity, and cash flows in the same format as that used for the annual financial statements.

The interim financial statements are intended to provide information additional to that included in the latest annual financial statements. Accordingly, they focus on new activities, events and circumstances so as not to duplicate information previously reported. These interim financial statements should therefore be read in conjunction with the latest annual financial statements.

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

1.3 Basis of consolidation

These consolidated interim financial statements include the financial statements of Premier Technology Public Company Limited and its subsidiary (“the Group”) and have been prepared on the same basis as that applied for the consolidated financial statements for the year ended 31 December 2011. There have been no changes in the composition of the Group during the current period.

1.4 New accounting standards issued during the period and not yet effective

During the first quarter of the current year, the Federation of Accounting Professions issued the financial reporting standard TFRS 8: Operating Segments, which is effective for fiscal years beginning on or after 1 January 2013.

The management of the Company and its subsidiary believe that this financial reporting standard will not have any significant impact on the financial statements when it is initially applied.

1.5 Significant accounting policy

The interim financial statements are prepared using the same accounting policies and methods of computation as were used for the financial statements for the year ended 31 December 2011.

2. Related party transactions

During the periods, 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 financial statements | | | | Pricing policy |
|--|-----------------------------------|-----------------------|-----------------------|-----------------------|---|
| | For the three-month | | For the six-month | | |
| | periods ended 30 June | periods ended 30 June | periods ended 30 June | periods ended 30 June | |
| | <u>2012</u> | <u>2011</u> | <u>2012</u> | <u>2011</u> | |
| <u>Transactions with related companies</u> | | | | | |
| Sales and service income | 14 | 14 | 27 | 27 | Note 2.1 |
| Rental and service income | 1 | - | 2 | - | Contract price, which is price in the ordinary course of business |
| Cost of sales and services | 3 | 11 | 14 | 22 | Contract price, which is price in the ordinary course of business |
| Selling and administrative expenses | 4 | 5 | 10 | 11 | Contract price, which is price in the ordinary course of business |

(Unaudited but reviewed)

(Unit: Million Baht)

| | Separate financial statements | | | | Pricing policy |
|---|--|-------------|--|-------------|--|
| | For the three-month periods ended 30 June | | For the six-month periods ended 30 June | | |
| | <u>2012</u> | <u>2011</u> | <u>2012</u> | <u>2011</u> | |
| <u>Transactions with subsidiary</u> (eliminated from the consolidated financial statements) | | | | | |
| Rental and service income | 3 | - | 6 | - | Contract price, which is price in the ordinary course of business |
| <u>Transactions with related companies</u> | | | | | |
| Rental and service income | 1 | - | 2 | - | Contract price, which is price in the ordinary course of business |
| Selling and administrative expenses | - | 1 | - | 1 | Contract price, which is price in the ordinary course of business |

- 2.1 Sale prices are determined based on cost plus a certain margin while prices of service are based on the contract price, which is price in the ordinary course of business. However, pricing depend 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 accounts as at 30 June 2012 and 31 December 2011 between the Company, a subsidiary and those related companies are as follows:

| | (Unit: Thousand Baht) | | | |
|--|--------------------------------------|---------------------|----------------------------------|---------------------|
| | Consolidated financial statements | | Separate financial statements | |
| | 30 June 2012 | 31 December 2011 | 30 June 2012 | 31 December 2011 |
| | | (Audited) | | (Audited) |
| <u>Trade receivables - related parties (Note 3)</u> | | | | |
| Related companies (related by common directors) | 2,424 | 5,339 | - | - |
| <u>Amounts due to related parties (Note11)</u> | | | | |
| Related companies (related by common directors) | 716 | 913 | - | 541 |

(Unaudited but reviewed)

Loan to related party and loan from related party

As at 30 June 2012 and 31 December 2011, 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 31 December 2011 (Audited) | During the period | | Balance as at 30 June 2012 | |
| | | Increase | Decrease | | |
| <u>Short-term loan to related party</u> | | | | | |
| Datapro Computer Systems Company Limited | Subsidiary | - | 59,980 | (20,081) | 39,899 |
| <u>Short-term loan from related party</u> | | | | | |
| Datapro Computer Systems Company Limited | Subsidiary | 2,373 | - | (2,373) | - |

Short-term loan to related party

Loan to Datapro Computer Systems Company Limited represents the loan in form of promissory note of Baht 40 million due for repayment at call and carrying interest at the rate of 9 percent per annum.

Directors and management's benefits

During the six-month periods ended 30 June 2012 and 2011, the Company and its subsidiary had employee benefit expenses of their directors and management as below.

