

ARIP Public Company Limited
(Formerly known as "A.R. Information & Publication
Company Limited")
Report and consolidated financial statements
31 December 2010 and 2009

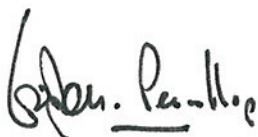
Report of Independent Auditor

To the shareholders of ARIP Public Company Limited
(Formerly known as "A.R. Information & Publication Company Limited")

I have audited the accompanying consolidated balance sheets of ARIP Public Company Limited and its subsidiary as at 31 December 2010 and 2009, the related consolidated statements of income, changes in shareholders' equity and cash flows for the years then ended, and the separate financial statements of ARIP Public Company Limited for the same years. These financial statements are the responsibility of the management of the Company and its subsidiary as to their correctness and the completeness of the presentation. My responsibility is to express an opinion on these financial statements based on my audits.

I conducted my audits in accordance with generally accepted auditing standards. Those standards require that I plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. I believe that my audits provide a reasonable basis for my opinion.

In my opinion, the financial statements referred to above present fairly, in all material respects, the financial position of ARIP Public Company Limited and its subsidiary and of ARIP Public Company Limited as at 31 December 2010 and 2009, the results of their operations, and cash flows for the years then ended, in accordance with generally accepted accounting principles.



Sophon Permsirivallop

Certified Public Accountant (Thailand) No. 3182

Ernst & Young Office Limited

Bangkok: 25 February 2011

ARIP Public Company Limited and its subsidiary

(Formerly know as "A.R. Information & Publication Company Limited and its subsidiary")


Balance sheets

As at 31 December 2010 and 2009

(Unit: Baht)

	Note	Consolidated financial statements		Separate financial statements	
		2010	2009	2010	2009
Assets					
Current assets					
Cash and cash equivalents	7	63,119,947	38,379,912	63,119,947	37,973,567
Current investment	8	50,000,000	-	50,000,000	-
Trade accounts receivable					
Related parties	6	2,744,775	2,813,322	2,744,775	2,813,322
Unrelated parties		61,517,059	22,022,810	61,517,059	22,022,810
Less: Allowance for doubtful accounts		(109,760)	(610,443)	(109,760)	(610,443)
Trade accounts receivable - net	9	64,152,074	24,225,689	64,152,074	24,225,689
Inventories - net	10	1,196,620	1,325,543	1,196,620	1,325,543
Other current assets					
Retention receivables		3,528,586	84,021	3,528,586	84,021
Accrued income		1,283,607	856,282	1,283,607	856,282
Prepaid expenses		1,056,434	440,839	1,056,434	440,839
Others		1,893,425	1,443,829	1,893,425	1,443,829
Total current assets		186,230,693	66,756,115	186,230,693	66,349,770
Non-current assets					
Restricted bank deposits	11	1,065,478	1,028,245	1,065,478	1,028,245
Investment in subsidiary - net	12	-	-	-	406,361
Property, plant and equipment - net	13	65,377,916	59,339,057	65,377,916	59,338,423
Intangible assets - net	14	1,628,848	735,643	1,628,848	735,617
Withholding tax deducted at source	15	3,581,981	3,608,531	3,581,981	3,608,531
Deposits		56,500	46,921	56,500	46,921
Total non-current assets		71,710,723	64,758,397	71,710,723	65,164,098
Total assets		257,941,416	131,514,512	257,941,416	131,513,868

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


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ARIP Public Company Limited and its subsidiary

(Formerly know as "A.R. Information & Publication Company Limited and its subsidiary")

Balance sheets (continued)

As at 31 December 2010 and 2009

(Unit: Baht)

	Note	Consolidated		Separate	
		financial statements		financial statements	
		2010	2009	2010	2009
Liabilities and shareholders' equity					
Current liabilities					
Trade accounts payable					
Related parties	6	3,597,666	3,405,395	3,597,666	3,405,395
Unrelated parties		12,167,995	10,588,351	12,167,995	10,588,351
Total trade accounts payable		15,765,661	13,993,746	15,765,661	13,993,746
Current portion of liabilities under					
finance lease agreement		-	108,313	-	108,313
Amounts due to related parties	6	41,472	85,444	41,472	85,444
Other current liabilities					
Accrued expenses		7,287,049	10,686,688	7,287,049	10,686,688
Unearned income		5,492,894	4,345,021	5,492,894	4,345,021
Corporate income tax payable		6,005,821	2,321,710	6,005,821	2,321,710
Others		5,037,356	2,493,382	5,037,356	2,493,382
Total current liabilities		39,630,253	34,034,304	39,630,253	34,034,304
Shareholders' equity					
Share capital					
Registered	16				
466,000,000 ordinary shares of Baht 0.25 each					
(2009: 580,000 ordinary shares of Baht 100 each)		116,500,000	58,000,000	116,500,000	58,000,000
Issued and fully paid up	16				
450,400,000 ordinary shares of Baht 0.25 each					
(2009: 580,000 ordinary shares of Baht 100 each)		112,600,000	58,000,000	112,600,000	58,000,000
Share premium	16	83,464,677	-	83,464,677	-
Retained earnings					
Appropriated - statutory reserve	18	7,817,646	5,800,000	7,817,646	5,800,000
Unappropriated		14,428,840	33,680,208	14,428,840	33,679,564
Total shareholders' equity		218,311,163	97,480,208	218,311,163	97,479,564
Total liabilities and shareholders' equity		257,941,416	131,514,512	257,941,416	131,513,868

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

(นายปรุ้ม อินทโรตม)

Directors

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บริษัท เออาร์ไอพี จำกัด
Public Company Limited

(นายมนู เลียวไพโรจน์)

