

ARIP Public Company Limited  
Review report and interim financial statements  
for the three-month and six-month periods ended  
30 June 2011 and 2010

## Review Report of Independent Auditor

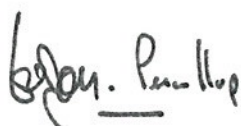
To the shareholders of ARIP Public Company Limited

I have reviewed the accompanying statement of financial position of ARIP Public Company Limited as at 30 June 2011, and the related statements of comprehensive income, changes in shareholders' equity and cash flows for the three-month and six-month periods ended 30 June 2011 and 2010. These financial statements are the responsibility of the Company's management as to their correctness and the completeness of the presentation. My responsibility is to issue a report on these financial statements based on my reviews.

I conducted my reviews in accordance with the auditing standard applicable to review engagements. This standard requires that I plan and perform the review to obtain moderate assurance as to whether the financial statements are free of material misstatement. A review is limited primarily to inquiries of company personnel and analytical procedures applied to financial data and thus provides less assurance than an audit. I have not performed an audit and, accordingly, I do not express an audit opinion.

Based on my reviews, nothing has come to my attention that causes me to believe that the accompanying financial statements are not presented fairly, in all material respects, in accordance with generally accepted accounting principles.

I have previously audited the financial statements of ARIP Public Company Limited for the year ended 31 December 2010 in accordance with generally accepted auditing standards and expressed an unqualified opinion on those statements under my report dated 25 February 2011. The statements of financial position as at 31 December 2010, as presented herein for comparative purposes, formed an integral part of the financial statements which I audited and reported on. I have not performed any other audit procedures subsequent to the date of that report. As described in Note 1.3 to the financial statements, during the current period, the Company adopted the revised and new accounting standards issued by the Federation of Accounting Professions, and applied them in its preparation and presentation of the interim financial statements.



Sophon Permsirivallop

Certified Public Accountant (Thailand) No. 3182

Ernst & Young Office Limited

Bangkok: 11 August 2011

ARIP Public Company Limited  
Statements of financial position

(Unit: Thousand Baht)

	Note	30 June 2011 (Unaudited but reviewed)	31 December 2010 (Audited)
<b>Assets</b>			
<b>Current assets</b>			
Cash and cash equivalents		65,611	63,185
Current investments	4	85,000	50,000
Trade accounts receivable			
Related parties	3	7,798	2,745
Unrelated parties		33,887	61,517
Less: Allowance for doubtful accounts		(105)	(110)
Trade accounts receivable - net	5	41,580	64,152
Amount due from and accrued income - related parties	3	1,998	-
Inventories - net	6	779	1,197
Other current assets			
Retention receivables		209	3,529
Accrued income		3,992	1,284
Prepaid expenses		1,939	1,056
Others		863	1,893
<b>Total current assets</b>		<b>201,971</b>	<b>186,296</b>
<b>Non-current assets</b>			
Restricted bank deposit	7	1,000	1,000
Property, plant and equipment - net	8	62,269	65,378
Intangible assets - net	9	1,937	1,629
Withholding tax deducted at source		3,609	3,582
Deposits		52	57
<b>Total non-current assets</b>		<b>68,867</b>	<b>71,646</b>
<b>Total assets</b>		<b>270,838</b>	<b>257,942</b>

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

  
(นายปฐม อินทรโตม)  
กรรมการ

  
บริษัท เออาร์ไอพี จำกัด (มหาชน)  
ARIP Public Company Limited

  
(นายมนู เลียวไพโรจน์)  
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## ARIP Public Company Limited

## Statements of financial position (continued)

(Unit: Thousand Baht)

	Note	30 June 2011 (Unaudited but reviewed)	31 December 2010 (Audited)
<b>Liabilities and shareholders' equity</b>			
<b>Current liabilities</b>			
Trade accounts payable			
Related parties	3	2,239	3,598
Unrelated parties		9,829	12,168
Total trade accounts payable		12,068	15,766
Amounts due to related parties	3	840	41
Corporate income tax payable		5,422	6,006
Other current liabilities			
Accrued expenses		8,005	7,287
Unearned income		15,079	5,493
Others		3,854	5,037
<b>Total current liabilities</b>		<b>45,268</b>	<b>39,630</b>
<b>Non-current liabilities</b>			
Reserve for long-term employee benefits		516	-
<b>Total non-current liabilities</b>		<b>516</b>	<b>-</b>
<b>Total liabilities</b>		<b>45,784</b>	<b>39,630</b>
<b>Shareholders' equity</b>			
Share capital			
Registered	10		
466,000,000 ordinary shares of Baht 0.25 each		116,500	116,500
Issued and fully paid up			
450,400,000 ordinary shares of Baht 0.25 each		112,600	112,600
Share premium		83,465	83,465
Retained earnings			
Appropriated - statutory reserve		7,818	7,818
Unappropriated		21,171	14,429
<b>Total shareholders' equity</b>		<b>225,054</b>	<b>218,312</b>
<b>Total liabilities and shareholders' equity</b>		<b>270,838</b>	<b>257,942</b>