(Unit: Million Baht)

| | Consolidated financial statements | | Separate financial statements | |
|------------------------------|--------------------------------------|------|----------------------------------|------|
| | 2012 | 2011 | 2012 | 2011 |
| Short-term employee benefits | 12.2 | 12.0 | 0.2 | 0.2 |
| Post-employment benefits | 0.6 | 0.7 | - | - |
| Total | 12.8 | 12.7 | 0.2 | 0.2 |

(Unaudited but reviewed)

3. Trade and other receivables

(Unit: Thousand Baht)

| Consolidated financial statements | | |
|--|------------------|----------------|
| 30 June 2012 | 31 December 2011 | |
| | (Audited) | |
| <u>Trade receivables - related parties (Note 2)</u> | | |
| Aged on the basis of due dates | | |
| Not yet due | 678 | 264 |
| Past due | | |
| Up to 3 months | 1,746 | 4,401 |
| 3 - 6 months | - | 674 |
| Total trade receivables - related parties | 2,424 | 5,339 |
| <u>Trade receivables - unrelated parties</u> | | |
| Aged on the basis of due dates | | |
| Not yet due | 196,845 | 229,275 |
| Past due | | |
| Up to 3 months | 143,430 | 114,963 |
| 3 - 6 months | 44,715 | 12,215 |
| 6 - 12 months | 2,363 | 10,403 |
| Over 12 months | 22,777 | 21,533 |
| Total | 410,130 | 388,389 |
| Less: Allowance for doubtful debts | (20,981) | (22,206) |
| Total trade receivables - unrelated parties, net | 389,149 | 366,183 |
| Total trade receivables - net | 391,573 | 371,522 |
| <u>Other receivables</u> | | |
| Accrued income | 3,184 | 5,085 |
| Total other receivables | 3,184 | 5,085 |
| Total trade and other receivables - net | 394,757 | 376,607 |

The balance of trade receivables as at 30 June 2012 included trade receivables amounting to Baht 124 million (31 December 2011: Baht 129 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 assignee.

(Unaudited but reviewed)

4. 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 and bank guarantees and other credit facilities.

5. Investment in subsidiary

(Unit: Thousand Baht)

| Company's name | Separate financial statements | | | | | | Dividend received for the | |
|--|-------------------------------|-------------|-------------------------|-------------|------------------|------------------|---------------------------|---------------|
| | Paid-up capital | | Shareholding percentage | | Cost | | six-month periods ended | |
| | 30 June | 31 December | 30 June | 31 December | 30 June | 31 December | 30 June | 30 June |
| | 2012 | 2011 | 2012 | 2011 | 2012 | 2011 | 2012 | 2011 |
| | | | (%) | (%) | | (Audited) | | |
| Datapro Computer Systems | | | | | | | | |
| Company Limited | 30,000 | 30,000 | 100 | 100 | 255,887 | 255,887 | <u>39,899</u> | <u>30,000</u> |
| Less: Allowance for impairment of investment | | | | | <u>(103,106)</u> | <u>(103,106)</u> | | |
| Investment in subsidiary - net | | | | | <u>152,727</u> | <u>152,727</u> | | |

6. Investment in associate

(Unit: Thousand Baht)

| Company's name | Consolidated financial statements | | | | | |
|--|-----------------------------------|-------------|--------------|--------------|---|--------------|
| | Shareholding percentage | | Cost | | Carrying amounts based on equity method | |
| | 30 June | 31 December | 30 June | 31 December | 30 June | 31 December |
| | 2012 | 2011 | 2012 | 2011 | 2012 | 2011 |
| | (%) | (%) | | (Audited) | | (Audited) |
| Advance Cyber Technology Company Limited | 26 | 26 | <u>5,200</u> | <u>5,200</u> | <u>759</u> | <u>1,184</u> |

(Unit: Thousand Baht)

| Company's name | Separate financial statements | | | | | | | |
|--|-------------------------------|-------------|--------------|--------------|--|----------------|---|--------------|
| | Shareholding percentage | | Cost | | Allowance for impairment of investment | | Carrying amounts based on cost method - net | |
| | 30 June | 31 December | 30 June | 31 December | 30 June | 31 December | 30 June | 31 December |
| | 2012 | 2011 | 2012 | 2011 | 2012 | 2011 | 2012 | 2011 |
| | (%) | (%) | | (Audited) | | (Audited) | | (Audited) |
| Advance Cyber Technology Company Limited | 26 | 26 | <u>5,200</u> | <u>5,200</u> | <u>(3,816)</u> | <u>(3,816)</u> | <u>1,384</u> | <u>1,384</u> |

(Unaudited but reviewed)

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

(Unit: Thousand Baht)

| Company's name | Consolidated financial statements | | | |
|---|---|--------------|--|--------------|
| | Share of loss from investment in associated company | | | |
| | For the three-month periods ended 30 June | | For the six-month periods ended 30 June | |
| | <u>2012</u> | <u>2011</u> | <u>2012</u> | <u>2011</u> |
| Advance Cyber Technology Company Limited | <u>(2)</u> | <u>(136)</u> | <u>(425)</u> | <u>(188)</u> |

Share of loss of associate was determined based on the financial statements prepared by its managements and was not reviewed by its auditor. The Company believes that the value of the investment would not significantly differ if the financial statements had been reviewed by auditor.