ARIP Public Company Limited and its subsidiary

(Formerly know as "A.R. Information & Publication Company Limited and its subsidiary")

Income statements

For the years ended 31 December 2010 and 2009

(Unit: Baht)

		Consolidated		Separate	
		financial statements		financial statements	
	Note	2010	2009	2010	2009
Revenues					
Sales		26,647,603	27,004,924	26,647,603	26,997,447
Services income	20	259,739,653	198,057,238	259,739,653	198,057,238
Interest income		179,245	532,392	179,245	532,392
Other income		518,460	326,580	518,460	463,633
Total revenues		287,084,961	225,921,134	287,084,961	226,050,710
Expenses					
Cost of sales and services		173,324,026	139,254,439	173,324,026	139,224,539
Selling expenses		3,919,866	7,721,253	3,919,866	7,721,253
Administrative expenses		40,776,216	43,938,448	40,776,216	45,314,490
Management benefit expenses		15,596,057	12,268,366	15,596,057	12,268,366
Total expenses		233,616,165	203,182,506	233,616,165	204,528,648
Income before finance cost					
and corporate income tax		53,468,796	22,738,628	53,468,796	21,522,062
Finance cost		(157,771)	(159,783)	(157,771)	(158,978)
Income before corporate income tax		53,311,025	22,578,845	53,311,025	21,363,084
Corporate income tax		(12,958,103)	(7,909,918)	(12,958,103)	(7,909,918)
Net income for the year		40,352,922	14,668,927	40,352,922	13,453,166
Earnings per share					
	21				
Basic earnings per share					
Net income		0.14	0.06	0.14	0.06
Weighted average number of					
ordinary shares (shares)		288,330,959	232,000,000	288,330,959	232,000,000
Diluted earnings per share					
Net income		0.14		0.14	
Weighted average number of					
ordinary shares (shares)		290,046,047		290,046,047	

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

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บริษัท เออาร์ไอพี จำกัด (มหาชน)
ARIP Public Company Limited

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ARIP Public Company Limited and its subsidiary

(Formerly know as "A.R. Information & Publication Company Limited and its subsidiary")

Statements of changes in shareholders' equity

For the years ended 31 December 2010 and 2009

(Unit: Baht)

	Consolidated financial statements				
	Issued and fully paid up		Retained earnings		Total
	share capital	Share premium	Appropriated	Unappropriated	
Balance as at 31 December 2008	58,000,000	-	5,800,000	49,171,281	112,971,281
Net income for the year	-	-	-	14,668,927	14,668,927
Total income for the year	-	-	-	14,668,927	14,668,927
Dividends paid (Note 24)	-	-	-	(30,160,000)	(30,160,000)
Balance as at 31 December 2009	58,000,000	-	5,800,000	33,680,208	97,480,208
Balance as at 31 December 2009	58,000,000	-	5,800,000	33,680,208	97,480,208
Net income for the year	-	-	-	40,352,922	40,352,922
Total income for the year	-	-	-	40,352,922	40,352,922
Dividends paid (Note 24)	-	-	-	(57,586,000)	(57,586,000)
Unappropriated retained earnings transferred to statutory reserve (Note 18)	-	-	2,017,646	(2,017,646)	-
Share capital issued (Note 16)	54,600,000	83,464,677	-	-	138,064,677
Effect from liquidation of subsidiary	-	-	-	(644)	(644)
Balance as at 31 December 2010	112,600,000	83,464,677	7,817,646	14,428,840	218,311,163

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

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ARIP Public Company Limited and its subsidiary

(Formerly know as "A.R. Information & Publication Company Limited and its subsidiary")

Statements of changes in shareholders' equity (continued)

For the years ended 31 December 2010 and 2009

(Unit: Baht)

	Separate financial statements				
	Issued and fully paid up		Retained earnings		Total
	share capital	Share premium	Appropriated	Unappropriated	
Balance as at 31 December 2008	58,000,000	-	5,800,000	50,386,398	114,186,398
Net income for the year	-	-	-	13,453,166	13,453,166
Total income for the year	-	-	-	13,453,166	13,453,166
Dividends paid (Note 24)	-	-	-	(30,160,000)	(30,160,000)
Balance as at 31 December 2009	58,000,000	-	5,800,000	33,679,564	97,479,564
Balance as at 31 December 2009	58,000,000	-	5,800,000	33,679,564	97,479,564
Net income for the year	-	-	-	40,352,922	40,352,922
Total income for the year	-	-	-	40,352,922	40,352,922
Dividends paid (Note 24)	-	-	-	(57,586,000)	(57,586,000)
Unappropriated retained earnings transferred to statutory reserve (Note 18)	-	-	2,017,646	(2,017,646)	-
Share capital issued (Note 16)	54,600,000	83,464,677	-	-	138,064,677
Balance as at 31 December 2010	112,600,000	83,464,677	7,817,646	14,428,840	218,311,163

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


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 ARIP Public Company Limited


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ARIP Public Company Limited and its subsidiary

(Formerly know as "A.R. Information & Publication Company Limited and its subsidiary")

Cash flow statements

For the years ended 31 December 2010 and 2009

(Unit: Baht)

