

SE-EDUCATION PUBLIC COMPANY LIMITED  
and its subsidiaries  
Review report and interim financial statements  
For the three-month period ended  
31 March 2013

**Independent Auditor's Report on Review of Interim Financial Information  
To the Shareholders of SE-EDUCATION PUBLIC COMPANY LIMITED**

I have reviewed the accompanying consolidated statement of financial position of SE-EDUCATION PUBLIC COMPANY LIMITED and its subsidiaries as at 31 March 2013, and the related consolidated statements of income, comprehensive income, changes in shareholders' equity, and cash flows for the three-month period then ended, as well as the condensed notes to the consolidated financial statements. I have also reviewed the separate financial information of SE-EDUCATION PUBLIC COMPANY LIMITED for the same period. Management is responsible for the preparation and presentation of this interim financial information in accordance with Thai Accounting Standard 34 *Interim Financial Reporting*. My responsibility is to express a conclusion on this interim financial information based on my review.

**Scope of review**

I conducted my review in accordance with Thai Standard on Review Engagements 2410, *Review of Interim Financial Information Performed by the Independent Auditor of the Entity*. A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with auditing standards 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 reviews, 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*.



### Emphasis of matter

I draw attention to Note 3 to the financial statements regarding the change in accounting policy made due to the adoption of Thai Accounting Standard 12 *Income Taxes* and change in accounting policy for property, plant and equipment. My conclusion is not qualified in respect of this matter.

A handwritten signature in black ink, appearing to read 'Pimjai M.'.

Pimjai Manitkajohnkit

Certified Public Accountant (Thailand) No. 4521

Ernst & Young Office Limited

Bangkok: 9 May 2013

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## SE-EDUCATION PUBLIC COMPANY LIMITED and its subsidiaries

## Statement of financial position

As at 31 March 2013

(Unit: Thousand Baht)

	Note	Consolidated financial statements			Separate financial statements		
		31 March 2013	31 December 2012	1 January 2012	31 March 2013	31 December 2012	1 January 2012
		(Unaudited but reviewed)	(Audited) (Restated)	(Audited) (Restated)	(Unaudited but reviewed)	(Audited) (Restated)	(Audited) (Restated)
<b>Assets</b>							
<b>Current assets</b>							
Cash and cash equivalents	5	223,985	346,948	570,314	214,221	343,504	540,048
Current investments	6	117,477	168,391	178,856	117,477	168,391	178,856
Trade and other receivables	4, 7	127,900	104,224	132,414	126,927	100,830	116,604
Short-term loan to subsidiaries	4	-	-	-	14,044	15,044	15,024
Inventories	8	383,153	401,338	396,082	381,923	400,167	394,433
Other current assets		62,195	66,717	39,925	59,263	65,320	37,644
<b>Total current assets</b>		<b>914,710</b>	<b>1,087,618</b>	<b>1,317,591</b>	<b>913,855</b>	<b>1,093,256</b>	<b>1,282,609</b>
<b>Non-current assets</b>							
Restricted bank deposits and other investments	9	12,578	12,578	12,390	12,578	12,578	12,390
Investments in subsidiaries	10	-	-	-	69,432	69,432	69,432
Investments in associate	11	26,795	26,795	27,044	100	100	100
Property, plant and equipment	12	1,391,197	1,251,681	844,502	1,149,383	1,006,733	656,326
Leasehold right on land	4	6,954	7,036	7,372	-	-	-
Leasehold rights on buildings	13	96,018	98,836	110,295	96,018	98,836	110,295
Intangible assets	14	7,217	7,894	5,343	7,047	7,711	5,110
Prepaid book copyright and translation fee		24,399	22,510	27,179	24,399	22,510	27,179
Rental guarantee and deposit		108,273	104,759	92,243	108,273	104,759	92,243
Deferred tax assets	3, 18	5,598	-	25,080	5,598	-	25,080
Other non-current assets		5,686	6,265	15,031	5,655	6,234	14,806
<b>Total non-current assets</b>		<b>1,684,715</b>	<b>1,538,354</b>	<b>1,166,479</b>	<b>1,478,483</b>	<b>1,328,893</b>	<b>1,012,961</b>
<b>Total assets</b>		<b>2,599,425</b>	<b>2,625,972</b>	<b>2,484,070</b>	<b>2,392,338</b>	<b>2,422,149</b>	<b>2,295,570</b>

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





## SE-EDUCATION PUBLIC COMPANY LIMITED and its subsidiaries

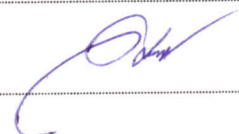
## Statement of financial position (continued)

As at 31 March 2013

(Unit: Thousand Baht)

Note	Consolidated financial statements			Separate financial statements		
	31 March 2013 (Unaudited but reviewed)	31 December 2012 (Audited) (Restated)	1 January 2012 (Audited) (Restated)	31 March 2013 (Unaudited but reviewed)	31 December 2012 (Audited) (Restated)	1 January 2012 (Audited) (Restated)
<b>Liabilities and shareholders' equity</b>						
<b>Current liabilities</b>						
Trade and other payables	4, 15	1,382,324	1,459,103	1,500,207	1,374,039	1,452,020
Short-term loans from other person		-	-	3,400	-	-
Current portion of long-term loans		48,400	-	-	-	-
Income received in advance recognisable within one year	16	39,213	33,800	28,949	-	-
Income tax payable		24,304	16,614	34,178	24,304	16,614
Current portion of provision for long-term employee benefits		-	8,770	6,122	-	8,770
Other current liabilities	17	59,811	46,910	37,958	58,531	45,779
<b>Total current liabilities</b>		<b>1,554,052</b>	<b>1,565,197</b>	<b>1,610,814</b>	<b>1,456,874</b>	<b>1,571,968</b>
<b>Non-current liabilities</b>						
Income received in advance	16	2,137	2,695	5,303	-	-
Long-term loans, net of current portion		26,510	74,710	64,600	-	-
Provision for long-term employee benefits, net of current portion		44,933	39,696	39,620	42,992	38,078
Deferred tax liabilities	3, 18	-	2,162	-	-	2,162
Other non-current liabilities		9,017	9,066	8,510	8,955	8,990
<b>Total non-current liabilities</b>		<b>82,597</b>	<b>128,329</b>	<b>118,033</b>	<b>51,947</b>	<b>49,230</b>
<b>Total liabilities</b>		<b>1,636,649</b>	<b>1,693,526</b>	<b>1,728,847</b>	<b>1,508,821</b>	<b>1,621,198</b>
<b>Shareholders' equity</b>						
<b>Share capital</b>						
<b>Registered</b>						
356,313,243 ordinary shares of Baht 1 each (1 January 2012: 323,921,130 ordinary shares of Baht 1 each)		356,313	356,313	323,921	356,313	356,313
<b>Issued and paid-up</b>						
356,313,209 ordinary shares of Baht 1 each (1 January 2012: 323,921,130 ordinary shares of Baht 1 each)		356,313	356,313	323,921	356,313	356,313
Share premium		149,421	149,421	149,421	149,421	149,421
<b>Retained earnings</b>						
Appropriated - statutory reserve		35,631	35,631	35,627	35,631	35,631
Unappropriated		230,462	200,448	172,752	217,410	185,783
Other components of shareholders' equity		131,397	129,322	11,595	124,742	122,588
Equity attributable to owners of the Company		903,224	871,135	693,316	883,517	849,736
Non-controlling interests of the subsidiaries		59,552	61,311	61,907	-	-
<b>Total shareholders' equity</b>		<b>962,776</b>	<b>932,446</b>	<b>755,223</b>	<b>883,517</b>	<b>849,736</b>
<b>Total liabilities and shareholders' equity</b>		<b>2,599,425</b>	<b>2,625,972</b>	<b>2,484,070</b>	<b>2,392,338</b>	<b>2,470,934</b>

