

INTERNET THAILAND PUBLIC COMPANY LIMITED
AND ITS SUBSIDIARY
INTERIM FINANCIAL STATEMENTS AND
INDEPENDENT AUDITOR'S REPORT ON REVIEW OF
INTERIM FINANCIAL INFORMATION
THE SECOND QUARTER ENDED JUNE 30, 2014

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Independent Auditor's Report on Review of Interim Financial Information

To the Shareholders and the Board of Directors of Internet Thailand Public Company Limited:

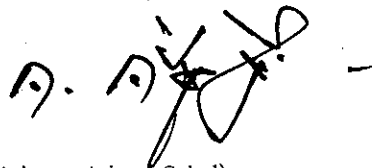
I have reviewed the accompanying consolidated and separate statements of financial position as at June 30, 2014 of Internet Thailand Public Company Limited and its subsidiary, and of Internet Thailand Public Company Limited, respectively, the related consolidated and separate statements of comprehensive income for the three-month and six-month periods ended June 30, 2014, the related consolidated and separate statements of changes in shareholders' equity, and cash flows for the six-month period ended June 30, 2014 and the condensed notes to interim 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 No. 34, "Interim Financial Reporting".



(Atipong Atipong Sakul)
Certified Public Accountant
Registration Number 3500

ANS Audit Company Limited
Bangkok, August 13, 2014

Internet Thailand Public Company Limited and its subsidiary

Statements of Financial Positions

As at June 30, 2014

Unit : Thousand Baht

	Notes	Consolidated financial statements		Separate financial statements		
		Unaudited		Unaudited		
		Reviewed	Audited	Audited	Reviewed	Audited
		June 30, 2014	December 31, 2013	January 1, 2013	June 30, 2014	December 31, 2013
			(Restated)			
Assets						
Current Assets						
Cash and cash equivalents	5	6,445	12,309	46,350	4,371	11,602
Short-term investments		-	-	862	-	-
Investments in available for sale securities	6	8,210	7,201	187,289	8,210	7,201
Trade and other receivables - net	4, 7	88,087	78,646	85,009	93,279	74,911
Receivable from and loan to unrelated party - net	8	-	-	-	-	-
Inventories	9	7,417	8,532	6,451	2,123	8,532
Other current assets	4, 10	27,407	25,814	9,542	28,727	28,049
Total Current Assets		137,566	132,502	335,503	136,710	130,295
Non-Current Assets						
Pledged deposits with financial institutions	11, 17, 19	112,095	96,198	3,796	112,095	96,197
Finance lease receivables - net of current portion - net		-	-	1,224	-	-
Withholding tax receivable		47,234	40,656	36,432	46,470	40,529
Investments in subsidiary	12	-	-	-	5,000	5,000
Investments in associated company	13	26,273	37,596	46,987	40,000	40,000
Leasehold improvements and equipment - net	14	606,077	472,117	146,783	605,859	471,848
Intangible assets - net	15	17,339	18,790	19,884	17,319	18,775
Deferred income tax assets - net	16	18,493	21,713	21,396	18,493	21,713
Other non-current assets		15,126	15,065	15,122	15,097	15,035
Total Non-Current Assets		842,637	702,135	291,624	860,333	709,097
Total Assets		980,203	834,637	627,127	997,043	839,392

P. Wongterarit

Miss. Tanwadee Wongterarit
(Director)

P. Thajchayapong

Prof. Dr. Pairash Thajchayapong
(Director)

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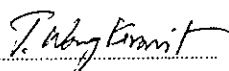
Internet Thailand Public Company Limited and its subsidiary

Statements of Financial Positions


As at June 30, 2014

Unit : Thousand Baht

	Notes	Consolidated financial statements		Separate financial statements		
		Unaudited		Unaudited		
		Reviewed	Audited	Audited	Reviewed	Audited
		June 30, 2014	December 31, 2013	January 1, 2013	June 30, 2014	December 31, 2013
(Restated)						
Liabilities and Shareholders' Equity						
Current Liabilities						
Bank overdrafts and short-term loans from financial institutions	17	185,221	106,899	-	185,221	106,899
Trade and other payables	18	117,471	155,566	121,706	115,781	152,879
Current portion of long-term loan from financial institution	19	21,828	-	-	21,828	-
Current portion of liability under financial lease agreements	20	43,194	26,502	-	43,194	26,502
Unearned service income		3,896	3,372	2,041	3,533	2,833
Other current liabilities		11,916	9,563	6,095	11,547	9,206
Total Current Liabilities		383,526	301,902	129,842	381,104	298,319
Non-Current Liabilities						
Long-term loan from financial institution - net	19	51,347	-	-	51,347	-
Liability under financial lease agreements - net	20	64,102	44,593	-	64,102	44,593
Employee benefit obligations	21	5,671	5,452	5,786	5,373	5,385
Other liabilities		207	207	207	207	207
Total Non-Current Liabilities		121,327	50,252	5,993	121,029	50,185
Total Liabilities		504,853	352,154	135,835	502,133	348,504
Shareholders' Equity						
Share capital						
Registered						
333,333,333 common shares, at Baht 1 each		333,333	333,333	333,333	333,333	333,333
Issued and paid-up						
250,020,799 common shares, at Baht 1 each		250,021	250,021	250,021	250,021	250,021
Share premium		272,134	272,134	272,134	272,134	272,134
Deficit on business combination under common control of associated company		(19,208)	(9,138)	-	-	-
Retained earnings (deficit)						
Appropriated - Legal reserve		25,492	25,492	24,872	25,492	25,492
Unappropriated		(49,660)	(54,661)	(57,104)	(52,442)	(55,394)
Other components of shareholders' equity		(3,429)	(1,365)	1,369	(295)	(1,365)
Total Shareholders' Equity attributable to owners of parent		475,350	482,483	491,292	494,910	490,888
Non-controlling interests		-	-	-	-	-
Total shareholders' equity		475,350	482,483	491,292	494,910	490,888
Total Liabilities and Shareholders' Equity		980,203	834,637	627,127	997,043	839,392



Miss. Tanwadee Wongterarit
(Director)



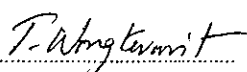
Prof. Dr. Pairash Thajchayapong
(Director)

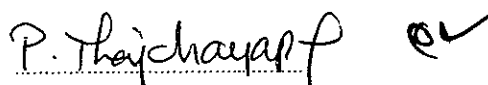
Internet Thailand Public Company Limited and its subsidiary