	Consolidated		Separate	
	financial statements		financial statements	
	2010	2009	2010	2009
Cash flows from operating activities				
Net income before tax	53,311,025	22,578,845	53,311,025	21,363,084
Adjustments to reconcile net income before tax to net cash provided by (paid from) operating activities:				
Depreciation and amortisation	8,269,287	6,327,006	8,269,287	6,294,706
Reversal of allowance for doubtful accounts	(500,683)	(600,472)	(500,683)	(7,709,763)
Reversal of allowance for stock obsolescences	(723,365)	(3,065,063)	(723,365)	(3,035,163)
(Gain) loss on sales of equipment	(5,375)	39,552	(5,375)	39,004
Loss on equipment and intangible assets written off	812	2,504,405	796	2,504,405
Allowance for impairment loss on investment in subsidiary	-	-	-	8,093,639
Income from trading advertising for equipment	(103,742)	(621,855)	(103,742)	(621,855)
Income from trading advertising for inventories	(518,662)	(250,103)	(518,662)	(250,103)
Interest income	(179,245)	(532,392)	(179,245)	(532,392)
Interest expenses	157,771	17,978	157,771	17,173
Income from operating activities before changes in operating assets and liabilities	59,707,823	26,397,901	59,707,807	26,162,735
Operating assets (increase) decrease				
Trade accounts receivable	(39,425,702)	(2,588,945)	(39,425,702)	(2,588,945)
Amount due from related party	-	-	-	555,835
Inventories	1,370,950	2,482,264	1,370,950	2,452,364
Other current assets	(4,937,081)	1,875,549	(4,937,081)	1,875,549
Other assets	16,971	1,077,797	16,971	112,430
Operating liabilities increase (decrease)				
Trade accounts payable	1,771,915	(347,266)	1,771,915	(347,016)
Amount due to related parties	(43,972)	(16,287)	(43,972)	(15,431)
Other current liabilities	292,208	(8,899,776)	292,208	(8,811,062)
Cash flows from operating activities	18,753,112	19,981,237	18,753,096	19,396,459
Cash paid for interest expenses	(157,771)	(17,978)	(157,771)	(17,173)
Cash paid for corporate income tax	(9,273,992)	(11,469,825)	(9,273,992)	(11,469,825)
Net cash flows from operating activities	9,321,349	8,493,434	9,321,333	7,909,461

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

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บริษัท เออาร์ไอพี จำกัด (มหาชน)
ARIP Public Company Limited

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ARIP Public Company Limited and its subsidiary

(Formerly know as "A.R. Information & Publication Company Limited and its subsidiary")

Cash flow statements (continued)

For the years ended 31 December 2010 and 2009

(Unit: Baht)

	Consolidated		Separate	
	financial statements		financial statements	
	2010	2009	2010	2009
Cash flows from investing activities				
Increase in restricted bank deposits	(37,233)	(18,372)	(37,233)	(18,372)
Increase in current investment	(50,000,000)	-	(50,000,000)	-
Additional investment in subsidiary	-	-	-	(8,500,000)
Decrease in short-term loans to subsidiary	-	-	-	8,780,000
Proceed from liquidation of subsidiary	-	-	406,361	-
Acquisition of equipment	(13,688,814)	(7,269,738)	(13,688,814)	(7,269,738)
Acquisition of intangible assets	(1,440,409)	(617,958)	(1,440,409)	(617,958)
Proceeds from sales of equipment	35,533	14,449	35,533	13,449
Interest income	179,245	593,824	179,245	593,824
Net cash flows used in investing activities	(64,951,678)	(7,297,795)	(64,545,317)	(7,018,795)
Cash flows from financing activities				
Decrease in bank overdrafts	-	(600,122)	-	(600,122)
Repayment of liabilities under finance lease agreement	(108,313)	(107,204)	(108,313)	(107,204)
Proceeds from increase in share capital	138,064,677	-	138,064,677	-
Dividend paid	(57,586,000)	(30,160,000)	(57,586,000)	(30,160,000)
Net cash flows from (used in) financing activities	80,370,364	(30,867,326)	80,370,364	(30,867,326)
Net increase (decrease) in cash and cash equivalents	24,740,035	(29,671,687)	25,146,380	(29,976,660)
Cash and cash equivalents at beginning of year	38,379,912	68,051,599	37,973,567	67,950,227
Cash and cash equivalents at end of year (Note 7)	63,119,947	38,379,912	63,119,947	37,973,567

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


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 ARIP Public Company Limited


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ARIP Public Company Limited and its subsidiary
(Formerly known as "A.R. Information & Publication Company Limited
and its subsidiary")

Notes to consolidated financial statements

For the years ended 31 December 2010 and 2009

1. General information

ARIP Public Company Limited ("the Company") was incorporated as a limited company and transformed to be 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.

On 3 February 2010, the Company registered a change of the status to a public company and registered the change in its name from "A.R. Information & Publication Company Limited" to "ARIP Public Company Limited" with the Ministry of Commerce.

2. Basis of preparation


- 2.1 The financial statements have been prepared in accordance with accounting standards enunciated under the Accounting Professions Act B.E. 2547 and their presentation has been made in compliance with the stipulations of the Notification of the Department of Business Development dated 30 January 2009, issued under the Accounting Act B.E. 2543.

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

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

2.2 Basis of consolidation

- a) The consolidated financial statements include the financial statements of ARIP Public Company Limited ("the Company") and the following subsidiary company ("the subsidiary"):


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ARIP Public Company Limited


(นายมนู เลียวไพโรจน์)
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Company's name	Nature of business	Country of incorporation	Percentage of shareholding		Assets as a percentage to the consolidated total assets as at 31 December		Revenues as a percentage to the consolidated total revenues for the years ended 31 December	
					2010		2009	
			2010	2009	2010	2009	2010	2009
			Percent	Percent	Percent	Percent	Percent	Percent
A.R. Business Press Company Limited	Publishing management of pocket book, weekly newspapers and advertising services (deregistered in November 2009)	Thailand	-	100	-	0.3	-	0.3

On 2 February 2010, A.R. Business Press Company Limited, the Company's subsidiary, filed for the completeness of liquidation with the Ministry of Commerce.

