

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 2014

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 2014, the related consolidated statements of comprehensive income for the three-month and six-month periods ended 30 June 2014, and the related consolidated statements of changes in shareholders' equity and cash flows for the six-month period then ended, as well as the condensed notes to the consolidated financial statements. I have also reviewed the separate financial information of Premier Technology Public Company Limited for the same period. Management is responsible for the preparation and presentation of this interim financial information in accordance with Thai Accounting Standard 34 *Interim Financial Reporting*. My responsibility is to express a conclusion on this interim financial information based on my review.

Scope of Review

I conducted my review in accordance with Thai 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 Thai Standards on Auditing 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 review, 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 Thai Accounting Standard 34 *Interim Financial Reporting*.

Chonlaros Suntiasvaraporn

Certified Public Accountant (Thailand) No. 4523

EY Office Limited

Bangkok: 4 August 2014

Premier Technology Public Company Limited and its subsidiary

Statement of financial position

As at 30 June 2014

(Unit: Thousand Baht)

	Note	Consolidated financial statements		Separate financial statements	
		30 June 2014	31 December 2013	30 June 2014	31 December 2013
		(Unaudited but reviewed)	(Audited)	(Unaudited but reviewed)	(Audited)
Assets					
Current assets					
Cash and cash equivalents		25,094	31,769	606	837
Current investments		63	71	63	71
Trade and other receivables	3	391,539	521,372	-	-
Prepaid service cost		124,871	86,717	-	-
Short-term loan to related party	2	-	-	15,500	-
Inventories		399,438	305,952	-	-
Work in progress		27,882	33,334	-	-
Other current assets		29,439	25,615	5,295	5,612
Total current assets		998,326	1,004,830	21,464	6,520
Non-current assets					
Restricted bank deposits	4	63,087	51,789	1,203	1,203
Investment in subsidiary	5	-	-	222,726	222,726
Investment properties	6	159,452	159,031	264,815	264,116
Property, plant and equipment	7	187,186	199,204	332	282
Intangible assets	8	9,450	10,109	-	-
Deferred tax assets		5,834	5,276	-	-
Other non-current assets		14,160	14,659	-	-
Total non-current assets		439,169	440,068	489,076	488,327
Total assets		1,437,495	1,444,898	510,540	494,847

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

Premier Technology Public Company Limited and its subsidiary

Statement of financial position (continued)

As at 30 June 2014

(Unit: Thousand Baht)

	Note	Consolidated financial statements		Separate financial statements	
		30 June 2014	31 December 2013	30 June 2014	31 December 2013
		(Unaudited but reviewed)	(Audited)	(Unaudited but reviewed)	(Audited)
Liabilities and shareholders' equity					
Current liabilities					
Short-term loans from financial institutions	9	98,380	74,918	-	-
Trade and other payables	10	533,838	574,756	4,139	4,345
Advances received for goods and services		116,046	92,594	-	-
Short-term loan from related party	2	-	-	-	2,500
Current portion of long-term loans	11	12,376	11,425	12,376	11,425
Current portion of long-term liabilities	12	21,408	26,189	-	-
Income tax payable		-	1,105	-	-
Other current liabilities		24,112	32,832	1,385	2,800
Total current liabilities		806,160	813,819	17,900	21,070
Non-current liabilities					
Long-term loans - net of current portion	11	169,206	175,665	169,206	175,665
Long-term liabilities - net of current portion	12	7,898	14,546	-	-
Provision for long-term employee benefits	13	46,774	44,655	-	-
Other non-current liabilities		1,265	1,265	4,906	4,906
Total non-current liabilities		225,143	236,131	174,112	180,571
Total liabilities		1,031,303	1,049,950	192,012	201,641

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

Premier Technology Public Company Limited and its subsidiary

Statement of financial position (continued)

As at 30 June 2014

(Unit: Thousand Baht)