Statements of Comprehensive Income

For the three-month period ended June 30, 2014

		Unit : Thousand Baht			
		Unaudited but reviewed			
		Consolidated financial statements		Separate financial statements	
Notes		2014	2013	2014	2013
	4, 23				
Revenues from service		123,513	88,999	114,878	88,742
Revenues from sales		766	1,230	6,918	1,487
Costs of services		(90,054)	(64,958)	(84,867)	(65,133)
Cost of sales		(673)	(1,089)	(6,595)	(1,157)
Gross profit		33,552	24,182	30,334	23,939
Other income		5,675	1,594	5,537	1,635
Profit before operating expenses		39,227	25,776	35,871	25,574
Selling expenses		(14,229)	(15,130)	(11,247)	(13,214)
Administrative expenses		(16,745)	(15,259)	(16,683)	(15,242)
Total expenses		(30,974)	(30,389)	(27,930)	(28,456)
Profit (loss) before share of profit from associated company		8,253	(4,613)	7,941	(2,882)
Share of profit from investment in associated company	13	2,148	877	-	-
Profit (loss) before finance costs and tax		10,401	(3,736)	7,941	(2,882)
Finance costs		(4,146)	-	(4,146)	-
Profit (loss) before tax		6,255	(3,736)	3,795	(2,882)
Tax (expenses) revenues	16	(2,125)	198	(2,125)	198
Profit (loss) for the periods		4,130	(3,538)	1,670	(2,684)
Other comprehensive income:					
Gain (loss) on changes in value of available for sale investments		578	(1,210)	578	(1,210)
Income tax relating to component of other comprehensive income (loss)		(115)	242	(115)	242
Loss on changes in shareholding in associated company	13	(3,134)	-	-	-
Other comprehensive income (loss) for the periods - net		(2,671)	(968)	463	(968)
Total comprehensive income (loss) for the periods		1,459	(4,506)	2,133	(3,652)
Profit (loss) attributable to:					
Equity holders of the Company		4,130	(3,538)	1,670	(2,684)
Non-controlling interests of the subsidiary		-	-	-	-
		4,130	(3,538)	1,670	(2,684)
Basic earnings (loss) per share (Baht)	22	0.02	(0.01)	0.01	(0.01)
Weighted average number of issued and fully paid-up common shares (Shares)		250,021	250,021	250,021	250,021


Miss. Tanwadee Wongterarit
(Director)


Prof. Dr. Pairsak Thajchayapong
(Director)

Internet Thailand Public Company Limited and its subsidiary

Statements of Comprehensive Income

For the six-month period ended June 30, 2014

		Unit : Thousand Baht			
		Unaudited but reviewed			
		Consolidated financial statements		Separate financial statements	
Notes		2013	2012	2013	2012
	4, 23				
Revenues from service		231,498	175,488	219,380	175,488
Revenues from sales		2,243	3,272	8,395	3,272
Costs of services		(175,429)	(129,650)	(169,687)	(130,082)
Cost of sales		(2,176)	(2,586)	(8,098)	(2,586)
Gross profit		56,136	46,524	49,990	46,092
Dividend income		-	-	2,600	6,600
Other income		9,573	5,213	9,972	5,274
Profit before operating expenses		65,709	51,737	62,562	57,966
Selling expenses		(26,239)	(26,344)	(20,442)	(24,106)
Administrative expenses		(29,037)	(30,001)	(29,256)	(29,964)
Total expenses		(55,276)	(56,345)	(49,698)	(54,070)
Profit (loss) before share of profit from associated company		10,433	(4,608)	12,864	3,896
Share of profit from investment in associated company	13	4,480	2,648	-	-
Profit (loss) before finance costs and tax		14,913	(1,960)	12,864	3,896
Finance costs		(6,959)	-	(6,959)	-
Profit (loss) before tax		7,954	(1,960)	5,905	3,896
Tax (expenses) revenues	16	(2,953)	186	(2,953)	186
Profit (loss) for the periods		5,001	(1,774)	2,952	4,082
Other comprehensive income:					
Gain (loss) on changes in value of available for sale investments		1,337	(1,809)	1,337	(1,809)
Income tax relating to component of					
other comprehensive income (loss)		(267)	362	(267)	362
Loss on changes in shareholding in associated company	13	(3,134)	-	-	-
Other comprehensive income (loss) for the periods - net		(2,064)	(1,447)	1,070	(1,447)
Total comprehensive income (loss) for the periods		2,937	(3,221)	4,022	2,635
Profit (loss) attributable to:					
Equity holders of the Company		5,001	(1,774)	2,952	4,082
Non-controlling interests of the subsidiary		-	-	-	-
		5,001	(1,774)	2,952	4,082
Basic earnings (loss) per share (Baht)	22	0.02	(0.01)	0.01	0.02
Weighted average number of issued and fully paid-up common shares (Thousand Shares)		250,021	250,021	250,021	250,021

Miss Tanwadee Wongterarit
(Director)

Prof. Dr. Pairashi Thajchayapong
(Director)

Internet Thailand Public Company Limited and its subsidiary
 Statements of Changes in Shareholders' Equity
 For the six-month period ended June 30, 2014

Unit : Thousand Baht
 Unaudited but reviewed

Consolidated financial statements

Notes	Issued and Paid-Up Share Capital	Shares premium	Deficit on business of associated company common control combination under	Retained earnings (deficit)	Appropriated to legal reserve	Unappropriated	Changes in value of available for sale investments	Other components of shareholders' equity			Total
								Other comprehensive income	Loss on change in shareholding in associated company	Total other components of shareholders' equity	
Balance as at January 1, 2014 - as previously reported	250,021	272,134	-	25,492	(54,661)	(1,365)	-	(1,365)	(1,365)	-	491,621
Adjustments of investment in associated company	-	-	(9,138)	-	-	-	-	-	-	-	(9,138)
Balance as at January 1, 2014 - as restated	250,021	272,134	(9,138)	25,492	(54,661)	(1,365)	-	(1,365)	(1,365)	-	482,483
Total comprehensive income (loss) for the period	-	-	-	-	5,001	1,070	(3,134)	(2,064)	(2,064)	-	2,937
Deficit on business combination under common control in associated	-	-	(21,595)	-	-	-	-	-	-	-	(21,595)
Changes in shareholding in associated company	-	-	11,525	-	-	-	-	-	-	-	11,525
Balance as at June 30, 2014	250,021	272,134	(19,208)	25,492	(49,660)	(295)	(3,134)	(3,429)	(3,429)	-	475,350
Balance as at January 1, 2013	250,021	272,134	-	24,872	(58,335)	1,369	-	1,369	1,369	-	490,061
Total comprehensive loss for the period	-	-	-	-	(1,774)	(1,447)	-	(1,447)	(1,447)	-	(3,221)
Balance as at June 30, 2013	250,021	272,134	-	24,872	(60,109)	(78)	-	(78)	(78)	-	486,840

P. Thajchayapong
 Miss. Tanwadee Wongkietarit
 (Director)

P. Thajchayapong
 Prof. Dr. Paitrasi Thajchayapong
 (Director)

Internet Thailand Public Company Limited
Statements of Changes in Shareholders' Equity
For the six-month period ended June 30, 2014

Unit : Thousand Baht

	Unaudited but reviewed									
	Separate financial statements									
	Retained earnings (deficit)		Appropriated to		Shares		Other comprehensive income		Other components of shareholders' equity	
Issued and Paid-Up Share Capital	Share premium	Appropriated to legal reserve	Unappropriated	Changes in value of available for sale investments	Total other components of shareholders' equity	shareholders' equity	shareholders' equity	shareholders' equity	shareholders' equity	
Balance as at January 1, 2014	250,021	272,134	25,492	(55,394)	(1,365)	(1,365)	(1,365)	(1,365)	(1,365)	490,888
Total comprehensive income for the period	-	-	-	2,952	1,070	1,070	1,070	1,070	1,070	4,022
Balance as at June 30, 2014	250,021	272,134	25,492	(52,442)	(295)	(295)	(295)	(295)	(295)	494,910
Balance as at January 1, 2013	250,021	272,134	24,872	(66,921)	1,369	1,369	1,369	1,369	1,369	481,475
Total comprehensive income (loss) for the period	-	-	-	4,082	(1,447)	(1,447)	(1,447)	(1,447)	(1,447)	2,635
Balance as at June 30, 2013	250,021	272,134	24,872	(62,839)	(78)	(78)	(78)	(78)	(78)	484,110

or

T. Wongkorn T.
 Miss. Tanwadee Wongkornit
 (Director)

P. Thajchayapong
 Prof. Dr. Paitrash Thajchayapong
 (Director)

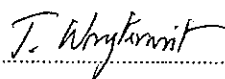
The accompanying notes are an integral part of the financial statements.