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

  
 (นายประม อันทโรตม์)  
 Directors

  
 (นายมนู เลียวไพโรจน์)



บริษัท เออาร์ไอพี จำกัด (มหาชน)  
 ARIP Public Company Limited



(Unaudited but reviewed)

ARIP Public Company Limited

Statements of comprehensive income

For the three-month periods ended 30 June 2011 and 2010

(Unit: Thousand Baht)

	Note	2011	2010
<b>Revenues</b>			
Sales		4,413	5,854
Services income		50,375	60,715
Interest income		573	37
Other income		104	173
<b>Total revenues</b>		<u>55,465</u>	<u>66,779</u>
<b>Expenses</b>			
Cost of sales and services		33,566	36,958
Selling expenses		816	721
Administrative expenses		10,566	10,368
Director and management benefit expenses		4,433	3,553
<b>Total expenses</b>		<u>49,381</u>	<u>51,600</u>
<b>Profit before finance cost and corporate income tax</b>		<u>6,084</u>	<u>15,179</u>
Finance cost		(46)	(34)
<b>Profit before corporate income tax</b>		<u>6,038</u>	<u>15,145</u>
Corporate income tax		(1,947)	(4,560)
<b>Profit for the period</b>		<u>4,091</u>	<u>10,585</u>
<b>Total comprehensive income for the period</b>		<u>4,091</u>	<u>10,585</u>

(Unit: Baht)

<b>Earnings per share</b>	13		
Basic earnings per share			
Profit for the period		<u>0.009</u>	<u>0.044</u>
Diluted earnings per share			
Profit for the period		<u>0.009</u>	

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

  
(นายปฐม อินทรโรดม)  
กรรมการ

  
บริษัท เออาร์ไอพี จำกัด (มหาชน)  
ARIP Public Company Limited

  
(นายมนู เลียวไพโรจน์)  
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(Unaudited but reviewed)

ARIP Public Company Limited

Statements of comprehensive income (continued)

For the six-month periods ended 30 June 2011 and 2010

(Unit: Thousand Baht)

	Note	2011	2010
<b>Revenues</b>			
Sales		13,762	15,927
Services income		130,455	127,342
Interest income		896	95
Other income		153	211
<b>Total revenues</b>		<u>145,266</u>	<u>143,575</u>
<b>Expenses</b>			
Cost of sales and services		82,106	77,644
Selling expenses		2,145	1,653
Administrative expenses		23,269	20,502
Director and management benefit expenses	3	8,190	7,097
<b>Total expenses</b>		<u>115,710</u>	<u>106,896</u>
<b>Profit before finance cost and corporate income tax</b>		<u>29,556</u>	<u>36,679</u>
Finance cost		(126)	(111)
<b>Profit before corporate income tax</b>		<u>29,430</u>	<u>36,568</u>
Corporate income tax		(9,177)	(11,113)
<b>Profit for the period</b>		<u>20,253</u>	<u>25,455</u>
<b>Total comprehensive income for the period</b>		<u>20,253</u>	<u>25,455</u>

(Unit: Baht)

<b>Earnings per share</b>	13		
Basic earnings per share			
Profit for the period		<u>0.045</u>	<u>0.108</u>
Diluted earnings per share			
Profit for the period		<u>0.044</u>	

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

  
(นายปฐม อินทโรดม)  
กรรมการ

  
บริษัท เออาร์ไอพี จำกัด (มหาชน)  
ARIP Public Company Limited

  
(นายมนู เลียวไพโรจน์)  
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(Unaudited but reviewed)

ARIP Public Company Limited

Statements of changes in shareholders' equity

For the six-month periods ended 30 June 2011 and 2010

(Unit: Thousand Baht)

