



ANNUAL REPORT 2010

CM ORGANIZER PUBLIC COMPANY LIMITED

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Chairman Message

The global economy is recovering at the moment. As a developing country, Thailand has to rapidly recover its internal economy to keep up with the world economy. Private business sector has become a mechanism to drive the economy forward after the crisis.

Strategies that the organizations are utilizing – ranging from marketing strategies, employee development, and quality refinement – have been continuously scrutinized to provide competitive advantages. In the same way, players in event business are justifying their strategies to seize market share and retain their valuable customers. As a chairman of CMO Group (CM Organizer PLC.), I perceive determination in developing and organizing distinguished events. Furthermore, high potential of employees and world-class innovative technologies can undoubtedly maintain and assure company's position as a market leader in Thailand's event industry.

On behalf of CMO Group, I would like to express my sincere gratitude to our valuable shareholders, customers, and business partners for your steadfast trust and collaboration. I am also thankful to all CMO staffs, who have put all of their efforts to create remarkable events and maintain positive relationship with our customers. From now on, CMO Group is ready to offer the best service and continuously develop our potentials, so we all can grow up and success together.

Sincerely yours,

Ratanavudh Vajarodaya

Chairman

CMO Group (CM Organizer PLC.)

Group CEO Message

The political crisis during mid 2010 economically affected wide range of businesses, including event organizer. Therefore, we necessarily have to be prepared to confront and cope with such issues minute by minute. In doing so, we have improved our marketing plan, adjusted management strategies, and developed professional skills on our crews so they could accomplish the goals although unexpected situations arise.

The mitigation of political crises brought the event business back to normality. As the satiations cooled down, CMO Group speeded up to strengthen its business units and organized high-quality events, resulting in our constant profit growth. Furthermore, numbers of upcoming 'mega events' at the end of 2011 could illustrate growth potential of the industry and ensure its bright future.

In addition, CMO Group has invested in developing innovative technologies to empower and create outstanding events. As a member of Thai society and a member of CSR Club under Thai Listed Company Association, we are committed to be a conscious organization. At this stage, we are implementing 'green event' policy, encouraging our employees to be mindful of the environment, safety, and morality.

With strong determination and collaboration of crews and subsidiaries, CMO Group has overcome political crisis and rapidly recovered during the end of 2010. I am certain that CMO Group is an organization with utmost potential to move forward sustainably. With the power of creativity, management strategy and employee development, it is indisputable that CMO Group will remain its leading position in national event industry in the long run.

Sincerely yours,

Sermkhun Kunawong

Group Chief Executive Officer

CMO Group (CM Organizer PLC.)

General Information of the Company and its Subordinate Company

CM Organizer Public Company Limited (company) was established on the 5th June 1991 and has transformed to become a public company limited on the 29th December 2003 with the purpose to conduct an Event Management company.

According to the meeting resolution of the stockholders session 4/2546 on the 11th December 2003, there have been an agreement to increase the register capital from 59 million baht to 150 million baht which will be delivering 91 million stocks each cost 1 baht catered to the existing stockholder of the company the ratio of the stock at hands of 44,500,000 stocks. In addition to that the stock allocated among the directors and employee of the company and its subordinate company adds up to 876,000 stock (actual sales only 709,900 stocks) and allocate to sell to the mass population account to 45,790,100 stock (this includes the stock allocated to the mass according to the meeting resolution of the stockholders of 45,624,000 stocks and leftover stocks from selling to the director and employee accounting to 166,100 stocks) and will register in the MAI stock market in which the stock sold to the mass population have a ratio of 30.52 of the total registered capital of the company after selling the stock to the population having the company situated at

CM Organizer Public Company Limited

1471 Town in Town Soi 3/2 Ladprao 94, Ladprao Rd.,

Phappla, Wanthonglang, Bangkok 10310

Company Registered Number 40854600046

Tel. 0-2559-0505, 0-2559-2070 (up to 20 lines)

Fax. 0-2559-2069

Homepage <http://www.cmo-group.com>**With Subsidiary as follow:****PM Center Co., Ltd.**

Production Management Solution

Paid-up Capital 135 Million Baht.

4/18-19 Moo 11, Nuanchan Rd., Klongkhum, BuangKhum, Bangkok 10240

Homepage <http://www.pmcenter.co.th>**The Eyes Co., Ltd.**

Multimedia Management

Paid-up Capital 15 Million Baht.

1603 Ladprao 94, Wangthonglang, Wangthonglang, Bangkok 10310

Homepage <http://www.theeyes.co.th>

Workmanship Set & Design Co., Ltd.

Construction Management

Paid-up Capital 3 Million Baht.

1471 Ladprao 94 , Wangthonglang, wangthonglang, Bangkok 10310

Homepage <http://www.wms.in.th>**Bayon CM Organizer Co.,Ltd.**

Event Management and MICE Management

Paid-up Capital 178,250 Baht

No.3, Street 446, Sangkat Tonle Bassac, Khan Chamcar Mon,
Phnom Penh City, CambodiaHomepage <http://www.bayoncm.com>**M 31 Co., Ltd.**

(change from A-Link Co., Ltd.)