	<u>Consolidated financial statements</u>		<u>Separate financial statements</u>		
	<u>Note</u>	<u>30 June 2014</u>	<u>31 December 2013</u>	<u>30 June 2014</u>	<u>31 December 2013</u>
		(Unaudited but reviewed)	(Audited)	(Unaudited but reviewed)	(Audited)
Shareholders' equity					
Share capital					
Registered					
142,440,489 ordinary shares of Baht 1 each		<u>142,440</u>	<u>142,440</u>	<u>142,440</u>	<u>142,440</u>
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	15	-	(230)	-	-
Retained earnings					
Appropriated - statutory reserve		14,194	14,194	14,194	14,194
Unappropriated		<u>250,054</u>	<u>239,040</u>	<u>162,390</u>	<u>137,068</u>
Total shareholders' equity		<u>406,192</u>	<u>394,948</u>	<u>318,528</u>	<u>293,206</u>
Total liabilities and shareholders' equity		<u>1,437,495</u>	<u>1,444,898</u>	<u>510,540</u>	<u>494,847</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 subsidiary

Statement of comprehensive income

For the three-month period ended 30 June 2014

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

	Note	Consolidated financial statements		Separate financial statements	
		2014	2013	2014	2013
Profit or loss:					
Revenues					
Sales		362,515	372,491	-	-
Rental and service income		165,021	157,531	11,437	10,154
Dividend income	5	-	-	62,000	83,998
Other income		14,513	5,421	164	1,186
Total revenues		542,049	535,443	73,601	95,338
Expenses					
Cost of sales and services		379,788	375,656	6,942	4,859
Selling expenses		50,045	39,844	-	-
Administrative expenses		69,554	80,582	975	2,044
Total expenses		499,387	496,082	7,917	6,903
Profit before share of loss from investment in associated company, finance cost and income tax expenses					
Share of loss from investment in associated company		-	(10)	-	-
Profit before finance cost and income tax expenses					
Finance cost		(4,716)	(6,151)	(4,175)	(4,340)
Profit before income tax expenses		37,946	33,200	61,509	84,095
Income tax expenses	14	(6,694)	(6,741)	-	-
Profit for the period		31,252	26,459	61,509	84,095
Other comprehensive income for the period					
		-	-	-	-
Total comprehensive income for the period		31,252	26,459	61,509	84,095
Basic earnings per share (Baht)					
Profit for the period	15	0.22	0.19	0.44	0.59

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

Premier Technology Public Company Limited and its subsidiary

Statement of comprehensive income

For the six-month period ended 30 June 2014

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

	Note	Consolidated financial statements		Separate financial statements	
		2014	2013	2014	2013
Profit or loss:					
Revenues					
Sales		741,463	1,076,499	-	-
Rental and service income		313,322	301,112	21,465	20,463
Dividend income	5	-	-	62,000	83,998
Other income		25,655	17,585	175	1,927
Total revenues		1,080,440	1,395,196	83,640	106,388
Expenses					
Cost of sales and services		769,760	1,044,403	12,626	10,003
Selling expenses		92,814	96,343	-	-
Administrative expenses		149,147	157,373	1,825	2,868
Total expenses		1,011,721	1,298,119	14,451	12,871
Profit before share of loss from investment in associated company, finance cost and income tax expenses					
		68,719	97,077	69,189	93,517
Share of loss from investment in associated company		-	(657)	-	-
Profit before finance cost and income tax expenses					
		68,719	96,420	69,189	93,517
Finance cost		(9,914)	(13,286)	(8,381)	(8,645)
Profit before income tax expenses		58,805	83,134	60,808	84,872
Income tax expenses	14	(12,305)	(18,776)	-	-
Profit for the period		46,500	64,358	60,808	84,872
Other comprehensive income for the period					
		-	-	-	-
Total comprehensive income for the period		46,500	64,358	60,808	84,872
Basic earnings per share (Baht)					
Profit for the period	15	0.33	0.45	0.43	0.60

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

(Unaudited but reviewed)

Premier Technology Public Company Limited and its subsidiary**Cash flow statement****For the six-month period ended 30 June 2014**