Internet Thailand Public Company Limited and its subsidiary

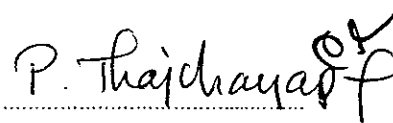
Statements of Cash Flows

For the six-month period ended June 30, 2014

	Unit : Thousand Baht			
	Unaudited but reviewed			
	Consolidated financial statements		Separate financial statements	
	2014	2013	2014	2013
Cash Flows from Operating Activities				
Profit (loss) before tax	7,954	(1,960)	5,905	3,896
Adjustments to reconcile profit (loss) before tax				
to net cash flows from (used in) operating activities:				
Share of profit from associated company	(4,480)	(2,648)	-	-
Dividend income	-	-	(2,600)	(6,600)
Depreciation and amortization	25,887	19,865	25,803	19,796
Allowance for doubtful accounts (Reversal)	(233)	1,097	(233)	1,097
Gain on sales of investments in available for sale securities	(100)	-	(100)	-
Gain on sales of assets	(326)	(77)	(315)	(77)
Gain on sales of intangible assets	(27)	-	(27)	-
Estimated employee benefit obligations (Reversal)	219	467	(12)	455
Interest income	(1,473)	(2,029)	(1,469)	(2,029)
Interest expenses	6,959	-	6,959	-
Profit from operating activities before changes				
in operating assets and liabilities	34,380	14,715	33,911	16,538
Operating assets (increased) decreased				
Trade and other receivables	(8,155)	(21,003)	(17,082)	(21,050)
Inventories	1,115	(526)	6,409	(526)
Other current assets	(1,593)	(7,359)	(678)	(7,571)
Other non-current assets	(61)	65	(62)	65
Operating liabilities increased (decreased)				
Trade and other payables	(31,980)	13,759	(30,398)	13,635
Unearned service income	524	1,188	700	1,188
Other current liabilities	2,353	(412)	2,341	(344)
Cash from (used in) operating activities	(3,417)	427	(4,859)	1,935
Cash received on interest income	420	2,616	416	2,616
Cash paid for employee benefit obligations	-	(654)	-	(623)
Cash paid for interest expenses	(6,959)	-	(6,959)	-
Cash paid for corporate income tax	(6,578)	(3,087)	(5,941)	(3,078)
Net Cash From (Used in) Operating Activities	(16,534)	(698)	(17,343)	850



Miss. Tanwadee Wongteranit
(Director)



Prof. Dr. Pairash Thajchayapong
(Director)

Internet Thailand Public Company Limited and its subsidiary

Statements of Cash Flows

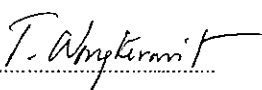
For the six-month period ended June 30, 2014

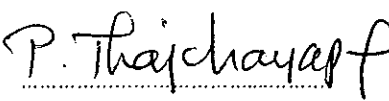
	Unit : Thousand Baht			
	Unaudited but reviewed			
	Consolidated financial statements		Separate financial statements	
	2014	2013	2014	2013
Cash Flows from Investing Activities				
Decrease in short-term investments	-	873	-	873
Decrease (increase) in pledged deposits with financial institution	(15,898)	87,617	(15,898)	87,617
Cash received from sales of available for sale securities	428	-	428	-
Dividend received	2,600	6,600	2,600	6,600
Cash paid for purchases of equipment	(111,118)	(121,638)	(111,671)	(121,620)
Cash received from equipment sales	393	78	382	78
Cash paid for intangible assets	(568)	(2,807)	(562)	(2,807)
Cash received from intangible assets	28	-	28	-
Net Cash Used in Investing Activities	(124,135)	(29,277)	(124,693)	(29,259)
Cash flows from financing activities:				
Net increase in bank overdrafts				
and short-term loans from financial institutions - net	78,322	-	78,322	-
Cash payments for financial lease agreements	(16,692)	-	(16,692)	-
Cash received from long-term loan from financial institution	78,994	-	78,994	-
Cash payments for long-term loan from financial institution	(5,819)	-	(5,819)	-
Net cash from financing activities	134,805	-	134,805	-
Net Cash and Cash Equivalents decreased	(5,864)	(29,975)	(7,231)	(28,409)
Cash and Cash Equivalents at the Beginning of the periods	12,309	46,351	11,602	43,811
Cash and Cash Equivalents at the End of the periods	6,445	16,376	4,371	15,402

Supplemental Disclosures of Cash Flows Information

Non-Cash transaction:

Payables for purchase of assets increase (decrease)	(6,115)	40,972	(6,700)	40,904
Assets increased from financial lease agreements	52,893	-	52,893	-


 Miss. Tanwadee Wongterarit
 (Director)


 Prof. Dr. Pairash Thajchayapong
 (Director)

INTERNET THAILAND PUBLIC COMPANY LIMITED AND ITS SUBSIDIARY
NOTES TO THE INTERIM FINANCIAL STATEMENTS
FOR THE SIX-MONTH PERIOD ENDED JUNE 30, 2014 (UNAUDITED BUT REVIEWED)

1. General Information

Internet Thailand Public Company Limited ("the Company") is a public company incorporated and domiciled in Thailand. The Company listed on the Stock Exchange of Thailand on 14 November 2001 and has been engaging in the provision of telecommunication services including internet access services. The Company's registered office is located at No. 1768 Thai Summit Tower, 10th - 12th Floors, and the IT Floor, New Petchburi Road, Bangkapi Sub-district, Huay Khwang District, Bangkok.

2. Basis for the preparation of interim financial statements

The interim financial statements are prepared on a condensed basis in accordance with Thai Accounting Standard No. 34, Interim Financial Reporting (revised 2012), including related interpretations and guidelines promulgated by the Federation of Accounting Professions ("FAP"), applicable rules and the regulations of the Securities and Exchange Commission.

The interim financial statements have been prepared in the Thai language and expressed in Thai Baht. Such interim financial statements have been prepared for domestic reporting purposes. For the convenience of the readers not conversant with the Thai language, an English version of the interim financial statements has been provided by translating from the Thai version of the interim financial statements.

Other than those specified in the notes to the annual and interim financial statements, all other balances presented in these interim financial statements are prepared under the historical cost basis.

