

ARIP Public Company Limited
Review report and interim financial statements
For the three-month period ended 31 March 2017

Independent Auditor's Report on Review of Interim Financial Information

To the Shareholders of ARIP Public Company Limited

I have reviewed the accompanying statement of financial position of ARIP Public Company Limited as at 31 March 2017, the related statements of comprehensive income of changes in shareholders' equity, and cash flows for the three-month period then ended, as well as the notes to the financial statements. Management is responsible for the preparation and presentation of this interim financial information in accordance with Thai Accounting Standard 34 *Interim Financial Reporting*. My responsibility is to express a conclusion on this interim financial information based on my review.

Scope of Review

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

Conclusion

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



Chayapol Suppasdtanon
Certified Public Accountant (Thailand) No. 3972

EY Office Limited
Bangkok: 11 May 2017

ARIP Public Company Limited
Statement of financial position


(Unit: Thousand Baht)

	Note	31 March 2017 (Unaudited but reviewed)	31 December 2016 (Audited)
Assets			
Current assets			
Cash and cash equivalents	3	88,188	44,329
Current investments	4	288	288
Trade and other receivables	2, 5	51,101	87,717
Inventories	6	216	328
Deferred service costs		4,292	6,314
Other current assets		2,597	3,659
Total current assets		146,682	142,635
Non-current assets			
Restricted bank deposit	7	12,350	12,350
Property, building and equipment	8	48,013	48,527
Intangible asset	9	6,568	7,728
Withholding tax deducted at source		8,316	12,637
Deposits		41	41
Deferred tax assets	12	5,570	5,627
Total non-current assets		80,858	86,910
Total assets		227,540	229,545

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


 (นางเดือนพร ปัญญาใส)
 กรรมการ


 บริษัท เออาร์ไอพี จำกัด (มหาชน)
 ARIP Public Company Limited


 (นายมนู เลียวไพโรจน์)
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ARIP Public Company Limited

Statement of financial position (continued)

(Unit: Thousand Baht)

	Note	31 March 2017 (Unaudited but reviewed)	31 December 2016 (Audited)
Liabilities and shareholders' equity			
Current liabilities			
Trade and other payables	2, 10	15,451	15,650
Other current liabilities		5,093	7,249
Total current liabilities		20,544	22,899
Non-current liabilities			
Reserve for long-term employee benefits	11	5,844	5,641
Total non-current liabilities		5,844	5,641
Total liabilities		26,388	28,540
Shareholders' equity			
Share capital			
Registered			
466,000,000 ordinary shares of Baht 0.25 each		116,500	116,500
Issued and fully paid			
466,000,000 ordinary shares of Baht 0.25 each		116,500	116,500
Share premium		83,465	83,465
Retained earnings (deficit)			
Appropriated - statutory reserve		11,650	11,650
Deficit		(10,463)	(10,610)
Total shareholders' equity		201,152	201,005
Total liabilities and shareholders' equity		227,540	229,545

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


 (นางเอี่ยมพร ปัญญาใส)
 Directors


 บริษัท เออาร์ไอพี จำกัด (มหาชน)
 ARIP Public Company Limited

(Unaudited but reviewed)

ARIP Public Company Limited

Statement of comprehensive income

For the three-month period ended 31 March 2017

(Unit: Thousand Baht)

	Note	2017	2016
Profit or loss:			
Continuing operation			
Revenues			
Service income		42,250	40,678
Sales		1,040	1,539
Interest income		109	105
Other income		8	840
Total revenues		<u>43,407</u>	<u>43,162</u>
Expenses			
Cost of sales and services		33,696	31,397
Selling expenses		234	270
Administrative expenses		9,254	11,313
Total expenses		<u>43,184</u>	<u>42,980</u>
Profit before finance cost and income tax		<u>223</u>	<u>182</u>
Finance cost		(19)	(25)
Profit before income tax		<u>204</u>	<u>157</u>
Tax income (expense)	12	(57)	537
Profit for the period from continuing operation		<u>147</u>	<u>694</u>
Discontinued operation			
Loss for the period from discontinued operation	13	-	(986)
Profit (loss) for the period		<u>147</u>	<u>(292)</u>
Other comprehensive income:			
Other comprehensive income		-	-
Total comprehensive income for the period		<u>147</u>	<u>(292)</u>

Earnings per share

(Unit: Baht)

Basic earnings per share

Profit (loss) for the period

0.0003 (0.0006)

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

(นางเดือนพร บัญญาไธ)

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บริษัท อารีป จำกัด (มหาชน)
ARIP Public Company Limited

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(Unaudited but reviewed)