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



Directors




(Unaudited but reviewed)

## SE-EDUCATION PUBLIC COMPANY LIMITED and its subsidiaries

## Statement of income

For the three-month period ended 31 March 2013

(Unit: Thousand Baht)

		Consolidated financial statements		Separate financial statements	
	Note	2013	2012	2013	2012
			(Restated)		(Restated)
Revenues					
Revenues from sales	4	1,282,662	1,329,181	1,282,451	1,327,429
Tuition fees income	16	27,735	25,960	-	-
Interest and dividend income		1,503	4,015	1,841	4,305
Other income		13,758	16,676	11,834	15,476
Total revenues		1,325,658	1,375,832	1,296,126	1,347,210
Expenses					
Cost of sales		858,108	914,070	858,066	913,784
Cost of tuition fees		24,646	22,163	-	-
Selling expenses		270,528	247,080	270,528	247,080
Administrative expenses		142,460	126,474	135,465	119,073
Total expenses		1,295,742	1,309,787	1,264,059	1,279,937
Profit before finance cost and income tax expenses					
tax expenses		29,916	66,045	32,067	67,273
Finance cost		(1,489)	(1,151)	(189)	(8)
Profit before income tax expenses		28,427	64,894	31,878	67,265
Income tax expenses	18	(317)	(10,966)	(317)	(10,966)
Profit for the period		28,110	53,928	31,561	56,299
Profit attributable to					
Equity holders of the Company		29,869	54,934	31,561	56,299
Non-controlling interests of the subsidiaries		(1,759)	(1,006)		
		28,110	53,928		
(Unit: Baht)					
Earnings per share	19				
Basic earnings per share					
Profit attributable to equity holders of the Company		0.08	0.14	0.08	0.14

(Unit: Baht)

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



(Unaudited but reviewed)

SE-EDUCATION PUBLIC COMPANY LIMITED and its subsidiaries

Statement of comprehensive income

For the three-month period ended 31 March 2013

(Unit: Thousand Baht)

Note	Consolidated financial statements		Separate financial statements	
	2013	2012 (Restated)	2013	2012 (Restated)
Profit for the period	28,110	53,928	31,561	56,299
Other comprehensive income:				
Gain on changes in value of available-for-sale investments	2,775	4,388	2,775	4,388
Income tax effect	3 (555)	(940)	(555)	(940)
Other comprehensive income for the period	2,220	3,448	2,220	3,448
Total comprehensive income for the period	30,330	57,376	33,781	59,747
Total comprehensive income attributable to				
Equity holders of the Company	32,089	58,382	33,781	59,747
Non-controlling interests of subsidiaries	(1,759)	(1,006)		
Total comprehensive income for the period	30,330	57,376		

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



(Unaudited but reviewed)

## SE-EDUCATION PUBLIC COMPANY LIMITED and its subsidiaries

## Statement of changes in shareholders' equity

For the three-month period ended 31 March 2013

(Unit: Thousand Baht)

Consolidated financial statements											
Equity attributable to the parent's shareholders											
Other components of equity											
Other comprehensive income											
Surplus (deficit)											
on changes											
in value of											
available-for-sale											
investments											
Retained earnings											
Unappropriated											
Appropriated											
Share premium											
Issued and paid-up share capital											
323,921	149,421	35,627	143,795		(10,625)	26,097	15,472	668,236	61,907	730,143	
-	-	-	28,957		2,125	(6,002)	(3,877)	25,080	-	25,080	
323,921	149,421	35,627	172,752		(8,500)	20,095	11,595	693,316	61,907	755,223	
-	-	-	54,934		3,448	-	3,448	58,382	(1,006)	57,376	
-	-	-	190		-	(190)	(190)	-	-	-	
323,921	149,421	35,627	227,876		(5,052)	19,905	14,853	751,698	60,901	812,599	
Balance as at 31 March 2012											
356,313	149,421	35,631	171,963		(1,995)	161,964	159,969	873,297	61,311	934,608	
-	-	-	28,485		399	(31,046)	(30,647)	(2,162)	-	(2,162)	
356,313	149,421	35,631	200,448		(1,596)	130,918	129,322	871,135	61,311	932,446	
-	-	-	29,869		2,220	-	2,220	32,089	(1,759)	30,330	
-	-	-	145		-	(145)	(145)	-	-	-	
356,313	149,421	35,631	230,462		624	130,773	131,397	903,224	59,552	962,776	
Balance as at 31 March 2013											

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



Signature



(Unaudited but reviewed)

## SE-EDUCATION PUBLIC COMPANY LIMITED and its subsidiaries

## Statement of changes in shareholders' equity (continued)

For the three-month period ended 31 March 2013

(Unit: Thousand Baht)