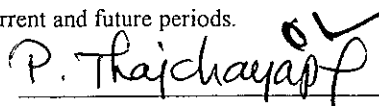
The interim financial statements have been prepared to provide information additional to that included in the financial statements for the year ended December 31, 2013. They focus on new activities, events and circumstances to avoid repetition of information previously reported. Accordingly, these interim financial statements should be read in conjunction with the financial statements for the year ended December 31, 2013.

The preparation of the interim financial statements in conformity with Thai Financial Reporting Standards requires management to make judgments, estimates and assumptions that affect the application of policies and reported amounts of assets, liabilities, income and expenses. The estimates and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances, the results of which form the basis of making the judgments about carrying amounts of assets and liabilities that are not readily apparent from other sources. Subsequent actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimate is revised, if the revision affects only that period, and in the period of the revision and future periods, if the revision affects both current and future periods.



Miss. Tanwadee Wongterarit
(Director)



Prof. Dr. Pairash Thajchayapong
(Director)

Basis for preparation of the consolidated interim financial statements

The consolidated interim financial statements, related to the Company and its subsidiary (together referred to as the "Group"), are prepared using the same basis as were used for the consolidated financial statements for the year ended December 31, 2013.

There is no change in the structure of the Group during the current period.

Prior year adjustments

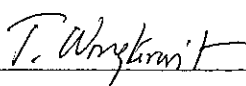
During the year ended December 31, 2013, an associated company invested in common shares of a company, which the investment is considered as a business combination under common control. The difference between cost of the business combination under common control higher than the net book value of the investee company is being treated as "Surplus (Deficit) from business combinations under common control" shown in Shareholders' Equity in the associated company. The Company has not yet recognized the proportionate interest of the Company in this transaction. The Company, therefore, adjusted the investments in associates in the consolidated financial statements. The effects of such restated financial statements reflected in the statement of financial position as at December 31, 2013, below.

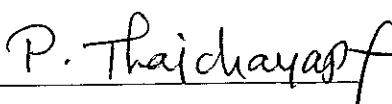
	Unit: Thousand Baht	
	Consolidated financial statements	
	December 31, 2013	January 1, 2013
Statements of Financial Positions		
Investments in associated company before adjustments	46,734	46,987
Adjustments		
Deficit on business combination under common control in associated company shown in shareholders' equity	(9,138)	-
Investments in associated company after adjustments	37,596	46,987

New accounting standards

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

The Group disclosed the accounting standards, financial reporting standards, accounting standard interpretations and financial reporting standard interpretations that are effective for fiscal years beginning on or after January 1, 2014, in the notes to financial statements for the year ended December 31, 2013. In addition, during the current period, the Federation of Accounting Professions issued TAS 36 (revised 2012) Impairment of Assets that is also effective for fiscal years beginning on or after January 1, 2014.


Miss. Tanwadee Wongterarit
(Director)


Prof. Dr. Pairash Thajchayapong
(Director)

The management of the Group has assessed the effects of the above accounting standards, financial reporting standards, accounting standard interpretations and financial reporting standard interpretations, and believes that they do not have a significant impact to the financial statements.

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

The Group has disclosed the financial reporting standard that will be effective in the future in the notes to financial statements for the year ended December 31, 2013.

The management of the Group has assessed the effect of this financial reporting standard and believes that it is not relevant to the business of the Group.

3. Significant Accounting Policies

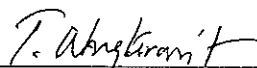
The interim financial statements are prepared using the same accounting policies and methods of computation as were used for the financial statements for the year ended December 31, 2013.

4. Related Parties Transactions

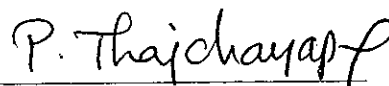
The National Science and Technology Development Agency ("NSTDA"), CAT Telecom Public Company Limited ("CAT Telecom") and TOT Public Company Limited ("TOT") hold 17%, 16% and 16% of the Company's equity interest, respectively, and have representatives on the Company's Board of Directors. They are therefore considered related parties.

Mandala Communications Co., Ltd. and Netbay Co., Ltd. are a subsidiary and an associate, respectively.

During the periods, the Company had significant business transactions with its related parties. Such transactions, which are summarised below, arose in the ordinary course of business and were concluded on commercial terms and bases agreed upon between the Company and those related parties. The Company had significant transactions for the three-month and six-month periods ended June 30, 2014 and 2013 as follows:



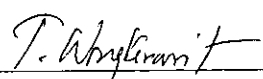
Miss. Tanwadee Wongterarit
(Director)

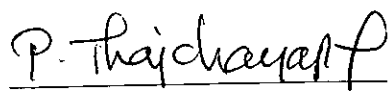


Prof. Dr. Pairash Thajchayapong
(Director)

	Unit: Thousand Baht				Pricing policy
	Consolidated financial statements		Separate financial statements		
	2014	2013	2014	2013	
Transactions with subsidiary company					
For the three-month period ended June 30,					
Subsidiary Company					
Other income	-	-	145	50	Market price
Equipment rental expenses	-	-	2,645	307	Market price
Associated company					
Service income	1,500	753	1,500	753	Market price
Related companies					
Service income	1,939	1,127	1,939	1,127	Construction contract: contract price, Other: market price
Service expenses	12,854	13,361	12,854	13,361	Construction contract: contract price, Other: market price

	Unit: Thousand Baht				Pricing policy
	Consolidated financial statements		Separate financial statements		
	2014	2013	2014	2013	
Transactions with subsidiary company					
For the six-month period ended June 30,					
Subsidiary Company					
Other income	-	-	509	70	Market price
Equipment rental expenses	-	-	5,425	564	Market price
Associated company					
Service income	2,700	1,516	2,700	1,516	Market price
Dividend income	-	-	2,600	6,600	As declared
Related companies					
Service income	3,315	2,455	3,315	2,455	Construction contract: contract price, Other: market price
Service expenses	28,892	25,949	28,892	25,949	Construction contract: contract price, Other: market price


 Miss. Tanwadee Wongterarit
 (Director)


 Prof. Dr. Pairash Thajchayapong
 (Director)

As at June 30, 2014 and December 31, 2013, the Company had significant balances with related parties as follows:

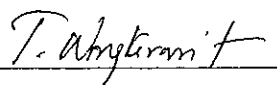
	Unit: Thousand Baht			
	Consolidated financial statements		Separate financial statements	
	June 30, 2014	December 31, 2013	June 30, 2014	December 31, 2013
Trade and other receivables - related parties				
Subsidiary company	-	-	7,502	351
Associated company	2,491	856	2,491	856
Related company (The Company's shareholder)	3,094	2,358	3,094	2,358
Total trade and other receivables - related parties	5,585	3,214	13,087	3,565
Prepaid service expenses - related parties				
Subsidiary company	-	-	2,847	2,881
Total prepaid service expenses - related parties	-	-	2,847	2,881
Trade and other payables - related parties				
Subsidiary company	-	-	2,253	977
Related company (The Company's shareholder) *	3,036	8,630	3,036	8,630
Total trade and other payables - related parties	3,036	8,630	5,289	9,607

* The balance included only the current transactions.