- b) Subsidiary is fully consolidated as from the date of acquisition, being the date on which the Company obtains control, and continues to be consolidated until the date when such control ceases.
- c) The financial statements of the subsidiary is prepared using the same significant accounting policies as the Company.
- d) Material balances and transactions between the Company and its subsidiary company have been eliminated from the consolidated financial statements.

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

3. Adoption of new accounting standards

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

- a) Accounting standards that are effective for fiscal years beginning on or after 1 January 2011 (except Framework for the Preparation and Presentation of Financial Statements, which is immediately effective):

Framework for the Preparation and Presentation of Financial Statements (revised 2009)

TAS 1 (revised 2009)	Presentation of Financial Statements
TAS 2 (revised 2009)	Inventories
TAS 7 (revised 2009)	Statement of Cash Flows

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บริษัท เออาร์ไอพี จำกัด (มหาชน)
ARIP Public Company Limited

(นายมนู เลียวไพโรจน์)

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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
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
TFRIC 15	Agreements for the Construction of Real Estate

b) Accounting standards that are effective for fiscal years beginning on or after 1 January 2013:

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

(นายปฐม อินทโรดม)

กรรมการ



บริษัท เออาร์ไอพี จำกัด (มหาชน)
ARIP Public Company Limited

(นายมนู เสียวไพโรจน์)

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The Company's management believes that these accounting standards will not have any significant impact on the financial statements for the year when they are initially applied, except for the following accounting standards which management expects the impact on the financial statements in the year when they are adopted.

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 or liabilities arising from other defined benefit plans using actuarial techniques. Currently, the Company accounts for such employee benefits when they are incurred.

At present, the management is evaluating the impact on the financial statements in the year when this standard is adopted.

TAS 12 Income Taxes

This accounting standard requires an entity to identify temporary differences, which are differences between the carrying amount of an asset or liability in the accounting records and its tax base, and to recognize deferred tax assets and liabilities under the stipulated guidelines.

At present, the management is evaluating the impact on the financial statements in the year when this standard is adopted.

4. Significant accounting policies

4.1 Revenue recognition

Sales of goods

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

Magazine subscription income

Magazine subscription income is recognised based on straight-line basis over the subscription period.

Rendering of services

Service revenue is recognised when services have been rendered taking into account the stage of completion.

Advertising service income is recognised when the service has been rendered. The service is generally considered to be rendered when the advertisement is issued.

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ARIP

บริษัท เออาร์ไอพี จำกัด (มหาชน)
ARIP Public Company Limited

(นายมนู เลียวไพโรจน์)

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Arrangement of exhibitions and seminar is recognised when the event has occurred.

Barter sales are recognised when the service has been rendered. These revenues are valued at fair value of the goods or services received, adjusted by the amount of the cash or equivalent means transferred in the operation. In the case of not being able to reliably assess the value of goods or services received, revenue will be valued according to the fair value of the goods or services delivered, similarly adjusted by the amount of the cash or cash equivalents transferred in the operation.

Interest income

Interest income is recognised on an accrual basis based on the effective interest rate.

4.2 Cash and cash equivalents

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

4.3 Trade accounts receivable

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

4.4 Inventories

Finished goods are valued at the lower of average cost and net realisable value.

4.5 Investment in subsidiary

Investment in subsidiary is accounted for in the separate financial statements using the cost method.

4.6 Property, plant and equipment / depreciation

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

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

Building	-	20 years
Building improvement	-	5, 10 years
Computer equipment	-	3, 5 years
Office equipment and furniture		5 years
Motor vehicles		5 years

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Depreciation is included in determining income.

No depreciation is provided on land and assets under installation.

An item of property, plant and equipment is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on disposal of an asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in the income statement when the asset is derecognised.

4.7 Intangible assets/amortisation

Intangible assets acquired separately are measured on initial recognition at cost. Following initial recognition, intangible assets are carried at cost less any accumulated amortisation and any accumulated impairment losses.

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

A summary of the intangible assets with finite useful lives is as follows.

Computer software	-	5 years
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4.8 Related party transactions

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

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

4.9 Long-term leases

Operating lease payments are recognised as an expense in the income statement on a straight line basis over the lease term.


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4.10 Foreign currencies

Transactions in foreign currency are translated into Baht at the exchange rate ruling at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies outstanding are translated into Baht at the exchange rate ruling at the balance sheet date.

Gains and losses on exchange are included in determining income.

4.11 Impairment of assets

At each reporting date, the Company performs impairment reviews in respect of property, plant and equipment and other intangible assets whenever events or changes in circumstances indicate that an asset may be impaired. An impairment loss is recognised when the recoverable amount of an asset, which is the higher of the asset's fair value less costs to sell and its value in use, is less than the carrying amount. In determining value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. In determining fair value less costs to sell, an appropriate valuation model is used. These calculations are corroborated by a valuation model that, based on information available, reflects the amount that the Company could obtain from the disposal of the asset in an arm's length transaction between knowledgeable, willing parties, after deducting the costs of disposal.

An impairment loss is recognised in the income statement.

4.12 Employee benefits

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

4.13 Provisions

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


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4.14 Income tax

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

5. Significant accounting judgments and estimates

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

Leases

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

Allowance for doubtful accounts

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

Impairment of investment in subsidiary

The Company treats investment in subsidiary as impaired when the management judges that there has been a significant or prolonged decline in the fair value below their cost or where other objective evidence of impairment exists. The determination of what is "significant" or "prolonged" requires judgment.

Property, plant and equipment/Depreciation

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

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

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Intangible assets

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

Litigation


The Company has contingent liabilities as a result of litigation. The Company's management has used judgment to assess of the results of the litigation and believes that no loss will result. Therefore no contingent liabilities are recorded as at the balance sheet date.