(Unit: Thousand Baht)

	Consolidated financial statements		Separate financial statements	
	<u>2014</u>	<u>2013</u>	<u>2014</u>	<u>2013</u>
Cash flows from operating activities				
Profit before tax	58,805	83,134	60,808	84,872
Adjustments to reconcile profit before tax to net cash provided by (paid from) operating activities:				
Doubtful accounts (reversal)	(908)	6,288	-	-
Reduce cost of inventory to net realisable value (reversal)	2,037	(847)	-	-
Depreciation	25,588	27,850	3,722	2,942
Loss on sales of equipment	56	478	-	-
Amortisation of intangible assets	659	659	-	-
Loss on impairment of investment in associate company	-	-	-	1,119
Share of loss from investment in associate	-	657	-	-
Amortisation of prepaid rental expenses	499	250	-	-
Long-term employee benefits expenses	3,690	3,323	-	-
Income from investment - dividend received from investment in subsidiary	-	-	(62,000)	(83,998)
Interest income	-	(353)	-	(1,916)
Interest expenses	9,914	13,286	8,381	8,645
Profit from operating activities before changes in operating assets and liabilities	100,340	134,725	10,911	11,664
(Increase) decrease in operating assets				
Trade and other receivables	130,741	8,280	-	(3,186)
Prepaid service cost	(38,154)	(24,445)	-	-
Inventories	(95,523)	226,676	-	-
Work in progress	5,452	(7,726)	-	-
Other current assets	(2,257)	4,651	1,106	1,854
Other non-current assets	230	1,269	-	-
Increase (decrease) in operating liabilities				
Trade and other payables	(40,918)	(217,663)	(146)	1,040
Advances received for goods and services	23,452	1,121	-	-
Other current liabilities	(8,790)	8,840	(1,415)	(1,816)
Other non-current liabilities	(1,571)	(424)	-	3,216
Cash flows from operating activities	73,002	135,304	10,456	12,772
Cash paid for interest expenses	(9,844)	(13,339)	(8,441)	(8,698)
Cash paid for income tax	(15,535)	(16,620)	(789)	(761)
Net cash flows from operating activities	47,623	105,345	1,226	3,313

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

(Unaudited but reviewed)

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

For the six-month period ended 30 June 2014

(Unit: Thousand Baht)

	Consolidated financial statements		Separate financial statements	
	<u>2014</u>	<u>2013</u>	<u>2014</u>	<u>2013</u>
Cash flows from investing activities				
Decrease in current investments	8	-	8	-
(Increase) decrease in short-term loan to related party	-	-	(15,500)	8,000
Increase in restricted bank deposits	(11,298)	(201)	-	-
Cash paid for renovation of investment properties	(2,641)	(2,046)	(4,386)	(3,398)
Acquisition of equipment	(8,519)	(9,398)	(85)	(901)
Proceeds from sales of equipment	32	64	-	-
Cash paid for increasing in share capital of subsidiary	-	-	-	(69,999)
Dividend received from investment in subsidiary	-	-	62,000	83,998
Interest received	-	353	-	1,244
Net cash flows from (used in) investing activities	<u>(22,418)</u>	<u>(11,228)</u>	<u>42,037</u>	<u>18,944</u>
Cash flows from financing activities				
Increase (decrease) in short-term loans				
from financial institutions	23,462	(73,449)	-	-
Decrease in short-term loan from related party	-	-	(2,500)	-
Repayment of long-term loans	(5,508)	(1,690)	(5,508)	(1,690)
Repayment of long-term liabilities	(14,348)	(20,822)	-	-
Dividend paid	(35,486)	(21,292)	(35,486)	(21,292)
Net cash flows used in financing activities	<u>(31,880)</u>	<u>(117,253)</u>	<u>(43,494)</u>	<u>(22,982)</u>
Net decrease in cash and cash equivalents	(6,675)	(23,136)	(231)	(725)
Cash and cash equivalents at beginning of period	31,769	54,760	837	2,151
Cash and cash equivalents at end of period	<u>25,094</u>	<u>31,624</u>	<u>606</u>	<u>1,426</u>
	-	-	-	-
Supplementary disclosures of cash flows information				
Non cash items				
Assets acquired under finance lease agreements	2,919	2,859	-	-