Directors and management's remuneration

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

	Unit: Thousand Baht			
	Consolidated financial statements		Separate financial statements	
	2014	2013	2014	2013
Short-term employee benefits	7,018	5,952	6,718	5,952
Long-term post-employment benefits	41	58	41	58
Total directors and management's remuneration	7,059	6,010	6,759	6,010



Miss. Tanwadee Wongterarit
(Director)



Prof. Dr. Pairash Thajchayapong
(Director)

5. Cash and cash equivalents

Cash and cash equivalents consisted of:

	Unit: Thousand Baht			
	Consolidated financial statements		Separate financial statements	
	June 30, 2014	December 31, 2013	June 30, 2014	December 31, 2013
Cash	231	409	220	399
Cash at banks - at call	4,613	10,238	2,656	9,710
Highly liquid short-term investments	1,601	1,662	1,495	1,493
Total cash and cash equivalents	6,445	12,309	4,371	11,602

6. Investments in available for sale securities

Investments in available for sale securities consisted of:

	Unit: Thousand Baht			
	Consolidated and separate financial statements			
	June 30, 2014		December 31, 2013	
	Cost	Fair value	Cost	Fair value
Available-for-sale securities				
Equity securities	8,578	8,210	8,906	7,201
Total investments	8,578	8,210	8,906	7,201
Add : Unrealised loss on changes in values of investments	(368)	-	(1,705)	-
Investments in available for sale securities - net	8,210	8,210	7,201	7,201

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T. Wongterarit

Miss. Tanwadee Wongterarit
(Director)

P. Thajchayapong

Prof. Dr. Pairash Thajchayapong
(Director)

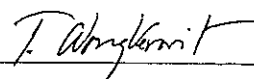
7. Trade and other receivables - net

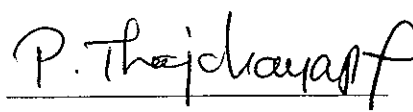
Trade and other receivables consisted of:

Unit: Thousand Baht

	Consolidated financial statements		Separate financial statements	
	June 30, 2014	December 31, 2013	June 30, 2014	December 31, 2013
Trade receivables				
Trade receivable – related companies	5,585	3,214	13,087	3,565
Trade receivables – other companies	86,722	80,807	84,722	76,741
Total Trade receivables	92,307	84,021	97,809	80,306
Less: Allowance for doubtful Accounts	(6,508)	(6,741)	(6,508)	(6,741)
Total Trade receivables - net	85,799	77,280	91,301	73,565
Other receivables				
Interest receivable	1,706	654	1,706	654
Receivables on penalty for delay	-	566	-	566
Other receivables	582	146	272	126
Total Other receivables	2,288	1,366	1,978	1,346
Total trade and other receivables - net	88,087	78,646	93,279	74,911

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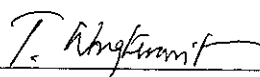

 Miss. Tanwadee Wongterarit
 (Director)


 Prof. Dr. Pairash Thajchayapong
 (Director)

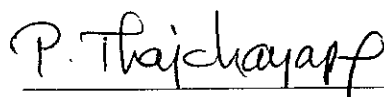
The Company has trade receivables classified by age analysis as follows:-

	Unit: Thousand Baht			
	Consolidated financial statements		Separate financial statements	
	June 30, 2014	December 31, 2013	June 30, 2014	December 31, 2013
Trade receivables – related companies				
Not yet due	107	879	7,431	1,230
Past due				
Not over 3 months	1,291	23	1,291	23
Over 6 months but not over 12 months	-	25	-	25
Over 12 months	2,287	2,287	2,287	2,287
Unbilled receivables - related companies				
Not over 3 months	1,900	-	2,078	-
Total trade receivables – related companies	5,585	3,214	13,087	3,565
Trade receivables – other company				
Not yet due	23,750	32,902	22,847	29,751
Past due				
Not over 3 months	11,697	6,921	10,650	6,042
Over 3 months but not over 6 months	7,178	2,722	7,169	2,686
Over 6 months but not over 12 months	1,177	1,226	1,136	1,226
Over 12 months	6,454	6,687	6,454	6,687
Unbilled receivables - others				
Not over 3 months	35,221	28,342	35,221	28,342
Over 3 months but not over 6 months	1,245	495	1,245	495
Over 6 months but not over 12 months	-	418	-	418
Over 12 months	-	1,094	-	1,094
Total trade receivables – other company	86,722	80,807	84,722	76,741
Total trade receivables	92,307	84,021	97,809	80,306

Part of over 12 months overdue receivables, which have not yet been provided for the allowance for doubtful accounts, represented amount due to TOT Public Company Limited of Baht 2.29 million. The management is under the process of following up and believes that they will finally be recovered.



Miss. Tanwadee Wongterarit
(Director)



Prof. Dr. Pairash Thajchayapong
(Director)

8. **Receivable from and loan to an unrelated party**

Loan to an unrelated party is a Baht-denominated loan granted to a company and secured by a personal guarantee. The loan bore interest at the rate of 7% per annum and was due for repayment in May 2007. However, as at June 30, 2014 and December 31, 2013, the Company set allowance for doubtful accounts on the principal balance of Baht 18 million and the interest receivable of Baht 1.06 million because the borrower had defaulted on payment and the Company had sought collection until the agreement expired. Currently, the Court of First Instance already rendered its judgment. However, the Company disagreed with several issues in the judgment and lodged an appeal. The borrower sued the Company on the grounds that the Company violated the confidentiality clause and disclosed the co-service agreement. The Court of First Instance ruled in favour of the Company but, the borrower lodged an appeal. The Court of appeal ruled in favour of the Company but, the borrower lodged an Supreme Court. At present, the case is under the consideration of the Supreme Court.

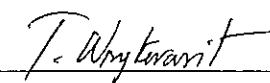
The Company has other receivable arising from an agreement to assign the aerial photographing of Bangkok amounting to Baht 25 million, since the supplier was unable to deliver work to the Company in accordance with the conditions of the agreement. The Civil Court rendered its final judgment, calling the supplier to pay the receivable plus interest amounting to Baht 19.3 million to the Company. Subsequently, that company could not pay the receivable amounts to the Company as the court's judgement. The Company therefore set up allowance for doubtful accounts in full amount in 2012.

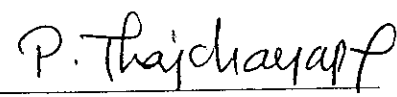
9. **Inventories**

Inventories consisted of:

Unit: Thousand Baht

	Consolidated financial statements		Separate financial statements	
	June 30, 2014	December 31, 2013	June 30, 2014	December 31, 2013
Finished goods	5,505	6,620	211	6,620
Work in process	1,912	1,912	1,912	1,912
Total inventories	7,417	8,532	2,123	8,532


Miss. Tanwadee Wongterarit
(Director)


Prof. Dr. Pairash Thajchayapong
(Director)

10. Other current assets

Other current assets consisted of:

Unit: Thousand Baht

	Consolidated financial statements		Separate financial statements	
	June 30, 2014	December 31, 2013	June 30, 2014	December 31, 2013
Corporate income tax receivable	4,447	5,937	4,238	5,458
Value added tax	13,608	12,985	13,608	12,985
Prepaid expenses	8,840	6,783	10,369	9,497
Other	512	109	512	109
Total other current assets	27,407	25,814	28,727	28,049

11. Pledged deposits at financial institution

As at June 30, 2014 and December 31, 2013, deposits with banks amounting to Baht 109.60 million and Baht 96.20 million, respectively, were pledged as collateral for bank overdrafts, promissory note, long-term loan from financial institution and letters of guarantee issued by the banks (Notes 17 and 19).