## Separate financial statements

	Other components of equity									
	Other comprehensive income					Total other components of equity				
	Surplus (deficit) on changes in value of available-for-sale investments					Surplus on revaluation of assets				
Issued and paid-up share capital	Share premium	Retained earnings		Total other components of equity		Total other components of equity		Total other components of equity		Total shareholders' equity
		Appropriated	Unappropriated							
Balance as at 31 December 2011 - as previously reported	323,921	35,627	127,431	(10,625)	26,097	15,472	651,872			
Cumulative effect of changes in accounting policies (Note 3)	-	-	28,957	2,125	(6,002)	(3,877)	25,080			
Balance as at 1 January 2012 - as restated	323,921	35,627	156,388	(8,500)	20,095	11,595	676,952			
Total comprehensive income for the period	-	-	56,299	3,448	-	3,448	59,747			
Transferred surplus on revaluation of assets to retained earnings	-	-	190	-	(190)	(190)	-			
Balance as at 31 March 2012	323,921	35,627	212,877	(5,052)	19,905	14,853	736,699			
Balance as at 31 December 2012 - as previously reported	356,313	35,631	157,298	(1,995)	155,230	153,235	851,898			
Cumulative effect of changes in accounting policies (Note 3)	-	-	28,485	399	(31,046)	(30,647)	(2,162)			
Balance as at 1 January 2013 - as restated	356,313	35,631	185,783	(1,596)	124,184	122,588	849,736			
Total comprehensive income for the period	-	-	31,561	2,220	-	2,220	33,781			
Transferred surplus on revaluation of assets to retained earnings	-	-	66	-	(66)	(66)	-			
Balance as at 31 March 2013	356,313	35,631	217,410	624	124,118	124,742	883,517			

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





## SE-EDUCATION PUBLIC COMPANY LIMITED and its subsidiaries

## Statement of cash flows

For the three-month periods ended 31 March 2013

(Unit: Thousand Baht)

	Consolidated financial statements		Separate financial statements	
	2013	2012 (Restated)	2013	2012 (Restated)
<b>Cash flows from operating activities</b>				
Profit before tax	28,427	64,894	31,878	67,265
Adjustments to reconcile profit before tax to net cash provided by (paid from) operating activities				
Depreciation and amortisation	30,598	27,955	26,295	25,238
Allowance for doubtful account and goods return (reversal)	1,357	(176)	1,538	179
Adjustment from reconciliation of accounts receivable	-	-	15	-
Expense from lost of goods	3,687	6,244	3,687	6,244
Allowance for lost of goods and stock obsolescence (reversal)	11,102	(5,239)	11,102	(5,163)
Expense from donation of goods and equipment	2,633	4,374	2,633	4,374
Provision for long-term employee benefits	526	2,432	203	2,331
Gain on sales of current investments	(2,086)	-	(2,086)	-
Expense from stock destruction	-	2,326	-	2,326
Loss on sales of equipment	151	5	130	5
Amortised leasehold rights on land and buildings	2,900	2,933	2,818	2,849
Adjustment from un-utilized coupon payable	(1,032)	-	(1,032)	-
Interest expenses	1,489	1,151	189	8
Interest income	(1,099)	(3,102)	(1,437)	(3,392)
Dividend income	(404)	(913)	(404)	(913)
Profit from operating activities before changes in operating assets and liabilities	78,249	102,884	75,529	101,351
Operating assets (increase) decrease				
Trade and other receivables	(25,033)	22,633	(27,650)	11,374
Inventories	763	(1,965)	822	(2,048)
Other current assets	4,456	(29,113)	5,991	(28,150)
Prepaid book copyright and translation fee	(1,889)	6,158	(1,889)	6,158
Rental guarantee and deposit	(3,514)	(1,708)	(3,514)	(1,708)
Other non-current assets	579	2,610	579	2,510
Operating liabilities increase (decrease)				
Trade and other payables	(77,100)	(37,583)	(78,234)	(39,667)
Income received in advance	4,855	(5,220)	-	-
Provision for long-term employee benefits	(4,059)	(3,991)	(4,059)	(3,991)
Other current liabilities	12,901	3,030	12,752	2,859
Other non-current liabilities	(49)	136	(35)	30
Cash flows from (used in) operating activities	(9,841)	57,871	(19,708)	48,718
Cash paid for interest expenses	(1,489)	(1,151)	(189)	(8)
Cash paid for income tax	(942)	-	(942)	-
<b>Net cash flows from (used in) operating activities</b>	<b>(12,272)</b>	<b>56,720</b>	<b>(20,839)</b>	<b>48,710</b>

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



## SE-EDUCATION PUBLIC COMPANY LIMITED and its subsidiaries

## Statement of cash flows (continued)

For the three-month periods ended 31 March 2013

(Unit: Thousand Baht)

	Consolidated financial statements		Separate financial statements	
	2013	2012	2013	2012
		(Restated)		(Restated)
<b>Cash flows from investing activities</b>				
Decrease in current investments	55,775	-	55,775	-
Decrease in loan to subsidiary	-	-	1,000	-
Interest income	1,164	3,065	1,502	3,355
Dividends income	404	913	404	913
Acquisition of intangible assets	(168,307)	(52,756)	(167,193)	(41,154)
Proceeds from sales of equipment	141	98	136	98
Acquisition of intangible assets	(68)	(57)	(68)	(57)
<b>Net cash flows used in investing activities</b>	<b>(110,891)</b>	<b>(48,737)</b>	<b>(108,444)</b>	<b>(36,845)</b>
<b>Cash flows from financing activities</b>				
Repayment of short-term loan from other person	-	(3,400)	-	-
Cash receipt from long-term loan from related person	200	6,260	-	-
<b>Net cash flows from financing activities</b>	<b>200</b>	<b>2,860</b>	<b>-</b>	<b>-</b>
<b>Net increase (decrease) in cash and cash equivalents</b>	<b>(122,963)</b>	<b>10,843</b>	<b>(129,283)</b>	<b>11,865</b>
<b>Cash and cash equivalents at beginning of period</b>	<b>346,948</b>	<b>570,314</b>	<b>343,504</b>	<b>540,048</b>
<b>Cash and cash equivalents at end of period (Note 5)</b>	<b>223,985</b>	<b>581,157</b>	<b>214,221</b>	<b>551,913</b>
<b>Supplemental cash flows information</b>				
Non-cash transactions				
Increase in revaluation surplus in investments	2,775	4,383	2,775	4,383
Purchase of property, plant and equipment for which cash has not been paid	1,353	4,459	1,285	4,378