	Issued and fully paid up		Retained earnings		Total
	share capital	Share premium	Appropriated	Unappropriated	
Balance as at 31 December 2009	58,000	-	5,800	33,680	97,480
Increase share capital (Note 10)	20,000	-	-	-	20,000
Dividends paid (Note 15)	-	-	-	(47,290)	(47,290)
Total comprehensive income for the period	-	-	-	25,455	25,455
Transferred to retained earnings	-	-	744	(744)	-
Balance as at 30 June 2010	78,000	-	6,544	11,101	95,645
Balance as at 31 December 2010	112,600	83,465	7,818	14,429	218,312
Dividends paid (Note 15)	-	-	-	(13,511)	(13,511)
Total comprehensive income for the period	-	-	-	20,253	20,253
Balance as at 30 June 2011	112,600	83,465	7,818	21,171	225,054

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

  
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บริษัท เออาร์ไอพี จำกัด (มหาชน)  
ARIP Public Company Limited

  
(นายมนู เลียวไพโรจน์)  
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(Unaudited but reviewed)

**ARIP Public Company Limited**

**Cash flow statements**

**For the six-month periods ended 30 June 2011 and 2010**

(Unit: Thousand Baht)

	<u>2011</u>	<u>2010</u>
<b>Cash flows from operating activities</b>		
Profit before tax	29,430	36,568
Adjustments to reconcile profit before tax to net cash provided by (paid from) operating activities:		
Depreciation and amortisation	4,803	3,737
Allowance for doubtful accounts (reverse)	(5)	25
Reversal of allowance for stock obsolescences	(300)	(340)
Gain on sale of equipment	-	(20)
Loss on intangible assets written off	-	1
Income from trading advertising for inventories	(94)	(188)
Reserve for long-term employee benefits	516	-
Interest income	(896)	(95)
Interest expenses	-	2
Income from operating activities before changes in operating assets and liabilities	33,454	39,690
Operating assets (increase) decrease		
Trade accounts receivable	22,577	(13,921)
Amount due from and accrued income - related parties	(1,998)	(583)
Inventories	812	494
Other current assets	781	(12,606)
Other assets	(22)	(2)
Operating liabilities increase (decrease)		
Trade accounts payable	(3,698)	6,020
Amount due to related parties	825	45
Other current liabilities	9,095	24,595
Cash flows from operating activities	61,826	43,732
Cash paid for interest expenses	-	(2)
Cash paid for corporate income tax	(9,761)	(5,309)
<b>Net cash flows from operating activities</b>	<b>52,065</b>	<b>38,421</b>

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

(นายปรุ้ม อินทโรดม)

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**arip**

บริษัท เออาร์ไอพี จำกัด (มหาชน)

(นายมนู เลียวไพโรจน์)

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(Unaudited but reviewed)

**ARIP Public Company Limited**

**Cash flow statements (continued)**

**For the six-month periods ended 30 June 2011 and 2010**

(Unit: Thousand Baht)

	<u>2011</u>	<u>2010</u>
<b>Cash flows from investing activities</b>		
Decrease in restricted bank deposit	-	28
Proceed from liquidation of subsidiary	-	406
Increase in current investments	(35,000)	-
Acquisition of equipment	(1,260)	(6,672)
Acquisition of intangible assets	(742)	(453)
Proceeds from sales of equipment	-	26
Interest income	874	95
<b>Net cash flows used in investing activities</b>	<u>(36,128)</u>	<u>(6,570)</u>
<b>Cash flows from financing activities</b>		
Repayment of liabilities under finance lease agreement	-	(58)
Proceeds from increase in share capital	-	20,000
Dividends paid	(13,511)	(47,290)
<b>Net cash flows used in financing activities</b>	<u>(13,511)</u>	<u>(27,348)</u>
<b>Net increase in cash and cash equivalents</b>	2,426	4,503
Cash and cash equivalents at beginning of the period	63,185	37,974
<b>Cash and cash equivalents at end of the period</b>	<u>65,611</u>	<u>42,477</u>

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

  
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บริษัท เออาร์ไอพี จำกัด (มหาชน)  
Public Company

  
(นายมนู เลียวไพโรจน์)  
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**ARIP Public Company Limited**

**Notes to interim financial statements**

**For the three-month and six-month periods ended 30 June 2011 and 2010**

**1. General information**

**1.1 Corporate information**

ARIP Public Company Limited ("the Company") was incorporated as a limited company and transformed to a public company under Thai laws and is domiciled in Thailand. Its major shareholder is an individual. The Company is principally engaged in the production and distribution of IT-related publications, the placement of advertisements, and the management of event and marketing activities. The registered office of the Company is at 99/16-20 Ratchadapisek Road, Din Daeng, Bangkok.

The Company received a letter from the Market for Alternative Investment (MAI) informing that the Company's ordinary shares are listed securities since 2 December 2010.