ARIP Public Company Limited

Statement of changes in shareholders' equity

For the three-month period ended 31 March 2017

(Unit: Thousand Baht)

	Issued and fully paid capital	Share premium	Retained earnings (deficit)		Total
			Appropriated - statutory reserve	Unappropriated (deficit)	
Balance as at 1 January 2016	116,500	83,465	11,650	(15,451)	196,164
Loss for the period	-	-	-	(292)	(292)
Other comprehensive income for the period	-	-	-	-	-
Total comprehensive income for the period	-	-	-	(292)	(292)
Balance as at 31 March 2016	116,500	83,465	11,650	(15,743)	195,872
Balance as at 1 January 2017	116,500	83,465	11,650	(10,610)	201,005
Profit for the period	-	-	-	147	147
Other comprehensive income for the period	-	-	-	-	-
Total comprehensive income for the period	-	-	-	147	147
Balance as at 31 March 2017	116,500	83,465	11,650	(10,463)	201,152

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


(นางเดือนพร ปัญญาไส)
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บริษัท เออาร์ไอพี จำกัด (มหาชน)
ARIP Public Company Limited


(นายมนู เตียวไพโรจน์)
กรรมการ

(Unaudited but reviewed)

ARIP Public Company Limited

Cash flows statement

For the three-month period ended 31 March 2017

(Unit: Thousand Baht)

	2017	2016
Cash flows from operating activities		
Profit before tax from continuing operation	204	157
Loss before tax from discontinued operation (Note 13)	-	(1,260)
Profit (loss) before income tax	204	(1,103)
Adjustments to reconcile profit (loss) before tax to net cash provided by (paid from) operating activities:		
Depreciation and amortisation	2,011	2,954
Doubtful accounts (reversal)	10	(5)
Diminution in inventories to net realisable value	36	362
Amortisation of deferred service costs	8,911	4,037
Gain on sale of equipment	(6)	(836)
Long-term employee benefits expense	203	375
Interest income	(109)	(104)
Profit from operating activities before changes in operating assets and liabilities	11,260	5,680
Operating assets (increase) decrease		
Trade and other receivables	36,644	6,319
Inventories	76	(159)
Deferred service costs	(6,889)	83
Other current assets	1,062	(688)
Operating liabilities increase (decrease)		
Trade and other payables	(199)	(4,841)
Other current liabilities	(2,156)	(2,275)
Cash flows from operating activities	39,798	4,119
Cash received from withholding tax refundable	5,440	-
Cash paid for income tax	(1,119)	(706)
Net cash flows from operating activities	44,119	3,413

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

(นางเชื่อมพร บัญญาใต้)

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บริษัท เออาร์ไอพี จำกัด (มหาชน)
ARIP Public Company Limited

(นายมนู เดียวไพโรจน์)

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(Unaudited but reviewed)

ARIP Public Company Limited

Cash flows statement (continued)


For the three-month period ended 31 March 2017

	(Unit: Thousand Baht)	
	2017	2016
Cash flows from investing activities		
Acquisitions of equipment	(333)	(517)
Acquisitions of intangible assets	(4)	(373)
Proceeds from sales of equipment	6	15,950
Interest income	71	58
Net cash flows from (used in) investing activities	(260)	15,118
Net increase in cash and cash equivalents	43,859	18,531
Cash and cash equivalents at beginning of the period	44,329	53,384
Cash and cash equivalents at end of the period (Note 3)	88,188	71,915

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


(นางเจ็อมพร บัญญาไส)
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บริษัท เออาร์ไอพี จำกัด (มหาชน)
ARIP Public Company Limited


(นายมนู เลียวไพโรจน์)
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ARIP Public Company Limited

Notes to interim financial statements

For the three-month period ended 31 March 2017

1. General information

1.1 Corporate information

ARIP Public Company Limited ("the Company") is a public company incorporated and domiciled in Thailand. The Company is principally engaged in the management of events and marketing activities, the production and distribution of IT-related publications, and the placement of advertisements. The registered office of the Company is at 99/16-20 Ratchadapisek Road, Din Daeng, Bangkok.

1.2 Discontinue operations

On 8 November 2016, a meeting of the Company's Board of Directors approved the cessation of the TV program production and TV advertising business, effective from January 2017 because, due to changes in consumer behavior and increased competition, the Company's revenue from this segment had decreased, to the extent that it was not sufficient to cover its operating costs. During the three-month period ended 31 March 2016, revenue from this segment amounted to Baht 2 million, representing 5.23% of total revenue.