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



**SE-EDUCATION PUBLIC COMPANY LIMITED and its subsidiaries**

**Notes to interim financial statements**

**For the three-month period ended 31 March 2013**

**1. General information**

**1.1 Corporate information**

SE-EDUCATION PUBLIC COMPANY LIMITED ("the Company") is a public company incorporated and domiciled in Thailand. The Company listed on the Stock Exchange of Thailand on 29 April 1993. The Company's registered office is located at No. 1858/87-90 TCIF Tower Building, 19th Floor, Bangna-Trad Road, Bangna Sub-District, Bangna District, Bangkok, and its distribution center is situated at 99 Moo 1, Kingkaew Road, Tambon Rajatewa, Bangplee District, Samutprakarn.

The Company and its subsidiaries operate its business in Thailand and engage in the following businesses:

1. Operate SE-ED Book Center and network stores which consist of various university bookstores in Bangkok and other provinces as well as the network and sales area in various forms.
2. Distribute both books published by SE-ED and other publishers to bookstores all over the country and to other sales channels.
3. Publish book as well as academic and educational journals, provide services for display advertisements to be published in the Company's monthly magazine and provide the printing service for other parties.
4. SE-ED Learning Center organises the youth camp known as "SE-ED Kiddy Camp, learning activities for the youth and training courses and seminars for the public.
5. Plearnpattana School, a private school offering courses for students from pre-kindergarten to Matayom 6.

**1.2 Basis for preparation of the interim financial statements**

These interim financial statements are prepared in accordance with Thai Accounting Standard No. 34 (revised 2009) "Interim Financial Reporting", with the Company choosing to present condensed interim financial statements. However, the Company has presented the statements of financial position, income, comprehensive income, changes in shareholders' equity and cash flows in the same format as that used for the annual financial statements.





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

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

### 1.3 Basis of consolidation

These consolidated interim financial statements are prepared by applying the same basis as that applied for the preparation of the consolidated financial statements for the year ended 31 December 2012, with there being no changes in the structure of shareholding in a subsidiary during the current period.

### 1.4 Application of new accounting standards during the period

The Federation of Accounting Professions issued the following accounting standards, financial reporting standard, accounting standard interpretations and accounting treatment guidance that are effective for fiscal years beginning on or after 1 January 2013.

Accounting standards:

- |                       |  |
|-----------------------|--|
| 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                         |

Financial Reporting Standard:

- |        |                    |
|--------|--------------------|
| TFRS 8 | Operating Segments |
|--------|--------------------|

Accounting Standard Interpretations:

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

Accounting Treatment Guidance for Transfers of Financial Assets

These accounting standards, financial reporting standard, accounting standard interpretations and accounting treatment guidance do not have any significant impact on the financial statements, except for the following accounting standard.



## **TAS 12 *Income Taxes***

This accounting standard requires an entity to identify temporary differences arising from differences between the carrying amount of an asset or liability in the accounting records and its tax base in order to recognise the tax effects as deferred tax assets or liabilities subjecting to certain recognition criteria. The Company and its subsidiaries have changed this accounting policy in this current quarter and restated the prior year's financial statements, presented as comparative information, as though the Company and its subsidiaries had initially recognised the tax effects as deferred tax assets or liabilities. The cumulative effect of this change in accounting policy has been presented in Note 3.

### **1.5 Change in accounting policy for property, plant and equipment**

During the period, the Company and its subsidiaries changed an accounting policy of depreciation recording of its property, plant and equipment (PPE), which presents on a revaluation basis, previously only the depreciation calculated on the original cost of PPE was charged to the income statement, as permitted by the relevant notification of the Federation of Accounting Professions, to charge depreciation on the total revalued amount to its income statement as required by TAS 16 (revised 2009) *Property, plant and equipment*. The Company and its subsidiaries changed this accounting policy in the current year and restated the prior year's financial statements, presented for comparative purposes, as though the depreciation charged to the income statement was initially calculated on the revalued amount of PPE. The cumulative effect of this change in accounting policy has been presented in Note 3.

### **1.6 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 2012, except for the change in the accounting policies due to the adoption of TAS 12 *Income Taxes* and change in accounting policy for property, plant and equipment, which presents on a revaluation basis. These accounting policies are as follows

#### **Income tax**

Income tax expense represents the sum of corporate income tax currently payable and deferred tax.





### *Current tax*

Current 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.

### *Deferred tax*

Deferred income tax is provided on temporary differences between the tax bases of assets and liabilities and their carrying amounts at the end of each reporting period, using the tax rates enacted at the end of the reporting period.

The Company and its subsidiaries recognise deferred tax liabilities for all taxable temporary differences while they recognise deferred tax assets for all deductible temporary differences and tax losses carried forward to the extent that it is probable that future taxable profit will be available against which such deductible temporary differences and tax losses carried forward can be utilised.

At each reporting date, the Company and its subsidiaries review and reduce the carrying amount of deferred tax assets to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilised.

The Company and its subsidiaries record deferred tax directly to shareholders' equity if the tax relates to items that are recorded directly to shareholders' equity.

### **Property, building and equipment and depreciation**

Land and building and improvement are stated at revalued amount less accumulated depreciation and allowance for loss on impairment of assets (if any).

Land and buildings are initially recorded at cost on the acquisition date, and subsequently revalued by an independent professional appraiser to their fair values. Revaluations are made every 5 year to ensure that the carrying amount does not differ materially from fair value at the end of reporting period.

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

Differences arising from the revaluation are dealt with in the financial statements as follows:



- When an asset's carrying amount is increased as a result of a revaluation of the Company's assets, the increase is credited directly to the other comprehensive income and the cumulative increase is recognised equity under the heading of "Revaluation surplus". However, a revaluation increase is recognised as income to the extent that it reverses a revaluation decrease in respect of the same asset previously recognised as an expense.
- When an asset's carrying amount is decreased as a result of a revaluation of the Company's assets, the decrease is recognised in profit or loss. However, the revaluation decrease is charged to the other comprehensive income to the extent that it does not exceed an amount already held in "Revaluation surplus" in respect of the same asset.