**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 Company did not present the consolidated financial statements of the Company and its subsidiary company (A.R. Business Press Company Limited) for the year 2010 since the subsidiary filed for deregistration with the Ministry of Commerce on 27 November 2009, and filed for the completeness of liquidation on 2 February 2010. The subsidiary had no business transactions during the year 2010. The consolidated financial statements for the year 2010 were presented for only comparative purposes with previous year.

  
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บริษัท เออาร์ไอพี จำกัด (มหาชน)  
ARIP Public Company Limited

  
(นายมนู เลียวไพโรจน์)

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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 Application of new accounting standards during the period

During the current period, the Company adopted a number of revised and new accounting standards, issued by the Federation of Accounting Professions, as listed below.

Accounting standards:

TAS 1 (revised 2009)	Presentation of Financial Statements
TAS 2 (revised 2009)	Inventories
TAS 7 (revised 2009)	Statement of Cash Flows
TAS 8 (revised 2009)	Accounting Policies, Changes in Accounting Estimates and Errors
TAS 10 (revised 2009)	Events after the Reporting Period
TAS 11 (revised 2009)	Construction Contracts
TAS 16 (revised 2009)	Property, Plant and Equipment
TAS 17 (revised 2009)	Leases
TAS 18 (revised 2009)	Revenue
TAS 19	Employee Benefits
TAS 23 (revised 2009)	Borrowing Costs
TAS 24 (revised 2009)	Related Party Disclosures
TAS 26	Accounting and Reporting by Retirement Benefit Plans
TAS 27 (revised 2009)	Consolidated and Separate Financial Statements
TAS 28 (revised 2009)	Investments in Associates
TAS 29	Financial Reporting in Hyperinflationary Economies
TAS 31 (revised 2009)	Interests in Joint Ventures
TAS 33 (revised 2009)	Earnings per Share
TAS 34 (revised 2009)	Interim Financial Reporting
TAS 36 (revised 2009)	Impairment of Assets
TAS 37 (revised 2009)	Provisions, Contingent Liabilities and Contingent Assets
TAS 38 (revised 2009)	Intangible Assets
TAS 40 (revised 2009)	Investment Property

  
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บริษัท เออาร์ไอพี จำกัด (มหาชน)  
ARIP Public Company Limited

  
(นายมนู เดียวไพโรจน์)  
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Financial reporting standards:

TFRS 2	Share-Based Payment
TFRS 3 (revised 2009)	Business Combinations
TFRS 5 (revised 2009)	Non-current Assets Held for Sale and Discontinued Operations
TFRS 6	Exploration for and Evaluation of Mineral Resources

Financial Reporting Standard Interpretations:

TFRIC 15	Agreements for the Construction of Real Estate
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Accounting Standard Interpretations:

SIC 31	Revenue-Barter Transactions Involving Advertising Services
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These accounting standards will not have any significant impact on the financial statements for the current period, except for the following accounting standards.

**TAS 19 Employee Benefits**

This accounting standard requires employee benefits to be recognised as expense in the period in which the service is performed by the employee. In particular, an entity has to evaluate and make a provision for post-employment benefits using actuarial techniques. The Company previously accounted for such employee benefits when they were incurred.

The Company has changed this accounting policy in the current year and recognises the liability in the transition period as an expense on a straight-line basis over up to 5 years from the date of adoption.

As at 30 June 2011, the Company recognised Baht 1.87 million of such long-term employee benefit liabilities and Baht 4.67 million remains unrecognised.

**1.4 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 2010, except for the changes in the following accounting policies due to the adoption of revised and new accounting standards.

  
(นายปฐม อินทโดม)  
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บริษัท เออาร์ไอพี จำกัด (มหาชน)  
ARIP Public Company Limited

  
(นายมนู เลียวไพโรจน์)  
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## Employee benefits

### Post-employment benefits (Defined contribution plans)

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

### Post-employment benefits (Defined benefit plans)

The Company has obligations in respect of the severance payments it must make to employees upon retirement under labor law. The Company treats these severance payment obligations as a defined benefit plan.

The obligation under the defined benefit plan is determined by a professionally qualified independent actuary, using the projected unit credit method. Such determination is made based on various assumptions, including discount rate, future salary increase rate, staff turnover rate, mortality rate, and inflation rates.

For the first-time adoption of TAS 19 Employee Benefits, the Company elected to recognise the transitional liability, which exceeds the liability that would have been recognised at the same date under the previous accounting policy, as an expense on a straight-line basis over up to 5 years from the date of adoption.