1.3 Basis for the preparation of interim financial statements

These interim financial statements are prepared in accordance with Thai Accounting Standard No. 34 (revised 2016) Interim Financial Reporting, with the Company choosing to present condensed interim financial statements. However, the Company has presented the statements of financial position, comprehensive income, changes in shareholders' equity and cash flows in the same format as that used for the annual financial statements.

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

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

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บริษัท เออาร์ไอพี จำกัด (มหาชน)
ARIP Public Company Limited

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1.4 New financial reporting standards

During the period, the Company has adopted the revised financial reporting standards and interpretations (revised 2016) and new accounting treatment guidance which are effective for fiscal years beginning on or after 1 January 2017. These financial reporting standards were aimed at alignment with the corresponding International Financial Reporting Standards with most of the changes directed towards revision of wording and terminology, and provision of interpretations and accounting guidance to users of standards. The adoption of these financial reporting standards does not have any significant impact on the Company's financial statements.

1.5 Significant accounting policies

The interim financial statements are prepared using the same accounting policies and methods of computation as were used for the financial statements for the year ended 31 December 2016.

2. Related party transactions

The relationships between the Company and related parties are summarised below.

Name	Relationship
Advance Research Group Co.,Ltd.	Common shareholders/Common directors
Business Online Public Company Limited	Common shareholders/Common directors
SVOA Public Company Limited	Common shareholders/Common directors
Core and Peak Co.,Ltd	Common shareholders/Common directors
D2 Systems Co.,Ltd	Common shareholders/Common directors
Anet Co.,Ltd	Common shareholders/Common directors
A.R. Accounting Consultant Co.,Ltd	Common shareholders/Common directors
ARIT Co.,Ltd	Common shareholders/Common directors
D & B (Thailand) Co.,Ltd.	Common shareholders/Common directors
Abiks Development Co., Ltd.	Common shareholders/Common directors
Lease It Public Company Limited	Common shareholders/Common directors
Dataone Asia Co.,Ltd	Common shareholders/Common directors
BOL Digital Co.,Ltd.	Common shareholders/Common directors
National Credit Bureau Co.,Ltd.	Common directors
SPVI Public Company Limited	Common directors
IT City Public Company Limited	Common directors
Thai Beverage Public Company Limited	Common directors
Bangkok Union Insurance Public Company Limited	Common directors
Siam Steel International Public Company Limited	Common directors
Kang Yong Electric Public Company Limited	Common directors

(นางจอมพร ปัญญาใส)

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บริษัท เอสอาร์ไอพี จำกัด (มหาชน)
SIP Public Company Limited

(Unaudited but reviewed)

Name	Relationship
Jubilee Enterprise Public Company Limited	Common directors
Asys Computer Co., Ltd.	Common directors
Khon Kaen Sugar Industry Public Company Limited	Common directors
Keppel Communications Pte.Ltd.	Parent company of a major shareholder

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.

(Unit: Million Baht)

	For the three-month periods		Pricing policy
	ended 31 March		
	2017	2016	

Transactions with related parties

Revenue

Advertising income	1	1	Market price
Revenue from management of event	4	4	Market price
Other service income	-	1	Cost plus margin

Expenses

Advertising and marketing activity expenses	1	-	Cost plus margin
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The balances of the accounts between the Company and those related parties are as follows:

(Unit: Thousand Baht)

	31 March	31 December
	2017	2016

Trade and other receivables - related parties (Note 5)

Related companies (related by common shareholders and directors)

5,283 7,559

Trade and other payables - related parties (Note 10)

Related companies (related by common shareholders and directors)

747 2,882

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บริษัท เพอร์ซิเค จำกัด (มหาชน)
Jubilee Public Company Limited

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(Unaudited but reviewed)

Directors and management's benefits

During the three-month periods ended 31 March 2017 and 2016, the Company had employee benefit expenses payable to their directors and management as below.

(Unit: Thousand Baht)

	2016	2015
Short-term employee benefits	3,161	3,399
Post-employment benefits	81	52
Total	3,242	3,451

3. Cash and cash equivalents

(Unit: Thousand Baht)

	31 March 2017	31 December 2015
Cash	130	135
Bank deposits	88,058	44,194
Total	88,188	44,329

As at 31 March 2017, bank deposits in saving accounts and fixed deposits carried interests between 0.38% to 0.40% per annum (31 December 2016: between 0.38% and 1.10% per annum).

4. Current investments

As at 31 March 2017, the Company had invested in fixed deposits with a maturity of 6 - 12 months totalling Baht 0.3 million (31 December 2016: Baht 0.3 million). The fixed deposits carried interests between 0.90% - 1.00% per annum (31 December 2016: between 0.90% - 1.15% per annum).