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

Land improvement	10 - 20	years
Buildings and building improvement	20 - 30	years
Building decorations	5 - 6	years
Office equipment and air conditioners	3 - 5	years
Motor vehicles	5	years

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 is included in profit or loss when the asset is derecognised.

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

The Federation of Accounting Professions has issued notifications, which are published in the Royal Gazette during the current period, mandating the use of financial reporting standard, accounting standard interpretation and financial reporting standard interpretations as follows.

### Effective date

Financial Reporting Standard:

TFRS 4 Insurance Contracts

1 January 2016

Accounting Standard Interpretation:

TSIC 29 Service Concession Arrangements:

1 January 2014

Disclosures



Effective date

## Financial Reporting Standard Interpretations:

TFRIC 1	Changes in Existing Decommissioning, Restoration and Similar Liabilities	1 January 2014
TFRIC 4	Determining whether an Arrangement contains a Lease	1 January 2014
TFRIC 5	Rights to Interests arising from Decommissioning, Restoration and Environmental Rehabilitation Funds	1 January 2014
TFRIC 7	Applying the Restatement Approach under TAS 29 <i>Financial Reporting in Hyperinflationary Economies</i>	1 January 2014
TFRIC 10	Interim Financial Reporting and Impairment	1 January 2014
TFRIC 12	Service Concession Arrangements	1 January 2014
TFRIC 13	Customer Loyalty Programmes	1 January 2014

The management of the Company has assessed the effect of the above financial reporting standard, accounting standard interpretation and financial reporting standard interpretations and believes that they are not relevant to the business of the Company, except TFRIC 1, TFRIC 4, TFRIC 10 and TFRIC 13, for which the management is still evaluating the first-year impact to the financial statements and has yet to reach a conclusion.

### 3. Cumulative effect of the changes in accounting policies

During the current period, the Company and its subsidiaries made the changes described in Note 1.5 and 1.6 to its significant accounting policies, as a result of the adoption of TAS 12 *Income Taxes* and change in accounting policy for property, plant and equipment, which presents on a revaluation basis. The cumulative effect of the change in the accounting policies has been separately presented in the statements of changes in shareholders' equity.





(Unaudited but reviewed)

The amounts of adjustments affecting the statements of financial position and the statements of comprehensive income are summarised below.

	(Unit: Thousand Baht)		
	Consolidated and Separate financial statements		
	As at	As at	As at
	31 March 2013	31 December 2012	1 January 2012
<b>Statement of financial position</b>			
Increase in deferred tax assets	36,785	28,884	31,082
Increase in deferred tax liabilities	31,187	31,046	6,002
Increase in unappropriated retained earnings	6,153	28,485	28,957
Decrease in other components of shareholders' equity	(555)	(30,647)	(3,877)

		(Unit: Thousand Baht)	
Consolidated financial statements		Separate financial statements	
For the three-month period ended 31 March		For the three-month period ended 31 March	
2013	2012	2013	2012

**Statements of comprehensive income**

**Profit or loss:**

Increase in administrative expenses	161	247	82	247
Decrease in income tax expenses	(8,315)	(2,327)	(8,315)	(2,327)
Increase in profit attributable to equity holders of the Company	8,154	2,080	8,233	2,080
Increase in basic earnings per share (Baht)	0.021	0.011	0.021	0.011

**Other comprehensive income:**

Gain on changes in value of available-for-sale investments	(555)	(940)	(555)	(940)
Depreciation - surplus on revaluation of asset	161	247	82	247



#### 4. Related party transactions

During the periods, the Company and its subsidiaries had significant business transactions with their 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, its subsidiaries and those related parties.

(Unit: Thousand Baht)

	For the three-month periods ended 31 March				
	Consolidated financial		Separate financial		
	statements		statements		Transfer
	2013	2012	2013	2012	pricing policy
<b><u>Transactions with subsidiary</u></b>					
Sales of goods	-	-	461	29	Market price
Interest income	-	-	337	290	MOR per annum
<b><u>Transactions with associate</u></b>					
Purchase of goods	-	726	-	726	Market price
<b><u>Transactions with management and directors</u></b>					
Lease land expenses	271	262	-	-	Mutually agreed agreement
Amortised land leasehold right	83	83	-	-	Mutually agreed agreement
Interest expenses	337	-	-	-	5% - 6% per annum
<b><u>Transactions with related companies</u></b>					
Purchase of goods	6,744	6,352	6,744	6,352	Market price





(Unaudited but reviewed)

As at 31 March 2013 and 31 December 2012, the balances of the accounts between the Company, its subsidiaries and its related parties and persons are as follows:

(Unit: Thousand Baht)

	Consolidated financial statements		Separate financial statements	
	31 March 2013	31 December 2012	31 March 2013	31 December 2012
<b><u>Short-term loan to subsidiaries</u></b>				
Subsidiaries	-	-	14,044	15,044
<b><u>Leasehold right on land</u></b>				
Shareholder/director of subsidiary	6,954	7,036	-	-
<b><u>Trade accounts receivables (Note 7)</u></b>				
Subsidiaries	-	-	432	18
<b><u>Trade accounts payable (Note 15)</u></b>				
Associate	2,171	2,319	2,171	2,319
Shareholders	3,351	4,474	3,351	4,474
Related companies of shareholders	8,171	8,726	8,171	8,726
Total	13,693	15,519	13,693	15,519

Short-term loan to subsidiary is promissory notes from which is payable at call. The subsidiary obtained such loan for the purpose of funding the school building construction and its working capital. Interest is charged at MOR of a commercial bank per annum.