## 2. New accounting standards issued during the period not yet effective

During the current period, the Federation of Accounting Professions issued the below listed new accounting standards that are effective for fiscal years beginning on or after 1 January 2013.

Accounting Standard Interpretations:

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

## 3. Related party transactions

During the periods, the Company had significant business transactions with related parties. Such transactions, which are summarised below were concluded on commercial terms and bases agreed upon between the Company and those related parties.

  
(นายปฐม อินทรโตม)  
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บริษัท อารีไอที จำกัด (มหาชน)  
กรรมการ

  
(นายมนู เลียวไพโรจน์)  
กรรมการ

(Unaudited but reviewed)

(Unit: Million Baht)

	For the three-month periods		Transfer pricing policy
	ended 30 June		
	<u>2011</u>	<u>2010</u>	
<b><u>Transactions with related parties</u></b>			
<b>Revenue</b>			
Advertising income	2.92	2.31	Market price
Revenue from management of event	7.70	0.75	Market price
Other service income	1.31	0.19	Cost plus margin
<b>Expenses</b>			
Purchases of goods	0.37	0.21	Market price
Advertising and marketing activity expenses	1.64	1.94	Cost plus margin
Internet fee	0.28	0.13	Market price
Office rental	0.04	0.06	Actual cost
Management fee	0.75	0.75	Agreed upon basis
Service fee for accounting software	0.43	0.43	Agreed upon basis
Other service fee	0.36	0.20	Cost plus margin

(Unit: Million Baht)

	For the six-month periods		Transfer pricing policy
	ended 30 June		
	<u>2011</u>	<u>2010</u>	
<b><u>Transactions with related parties</u></b>			
<b>Revenue</b>			
Sales of goods	1.68	-	Cost plus margin
Advertising income	3.87	4.74	Market price
Revenue from management of event	8.78	1.50	Market price
Other service income	1.85	0.22	Cost plus margin
<b>Expenses</b>			
Purchases of goods	1.06	1.47	Market price
Advertising and marketing activity expenses	3.44	3.67	Cost plus margin
Internet fee	0.57	0.49	Market price
Office rental	0.07	0.06	Actual cost
Management fee	1.50	1.50	Agreed upon basis
Service fee for accounting software	0.86	0.86	Agreed upon basis
Other service fee	0.51	0.41	Cost plus margin

  
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บริษัท เออาร์ไอพี จำกัด (มหาชน)

  
(นายมนู เลียวไพโรจน์)

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The balances of the accounts between the Company and those related parties are as follows:

(Unit: Thousand Baht)

	30 June 2011	31 December 2010
<b><u>Trade accounts receivable - related parties</u></b>		
Advanced Research Group Co., Ltd.	54	-
A.R. Accounting Consultant Co., Ltd.	16	-
Anet Co., Ltd.	312	7
ARIT Co., Ltd.	1	2
DataOne Asia (Thailand) Ltd.	-	910
SVOA Public Co., Ltd.	2,204	576
IT City Public Co., Ltd.	4,922	715
Asys Computer Co., Ltd.	-	217
Business Online Public Co., Ltd.	257	162
Core & Peak Co., Ltd.	32	-
D2 Systems Co., Ltd.	-	53
Keppel Communications Pte. Ltd.	-	103
<b>Total trade accounts receivable - related parties</b>	<b>7,798</b>	<b>2,745</b>
<b><u>Amounts due from and accrued income - related parties</u></b>		
IT City Public Co., Ltd.	160	-
SVOA Public Co., Ltd.	1,838	-
<b>Total amounts due from and accrued income - related parties</b>	<b>1,998</b>	<b>-</b>
<b><u>Trade accounts payable - related parties</u></b>		
Advanced Research Group Co., Ltd.	1,025	-
Anet Co., Ltd.	108	-
Business Online Public Co., Ltd.	-	3,272
SVOA Public Co., Ltd.	119	248
Core & Peak Co., Ltd.	872	67
DataOne Asia (Thailand) Ltd.	21	11
S P V I Co., Ltd.	94	-
<b>Total trade accounts payable - related parties</b>	<b>2,239</b>	<b>3,598</b>

  
(นายปรุ้ม อินทรอม)  
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บริษัท เออาร์ไอพี จำกัด (มหาชน)  
ARIP Public Company Limited

  
(นายมนู เลียวไพโรจน์)  
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(Unit: Thousand Baht)

	30 June 2011	31 December 2010
<b><u>Amounts due to related parties</u></b>		
Advanced Research Group Co., Ltd.	-	41
ARIT Co., Ltd.	1	-
Core & Peak Co., Ltd.	837	-
Anet Co., Ltd.	2	-
<b>Total amounts due to related parties</b>	<b>840</b>	<b>41</b>

**Directors and management's benefits**

During the six-month period ended 30 June 2011, the Company had salaries, bonuses, contributions to provident fund, meeting allowances and gratuities of their directors and management recognised as expenses totalling Baht 8.2 million (30 June 2010: Baht 7.1 million).