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บริษัท อารีป จำกัด (มหาชน)
ARIP Public Company Limited


(นายมนู เลียวไพโรจน์)
กรรมการ

(Unaudited but reviewed)


5. Trade and other receivables

(Unit: Thousand Baht)

	31 March 2017	31 December 2016
Trade receivables - related parties (Note 2)		
Aged on the basis of due dates		
Not yet due	1,513	6,045
Past due		
Up to 3 months	803	67
Total trade receivables - related parties	2,316	6,112
Trade receivables - unrelated parties		
Aged on the basis of due dates		
Not yet due	18,745	48,900
Past due		
Up to 3 months	4,874	11,389
3 - 6 months	10	-
6 - 12 months	-	53
Over 12 months	724	671
Total	24,353	61,013
Less: Allowance for doubtful debts	(734)	(724)
Total trade receivables - unrelated parties, net	23,619	60,289
Total trade receivables - net	25,935	66,401
Other receivables		
Accrued income - related parties (Note 2)	2,967	1,447
Accrued income - unrelated parties	8,865	6,434
Retention receivables	10,983	10,467
Advance payments	109	726
Others	2,242	2,242
Total other receivables	25,166	21,316
Trade and other receivables - net	51,101	87,717


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บริษัท เออาร์ไอพี จำกัด (มหาชน)
ARIP Public Company Limited


(นายมนู เดียวไพโรจน์)
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6. Allowance for diminution in value of inventories

Movements in the allowance for diminution in value of inventories account during the three-month period ended 31 March 2017 are summarised below.

(Unit: Thousand Baht)

Balance as at 1 January 2017	1,426
Add: Increase during the period	36
Balance as at 31 March 2017	<u>1,462</u>

7. Restricted bank deposits

As at 31 March 2017 and 31 December 2016, restricted bank deposits are detailed below.

- 12 months fixed deposit of Baht 6 million pledged with a bank to secure bank overdrafts facility of Baht 5 million and bank guarantee facility of Baht 20 million.
- 6 months fix deposit of Baht 1 million and saving bank deposit of Baht 5 million pledged with banks to secure the issuance of bank guarantees granted by the banks to the Company.

8. Property, building and equipment

Movements of the property, building and equipment account during the three-month period ended 31 March 2017 are summarised below.

(Unit: Thousand Baht)

Net book value as at 1 January 2017	48,527
Acquisitions during period - at cost	333
Depreciation for period	(847)
Net book value as at 31 March 2017	<u>48,013</u>

9. Intangible assets

Movements of intangible assets which are computer softwares during the three-month period ended 31 March 2017 are summarised below.

(Unit: Thousand Baht)

Net book value as at 1 January 2017	7,728
Acquisitions during period - at cost	4
Amortisation for period	(1,164)
Net book value as at 31 March 2017	<u>6,568</u>

(Unaudited but reviewed)

10. Trade and other payables

	(Unit: Thousand Baht)	
	31 March 2017	31 December 2016
Trade payables - related parties (Note 2)	641	2,470
Trade payables - unrelated parties	8,339	5,475
Accrued expenses - related parties (Note 2)	106	412
Accrued expenses - unrelated parties	6,365	7,293
Total	15,451	15,650

11. Provision for long-term employee benefits

Provision for long-term employee benefits as at 31 March 2017 and 31 December 2016, which is compensations on employees' retirement, was as follows:

	(Unit: Thousand Baht)	
	31 March 2017	31 December 2016
Provision for long-term employee benefits		
at beginning of period	5,641	9,159
Included in profit or loss:		
Current service cost	169	1,082
Interest cost	34	417
Included in other comprehensive income:		
Actuarial (gain) loss arising from:		
Demographic assumptions changes	-	(1,537)
Financial assumptions changes	-	786
Experience adjustments	-	(2,988)
Benefit paid during the period	-	(1,278)
Provision for long-term employee benefits		
at end of period	5,844	5,641

Long-term employee benefit expenses included in profit or loss for the three-month period ended 31 March 2017 amounted to Baht 0.2 million (2016: Baht 0.4 million).

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บริษัท เอเชีย ไรฟ จำกัด (มหาชน)
Asia Rife Company Limited

(นายมนู เดียวไพโรจน์)

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12. Income tax

Interim corporate income tax was calculated on profit (loss) before income tax for the period, using the estimated effective tax rate for the year.