One Stop Music and Artist Management Company

Paid-up Capital 2,000,000 Baht.

23/90 G Building Royal City Avenue Soi Soonvijai – Rama9, Rama9 Rd.,
Bangkapi, Huangkwang, Bangkok 10310Homepage <http://www.M31.com>**Exposition technology Co., Ltd.**

Electrical and utilities services provider in exhibitions

Paid-up Capital 2,000,000 Baht.

252 Soi Yu-Charoen 29, Ratchadapisek Rd.,Samsennok, Huay Kwang, Bangkok 10310

Homepage <http://www.expotech.co.th>

1.3 Registrar

Thailand Securities Depository Company Limited

62 The Stock Exchange of Thailand Building, Beside Queen Sirikit Nation Convention Center

4,7th Floor, Ratchadapisek Road, Klongtoey, Bangkok 10110 Thailand

Telephone (662) 229-2800, (662) 654-5599

Fax (662) 359-1262-63

Home page <http://www.tsd.co.th>

1.4 External Auditor

ANS Audit Co.,Ltd.

100/72, 22nd Floor, 100/2 Vongvanij Building B., Rama 9 Rd., Huaykwang

Bangkok 10310 Thailand

Telephone (662) 645-0107-9

Fax (662) 645-0110

Home page <http://www.ans.co.th>

Financial Highlights
Summary of the company and consolidated financial statement

(Unit: Thousands baht)

	The Company				Consolidated			
	2007	2008	2009	2010	2007	2008	2009	2010
Income statement:								
Revenue from service	529,571	557,403	495,857	572,829	683,232	791,798	741,410	869,574
Total revenue	569,586	576,458	498,999	604,404	687,993	803,063	743,690	872,046
Cost of service	446,032	514,894	412,670	474,136	540,656	665,074	606,476	668,658
Gross profit	83,539	42,508	83,187	98,693	142,576	126,724	134,934	200,916
Selling and administrative expense	65,296	63,475	122,777	62,595	129,170	132,294	125,190	132,993
Interest expense	4,770	8,811	10,525	11,624	5,488	11,718	12,897	14,487
Net profit(Loss)	48,079	(10,722)	(51,606)	48,617	(89)	(14,039)	(5,603)	41,786
Balance sheet:								
Total assets	463,415	465,670	461,226	642,874	543,580	539,746	570,890	727,646
Total liabilities	191,965	219,942	267,104	400,135	261,186	287,567	322,894	436,176
Shareholders' equity	271,450	245,728	194,122	242,739	282,394	252,179	247,996	291,470
Financial ratios:								
Gross profit margin ratio(%)	15.77	7.63	16.78	17.22	20.87	16.00	18.20	23.11
Operating profit margin ratio(%)	3.44	-3.76	-7.98	11.82	1.96	-0.70	1.31	8.39
Net profit margin ratio(%)	8.44	-1.86	-10.34	8.49	-0.01	-1.75	-0.75	4.81
Return on equity ratio(%)	18.43	-4.15	-23.47	22.25	-0.03	-5.25	-2.24	12.97
Earnings per share(fully diluted)	0.32	-0.07	-0.34	0.32	0.00	-0.11	-0.06	0.25
Liquidity ratio(times)	1.23	0.78	0.93	0.87	1.18	0.84	1.01	0.75
Debt to equity ratio(times)	0.71	0.90	1.38	1.65	0.92	1.14	1.30	1.50

Summary of Financial Ratios

	The Company				Consolidated			
	2007	2008	2009	2010	2007	2008	2009	2010
<u>Liquidity ratio:</u>								
Liquidity ratio(times)	1.23	0.78	0.93	0.75	1.18	0.84	1.01	0.87
Account receivable turnover(times)	2.99	3.40	3.05	3.42	3.31	4.03	3.75	8.29
Days sale outstanding(days)	120.28	105.91	117.98	105.33	108.80	89.36	95.98	43.42
<u>Profitability ratio:</u>								
Gross profit margin ratio(%)	15.77	7.63	16.78	23.11	20.87	16.00	18.20	17.23
Operating profit margin ratio(%)	3.44	-3.76	-7.98	7.81	1.96	-0.70	1.31	6.30
Net profit margin ratio(%)	8.44	-1.86	-10.34	4.01	-0.01	-1.75	-0.75	8.04
Return on equity ratio(%)	18.43	-4.15	-23.47	12.97	-0.03	-5.25	-2.24	22.25
<u>Efficiency ratio:</u>								
Return on assets(%)	10.97	-2.31	-11.14	5.39	-0.02	-2.59	-1.01	8.80
Total assets turnover(times)	1.30	1.24	1.08	1.34	1.37	1.48	1.34	1.09
<u>Financial policy ratio:</u>								
Debt to equity ratio(times)	0.71	0.90	1.38	1.50	0.92	1.14	1.30	1.65
Interest coverage ratio(times)	12.21	-0.22	-3.46	4.86	3.31	0.49	1.05	5.82
Dividend pay out ratio(%)	31.25	-	-	80.00	-	-	-	63.00

Company Business

1) CM Organizer

Event Management Business

1.1) Corporate Marketing Event (CME) The business unit responsible for creative and marketing promotion management to create brand awareness among the Private sector

There are many business units responsible for providing advice, creative work, and organizing event activities for clients in private sector. These business units are known among the clients under the name of Corporate Marketing Event Business Unit (CME). All CME's business units are able to create and organize the event activities in response to each objective of the customer needs with comparable quality. They are self-managed unit so that they can response to customer's need on time.