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

(Unaudited but reviewed)

Premier Technology Public Company Limited and its subsidiary

Statement of changes in shareholders' equity

For the six-month period ended 30 June 2014

(Unit: Thousand Baht)

	Consolidated financial statements				
	Issued and paid-up share capital	Company's shares held by subsidiary	Retained earnings		Total shareholders' equity
Appropriated - statutory reserve			Unappropriated		
Balance as at 1 January 2013	141,944	(230)	10,820	168,694	321,228
Dividend paid (Note 16)	-	-	-	(21,292)	(21,292)
Total comprehensive income for the period	-	-	-	64,358	64,358
Balance as at 30 June 2013	<u>141,944</u>	<u>(230)</u>	<u>10,820</u>	<u>211,760</u>	<u>364,294</u>
Balance as at 1 January 2014	141,944	(230)	14,194	239,040	394,948
Sale of the Company's shares held by subsidiary (Note 15)	-	230	-	-	230
Dividend paid (Note 16)	-	-	-	(35,486)	(35,486)
Total comprehensive income for the period	-	-	-	46,500	46,500
Balance as at 30 June 2014	<u>141,944</u>	<u>-</u>	<u>14,194</u>	<u>250,054</u>	<u>406,192</u>

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

(Unaudited but reviewed)

Premier Technology Public Company Limited and its subsidiary

Statement of changes in shareholders' equity (continued)

For the six-month period ended 30 June 2014

(Unit: Thousand Baht)

	Separate financial statements			
	Issued and paid-up share capital	Retained earnings		Total shareholders' equity
		Appropriated- statutory reserve	Unappropriated	
Balance as at 1 January 2013	141,944	10,820	100,177	252,941
Dividend paid (Note 16)	-	-	(21,292)	(21,292)
Total comprehensive income for the period	-	-	84,872	84,872
Balance as at 30 June 2013	<u>141,944</u>	<u>10,820</u>	<u>163,757</u>	<u>316,521</u>
Balance as at 1 January 2014	141,944	14,194	137,068	293,206
Dividend paid (Note 16)	-	-	(35,486)	(35,486)
Total comprehensive income for the period	-	-	60,808	60,808
Balance as at 30 June 2014	<u>141,944</u>	<u>14,194</u>	<u>162,390</u>	<u>318,528</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 2014

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 Thai Accounting Standard No. 34 (revised 2012) "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 2013. There have been no changes in the composition of the Group during the current period.

1.4 New accounting standards

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

The Company and its subsidiary disclosed the accounting standards, financial reporting standards, accounting standard interpretations and financial reporting standard interpretations that are effective for fiscal years beginning on or after 1 January 2014, in the notes to consolidated financial statements for the year ended 31 December 2013.

The Company and its subsidiary's management have assessed the effects of the above accounting standards, financial reporting standards, accounting standard interpretations and financial reporting standard interpretations, and believe that they are not relevant to the business of the Company and its subsidiary or do not have a significant impact.

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

The Company and its subsidiary have disclosed the financial reporting standard that will be effective in the future in the notes to consolidated financial statements for the year ended 31 December 2013.

The Company and its subsidiary's management have assessed the effect of this financial reporting standard and believe that it is not relevant to the business of the Company and its subsidiary.

1.5 Significant accounting policies

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 2013.