6. Related party transactions

During the years, the Company and its subsidiary 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.

(Unit: Million Baht)

	Consolidated		Separate		Transfer Pricing Policy
	financial statements		financial statements		
	2010	2009	2010	2009	
<u>Transactions with parent company</u>					
Revenue					
Revenue from marketing activities	-	1.05	-	1.05	Cost plus margin
Other service income	0.06	0.29	0.06	0.29	Actual cost
Expenses					
Management fee	1.50	6.62	1.50	6.62	Agreed upon basis
Service fee for accounting software	0.86	0.52	0.86	0.52	Agreed upon basis
Other service fee	0.16	0.66	0.16	0.66	Cost plus margin
<u>Transactions with subsidiary company</u>					
(eliminated from the consolidated financial statements)					
Interest income	-	-	-	0.15	1.5 and 8.75 percent per annum
Office rental	-	-	-	0.60	Agreed upon basis


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(Unit: Million Baht)

	Consolidated		Separate		Transfer Pricing Policy
	financial statements		financial statements		
	<u>2010</u>	<u>2009</u>	<u>2010</u>	<u>2009</u>	
<u>Transactions with related parties</u>					
Revenue					
Sales of goods	0.23	1.43	0.23	1.43	Cost plus margin
Advertising income	7.41	5.32	7.41	5.32	Market price
Revenue from management of event	4.02	2.86	4.02	2.86	Market price
Other service income	1.63	1.96	1.63	1.96	Cost plus margin
Expenses					
Purchases of goods	5.40	-	5.40	-	Market price
Advertising and marketing activities expenses	13.62	5.36	13.62	5.36	Cost plus margin
Internet fee	1.23	1.27	1.23	1.27	Market price
Office rental	0.13	-	0.13	-	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	4.03	5.38	4.03	5.38	Cost plus margin

As at 31 December 2010 and 2009, the balances of the accounts between the Company and those related parties are as follows:

(Unit: Baht)

	Consolidated/Separate financial statements	
	2010	2009
<u>Trade accounts receivable - related parties</u>		
Advanced Research Group Co., Ltd.	-	256,499
A.R. Accounting Consultant Co., Ltd.	-	13,632
Anet Co., Ltd.	7,062	-
ARIT Co., Ltd.	2,141	47,524
Core & Peak Co., Ltd.	-	26,750
DataOne Asia (Thailand) Ltd.	909,500	743,233
SVOA Public Co., Ltd.	575,660	696,859
IT City Public Co., Ltd.	715,295	162,640
Asys Computer Co., Ltd.	216,675	176,617
Business Online Public Co., Ltd.	162,200	572,771
Advanced Auditing Co., Ltd.	-	10,499
D2 Systems Co., Ltd.	53,500	-
Keppel Communications Pte. Ltd.	102,742	106,298
Total trade accounts receivable - related parties	2,744,775	2,813,322

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(Unit: Baht)

	Consolidated/Separate financial statements	
	2010	2009
<u>Trade accounts payable - related parties</u>		
Advanced Research Group Co., Ltd.	-	4,280
Anet Co., Ltd.	-	7,490
Business Online Public Co., Ltd.	3,271,860	3,271,860
SVOA Public Co., Ltd.	248,240	120,482
Core & Peak Co., Ltd.	66,554	1,283
DataOne Asia (Thailand) Ltd.	11,012	-
Total trade accounts payable - related parties	3,597,666	3,405,395
<u>Amounts due to related parties</u>		
Advanced Research Group Co., Ltd.	41,472	82,944
Core & Peak Co., Ltd.	-	2,500
Total amounts due to related parties	41,472	85,444

7. Cash and cash equivalents

(Unit: Baht)

	Consolidated financial statements		Separate financial statements	
	2010	2009	2010	2009
Cash	102,000	104,952	102,000	104,952
Bank deposits	63,017,947	28,274,960	63,017,947	27,868,615
Bills of exchange	-	10,000,000	-	10,000,000
Total	68,119,947	38,379,912	63,119,947	37,973,567

As at 31 December 2010, bank deposits in saving accounts and fixed deposits carried interests between 0.5 and 1.4 per annum (2009: between 0.25 and 1.25 per annum).

8. Current investment

As at 31 December 2010, the Company had invested in fixed deposit with a maturity of more than 3 months totaling Baht 50 million. The fixed deposit carries interest at rates of 1.40% per annum.


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9. Trade accounts receivable

The outstanding balances of trade accounts receivable as at 31 December 2010 and 2009 are aged, based on due date, as follows:

(Unit: Baht)

	Consolidated/Separate financial statements	
	2010	2009
<u>Age of receivables</u>		
Post date cheque	2,586,879	3,711,680
Not yet due	8,391,235	9,693,419
Past due		
Up to 3 months	49,853,468	8,801,791
3 - 6 months	3,320,492	2,098,223
6 - 12 months	-	161,019
Over 12 months	109,760	370,000
Total	64,261,834	24,836,132
Less: Allowance for doubtful accounts	(109,760)	(610,443)
Trade accounts receivable - net	<u>64,152,074</u>	<u>24,225,689</u>

10. Inventories

(Unit: Baht)

	Consolidated/Separate financial statements					
	Cost		Allowance of diminution in value of inventory		Inventory - net	
	2010	2009	2010	2009	2010	2009
Finished goods	8,327,398	9,481,211	(7,868,384)	(8,155,668)	459,014	1,325,543
Work in process	737,606	436,081	-	(436,081)	737,606	-
Total	<u>9,065,004</u>	<u>9,917,292</u>	<u>(7,868,384)</u>	<u>(8,591,749)</u>	<u>1,196,620</u>	<u>1,325,543</u>

11. Restricted bank deposits

These represent savings deposits pledged with the banks to secure the issuance of bank guarantee granted by the bank to the Company.