Income tax for the three-month periods ended 31 March 2017 and 2016 is made up as follows:

	(Unit: Thousand Baht)	
	2017	2016
Tax expense (income) from continuing operation reported in the statements of comprehensive income	57	(537)
Tax income from discontinued operation (Note 13)	-	(274)
Total tax expense (income)	57	(811)
Current income tax:		
Interim corporate income tax charge	-	-
Deferred tax:		
Relating to origination and reversal of temporary differences	57	(811)
Tax expense (income) reported in the statement of comprehensive income	57	(811)

As of 31 March 2017 and 31 December 2016, the components of deferred tax assets are as follows:

	(Unit: Thousand Baht)	
	31 March 2017	31 December 2016
Deferred tax assets		
Allowance for doubtful accounts	147	145
Allowance for diminution in value of inventories	292	285
Provision for long-term employee benefits	1,169	1,128
Tax losses	3,962	4,069
Total	5,570	5,627

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ARIP

บริษัท เออาร์ไอพี จำกัด (มหาชน)
ARIP Public Company Limited

(นายมนู เลียวไพโรจน์)

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13. Discontinued operation

On 8 November 2016, a meeting of the Company's Board of Directors approved the cessation of TV program production and TV advertising business, effective from January 2017, as mentioned in Note 1.2 to the financial statements.

The Company classified the operating results of such operating segment as discontinued operation in the financial statements for the three-month period ended 31 March 2016.


Details of discontinued operations for the period ended 31 March 2016 are present below:

(Unit: Thousand Baht)

	For the three-month period ended 31 March 2016
Revenues	
Service income	2,383
Total revenues	2,383
Expenses	
Cost of sales and services	3,188
Selling expenses	27
Administrative expenses	428
Total expenses	3,643
Loss before income tax	(1,260)
Income tax	274
Loss for the period from discontinued operation	(986)
Earnings per share:	
Basic loss per share from discontinued operation (Baht/share)	(0.0021)


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บริษัท อาริป จำกัด
ARIP Public Company Limited


(นายมนุ เดียวไพโรจน์)
กรรมการ

(Unaudited but reviewed)

The net cash flows incurred by discontinued operation for the three-month period ended 31 March 2016 were as follows:

(Unit: Thousand Baht)

	For the three-month period ended 31 March 2016
Operating activities	(785)
Investing activities	(368)
Financing activities	-
Net cash flows used in discontinued operation	(1,153)

14. Segment information

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

The following tables present revenue information regarding the Company's operating segments for the periods of three-month ended 31 March 2017 and 2016, respectively.

(Unit: Thousand Baht)

For the three-month period ended 31 March 2017						
	Printing media	Management of events	Digital media	Total segments	Elimination of inter-segment revenues	Total
Revenue						
Revenue from external customers	8,654	26,575	8,061	43,290	-	43,290
Inter-segment revenue	82	-	10	92	(92)	-
Total revenue	8,736	26,575	8,071	43,382	(92)	43,290
Operating result						
Segment profit (loss)	236	(696)	566	106	-	106
Finance cost						(19)
Other income						117
Profit before income tax						204
Tax expense						(57)
Profit for the period						147

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ARIP

บริษัท เออาร์ไอพี จำกัด (มหาชน)
ARIP Public Company Limited

(นายมนู เลียวไพโรจน์)

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(Unaudited but reviewed)

(Unit: Thousand Baht)

For the three-month period ended 31 March 2016						
	Printing media	Management of events	Digital media	Total segments	Elimination of inter-segment revenues	Total
Revenue						
Revenue from external customers	8,881	22,935	10,401	42,217	-	42,217
Inter-segment revenue	180	-	25	205	(205)	-
Total revenue	9,061	22,935	10,426	42,422	(205)	42,217
Operating result						
Segment profit (loss)	667	2,498	(3,928)	(763)	-	(763)
Finance cost						(25)
Other income						945
Profit before income tax						157
Tax income						537
Profit for the period from continuing operation						694
Discontinued operation						
Loss for the period from discontinued operation						(986)
Loss for the period						(292)

15. Commitments and contingent liabilities

15.1 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 term of agreements is generally 1 and 5 years. These agreements are non-cancellable.

As at 31 March 2017 and 31 December 2016, minimum lease payments, required under these non-cancellable operating agreements contracts were as follows.

(Unit: Million Baht)

	31 March 2017	31 December 2016
Payable:		
In up to 1 year	5.9	6.6
In over 1 and up to 5 years	0.6	0.5

15.2 Bank guarantees

As at 31 March 2017 and 31 December 2016, there were outstanding bank guarantees of approximately Baht 0.3 million issued by banks on behalf of the Company to guarantee electricity use.

16. Approval of interim financial statements

These interim financial statements were authorised for issue by the Company's Board of Directors on 11 May 2017.

(นายมนู เลียวไพโรจน์)
กรรมการ

(นางเจตนาพร ใจดี)
กรรมการ
Public Company Limited