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 periods ended 30 June		For the six-month periods ended 30 June		
	<u>2014</u>	<u>2013</u>	<u>2014</u>	<u>2013</u>	
	<u>Transactions with related companies</u>				
Sales and service income	14	15	28	29	Note 2.1
Rental and service income	3	3	6	6	Contract price, which is price in the ordinary course of business
Cost of sales and services	-	-	-	1	Contract price, which is price in the ordinary course of business
Administrative expenses	3	6	7	9	Contract price, which is price in the ordinary course of business

(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>2014</u>	<u>2013</u>	<u>2014</u>	<u>2013</u>	
	<u>Transactions with subsidiary (eliminated from the consolidated financial statements)</u>				
Rental and service income	7	7	14	14	Contract price, which is price in the ordinary course of business
Interest income	-	1	-	2	9% per annum

(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		
	2014	2013	2014	2013	
<u>Transactions with related companies</u>					
Rental and service income	3	3	6	6	Contract price, which is price in the ordinary course of business
Administrative expenses	1	-	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 2014 and 31 December 2013 between the Company, a subsidiary and those related companies are as follows:

	(Unit: Thousand Baht)			
	Consolidated financial statements		Separate financial statements	
	30 June 2014	31 December 2013	30 June 2014	31 December 2013
		(Audited)		(Audited)
<u>Trade receivables - related parties (Note 3)</u>				
Related companies (related by common directors)	4,943	5,048	-	-
<u>Amounts due to related parties (Note 10)</u>				
Subsidiary	-	-	-	5
Related companies (related by common directors)	1,421	6,052	-	-
	1,421	6,052	-	5

Loan to related party and loan from related party

As at 30 June 2014 and 31 December 2013, the balance of loan to and loan from between the Company and the related party and the movement are as follows:

(Unaudited but reviewed)

(Unit: Thousand Baht)

		Separate financial statements				
		Balance as at 31 December	During the period		Balance as at 30 June	
Related by		2013 (Audited)	Increase	Decrease	2014	
<u>Short-term loan to related party</u> Datapro Computer Systems Company Limited		Subsidiary	-	18,500	(3,000)	15,500
<u>Short-term loan from related party</u> Datapro Computer Systems Company Limited		Subsidiary	2,500	5,500	(8,000)	-

Short-term loan to related party

Short-term loan to Datapro Computer Systems Company Limited represents in form of promissory notes, the repayment is at call and carrying interest at the rate of 9 percent per annum.

Short-term loan from related party

Short-term loan from Datapro Computer Systems Company Limited represents in form of promissory notes, the repayment is at call and carrying interest at the rate of 7 percent per annum. During the current period, the Company paid full amount of such loan.

Directors and management's benefits

During the six-month periods ended 30 June 2014 and 2013, the Company and its subsidiary had employee benefit expenses of their directors and management as below.

		(Unit: Million Baht)			
		Consolidated		Separate	
		financial statements		financial statements	
		<u>2014</u>	<u>2013</u>	<u>2014</u>	<u>2013</u>
Short-term employee benefits		16.3	15.5	0.2	0.2
Post-employment benefits		1.0	0.6	-	-
Total		17.3	16.1	0.2	0.2

3. Trade and other receivables

(Unit: Thousand Baht)

Consolidated	
financial statements	
30 June 2014	31 December 2013
	(Audited)
<u>Trade receivables - related parties</u> (Note 2)	
Aged on the basis of due dates	
Not yet due	438
Past due	
Up to 3 months	2,949
3 - 6 months	1,107
6 - 12 months	554
Total trade receivables - related parties	5,048
<u>Trade receivables - unrelated parties</u>	
Aged on the basis of due dates	
Not yet due	344,208
Past due	
Up to 3 months	122,803
3 - 6 months	20,215
6 - 12 months	21,851
Over 12 months	15,800
Total	524,877
Less: Allowance for doubtful debts	(16,377)
Total trade receivables - unrelated parties, net	508,500
Total trade receivable - net	513,548
<u>Other receivables</u>	
Other receivables	10,201
Accrued income	7,824
Total	18,025
Less: Allowance for doubtful debts	(10,201)
Total other receivables - net	7,824
Total trade and other receivables - net	521,372

The balance of trade receivables as at 30 June 2014 included trade receivables amounting to Baht 42 million (31 December 2013: Baht 33 million) which the subsidiary has assigned its rights over collection to financial institution 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.