In addition, the Company has allocated 15,600,000 warrants to its directors and/or employees without charge. The details of the warrants are presented in Note 11 to the financial statements.

**4. Current investments**

As at 30 June 2011, the Company had invested in fixed deposits with a maturity of more than 3 months totaling Baht 85 million (31 December 2010: Baht 50 million). The fixed deposits carry interest at rates of 3.50% per annum (31 December 2010: 1.40% per annum).

**5. Trade accounts receivable**

The outstanding balances of trade accounts receivable are aged, based on due date, as follows:

  
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The ARIP Company Limited

  
(นายมนู เลียวไพโรจน์)  
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(Unaudited but reviewed)

(Unit: Thousand Baht)

	30 June 2011	31 December 2010
<b><u>Age of receivables</u></b>		
Post date cheque	14,395	2,587
Not yet due	8,596	8,391
Past due		
Up to 3 months	16,490	49,853
3 - 6 months	1,825	3,321
6 - 12 months	274	-
Over 12 months	105	110
Total	41,685	63,262
Less: Allowance for doubtful accounts	(105)	(110)
Trade accounts receivable - net	41,580	64,152

## 6. Inventories

(Unit: Thousand Baht)

	Cost		Allowance for diminution in value of inventories		Inventories - net	
	30 June 2011	31 December 2010	30 June 2011	31 December 2010	30 June 2011	31 December 2010
Finished goods	7,772	8,327	(7,568)	(7,868)	204	459
Work in process	575	738	-	-	575	738
Total	8,347	9,065	(7,568)	(7,868)	779	1,197

## 7. Restricted bank deposit

This represents saving deposit pledged with the bank to secure the issuance of bank guarantee granted by the bank to the Company.

## 8. Property, plant and equipment

Movements of the property, plant and equipment account during the six-month period ended 30 June 2011 are summarised below.

  
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(นายมนู เลียวไพโรจน์)  
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(Unit: Thousand Baht)

Net book value as at 1 January 2011	65,378
Acquisitions during period - at cost	1,260
Depreciation for period	(4,369)
Net book value as at 30 June 2011	<u>62,269</u>

**9. Intangible assets**

Details of intangible assets which are computer software are as follows:

(Unit: Thousand Baht)

Net book value as at 1 January 2011	1,629
Acquisitions during period - at cost	742
Amortisation for period	(434)
Net book value as at 30 June 2011	<u>1,937</u>

**10. Share capital**

10.1 On 28 April 2010, the Annual General Meeting of the Company's shareholders passed a resolution to increase its registered capital from Baht 58,000,000 (580,000 ordinary shares of Baht 100 each) to Baht 78,000,000 by issuing new 200,000 ordinary shares of Baht 100 each to its former shareholders who hold shares in the register of the Company shareholders on 16 June 2010. The Company received the payment of newly issued shares from all shareholders on 18 June 2010 and registered the capital increase with the Ministry of Commerce on 21 June 2010.

10.2 In June 2010, the Company has changed its shareholding structure. Advanced Research Group Company Limited, the Company's major shareholder that held 94% of the Company's registered share capital, sold all of its investments in the Company to other shareholder, an individual and Apsilon Ventures Pte. Ltd. who are shareholders of Advanced Research Group Company Limited.

As a result, the Company's major shareholder has been changed from Advanced Research Group Company Limited to an individual. This was effective since 16 June 2010 hereof.

  
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กรรมการ

  
(นายมนู เลียวไพโรจน์)  
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10.3 On 16 July 2010, the Extraordinary General Meeting of the Company's shareholders passed the following resolutions:

- a) Change the par value of the Company's ordinary shares from Baht 100 each to Baht 0.25 each. As a result, the Company's registered and fully paid up share capital will be Baht 78,000,000 (312,000,000 ordinary shares of Baht 0.25 each).
- b) Issue 15,600,000 warrants to directors and/or employees of the Company under the Employee Stock Ownership Program Scheme (ESOP Scheme).
- c) Increase registered share capital, of Baht 38,500,000 from Baht 78,000,000 to Baht 116,500,000 (466,000,000 ordinary shares) through the issuance of 154,000,000 ordinary shares of Baht 0.25 each.