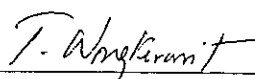
12. Investment in subsidiary

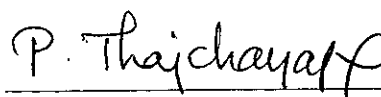
Investment in subsidiary consisted of:

Separate financial statements

Unit: Thousand Baht

Company's name	Ownership %		Paid-up capital		Cost	
	June 30, 2014	December 31, 2013	June 30, 2014	December 31, 2013	June 30, 2014	December 31, 2013
	Mandala Communications Co.,Ltd.	99.99	99.99	5,000	5,000	5,000
					5,000	5,000


Miss. Tanwadee Wongterarit
(Director)


Prof. Dr. Pairash Thajchayapong
(Director)

13. Investments in associated company

Investments in associated company consisted of:

Company's name	Nature of business	Ownership %		Paid-up capital		Consolidated financial statements		Separate financial statements	
		June 30, 2014	December 31, 2013	June 30, 2014	December 31, 2013	June 30, 2014	December 31, 2013	June 30, 2014	December 31, 2013
		(%)	(%)			Carrying amounts based on equity method	Carrying amounts based on cost method	Carrying amounts based on equity method	Carrying amounts based on cost method
Netbay Co., Ltd.	Provision and development of electronics system	24.99	39.99	160,000.00	100,000	26,273	37,596	40,000	40,000
						26,273	37,596	40,000	40,000

Unit: Thousand Baht

(Restated)

Information of associated company:

Company's name	Total assets		Total liabilities		Total revenues		Net profit	
	June 30, 2014	December 31, 2013	June 30, 2014	December 31, 2013	June 30, 2014	June 30, 2013	June 30, 2014	June 30, 2013
Netbay Co., Ltd.	167,140	152,029	62,022	60,048	86,831	68,377	13,637	6,621
	167,140	152,029	62,022	60,048	86,831	68,377	13,637	6,621

Unit: Thousand Baht

T. Tanwadee
Miss. Tanwadee Wongterarit
(Director)

P. Pairash
Prof. Dr. Pairash Tajchayapong
(Director)

During the six-month periods ended June 30, 2014 and 2013, the Company has recognized its share of profit from investment in associate company in the consolidated financial statements amounting to Baht 4.48 million and Baht 2.65 million, respectively, and dividend income in the separate financial statements amounting to Baht 2.60 million and Baht 6.60 million, respectively.

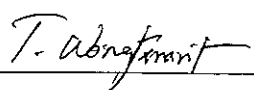
On January 1, 2014, the associated company acquired the assets of another company. Such acquisition was considered as a business combination under common control. The difference between cost of business combination under the same control over the book value of the investee company was Baht 54 million. The Company, therefore, reduced the value of investments in associated company against the loss on business combination under the control of associated Company, shown in the statement of changes in shareholders' equity in the consolidated financial statements amounting to Baht 21.60 million, according to the proportion of interest of 39.99 percent.

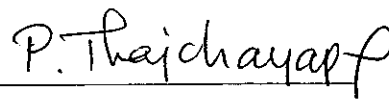
On April 1, 2014, the associated company offered shares to the shareholders whose names appeared in the register of shareholders at the Annual General Meeting of Shareholders. The Company did not follow the offering. As a result, the Company's interest is reduced from 39.99 percent to 24.99 percent. The Company had recorded a loss from change of shareholding in associated company amount to Baht 3.13 million in the consolidated statement of comprehensive income and reduced losses on business combinations under common control of Baht 11.53 million in the consolidated statement of changes in shareholders' equity and the investments in associated company.

Movements of investments in the associated company in the consolidated financial statements are as follows.

	<u>Unit: Thousand Baht</u>
Investments in associated company beginning of period before adjustments	46,735
Prior year adjustment	
Loss from business combinations under common control of the associated company	(9,138)
beginning after adjustments	<u>37,597</u>
Share of profit from investment in associated company	4,480
Dividend income	(2,600)
Loss on business combinations under common control of the associated company	(21,595)
Changing the proportion interest resulted in loss of business combination under common control of associated company decreased	11,525
Changing the proportion interest are recognized in other comprehensive income	(3,134)
Investments in associates company at the end of the period	<u><u>26,273</u></u>

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 Miss. Tanwadee Wongterarit
 (Director)


 Prof. Dr. Pairash Thajchayapong
 (Director)

14. Leasehold improvements and equipment - net

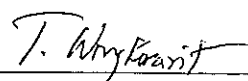
Leasehold improvements and equipment as at June 30, 2014 consisted of:

	Unit: Thousand Baht	
	Consolidated financial statements	Separate financial statements
Cost		
Balance as at January 1, 2014	732,963	729,559
Increase during the period	157,895	157,864
Decrease during the period	(173,356)	(173,247)
Balance as at June 30, 2014	717,502	714,176
Accumulated Depreciation		
Balance as at January 1, 2014	260,846	257,711
Increase during the period	23,869	23,786
Decrease during the period	(173,290)	(173,180)
Balance as at June 30, 2014	111,425	108,317
Net book value as at January 1, 2014	472,117	471,848
Net book value as at June 30, 2014	606,077	605,859

Depreciation for the six-month periods ended June 30, 2014 and 2013 in the consolidated financial statements of Baht 23.87 million and Baht 17.85 million, respectively, and depreciation in the separate financial statements of Baht 23.79 million and Baht 17.78 million, respectively, are included in the statements of comprehensive income.

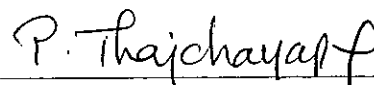
As at June 30, 2014 and December 31, 2013, the Company's and its subsidiaries leasehold improvements and equipment amounting to Baht 31 million and Baht 199 million, respectively, are fully depreciated but are still in use.

During the second quarter of 2014, the Company's authorized director approved to write off the equipments, which were fully depreciated, for total cost of Baht 173.25 million.

Miss. Tanwadee Wongterarit

(Director)



Prof. Dr. Pairash Thajchayapong

(Director)


15. Intangible assets - net

Intangible assets as at June 30, 2014 consisted of:

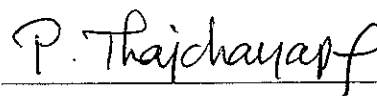
	Unit: Thousand Baht	
	Consolidated financial statements	Separate financial statements
Cost		
Balance as at January 1, 2014	49,220	49,185
Increase during the period	568	562
Decrease during the period	(9,857)	(9,857)
Balance as at June 30, 2014	39,931	39,890
Accumulated amortisation		
Balance as at January 1, 2014	30,430	30,410
Increase during the period	2,018	2,017
Decrease during the period	(9,856)	(9,856)
Balance as at June 30, 2014	22,592	22,571
Net book value as at January 1, 2014	18,790	18,775
Net book value as at June 30, 2014	17,339	17,319

During the second quarter of 2014, the Company's authorized director approved to write off intangible assets, which were fully amortized, for the total cost of Baht 9.86 million.