7. Investment properties

Movements of the investment properties during the six-month period ended 30 June 2012 are summarised below.

(Unit: Thousand Baht)

| | Consolidated financial statements | Separate financial statements |
|--|--------------------------------------|----------------------------------|
| Net book value as at 1 January 2012 | 175,463 | 254,008 |
| Acquisitions during the period | 1,219 | 1,219 |
| Depreciation for period | <u>(1,975)</u> | <u>(2,859)</u> |
| Net book value as at 30 June 2012 | <u>174,707</u> | <u>252,368</u> |

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

(Unaudited but reviewed)

8. Property, plant and equipment

Movements of the property, plant and equipment account during the six-month period ended 30 June 2012 are summarised below.

| | (Unit: Thousand Baht) | |
|--|--------------------------------------|----------------------------------|
| | Consolidated financial statements | Separate financial statements |
| Net book value as at 1 January 2012 | 204,368 | 11 |
| Acquisitions during period - at cost | 37,719 | - |
| Disposals during period - net book value at disposal date | (550) | - |
| Depreciation for period | (28,123) | (3) |
| Net book value as at 30 June 2012 | <u>213,414</u> | <u>8</u> |

As at 30 June 2012, the subsidiary had equipment under finance lease agreements with net book values amounting to Baht 75 million (31 December 2011: Baht 63 million).

As at 30 June 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.

Land and building as presented in the consolidated financial statements have been mortgaged as collateral against a long-term loan from a company.

9. Intangible assets

Movements of the intangible assets account during the six-month period ended 30 June 2012 are summarised below.

| | (Unit: Thousand Baht) |
|--|--------------------------------------|
| | Consolidated financial statements |
| Net book value as at 1 January 2012 | 10,727 |
| Acquisitions during period | 1,273 |
| Amortisation for period | (440) |
| Net book value as at 30 June 2012 | <u>11,560</u> |

(Unaudited but reviewed)

10. Bank overdrafts and short-term loans from financial institutions

(Unit: Thousand Baht)

| | Interest rate (percent per annum) | Consolidated financial statements | |
|---|--------------------------------------|--------------------------------------|---------------------|
| | | 30 June 2012 | 31 December 2011 |
| | | | (Audited) |
| Bank overdrafts | MOR | 2,419 | - |
| Short-term loans from banks | MLR, MLR+0.25 | 55,573 | 27,806 |
| Accounts payable - factoring companies (Note 3) | 6.75 - 7.75 | 110,653 | 112,623 |
| Total | | 168,645 | 140,429 |

Short-term loans from banks of the subsidiary are secured by the pledge of bank deposits of the subsidiary and the transfer of the right of the claim of collections from sales and service income from customers to a bank.

11. Trade and other payables

(Unit: Thousand Baht)

| | Consolidated financial statements | | Separate financial statements | |
|---|--------------------------------------|---------------------|----------------------------------|---------------------|
| | 30 June 2012 | 31 December 2011 | 30 June 2012 | 31 December 2011 |
| | | (Audited) | | (Audited) |
| Trade payables - unrelated parties | 354,105 | 296,347 | - | - |
| Amounts due to related parties (Note 2) | 716 | 913 | - | 541 |
| Accrued expenses | 73,217 | 85,817 | 3,561 | 2,132 |
| Total trade and other payables | 428,038 | 383,077 | 3,561 | 2,673 |

12. Long-term loans

(Unit: Thousand Baht)

| | Consolidated financial statements | | Separate financial statements | |
|--|--------------------------------------|---------------------|----------------------------------|---------------------|
| | 30 June 2012 | 31 December 2011 | 30 June 2012 | 31 December 2011 |
| | | (Audited) | | (Audited) |
| Long-term loans | 194,000 | 196,140 | 194,000 | 194,000 |
| Less: Current portion | (1,858) | (2,140) | (1,858) | - |
| Long-term loans - net of current portion | 192,142 | 194,000 | 192,142 | 194,000 |

(Unaudited but reviewed)

Movements in the long-term loans account during the six-month period ended 30 June 2012 are summarised below.

| | (Unit: Thousand Baht) |
|------------------------------|--------------------------------------|
| | Consolidated financial statements |
| Balance as at 1 January 2012 | 196,140 |
| Less: Repayment | (2,140) |
| Balance as at 30 June 2012 | <u>194,000</u> |

The loan is secured by the mortgage of investment properties of the Company and the pledge of 299,994 shares of the subsidiary.