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, bank guarantees and other credit facilities.

5. Investment in subsidiary

(Unit: Thousand Baht)

Company's name	Separate financial statements						Dividend received for the six-month periods ended	
	Paid-up capital		Shareholding percentage		Cost		30 June	30 June
	30 June	31	30 June	31	30 June	31	30 June	30 June
	2014	December 2013	2014	December 2013	2014	December 2013	2014	2013
		(%)	(%)	(Audited)				
Datapro Computer Systems Company Limited	100,000	100,000	100	100	325,886	325,886	<u>62,000</u>	<u>83,998</u>
Less: Allowance for impairment of investment					(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.

6. Investment properties

Movements of the investment properties account during the six-month period ended 30 June 2014 are summarised below.

	(Unit: Thousand Baht)	
	Consolidated financial statements	Separate financial statements
Net book value as at 1 January 2014	159,031	264,116
Acquisitions during the period	2,641	4,386
Depreciation for period	(2,220)	(3,687)
Net book value as at 30 June 2014	<u>159,452</u>	<u>264,815</u>

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

7. Property, plant and equipment

Movements of the property, plant and equipment account during the six-month period ended 30 June 2014 are summarised below.

	Consolidated financial statements	(Unit: Thousand Baht) Separate financial statements
Net book value as at 1 January 2014	199,204	282
Acquisitions during period - at cost	11,438	85
Disposals during period - net book value at disposal date	(88)	-
Depreciation for period	(23,368)	(35)
Net book value as at 30 June 2014	<u>187,186</u>	<u>332</u>

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 30 June 2014, the subsidiary had equipment under finance lease agreements with net book values amounting to Baht 24 million (31 December 2013: Baht 33 million).

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

8. Intangible assets

Movements of the intangible assets account during the six-month period ended 30 June 2014 are summarised below.

	(Unit: Thousand Baht)
	Consolidated financial statements
Net book value as at 1 January 2014	10,109
Amortisation for the period	(659)
Net book value as at 30 June 2014	<u>9,450</u>

9. Short-term loans from financial institutions

		(Unit: Thousand Baht)	
		Consolidated financial statements	
	Interest rate (percent per annum)	30 June 2014	31 December 2013
			(Audited)
Trust receipts	MOR- 1.5	73,372	44,974
Promissory note	MLR	10,000	-
Accounts payable - factoring companies (Note 3)	7.38 - 7.75	15,008	29,944
Total		<u>98,380</u>	<u>74,918</u>

Credit facilities for short-term loans from financial institutions of the subsidiary are secured by the pledge of bank deposits of the subsidiary.

10. Trade and other payables

	(Unit: Thousand Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	30 June 2014	31 December 2013	30 June 2014	31 December 2013
		(Audited)		(Audited)
Trade payables - unrelated parties	442,174	425,820	-	-
Amounts due to related parties (Note 2)	1,421	6,052	-	5
Accrued expenses	90,243	142,884	4,139	4,340
Total trade and other payables	<u>533,838</u>	<u>574,756</u>	<u>4,139</u>	<u>4,345</u>

(Unaudited but reviewed)

11. Long-term loans

(Unit: Thousand Baht)

	Consolidated financial statements / Separate financial statements	
	30 June 2014	31 December 2013
		(Audited)
Long-term loans	181,582	187,090
Less: Current portion	(12,376)	(11,425)
Long-term loans - net of current portion	<u>169,206</u>	<u>175,665</u>

Movements in the long-term loans account during the six-month period ended 30 June 2014 are summarised below.

(Unit: Thousand Baht)

	Consolidated financial statements/ Separate financial statements
Balance as at 1 January 2014	187,090
Less: Repayment	(5,508)
Balance as at 30 June 2014	<u>181,582</u>

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

12. 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 2014	31 December 2013
		(Audited)
Liabilities under finance lease agreements	30,402	42,606
Less: Deferred interest expenses	(1,096)	(1,871)
	<u>29,306</u>	<u>40,735</u>
Less: Current portion	(21,408)	(26,189)
Long-term liabilities - net of current portion	<u>7,898</u>	<u>14,546</u>

(Unaudited but reviewed)

Movements in the long-term liabilities account during the six-month period ended 30 June 2014 are summarised below.