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Miss. Tanwadee Wongterarit
(Director)



Prof. Dr. Pairash Thajchayapong
(Director)

16. **Deferred tax assets**

Movements in deferred tax assets during the periods were as follows:

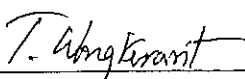
	Unit: Thousand Baht			
	Consolidated and separate financial statements			
	January 1, 2014	Movement increase (decrease)		June 30, 2014
		Statements of Income	Statements of Comprehensive Income	
Deferred tax assets :				
Allowance for doubtful accounts	9,265	(52)	-	9,213
Accrued gratuities	2	-	-	2
Employee benefit obligations	1,077	(2)	-	1,075
Tax losses	11,552	-	-	11,552
Unrealised loss on changes in values of investments	341	-	267	74
Total deferred tax assets	22,237	(54)	267	21,916
Deferred tax liabilities :				
Depreciation	524	2,899	-	3,423
Total deferred tax liabilities	524	2,899	-	3,423
	21,713			18,493

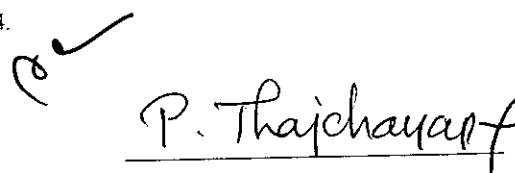
Tax expenses for the six-month periods ended June 30, 2014 and 2013 were as follows:

	Unit: Thousand Baht			
	Consolidated financial statements		Separate financial statements	
	2014	2013	2014	2013
Income tax expense	-	-	-	-
Deferred tax	(2,953)	186	(2,953)	186
Income (expense) tax	(2,953)	186	(2,953)	186

The Company's unused tax loss carry forward as at June 30, 2014, amounting to Baht 186.76 million, which management believes are exploiting the instability of such tax. Therefore the Company recognized as deferred tax assets from tax losses carried forward amounting to Baht 11.55 million. Balance of deferred tax assets which have not been recognized amounted to Baht 25.80 million.

The Group used income tax rate of 20% for the calculation of corporate income tax for the six-month period ended June 30, 2014 and 2013 attributable to the Section 5 of the Royal Decree issued under the Revenue Code regarding deduction in Tax Rate (No. 530) B.E. 2554.


 Miss. Tanwadee Wongterarit
 (Director)


 Prof. Dr. Pairash Thajchayapong
 (Director)

17. **Bank overdraft and short-term loan from financial institutions**

Bank overdraft and short-term loan from financial institutions consisted of:

	Unit: Thousand Baht			
	Consolidated financial statements		Separate financial statements	
	June 30, 2014	December 31, 2013	June 30, 2014	December 31, 2013
Bank overdraft	65,547	47,206	65,547	47,206
Promissory note	60,000	-	60,000	-
Bill of exchange	60,000	60,000	60,000	60,000
Less discount	(326)	(307)	(326)	(307)
Bill of exchange - net	59,674	59,693	59,674	59,693
Total bank overdraft and short-term loan from financial institutions	185,221	106,899	185,221	106,899

On May 15, 2014, the Company issued unsecured bills of exchange to a financial institution, totaling Baht 60 million, to renew the matured bills of exchange, bearing interest rate of 4.40% per annum. The maturity date is August 15, 2014.

As at June 30, 2014 and December 31, 2013, the Company had credit lines from banks as follows:

	Unit: Million Baht			
	Consolidated and separate financial statements		Interest rate	
	June 30, 2014	December 31, 2013	June 30, 2014	December 31, 2013
Bank overdraft	75.00	75.00	Market Rate to MOR	Market Rate to MOR
Letter of guarantee	67.00	87.00	-	-
Promissory note	61.00	97.00	MLR - 1%	MLR - 1%

These credit lines are secured by pledging the Company's fixed deposit (Note 11).

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Prof. Dr. Pairash Thajchayapong

(Director)

18. Trade and other payables

Trade and other payables consisted of:

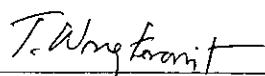
	Unit: Thousand Baht			
	Consolidated financial statements		Separate financial statements	
	June 30, 2014	December 31, 2013	June 30, 2014	December 31, 2013
Trade payables				
Trade payables - related companies	3,036	8,630	5,289	9,607
Trade payables - others	88,175	109,329	86,726	105,953
Total trade payables	91,211	117,959	92,015	115,560
Other payables				
Payables for purchase assets	20,224	26,339	19,639	26,339
Other payables	2,877	4,967	2,595	4,905
Accrued expenses	3,159	6,301	1,532	6,075
Total other payables	26,260	37,607	23,766	37,319
Total trade and other payables	117,471	155,566	115,781	152,879

19. Long-term loans from financial institution - net

Long-term loans from financial institution consisted of:

	Unit: Thousand Baht	
	Consolidated and separate financial statements	
	June 30, 2014	December 31, 2013
Long-term loans from financial institution	73,175	-
<u>Less</u> Current portion	(21,828)	-
Long-term loans from financial institution - net	51,347	-

On March 3, 2014, the Company borrowed a long-term loan from a financial institution totaling not exceeding of Baht 52 million, to invest in the computer Data Center. The loan carries interest rate of MLR - 1.50 per annum. The repayments of principal together with interest will be made in 48 monthly installments at Baht 1,084,000 each. The first repayment will be made in April 2014. The loan is secured by pledging the Company's fixed deposit amounting to Baht 15.60 million (Note 11). The Company has to comply with certain conditions specified in the loan agreement. This includes the negative pledge on its equipment and computer centers (Data Center).



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(Director)



On March 10, 2014, the Company borrowed a long-term loan from a financial institution totaling not exceeding of Baht 32 million, for use in operation. The loan carries interest rate of MLR - 1.00 per annum. The repayments of principal together with interest will be made in 48 monthly installments at Baht 735,000 each. The first repayment will be made in March 2014. The loan is secured by pledging the Company's fixed deposit amounting to Baht 32 million (Note 11). The Company has to comply with certain conditions specified in the loan agreement.

20. **Liabilities under financial lease agreement - net**

Liabilities under financial lease agreements consisted of:

	Unit: Thousand Baht			
	Consolidated financial statements		Separate financial statements	
	June 30, 2014	December 31, 2013	June 30, 2014	December 31, 2013
Due within 1 year				
Minimum payments	49,019	30,658	49,019	30,658
Deferred interest	(5,825)	(4,156)	(5,825)	(4,156)
Present value of minimum payment	43,194	26,502	43,194	26,502
Due over 1 year but not over 5 years				
Minimum payments	67,711	47,646	67,711	47,646
Deferred interest	(3,609)	(3,053)	(3,609)	(3,053)
Present value of minimum payment	64,102	44,593	64,102	44,593
Net book value of assets under financial leases	124,525	74,667	124,525	74,667

The Company entered into lease agreements with a certain companies for operating equipment and vehicles. The leases agreements have the terms of one to three years and bear interest rates between 6.00 % to 7.00 % per annum.