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12. Investment in subsidiary

(Unit: Baht)

Company's name	Separate financial statements					
	Paid-up capital		Shareholding percentage		Cost	
	2010	2009	2010	2009	2010	2009
			(%)	(%)		
A.R. Business Press Company Limited						
(Deregistered in November 2009)	-	13,500,000	-	100	-	10,744,000
Less: Allowance for impairment of investment					-	(10,337,639)
					-	406,361

On 2 February 2010, A.R. Business Press Company Limited, the Company's subsidiary, filed for the completeness of liquidation with the Ministry of Commerce.

13. Property, plant and equipment

(Unit: Baht)

	Consolidated financial statement						
	Land	Building	Building improvements	Computer equipment	Office		Total
					Furniture	Motor vehicles	
Cost:							
As at 31 December 2009	41,074,105	10,000,000	12,395,061	11,598,037	7,689,467	5,820,900	88,577,570
Additions	-	-	489,872	7,953,313	582,988	4,766,383	13,792,556
Disposals	-	-	-	(1,448,756)	(506,228)	-	(1,954,984)
Write-off	-	-	-	(1,511,426)	(481,361)	-	(1,992,787)
As at 31 December 2010	41,074,105	10,000,000	12,884,933	16,591,168	7,284,866	10,587,283	98,422,355
Accumulated depreciation:							
As at 31 December 2009	-	4,918,033	9,079,100	9,304,045	5,134,813	802,522	29,238,513
Depreciation for the year	-	500,000	2,461,395	1,831,318	1,006,003	1,924,189	7,722,905
Depreciation on disposals	-	-	-	(1,427,395)	(497,431)	-	(1,924,826)
Depreciation on write-off	-	-	-	(1,511,368)	(480,785)	-	(1,992,153)
As at 31 December 2010	-	5,418,033	11,540,495	8,196,600	5,162,600	2,726,711	33,044,439
Net book value:							
31 December 2009	41,074,105	5,081,967	3,315,961	2,293,992	2,554,654	5,018,378	59,339,057
31 December 2010	41,074,105	4,581,967	1,344,438	8,394,568	2,122,266	7,860,572	65,377,916
Depreciation charge for the year (All depreciation included in administrative expenses):							
2009							6,010,034
2010							7,722,905

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(Unit: Baht)

Separate financial statements

	Land	Building	Building improvements	Computer equipment	Office equipment and furniture	Motor vehicles	Total
Cost:							
As at 31 December 2009	41,074,105	10,000,000	12,395,061	10,086,611	7,208,106	5,820,900	86,584,783
Additions	-	-	489,872	7,953,313	582,988	4,766,383	13,792,556
Disposals	-	-	-	(1,448,756)	(506,228)	-	(1,954,984)
As at 31 December 2010	41,074,105	10,000,000	12,884,933	16,591,168	7,284,866	10,587,283	98,422,355
Accumulated depreciation:							
As at 31 December 2009	-	4,918,033	9,079,100	7,792,677	4,654,028	802,522	27,246,360
Depreciation for the year	-	500,000	2,461,395	1,831,318	1,006,003	1,924,189	7,722,905
Depreciation on disposals	-	-	-	(1,427,395)	(497,431)	-	(1,924,826)
As at 31 December 2010	-	5,418,033	11,540,495	8,196,600	5,162,600	2,726,711	33,044,439
Net book value:							
31 December 2009	41,074,105	5,081,967	3,315,961	2,293,934	2,554,078	5,018,378	59,338,423
31 December 2010	41,074,105	4,581,967	1,344,438	8,394,568	2,122,266	7,860,572	65,377,916
Depreciation charge for the year (All depreciation included in administrative expenses):							
2009							5,977,734
2010							7,722,905

As at 31 December 2010, the Company had office equipment under financial lease agreements with net book values amounting to Baht 0.1 million (2009: Baht 0.2 million).

As at 31 December 2010, certain equipment items have been fully depreciated but are still in use. The original cost of those assets amounted to approximately Baht 8.3 million in consolidated financial statements (2009: Baht 11.3 million) and amounted to approximately Baht 8.3 million in separate financial statements (2009: Baht 9.3 million).

14. Intangible assets

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

(Unit: Baht)

	Consolidated financial statements			Separate financial statements		
	Software			Software		
	Computer software	under development	Total	Computer software	under development	Total
Cost:						
As at 31 December 2009	3,763,571	65,000	3,828,571	3,544,384	65,000	3,609,384
Additions	1,440,409	-	1,440,409	1,440,409	-	1,440,409
Write-off	(226,322)	-	(226,322)	(7,135)	-	(7,135)
As at 31 December 2010	4,977,658	65,000	5,042,658	4,977,658	65,000	5,042,658

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(Unit: Baht)

	Consolidated financial statements			Separate financial statements		
	Computer software	Software under development	Total	Computer software	Software under development	Total
Accumulated amortisation:						
As at 31 December 2009	3,092,928	-	3,092,928	2,873,767	-	2,873,767
Amortisation for the year	546,382	-	546,382	546,382	-	546,382
Amortisation on write-off	(225,500)	-	(225,500)	(6,339)	-	(6,339)
As at 31 December 2010	3,413,810	-	3,413,810	3,413,810	-	3,413,810
Net book value:						
31 December 2009	670,643	65,000	735,643	670,617	65,000	735,617
31 December 2010	1,563,848	65,000	1,628,848	1,563,848	65,000	1,628,848
Amortisation expenses included in the income statements for the year						
2009			316,972			316,972
2010			546,382			546,382


As at 31 December 2010, certain intangible assets items have been fully amortised but are still in use. The original cost of those assets amounted to approximately Baht 2.7 million in consolidated financial statements (2009: Baht 2.5 million) and amounted to approximately Baht 2.7 million in separate financial statements (2009: Baht 2.3 million).