	(Unit: Thousand Baht)
	Consolidated
	<u>financial statements</u>
Balance as at 1 January 2014	40,735
Add: Additional finance lease agreements	2,919
Less: Repayment	<u>(14,348)</u>
Balance as at 30 June 2014	<u>29,306</u>

As at 30 June 2014, future minimum lease payments required under the finance lease agreements of the subsidiary were as follows:

	(Unit: Million Baht)		
	Less than		
	1 year	1 - 3 years	Total
	<u> </u>	<u> </u>	<u> </u>
Future minimum lease payments	22	8	30
Deferred interest expenses	(1)	-	(1)
Present value of future minimum lease payments	<u>21</u>	<u>8</u>	<u>29</u>

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 approximately 3 years. The assets acquired by the subsidiary under the finance lease agreements have been recorded at their cash price.

13. Provision for long-term employee benefits

Movement of the provision for long-term employee benefits account during the six-month period ended 30 June 2014 are summarised below.

	(Unit: Thousand Baht)
	Consolidated
	<u>financial statements</u>
Balance as at 1 January 2014	44,655
Add: Recognition during period	3,690
Less: Benefit paid during period	<u>(1,571)</u>
Balance as at 30 June 2014	<u>46,774</u>

14. 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.

Income tax expenses for the three-month and six-month periods ended 30 June 2014 and 2013 are made up as follows:

(Unit: Thousand Baht)

	For the three-month periods ended 30 June			
	Consolidated financial		Separate	
	statements		financial statements	
	<u>2014</u>	<u>2013</u>	<u>2014</u>	<u>2013</u>
Current income tax:				
Interim corporate income tax charge	7,141	6,901	-	-
Deferred tax:				
Relating to origination and reversal of temporary differences	(447)	(160)	-	-
Income tax expense reported in the statements of comprehensive income	<u>6,694</u>	<u>6,741</u>	<u>-</u>	<u>-</u>

(Unit: Thousand Baht)

	For the six-month periods ended 30 June			
	Consolidated financial		Separate	
	statements		financial statements	
	<u>2014</u>	<u>2013</u>	<u>2014</u>	<u>2013</u>
Current income tax:				
Interim corporate income tax charge	12,862	17,544	-	-
Deferred tax:				
Relating to origination and reversal of temporary differences	(557)	1,232	-	-
Income tax expense reported in the statements of comprehensive income	<u>12,305</u>	<u>18,776</u>	<u>-</u>	<u>-</u>

15. Basic earnings per share

Basic earnings per share for the three-month and six-month periods ended 30 June 2013 are calculated by dividing profit for the periods (excluding other comprehensive income) 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.

However, 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 three-month and six-month periods ended 30 June 2014 are calculated by dividing profit for the periods (excluding other comprehensive income) by the weighted average number of ordinary shares in issue during the period.

	For the three-month periods ended 30 June			
	Consolidated		Separate	
	financial statements		financial statements	
	<u>2014</u>	<u>2013</u>	<u>2014</u>	<u>2013</u>
Profit for the period (Thousand Baht)	31,252	26,459	61,509	84,095
Weighted average number of ordinary shares (Thousand shares)	140,385	141,714	140,385	141,714
Basic earnings per share (Baht/share)	0.22	0.19	0.44	0.59

	For the six-month periods ended 30 June			
	Consolidated		Separate	
	financial statements		financial statements	
	<u>2014</u>	<u>2013</u>	<u>2014</u>	<u>2013</u>
Profit for the period (Thousand Baht)	46,500	64,358	60,808	84,872
Weighted average number of ordinary shares (Thousand shares)	141,829	141,714	141,829	141,714
Basic earnings per share (Baht/share)	0.33	0.45	0.43	0.60

16. Dividend

	Approved by	Total Dividends (Million Baht)	Dividend per share (Baht)	Paid in month
Dividends for 2012	Annual General Meeting of the shareholders on 24 April 2013	<u>21</u>	0.15	May 2013
Dividends for 2013	Annual General Meeting of the shareholders on 23 April 2014	<u>35</u>	0.25	May 2014

17. Commitments and contingent liabilities**17.1 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, related services and equipment. The terms of the agreements are generally between 1 to 13 years.