A total of 138,400,000 of the new ordinary shares of Baht 0.25 each will be offered through an Initial Public Offering (IPO) and 15,600,000 ordinary shares will be offered to certain directors and/or employees of the Company.

10.4 On 16 November 2010, the Company's Board of Directors approved the initial public offering price of the additional share capital at Baht 0.90 per share. The Company received the additional share subscription from the initial public offering of ordinary shares in November 2010 and registered the increase in paid-up capital to Baht 112,600,000 with the Ministry of Commerce on 25 November 2010. Total share proceeds were Baht 124,560,000 with a share premium of Baht 89,960,000 and share issue costs of Baht 6,495,323 were offset against this share premium.

The Company received a letter from the Market for Alternative Investment (MAI) informing that the Company's ordinary shares are listed securities since 2 December 2010.

Registered ordinary shares which are not issued and paid-up are the ordinary shares which are reserved for the exercise of warrants offered to certain directors and/or employees of the Company, as discussed in Note 11 to the financial statements.

  
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**11. Warrants**

Details of warrants of the Company which will be offered to certain directors and/or employees are as follows:

Type of warrant	: Non-transferable
No. of units issued	: 15,600,000 Units
Issue price	: None
Allocation ratio	: 1 warrant to 1 new ordinary share (Unless otherwise adjusted under terms and conditions)
Exercise price	: Baht 0.25 per share in a ratio of 1 warrant to 1 new ordinary share (Unless otherwise adjusted under terms and conditions)
Term of issue	: 1 year from the date approved by the shareholder's meeting
Term of warrants	: 3 years from issue date
No. of ordinary shares allocated	: 15,600,000 ordinary shares of Baht 0.25 each, accounting for 5 Percent of all the Company's traded shares.
Issue date	: 15 November 2010
Allocation to	: Directors and/or employees of the Company
Condition and period of exercise	: Warrant holders may exercise no more than 50 percent of the total warrants allotted, following a period of 12 months after the allotment date. Warrant holders may exercise the remaining of warrants on, following a period of 24 months after the allotment date until the final exercise date.

**12. Barter sales**

During the six-month period ended 30 June 2011, the Company has barter service income which is included in advertising income amounting to Baht 0.9 million (30 June 2010: Baht 1.0 million).

**13. Earnings per share**

Basic earnings per share is calculated by dividing profit for the period (excluding other comprehensive income) by the weighted average number of ordinary shares in issue during the period after adjusting the number of ordinary shares in proportion to the change in the number of shares as a result of the change in par value from Baht 100 each to Baht 0.25 each as discussed in Note 10.3 a). The number of ordinary shares is adjusted as if the share split had occurred at the beginning of the earliest period reported.

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Diluted earnings per share is calculated by dividing profit for the period (excluding other comprehensive income) by the weighted average number of ordinary shares in issue during the period plus the weighted average number of ordinary shares which would need to be issued to convert all dilutive potential ordinary shares into ordinary shares. The calculation assumes that the conversion took place either at the beginning of the period or on the date the potential ordinary shares were issued.

The following table sets forth the computation of basic and diluted earnings per share:

	For the three-month periods ended 30 June					
	Profit for the period		Weighted average number of ordinary shares		Earnings per share	
	2011	2010	2011	2010*	2011	2010
	(Thousand Baht)	(Thousand Baht)	(Thousand Shares)	(Thousand Shares)	(Baht)	(Baht)
<b>Basic earnings per share</b>						
Profit for the period	4,091	10,585	450,400	239,913	0.009	0.044
<b>Effect of dilutive potential ordinary shares</b>						
ESOP-W	-		12,690			
<b>Diluted earnings per share</b>						
Profit of ordinary shareholders assuming for the period the conversion of warrants to ordinary shares	4,091		463,090		0.009	


\* After reflecting the result of split par value of ordinary shares.

	For the six-month periods ended 30 June					
	Profit for the period		Weighted average number of ordinary shares		Earnings per share	
	2011	2010	2011	2010*	2011	2010
	(Thousand Baht)	(Thousand Baht)	(Thousand Shares)	(Thousand Shares)	(Baht)	(Baht)
<b>Basic earnings per share</b>						
Profit for the period	20,253	25,455	450,400	253,978	0.045	0.108
<b>Effect of dilutive potential ordinary shares</b>						
ESOP-W	-		12,690			
<b>Diluted earnings per share</b>						
Profit of ordinary shareholders assuming for the period the conversion of warrants to ordinary shares	20,253		463,090		0.044	

\* After reflecting the result of split par value of ordinary shares.