15. Withholding tax deducted at source

This represents the withholding tax deducted at source of the year 2005. The Company regards withholding tax deducted at source as an asset since it has the right to claim for refund of it. However, the net realisable value of tax is subjected to the exercise of the claim right by the Company and to the Company's tax audit by the Revenue officials.

16. Share capital

16.1 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.


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16.2 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 shareholders who comprise an individual who is a major shareholder of Advanced Research Group Company Limited, and Apsilon Ventures Pte. Ltd., a related party 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.

16.3 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 share 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.

16.4 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 issued 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.

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Reconciliation of number of ordinary shares

(Unit: Shares)

	Consolidated / Separate financial statements	
	<u>2010</u>	<u>2009</u>
<u>Registered share capital</u>		
Number of ordinary shares at the beginning of the year	580,000	580,000
Increase in number of ordinary shares due to change in par value	231,420,000	-
Number of ordinary shares after change in par value	232,000,000	580,000
Increase in registered share capital	218,400,000	-
Increase in number of ordinary shares due to shares being reserve for exercise of warrants	15,600,000	-
Number of ordinary shares at the end of the year	<u>466,000,000</u>	<u>580,000</u>
<u>Issued and paid-up share capital</u>		
Number of ordinary shares at the beginning of the year	580,000	580,000
Increase in number of ordinary shares due to change in par value	231,420,000	-
Number of ordinary shares after change in par value	232,000,000	580,000
Increase in registered share capital	218,400,000	-
Number of ordinary shares at the end of the year	<u>450,400,000</u>	<u>580,000</u>

Registered ordinary shares which are not issued and paid-up are the ordinary shares which reserve for the exercise of warrants offered to certain directors and/or employees of the Company, as discussed in Note 17 to the financial statements.

17. 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
Exercise price	: Baht 0.25 per share in a ratio of 1 warrant to 1 new ordinary share
Term of issue	: 1 year from the date approved by the shareholder
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Term of warrants : 3 years from issue date
 No. of ordinary shares allocated : 15,600,000 ordinary shares of Baht 0.25 each
 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.

18. Statutory reserve

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

During the year 2010, the Company had set aside the statutory reserve of Baht 2,017,646 from its net income.

19. Expenses by nature

Significant expenses by nature are as follows:

(Unit: Million Baht)

	Consolidated		Separate	
	financial statements		financial statements	
	<u>2010</u>	<u>2009</u>	<u>2010</u>	<u>2009</u>
Employee expenses	61.6	60.8	61.6	60.8
Cost of sales, advertising media and services	139.5	104.8	139.5	104.8
Depreciation and amortisation	8.3	6.3	8.3	6.3
Loss on intangible assets written-off	-	2.5	-	2.5
Impairment loss for investment in subsidiary	-	-	-	8.1
Rental expenses	0.3	0.2	0.3	0.8
Consultant and management fee	7.4	9.7	7.4	9.7

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20. Barter sales

During the year 2010, the Company has barter service income which is included in advertising income amounting to Baht 3.2 million (2009: Baht 4.3 million).

21. Earnings per share

Basic earnings per share is calculated by dividing net income for the year by the weighted average number of ordinary shares in issue during the year, 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 15.3 a). The number of ordinary shares is adjusted as if the share split had occurred at the beginning of the earliest period reported.

Diluted earnings per share is calculated by dividing net income for the year by the weighted average number of ordinary shares in issue during the year plus the weighted average number of ordinary shares which might need to be issued for the conversion of all dilutive potential ordinary shares into ordinary shares. The calculation assumes that the conversion took place either at the beginning of the year or on the date the potential ordinary shares were issued.

Calculation of basis earnings per share and diluted earnings per share is presented below:

Consolidated financial statements						
Net income		Weighted average number of ordinary shares		Earnings per share		
2010	2009	2010	2009*	2010	2009	
(Baht)	(Baht)	(Shares)	(Shares)	(Baht)	(Baht)	
Basic earnings per share						
Net income	40,352,922	14,668,927	288,330,959	232,000,000	0.14	0.06
Effect of dilutive potential ordinary shares						
ESOP-W	-	1,715,088				
Diluted earnings per share						
Net income of ordinary shareholders assuming the conversion of warrants to ordinary shares	40,352,922	290,046,047			0.14	
Separate financial statements						
Net income		Weighted average number of ordinary shares		Earnings per share		
2010	2009	2010	2009*	2010	2009	
(Baht)	(Baht)	(Shares)	(Shares)	(Baht)	(Baht)	
Basic earnings per share						
Net income	40,352,922	13,453,166	288,330,959	232,000,000	0.14	0.06
Effect of dilutive potential ordinary shares						
ESOP-W	-	1,715,088				
Diluted earnings per share						
Net income of ordinary shareholders assuming the conversion of warrants to ordinary shares	40,352,922	290,046,047			0.14	

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

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22. Segment information

The Company operates the business operations into 3 principal segments: (1) printing media (2) management of event and (3) digital and other media. Below is the consolidated financial information for the years ended 31 December 2010 and 2009 of the Company by segment.