#### Directors and management's remuneration

For the three-month periods ended 31 March 2013 and 2012, the Company and its subsidiaries had benefits expense payable to their directors and management

(Unit: Million Baht)

	Consolidated financial statements		Separate financial statements	
	2013	2012	2013	2012
Short-term employee benefits	6.8	8.0	6.2	7.1
Post-employment benefits	0.3	1.0	0.3	1.0
Total	7.1	9.0	6.5	8.1



## 5. Cash and cash equivalents

(Unit: Thousand Baht)

	Consolidated financial statements		Separate financial statements	
	31 March 2013	31 December 2012	31 March 2013	31 December 2012
Cash	28,495	28,235	28,256	28,069
Bank deposits with maturity not over 3 months	161,490	157,847	151,965	154,569
Highly liquid investments with an original maturity not over 3 months	34,000	160,866	34,000	160,866
<b>Total</b>	<b>223,985</b>	<b>346,948</b>	<b>214,221</b>	<b>343,504</b>

## 6. Current investments

(Unit: Thousand Baht)

	Consolidated / Separate financial statements			
	31 March 2013		31 December 2012	
	Cost	Fair value	Cost	Fair value
<b>Available-for-sale securities</b>				
Equity securities	6,316	6,727	60,000	58,500
Debt securities	110,376	110,750	110,386	109,891
<b>Total available-for-sale securities</b>	<b>116,692</b>	<b>117,477</b>	<b>170,386</b>	<b>168,391</b>
Add: Unrealised gain (loss) on changes in values of investments	785	-	(1,995)	-
<b>Current investments - net</b>	<b>117,477</b>	<b>117,477</b>	<b>168,391</b>	<b>168,391</b>



## 7. Trade and other receivables

(Unit: Thousand Baht)

	Consolidated		Separate	
	financial statements		financial statements	
	31 March	31 December	31 March	31 December
	2013	2012	2013	2012
<u>Trade accounts receivables - related parties</u>				
Aged on the basis of due dates				
Not yet due	-	-	432	18
<u>Trade accounts receivables - unrelated parties</u>				
Aged on the basis of due dates				
Not yet due	85,342	25,313	85,342	25,313
Past due				
Up to 6 months	36,422	69,054	35,965	66,981
6 - 12 months	6,129	1,937	5,893	1,387
Over 12 months	3,659	13,256	2,202	11,604
Total	131,552	109,560	129,834	105,303
Less: Allowance for doubtful debts	(11,382)	(10,839)	(9,875)	(9,151)
Allowance for goods return	(2,945)	(2,131)	(2,945)	(2,131)
Total trade accounts receivables - unrelated parties, net	117,225	96,590	117,014	94,021
<u>Other receivables</u>				
Advances	6,343	2,153	6,155	2,068
Others	4,332	5,481	3,758	4,741
Total other receivables	10,675	7,634	9,913	6,809
Trade and other receivables, net	127,900	104,224	126,927	100,830

The movements in transactions of allowance for doubtful accounts and allowance for goods return during the three-month period ended 31 March 2013, are as follows:



(Unaudited but reviewed)

(Unit: Thousand Baht)

	Consolidated financial statements		Separate financial statements	
	Allowance for doubtful debts	Allowance for goods return	Allowance for doubtful debts	Allowance for goods return
Balance as at 31 December 2012	(10,839)	(2,131)	(9,151)	(2,131)
Add: Allowance made during the period	(1,483)	(814)	(1,483)	(814)
Less: Allowance reversed during the period	940	-	759	-
Balance as at 31 March 2013	<u>(11,382)</u>	<u>(2,945)</u>	<u>(9,875)</u>	<u>(2,945)</u>

**8. Inventories**

(Unit: Thousand Baht)

	Consolidated financial statements		Separate financial statements	
	31 March 2013	31 December 2012	31 March 2013	31 December 2012
Raw material	18,272	22,160	18,272	22,160
Work in process	10,736	11,084	10,736	11,084
Finished goods	490,696	493,543	489,366	492,272
Total	519,704	526,787	518,374	525,516
Less: Allowance for lost goods	(5,704)	(6,115)	(5,704)	(6,115)
Allowance for dilapidated and slow moving	(130,847)	(119,334)	(130,747)	(119,234)
Inventories, net	<u>383,153</u>	<u>401,338</u>	<u>381,923</u>	<u>400,167</u>

Movements in transactions of allowance for lost goods and allowance for dilapidated and slow moving during the three-month period ended 31 March 2013 are summarised below.

(Unit: Thousand Baht)

	Consolidated financial statements	Separate financial statements
Balance as at 31 December 2012	(125,449)	(125,349)
Add: Allowance made during the period	(13,659)	(13,659)
Less: Allowance reversed during the period	2,557	2,557
Balance as at 31 March 2013	<u>(136,551)</u>	<u>(136,451)</u>





## 9. Restricted bank deposits and other investments

(Unit: Thousand Baht)

	Consolidated/Separate financial statements		Interest rates (% p.a.)
	31 March	31 December	
	2013	2012	
Fixed deposits with 12 months	9,012	9,012	0.75 - 2.75
Government bonds with 7 years maturity	3,566	3,566	4.00
Total	12,578	12,578	

The Company pledged such fixed deposits and other investments to guarantee electricity use, area rental and distributor.

## 10. Investments in subsidiaries

Details of investments in subsidiaries as presented in the separate financial statements are as follows:

(Unit: Thousand Baht)

Company's name	Paid-up capital		Shareholding percentage		Cost		Allowance for impairment of investment		Carrying amounts based on cost method – net	
	31	31	31	31	31	31	31	31	31	31
	March	December	March	December	March	December	March	December	March	December
	2013	2012	2013	2012	2013	2012	2013	2012	2013	2012
			(%)	(%)						
SE-ED Book Center Co.,Ltd.	100	100	99.93	99.93	100	100	-	-	100	100
Plearn Patt Co.,Ltd.	169,476	169,476	48.97	48.97	83,000	83,000	(13,668)	(13,668)	69,332	69,332
					83,100	83,100	(13,668)	(13,668)	69,432	69,432

## 11. Investments in an associate

(Unit: Thousand Baht)

Company's name	Nature of business	Shareholding percentage		Consolidated financial statements		Separate financial statements	
		31	31	Carrying amounts based on equity method		Carrying amounts based on cost method	
		March	December	March	December	March	December
		2013	2012	2013	2012	2013	2012
		(%)	(%)				
M AND E Co., Ltd.	Printing office, production of technical magazines and engineering manuals	25	25	26,795	26,795	100	100
				26,795	26,795	100	100





(Unaudited but reviewed)

The Company has not recorded investment in the above associate company in the consolidated financial statements for the three-month period ended 31 March 2013 using the equity method because such associate company did not prepare the interim financial statements. However, the effect of these transactions to the consolidated financial statements of the current period is immaterial. (As at 31 March 2013, the investment in such associate company was equivalent to 1.02% of total assets in the consolidated financial statements).

## 12. Property, plant and equipment

Movements of the property, plant and equipment account during the three-month period ended 31 March 2013 are summarised below.