As at 30 June 2014, future minimum lease payments required under these operating leases contracts were as follows:

	<u>Million Baht</u>
Payable within the year:	
2014	11
2015 - 2019	27
2020 - 2022	4

17.2 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 2014 but they automatically renew for periods of one year each time until terminated.

17.3 Bank guarantees

As at 30 June 2014, the Company and its subsidiary have outstanding bank guarantees of approximately 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 105 million to guarantee contractual performance of the subsidiary and amounting to Baht 1 million to guarantee electricity use of the Company.

18. Foreign exchange risk

As at 30 June 2014, the subsidiary had the net liabilities denominated in foreign currency amounting to USD 3 million, which had not been hedged against foreign exchange rate risk.

19. Segment information

The Company and its subsidiary are organised into business units based on their products and services. During the current period, the Company and its subsidiary have not changed the organisation of their reportable segments.

The following table presents revenue and profit information regarding the Company and its subsidiary operating segments for the three-month and six-month periods ended 30 June 2014 and 2013.

(Unit: Million Baht)

	For the three-month periods ended 30 June							
	Distribution of computer and provision of services relating to computer systems segment		Rent out space and services segment		Elimination of inter-segment		Consolidation	
	<u>2014</u>	<u>2013</u>	<u>2014</u>	<u>2013</u>	<u>2014</u>	<u>2013</u>	<u>2014</u>	<u>2013</u>
Revenues								
Revenues from external customers								
Sale	362	373	-	-	-	-	362	373
Rental and service income	161	154	4	3	-	-	165	157
Total revenues from external customers	523	527	4	3	-	-	527	530
Inter-segment revenues	-	-	7	7	(7)	(7)	-	-
Total revenues	523	527	11	10	(7)	(7)	527	530
Operation performance								
Segment profit	44	49	1	1	-	-	45	50
Unallocated income and expenses:								
Other income							15	5
Selling expenses							(2)	(1)
Administrative expenses							(15)	(15)
Finance cost							(5)	(6)
Profit before income tax expenses							38	33
Income tax expenses							(7)	(7)
Profit for the period							31	26

(Unit: Million Baht)

For the six-month periods ended 30 June

	Distribution of computer and provision of services relating to computer systems segment		Rent out space and services segment		Elimination of inter-segment		Consolidation	
	<u>2014</u>	<u>2013</u>	<u>2014</u>	<u>2013</u>	<u>2014</u>	<u>2013</u>	<u>2014</u>	<u>2013</u>
Revenues								
Revenues from external customers								
Sale	741	1,077	-	-	-	-	741	1,077
Rental and service income	306	295	7	6	-	-	313	301
Total revenues from external customers	1,047	1,372	7	6	-	-	1,054	1,378
Inter-segment revenues	-	-	14	14	(14)	(14)	-	-
Total revenues	1,047	1,372	21	20	(14)	(14)	1,054	1,378
Operation performance								
Segment profit	75	108	2	2	-	-	77	110
Unallocated income and expenses:								
Other income							26	17
Selling expenses							(4)	(2)
Administrative expenses							(30)	(28)
Share of loss from investment in associate							-	(1)
Finance cost							(10)	(13)
Profit before income tax expenses							59	83
Income tax expenses							(12)	(19)
Profit for the period							47	64

20. Approval of interim financial statements

These interim financial statements were authorised for issue by the Company's Board of Directors on 4 August 2014.