13. 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 | |
| | 30 June 2012 | 31 December 2011 |
| | | (Audited) |
| Liabilities under finance lease agreements | 76,706 | 55,000 |
| Less: Deferred interest expenses | (5,410) | (3,539) |
| | <u>71,296</u> | <u>51,461</u> |
| Less: Current portion | (38,752) | (30,648) |
| Long-term liabilities - net of current portion | <u>32,544</u> | <u>20,813</u> |

Movements in the long-term liabilities account during the six-month period ended 30 June 2012 are summarised below.

| | (Unit: Thousand Baht) |
|------------------------------|--------------------------------------|
| | Consolidated financial statements |
| Balance as at 1 January 2012 | 51,461 |
| Add: Additional borrowings | 39,619 |
| Less: Repayment | (19,784) |
| Balance as at 30 June 2012 | <u>71,296</u> |

(Unaudited but reviewed)

As at 30 June 2012, future minimum lease payments required under the finance lease agreements were as follows:

(Unit: Million Baht)

| | Less than 1 year | 1 - 3 years | Total |
|--|---------------------|-------------|-------|
| Future minimum lease payments | 42 | 35 | 77 |
| Deferred interest expenses | (4) | (2) | (6) |
| Present value of future minimum lease payments | 38 | 33 | 71 |

A 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.

14. Provision for long-term employee benefits

Movement of the provision for long-term employee benefits account during the six-month period ended 30 June 2012 are summarised below.

(Unit: Thousand Baht)

| | Consolidated financial statements |
|--------------------------------|--------------------------------------|
| Balance as at 1 January 2012 | 32,166 |
| Add: Recognition during period | 2,967 |
| Balance as at 30 June 2012 | 35,133 |

15. Corporate income tax

Interim corporate income tax was calculated on profit before income tax for the periods, after adding back expenses and deducting income which are disallowable for tax computation purposes, using the estimated effective tax rate for the year.

The Company had no interim corporate income tax payable for the three-month and six-month periods ended 30 June 2012 and 2011 since dividend income is exempted from income tax under section 65 bis (10) of the Revenue Code.

16. Basic earnings per share

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

(Unaudited but reviewed)

17. Dividend

| | Approved by | Total Dividends (Million Baht) | Dividend per share (Baht) | Paid in month |
|--------------------|---|--------------------------------------|---------------------------------|---------------|
| Dividends for 2010 | Annual General Meeting of the shareholders on 21 April 2011 | <u>21</u> | 0.15 | May 2011 |
| Dividends for 2011 | Annual General Meeting of the shareholders on 26 April 2012 | <u>14</u> | 0.10 | May 2012 |

18. Commitments and contingent liabilities

18.1 Operating lease commitments

The Company and its subsidiary have entered into several operating lease agreements in respect of the lease of office building space and related services. The terms of the agreements are generally between 1 to 13 years.

As at 30 June 2012, future minimum lease payments required under these operating leases contracts were as follows:

| | <u>Million Baht</u> |
|--------------------------|---------------------|
| Payable within the year: | |
| 2012 | 13 |
| 2013 - 2014 | 16 |
| 2015 - 2022 | 13 |

18.2 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 are payable in the future (Baht 0.1 million per month payable by the Company). The agreements end in December 2012 but they automatically renew for periods of one year each time until terminated.

18.3 Bank guarantees

As at 30 June 2012, the Company and its subsidiary have outstanding bank guarantees of approximately Baht 61 million (31 December 2011: Baht 84 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 60 million to guarantee contractual performance of the subsidiary and amounting to Baht 1 million to guarantee electricity use of the Company.

18.4 Licensing fee agreement

The subsidiary has entered into a memorandum of agreement with a local company, granting it the right to install advertising media systems, whereby the subsidiary will install and provide advertising media system services on buses. Under the conditions of the agreement, the subsidiary is required to pay an annual licensing fee from 2009 until 2012, totaling approximately Baht 13 million. During the three-month and six-month periods ended 30 June 2012, the subsidiary recorded the licensing costs amounting to approximately Baht 1 million and Baht 2 million, respectively, under such agreement.

19. Foreign exchange risk

As at 30 June 2012, the subsidiary had the net liabilities denominated in foreign currency amounting to USD5 million, which had not been hedged against foreign exchange rate risk.

20. Financial information by segment

The operations of the Company and its subsidiary principally involve information and communications technology and office building rental, and are mostly carried on in the single geographic area of Thailand. During the three-month and six-month periods ended 30 June 2012, this office building rental segment is insignificant to the whole business and so financial information has not been presented by industry segment.

21. Approval of interim financial statements

These interim financial statements were authorised for issue by the Company's Board of Directors on 9 August 2012.