(Unit: Thousand Baht)

	Printing media		Management of event		Digital and other media		Elimination of inter-segment revenues		Consolidation	
	2010	2009	2010	2009	2010	2009	2010	2009	2010	2009
Revenues from external customers	74,782	73,551	203,845	146,254	8,458	6,116	-	-	287,085	225,921
Inter-segment sales	4,899	5,267	-	-	615	565	(5,514)	(5,832)	-	-
Total revenues	79,681	78,818	203,845	146,254	9,073	6,681	(5,514)	(5,832)	287,085	225,921
Segment income (loss)	6,772	3,747	46,800	25,956	(103)	(6,964)	-	-	53,469	22,739
Unallocated income and expenses:										
Finance cost									(158)	(160)
Corporate income tax									(12,958)	(7,910)
Net income for the year									40,353	14,669


(Unit: Thousand Baht)

	Printing media		Management of event		Digital and other media		Elimination of inter-segment revenues		Consolidation	
	2010	2009	2010	2009	2010	2009	2010	2009	2010	2009
Property, plant and equipment - net	51,818	43,178	9,016	9,904	4,544	6,257	-	-	65,378	59,339
Unallocated assets									192,563	72,176
Total assets									257,941	131,515

Transfer prices between business segments are set out in Note 6 to the financial statements.

23. Provident fund

The Company and its employees have jointly established a provident fund in accordance with the Provident Fund Act B.E. 2530. Employees and the Company contribute to the fund monthly at the rate of 3 percent of basic salary. The fund, which is managed by TISCO Finance Plc., will be paid to employees upon termination in accordance with the fund rules. During the year 2010, the Company contributed Baht 1.14 million (2009: Baht 0.94 million).


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24. Dividends paid

Dividends	Approved by	Total dividends Thousand Baht	Par value of ordinary share Baht	Dividend per share Baht	Payment date
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 st quarter of 2010	Board of Directors' meeting on 29 June 2010	13,650	100	17.5	1 July 2010
Interim dividends on operating results of 2 nd quarter of 2010 and from retained earnings	Board of Directors' meeting on 24 August 2010	10,296	0.25	0.033	27 August 2010
Total dividends paid in 2010		57,586			
Interim dividends for 2009	Board of Directors' meeting on 15 June 2009	30,160	100	52.0	2 July 2009
Total dividends paid in 2009		30,160			

25. Commitments and contingent liabilities

25.1 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 31 December 2010, future minimum lease payments required under these agreements were Baht 5.5 million (2009: Baht 2.9 million). They were payable within 1 year.

25.2 Guarantees

As at 31 December 2010, there were outstanding bank guarantees of approximately Baht 0.3 million (2009: 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.

26. Financial instruments

26.1 Financial risk management

The Company's financial instruments, as defined under Thai Accounting Standard No.107 "Financial Instruments: Disclosure and Presentations", principally comprise cash and cash equivalents, trade accounts receivable and restricted bank deposits. The financial risks associated with these financial instruments and how they are managed is described below.

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Credit risk

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

Interest rate risk

The Company's exposure to interest rate risk relates primarily to its cash at banks and bank overdrafts. However, since most of the Company's financial assets and liabilities bear floating interest rates or fixed interest rates which are close to the market rate, the interest rate risk is expected to be minimal.


Significant financial assets and liabilities as at 31 December 2010 classified by type of interest rate are summarised in the table below, with those financial assets and liabilities that carry fixed interest rates further classified based on the maturity date, or the repricing date if this occurs before the maturity date.

	Fixed interest rates			Floating interest rate	Non- interest bearing	Total	Effective interest rate (% p.a.)
	Within 1 year	1-5 years	Over 5 years				
	(Million Baht)						
Consolidated/Separate financial statements							
<u>Financial Assets</u>							
Cash and cash equivalent	-	-	-	62.4	0.7	63.1	0.50 - 1.40
Current investment	-	-	-	50.0	-	50.0	1.40
Trade accounts receivable - net	-	-	-	-	64.2	64.2	-
Deposits at bank with restrictions	-	-	-	1.1	-	1.1	0.75
	-	-	-	113.5	64.9	178.4	
<u>Financial liabilities</u>							
Trade accounts payable	-	-	-	-	15.8	15.8	-
	-	-	-	-	15.8	15.8	

Foreign currency risk

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 31 December 2010 are summarised below.


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Foreign currency	Financial assets (Million)	Financial liabilities (Million)	Average exchange rate as at 31 December 2010 (Baht per 1 foreign currency unit)
US dollar	0.27	0.46	30.1513

26.2 Fair values of financial instruments

Since the majority of the Company's financial instruments are short-term in nature or bear floating interest rates, their fair value is not expected to be materially different from the amounts presented in the balance sheets.

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

27. Capital management

The primary objective of the Company's capital management is to ensure that it has an appropriate financial structure and preserves the ability to continue its business as a going concern.

According to the Balance sheet as at 31 December 2009, the Company debt-to-equity ratio was 0.18:1 (2009: 0.35:1).


28. Subsequent event

On 25 February 2011, the Company's Board of Directors passed a resolution to propose to the Annual General Meeting of shareholders to adopt a resolution to pay the year-end dividend of Baht 0.03 per share from the operating result of 2010, or a total of Baht 13,512,000. The dividend payment is scheduled for 20 April 2011. The total dividend payment is Baht 0.13 per share, on average, inclusive of the interim dividend.

Such dividend will be paid and recorded after it is approved by the Annual General Meeting of the Company's shareholders.

29. Reclassification

Certain amounts in the financial statements for the year ended 31 December 2009 have been reclassified to conform to the current year's classification but with no effect to previously reported net income or shareholders' equity. The reclassifications are as follows:


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(Unit: Baht)

	Consolidated		Separate	
	financial statements		financial statements	
	As reclassified	As previously reported	As reclassified	As previously reported
Interest income	532,392	-	532,392	-
Other income	326,580	858,972	326,580	858,972

30. Approval of financial statements

These financial statements were authorised for issue by the Company's Board of Directors on 25 February 2011.


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