(Unit: Thousand Baht)

	Consolidated financial statements	Separate financial statements
Net book value as at 31 December 2012	1,251,681	1,006,733
Acquisitions during period - at cost	169,659	168,480
Disposals during period - net book value at disposal date	(287)	(266)
Write - off during period - net book value at write - off date	(3)	-
Depreciation for the period	(29,853)	(25,564)
Net book value as at 31 March 2013	1,391,197	1,149,383

## 13. Leasehold rights on buildings

The whole amount of the leasehold on buildings represented leased areas in leading shopping centers. The terms of these leaseholds range between 10 to 30 years. For the three-month period ended 31 March 2013, the Company amortised leasehold rights as expenses totalling Baht 2.82 million (2012: Baht 2.85 million).



**14. Intangible assets**

Movements of the intangible assets which are right for software usage fee during the three-month period ended 31 March 2013 are summarised below.

(Unit: Thousand Baht)

	Consolidated financial statements	Separate financial statements
Net book value as at 31 December 2012	7,894	7,711
Acquisitions during period - at cost	68	68
Amortisation for the period	(745)	(732)
Balance as at 31 March 2013	7,217	7,047

**15. Trade and other payables**

(Unit: Thousand Baht)

	Consolidated financial statements		Separate financial statements	
	31 March 2013	31 December 2012	31 March 2013	31 December 2012
Trade accounts payable - related parties (Note 3)	13,693	15,519	13,693	15,519
Trade accounts payable - unrelated parties	1,235,416	1,253,695	1,234,207	1,252,762
Accrued expenses	70,069	127,806	63,061	122,020
Other payables for purchase of machineries	6,158	5,169	6,090	4,805
Notes payable	14,456	32,698	14,456	32,698
Other payables	42,532	24,216	42,532	24,216
Total	1,382,324	1,459,103	1,374,039	1,452,020



(Unaudited but reviewed)

**16. Income received in advance**

(Unit: Thousand Baht)

	Consolidated	
	financial statements	
	31 March 2013	31 December 2012
Income received in advance - not yet recognised	41,350	36,495
Less: Income received in advance recognisable within one year	(39,213)	(33,800)
Net	2,137	2,695

During the three-month period ended 31 March 2013, movements of income received in advance are as follows:

(Unit: Thousand Baht)

	The initial entrance fee	Education supporting fee	Total
Balance as at 31 December 2012	4,317	32,178	36,495
Plus: Increase during the period	3,130	29,533	32,663
Less: Income recognition during the period	-	(27,808)	(27,808)
Balance as at 31 March 2013	7,447	33,903	41,350

**17. Other current liabilities**

(Unit: Thousand Baht)

	Consolidated		Separate	
	financial statements		financial statements	
	31 March 2013	31 December 2012	31 March 2013	31 December 2012
Coupon payable	25,676	24,190	25,676	24,190
Accrued withholding tax	4,284	6,805	4,001	6,524
Unearned income	9,416	7,279	8,901	7,279
Retention	17,022	-	17,022	-
Others	3,413	8,636	2,931	7,786
Total	59,811	46,910	58,531	45,779





**18. Income tax**

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

Income tax expenses for the three-month periods ended 31 March 2013 and 2012 are made up as follows:

	(Unit: Thousand Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	<u>2013</u>	<u>2012</u>	<u>2013</u>	<u>2012</u>
		(Restated)		(Restated)
<b>Current income tax:</b>				
Interim corporate income tax charge	8,632	13,293	8,632	13,293
<b>Deferred tax:</b>				
Relating to origination and reversal				
of temporary differences	(8,315)	(2,327)	(8,315)	(2,327)
<b>Income tax expense reported in the</b>				
<b>statements of comprehensive</b>				
<b>income</b>	<u>317</u>	<u>10,996</u>	<u>317</u>	<u>10,996</u>

**19. Earnings per share**

Basic earnings per share is calculated by dividing profit for the period attributable to equity holders of the Company (excluding other comprehensive income) by the weighted average number of ordinary shares in issue during the period, after adjusting the number of ordinary shares in proportion to the change in the number of shares as a result of the distribution of the stock dividend of 35,631,320 shares in accordance with the resolution of the annual general meeting of the Company's shareholders held on 25 April 2013, as discussed in Note 22, because these dividend shares were issued after the end of the reporting period but before the financial statements were authorised for issue. The number of ordinary shares of the prior period used for the calculation, as presented for comparative purposes, has been adjusted in proportion to the change in the number of shares as a result of the distribution of the stock dividends of 32,392,113 shares on 27 June 2012 and the stock dividends as discussed in Note 22, as if the shares comprising such stock dividends had been issued at the beginning of the earliest period reported.

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



Consolidated financial statements						
For the three-month period ended 31 March						
Profit for the period		Weighted average number of ordinary shares		Earnings per share		
2013	2012	2013	2012	2013	2012	
(Thousand Baht)	(Thousand Baht)	(Thousand shares)	(Thousand shares)	(Baht)	(Baht)	
	(Restated)		(Restated)		(Restated)	
<b>Basic earnings per share</b>						
Profit attributable to equity holders of the Company						
29,869	54,934	391,944	391,944	0.08	0.14	
Separate financial statements						
For the three-month period ended 31 March						
Profit for the period		Weighted average number of ordinary shares		Earnings per share		
2013	2012	2013	2012	2013	2012	
(Thousand Baht)	(Thousand Baht)	(Thousand shares)	(Thousand shares)	(Baht)	(Baht)	
	(Restated)		(Restated)		(Restated)	
<b>Basic earnings per share</b>						
Profit attributable to equity holders of the Company						
31,561	56,299	391,944	391,944	0.08	0.14	

## 20. Segment information

Operating segment information is reported in a manner consistent with the internal reporting the chief operating decision maker has received and regularly reviewed to make decisions about resources to be allocated to the segment and assess its performance.

For management purposes, the Company and its subsidiaries are organised into business units based on the sales channels of products and services and have three reportable segments (1) retail business (2) other distribution channels and (3) institution of private education business. These operations are mainly carried on in Thailand.

No operating segments have been aggregated to form the above reportable operating segments.