#### 14. Segment information

The Company's operations involve 3 principal segments: (1) printing media (2) management of event and (3) digital and other media. Below is the consolidated financial information for the three-month and six-month periods ended 30 June 2011 and 2010 of the Company by segment.

  
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(นายมนู เลียวไพโรจน์)  
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(Unaudited but reviewed)

(Unit: Thousand Baht)

For the three-month periods ended 30 June

	Printing media		Management of event		Digital and other media		Elimination of inter- segment revenues		Total	
	2011	2010	2011	2010	2011	2010	2011	2010	2011	2010
Revenues from external customers	15,814	16,591	34,098	48,269	5,553	1,919	-	-	55,465	66,779
Inter-segment sales	1,294	904	-	-	25	165	(1,319)	(1,069)	-	-
Total revenues	17,108	17,495	34,098	48,269	5,578	2,084	(1,319)	(1,069)	55,465	66,779
Segment income (loss)	664	1,505	4,610	14,105	810	(431)	-	-	6,084	15,179
Unallocated income and expenses:										
Finance cost									(46)	(34)
Corporate income tax									(1,947)	(4,560)
Profit for the period									4,091	10,585

(Unit: Thousand Baht)

For the six-month periods ended 30 June

	Printing media		Management of event		Digital and other media		Elimination of inter- segment revenues		Total	
	2011	2010	2011	2010	2011	2010	2011	2010	2011	2010
Revenues from external customers	35,522	40,659	100,649	99,360	9,095	3,556	-	-	145,266	143,575
Inter-segment sales	2,202	2,005	-	-	168	330	(2,370)	(2,335)	-	-
Total revenues	37,724	42,664	100,649	99,360	9,263	3,886	(2,370)	(2,335)	145,266	143,575
Segment income (loss)	2,571	7,571	26,146	30,627	839	(1,519)	-	-	29,556	36,679
Unallocated income and expenses:										
Finance cost									(126)	(111)
Corporate income tax									(9,177)	(11,113)
Profit for the period									20,253	25,455

## 15. Dividends paid

Dividends	Approved by	Total dividends Thousand Baht	Par value of ordinary share Baht	Dividend per share Baht	Payment date
Final dividends for 2010	Annual General Meeting of the shareholders on 4 April 2011	13,511	0.25	0.03	20 April 2011
Total dividends paid in 2011		13,511			
Final dividends for 2009	Annual General Meeting of the shareholders on 28 April 2010	33,640	100	58.0	6 May 2010
Interim dividends on operating results of 1 <sup>st</sup> quarter of 2010	Board of Directors' meeting on 29 June 2010	13,650	100	17.5	1 July 2010
Total dividends paid in 2010		47,290			

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## 16. Commitments and contingent liabilities

### 16.1 Operating lease and service commitments

The Company has entered into operating lease agreements in respect of the lease of warehouse space, motor vehicles and service agreements. The terms of agreements are generally 1 year. These agreements are non-cancellable.

As at 30 June 2011, future minimum lease payments required under these agreements were Baht 5.5 million (31 December 2010: Baht 5.5 million). They were payable within 1 year.

### 16.2 Guarantees

As at 30 June 2011, there were outstanding bank guarantees of approximately Baht 0.3 million (31 December 2010: Baht 0.3 million) issued by banks on behalf of the Company in respect of certain performance bonds as required in the normal course of business. These included letters of guarantee to guarantee electricity use, among others.

## 17. Financial instruments

The Company considers itself no foreign currency risk because it has few transactions that are denominated in foreign currency. The Company therefore does not enter into forward exchange contracts.

The balances of financial assets and liabilities denominated in foreign currencies as at 30 June 2011 are summarised below.


Foreign currency	Financial assets (Million)	Financial liabilities (Million)	Average exchange rate as at 30 June 2011 (Baht per 1 foreign currency unit)
US dollar	0.03	0.03	30.7472

## 18. Subsequent event

On 11 August 2011, the Board of Directors Meeting of the Company passed a resolution to approve the payment of an interim dividend of Baht 0.042 per share to ordinary shareholders, from the operating results of the six-month period of 2011, or a total of Baht 18.9 million. The dividend payment will be paid on 7 September 2011.

## 19. Approval of interim financial statements

These financial statements were authorised for issue by the authorised directors on 11 August 2011.

  
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