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(Director)

21. **Employee benefit obligations**

Movements of the present value of employee benefits obligation for the six-month period ended June 30, 2014 and for the year ended December 31, 2013, are as follows:

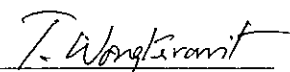
Unit: Thousand Baht


	Consolidated financial statements		Separate financial statements	
	June 30, 2014 (6 month periods)	December 31, 2013 (12 month periods)	June 30, 2014 (6 month periods)	December 31, 2013 (12 month periods)
Post-employment benefit plan				
Employee benefit obligations as at beginning of the periods	5,452	5,786	5,385	5,682
Current service cost recognition	527	881	480	852
Cost of interest	109	260	108	260
Payment for employee benefit obligations	-	(782)	-	(752)
Actuarial gain	(417)	(693)	(600)	(657)
Net employee benefit obligations as at ending of the periods	5,671	5,452	5,373	5,385

Employee benefit expenses in the statements of comprehensive income for the six-month period ended June 30, 2014 and 2013 consisted of:

Unit: Thousand Baht

	Consolidated financial statements		Separate financial statements	
	2014	2013	2014	2013
Current service cost	527	441	480	426
Interest from obligation	109	130	108	130
Actuarial gains	(417)	(104)	(600)	(101)
Total employee benefits expenses	219	467	(12)	455


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(Director)

Employee benefit expenses for the six-month periods ended June 30, 2014 and 2013 as shown in the statements of comprehensive income are as follow:

	Unit: Thousand Baht			
	Consolidated financial statements		Separate financial statements	
	2014	2013	2014	2013
Costs of sales	96	99	(5)	99
Selling expenses	56	139	(3)	127
Administrative expenses	67	229	(4)	229
Total employee benefits expenses	219	467	(12)	455

Principal actuarial assumptions as at June 30, 2014 and December 31, 2013 (expressed as weighted averages) are as follows:

	(Percentage/Year)			
	Consolidated financial statements		Separate financial statements	
	June 30, 2014	December 31, 2013	June 30, 2014	December 31, 2013
Discount rate	4.00	4.50	4.00	4.50
Future salary increases	5.00	5.00	5.00	5.00
Turnover rate	5.00	5.00	5.00	5.00

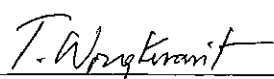
The actuarial assumption of discount rate is estimated from weighted average of yield rate of government bonds as at the end of reporting date that reflects the estimated timing of benefit payments.

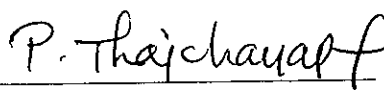
The actuarial assumption of mortality rate for reasonable estimation of probability of retirement in the future is estimated from mortality table.

22. Basic earnings (loss) per share

Basic earnings (loss) per share is calculated by dividing profit (loss) for the period attributable to equity holders of the Company (excluding other comprehensive income) by the weighted average number of ordinary shares issued during the period.

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 Miss. Tanwadee Wongterarit
 (Director)


 Prof. Dr. Pairash Thajchayapong
 (Director)

23. Operating Segment

The Company and its subsidiary operate in two business segments, which are (a) provision of internet access services ("Access business"), and (b) integrated services in relation to information and communication technologies ("Business solutions").

Financial information presented by operating segments of the Company and its subsidiary for the six-month periods ended June 30, 2014 and 2013 can be set out below.

	Unit: Thousand Baht					
	2014		2013			
	Access business	Business solutions	Total	Access business	Business solutions	Total
Service income and sales	55,332	178,409	233,741	43,955	134,805	178,760
Cost of services and sales	(50,209)	(127,396)	(177,605)	(40,118)	(92,118)	(132,236)
Segment result			56,136			46,524
Other income			9,573			5,213
Unallocated selling expenses			(26,239)			(26,344)
Unallocated administrative			(29,037)			(30,001)
Profit (loss) before share of profit from an associate			10,433			(4,608)
Share of profit from an associate			4,480			2,648
Profit (loss) before finance costs and income tax expenses			14,913			(1,960)
Finance costs			(6,959)			-
Profit (loss) before income tax expenses			7,954			(1,960)
Tax expenses			(2,953)			186
Profit (loss) for the period	10	4,991	5,001	(993)	(781)	(1,774)

P. Thajchaya
 Miss. Tanwadee Wongterarit
 (Director)

P. Thajchaya
 Prof. Dr. Pairash Tajchayapong
 (Director)

For the Company and its subsidiary, there are no sales or other transactions occurred between the business segments. Since both business segments are sharing the same revenue-generated assets and liabilities, the Company and its subsidiary did not allocate assets and liabilities used between these two business segments.

24. Contingent liability

Guarantees

As at June 30, 2014 and December 31, 2013, the Group has contingent liabilities in relation to the letters of guarantee issued by banks amounting to approximately Baht 14.72 million and Baht 21.81 million, respectively (Notes 11 and 17).

Litigation

As at June 30, 2014 and December 31, 2013, the Company had litigation, being claimed to pay for damages. The Court of First Instance ruled that the Company shall compensate the amount of Baht 2.94 million and Baht 2.82 million, respectively, with interest. The Company, therefore, recorded the provision for liability incurred from compensation and interest. However, The Company has appealed the judgment to the Supreme Court according to the legal process. Currently, the case is under consideration of the Supreme Court.

25. Commitments

Operating lease commitments

The Company has commitments with regard to operating lease agreement where the Company is the lessee with leasing terms of 1-3 years. As at June 30, 2014 and December 31, 2013, the Company had obligations to pay lease payments in the future as follows:

(Unit: Million Baht)

	Consolidated financial statements		Separate financial statements	
	June 30, 2014	December 31, 2013	June 30, 2014	December 31, 2013
Due within 1 year	58.09	40.67	58.09	40.58
Due over 1 year but not over 5 years	64.25	12.47	64.25	12.33
Total	122.34	53.14	122.34	52.91

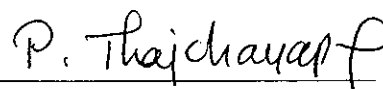
Agreements

As at June 30, 2014 and December 31, 2013, the Company has obliged to pay the equipment of Baht 68.15 million and Baht 162.78 million respectively.



Miss. Tanwadee Wongterarit

(Director)



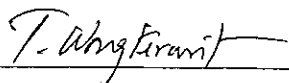
Prof. Dr. Pairash Thajchayapong

(Director)

26. **Approval of interim financial statements**

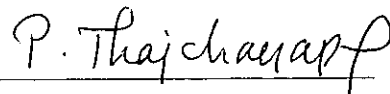
These financial statements have been approved to be issued by the Company's authorized director on August 13, 2014.

OK



Miss. Tanwadee Wongterarit

(Director)



Prof. Dr. Pairash Thajchayapong

(Director)