Chief operating decision maker monitors the operating results of its business units separately for the purpose of making decisions about resource allocation and performance assessment. Segment performance is evaluated based on operating profit or loss and is measured consistently with operating profit or loss in the financial statements. However, the Company and its subsidiaries financing (including finance costs and finance income) and income taxes are managed on a Group basis and are not allocated to operating segments.





Transfer prices between operating segments are on an arm's length basis in a manner similar to transactions with third parties.

Inter-segment revenues are eliminated on consolidation.

The following table present revenue and profit information regarding the Company and its subsidiaries' operating segments for the three months ended 31 March 2013 and 2012, respectively.

(Unit: Thousand Baht)

	For the three-month periods ended 31 March									
	Retail business		Other distribution channels		Institution of private education business		Elimination of inter-segment revenues		Consolidation	
	2013	2012	2013	2012	2013	2012	2013	2012	2013	2012
Segment revenue	1,098,772	1,150,792	183,678	176,637	28,408	27,741	(461)	(29)	1,310,397	1,355,141
Segment profit (loss)	24,742	66,687	24,272	13,520	(3,734)	(2,013)	-	(125)	45,280	78,069
Unallocated income and expenses:										
Interest and dividend income									1,503	4,015
Other income									13,758	16,676
Operation expenses									(30,625)	(32,715)
Financial cost									(1,489)	(1,151)
Income tax expenses									(317)	(10,966)
Profit for the period									28,110	53,928

## 21. Commitments and contingent liabilities

### 21.1 Capital commitments

As at 31 March 2013, a subsidiary had capital commitments of approximately Baht 232.3 million, relating to the construction of education buildings.

### 21.2 Operating lease commitments

- As 31 March 2013, the Company entered into building lease and services agreements for use as the head office and merchandise distribution center. The Company has also entered into space rental agreements for use as branch offices, totaling 425 branches. The lease periods ranged from 1 to 12 years. For the period ended 31 March 2013, the total rental and utility fees were approximately Baht 507.8 million per annum. Some of rental fees were calculated from the percentage of sales, while others were fixed rate.
- The Company and its subsidiaries have entered into several lease agreements in respect of the lease of office building space, land, warehouses and vehicles. The terms of the agreements are generally between 1 and 30 years.

As at 31 March 2013, future minimum lease payments required under operating leases contracts were as follows.





	<u>Million Baht</u>
Outstanding commitments:	
Less than 1 year	24.7
1 to 5 years	62.0
More than 5 years	17.9

For the three-month period ended 31 March 2013, the Company recognised rental expenses of Baht 9.0 million.

### 21.3 Guarantees

As at 31 March 2013 and 31 December 2012, the Company has pledged the bank deposit of Baht 6.07 million to guarantee contractual performance and guarantee rental. In addition, other investments of Baht 2.3 million were pledged to guarantee the electricity usage and rental of head office.

### 21.4 Long-term service commitments

- a) The Company entered into agent appointment agreement with a foreign company for the contractual period of 1 year commencing from 1 January 2011 to 31 December 2011. When the agreement is expired, if no party inform the cancellation of the agreement in written, the agreement will be automatically extend for more one year, with the same as exist conditions.
- b) The Company entered into three-year contracts allowing the use of copyrights with various authors which can be automatically extended for another three years and agreed to pay, remuneration at the percentage of the number of books published or sold.

## 22. Event after the reporting period

22.1 On 25 April 2013, the Annual General Meeting of the Company's shareholders No.1/2013 passed the various resolutions, including the following matters:

- a) Pay dividends to the Company's shareholders from the operations for the year 2012. The dividend is to be paid as stock dividend in the number of 35,631,320 ordinary shares, with par value of Baht 1 each, at a ratio of 10 existing ordinary shares to receive stock dividend of 1 share, with a total amount of not exceed Baht 35.63 million, or equivalent to the dividend of Baht 0.10 per share. In the case of any shareholder with a fraction of the shares after the stock dividend distribution, will be entitled to receive cash dividend at the rate of Baht 0.10 per share. In addition the



Company will pay a cash dividend at Baht 0.41112 per share, or equivalent to amount of not exceed Baht 146.50 million. The Company had paid interim dividend for 3 quarters at the rate of Baht 0.10 per share per quarter, equivalent to Baht 106.90 million. The Company therefore has to pay more cash dividend for this period at a rate of Baht 0.11112 per share, or equivalent to amount of not exceed Baht 39.60 million. Total annual dividend payment in form of cash and stock dividend equal to Baht 0.51112 per share, equivalent to Baht 182.12 million (the number of ordinary shares before adjusting the number of shares as a result of the distribution of the stock dividend, as discussed in Note 19). Dividend and stock dividend will be paid on 22 May 2013.

- b) Decrease the Company's registered share capital from Baht 356,313,243 to Baht 356,313,209 by cut-off 34 ordinary shares remaining from the offering of stock dividend in accordance with the resolution of the annual general meeting of the Company's shareholders No. 1/2012. The Company registered the decrease in registered share capital to Baht 356,313,209, and paid-up share capital at Baht 356,313,209 with the Ministry of Commerce on 1 May 2013.
- c) Increase the Company's registered share capital from Baht 356,313,209 to Baht 391,944,529 by issuance of 35,631,320 new ordinary shares at par value of Baht 1 per share for reserve for the aforementioned stock dividend. The Company registered the increase in registered share capital to Baht 391,944,529, and paid-up share capital at Baht 356,313,209 with the Ministry of Commerce on 2 May 2013.

22.2 On 22 April 2013, the Company invests in Baeslab Co., Ltd., which operates in consulting, provision and distribution of software and hardware business, and has registered share capital of Baht 1,000,000 (paid-up share capital at Baht 250,000 equal to 25% of registered share capital), equal to 60% of its registered share capital and the Company's directors are the directors in such company. Therefore, such company is concern as a subsidiary of the Company. The investment is following the resolution of the Board of Directors No.4/2012 on 7 August 2012.

22.3 On 5 April 2013, the Board of Directors Meeting No.2/2013 has a resolution to approve a long-term loan from a financial institute in the amount not exceeding Baht 550 million. The loan will be used as the working capital and pay for the construction of the warehouse and distribution center (on Bang Na – Trad Road, k.m.21). Currently, the Company does not enter into any loan agreement as such resolution.



**23. Approval of interim financial statements**

These interim financial statements were authorised for issue by the Company's Board of Directors on 9 May 2013.