The work of CME business units involves the creation of event activities for clients in order to create widely marketing awareness with distinctive characteristics and creativity. These units attempt to create experience for the clients' target group in order to bring out positive emotion and brand recall. They must also continuously emphasize and enhance the image created by the clients among the brand and target group. The events must be utilized to bring about maximum effectiveness and efficiency to the clients' products and services. As a result, brand experience is established in the customer mind in the forms of liking, preference, desire, and needs to possess, which will finally lead to the purchase decision, increasing sales value, and brand loyalty.

The professionalism of CME business units can create confidence on the foundation of over 20 years experience, as well as the strength in their production skills, expertise in presentation, and ability to create modern work to be able to reach the target groups. These achievements can be reflected from the famous and successful performance in the previous year as follows:

- Nissan Motor Show & Motor Expo 2010
- Home Pro Expo 2010
- Rebrand Prueksa Logo
- Nissan March Launch & Road Show
- Nokia Mobile Launch
- Thailand Fruit for Asian Game
- Fashion Expo Gala
- True : iphone4 Launch
- Honda Motorcycle Launch
- PTT Biodiversity

1.2) National & Public Event

The Public event is set for the campaign of each client which has special campaign in their product. Companies' clients are both private sectors and government departments or ministry. The kind of this event will set in a short time period and need participation of people. Normally, the National or Public Event will set for a special occasion or annually. The event is combined by a lot of activities, varieties of theme and product.

Beside the National and Public Event, company is also create event in style of sponsor event which own by company and get sponsor from other company that wish to joint. The entertainment event of the company aims to combine entertainment with the image of customer brand. For entertainment event, the company has the policy to create own event reflecting in outstanding and unique event. In conjunction with the CME Team, These achievements can be reflected from the famous and successful performance in the previous year as follows:

- The Golden Heritage of the Ratanakosin Era
- Nitad Tatanakosin Exhibition
- Chonburi Songkran Festival 2010
- Together We Can Concert
- Thai Teaw Thai 5 Provinces by Tourist Authority of Thailand

1.3) Art, Culture & Public Entertainment (ACE)

The art, culture & entertainment event is the pride and long time valuable asset of the Company. It originated from the root of understanding and appreciating the beauty of Thai arts and culture together with the expertise of personnel. To operate this kind of event is like appreciating arts together with generating entertainment for the clients.

The mastery in "Art" of the company ranges from Thai art such as painting, sculpture, contemporary art, and valuable art from other continents. The company is able to combine these art forms in harmony with the specific events. In addition, with genuine understanding of "Thai Culture", the company is able to create work that reflects the true value of Thai, which is also accurate in terms of history and is based on the appreciation of Thai Culture to the greatest extent.

Successful performance of art, culture & entertainment in the previous years can be seen from the following examples:

- Art Market 2010
- Fusion Thai : Now and Next by OCAC
- Sculpture Installation

1.4) Trade Show and Exhibition Management

From expertise in booth and stage construction and experience in exhibition management, the exhibition management service of the company consist of differentiations and identities by using display technology such as “Ghost Effect” or Hologram, Panorama Screen technique and Special Effect Dome which audience can experience the reality.

The exhibit team can design and construct the exhibition venue to meet the customer requirements based on the international construction standard. The capacity of the exhibit team can start from 500 square meters to ten thousand square meters.

The prominent exhibition management of the company in the year 2010 consists as follow :

- Money Expo 2010
- International Education Expo 2010 (OCSC)
- Asia Post and Stamp 2010
- Coin Learning Center and Museum
- Exhibition in Social Function of Government 2010

1.5) Meeting, Incentive, Convention, Exhibition Business Unit (MICE)

Thanks to the experience in meeting and convention management for over 10 years, the Company is confident in presenting the service through its MICE business unit with Full-functional Service. The operation of this business unit mostly involves with foreigners. The task deals with the organizing of seminars among foreigners, as well as taking care of participants during their stay in Thailand. The events can be ranged from the seminars held within a few conference rooms to the world-class seminars joined by several thousand participants. Therefore, the provision of the MICE team’s full- functional service covers reception, journeys, accommodation, travels during the stay in Thailand, as well as organizing the meetings, venue maintenance, registration, and all the details related to the conferences.

Competence personnel, clarity of working, and **World-class Management** are considered significant factors in administrating the MICE team. Additionally, being the leader of the MICE business together with competitive advantage obtained from the affiliated companies, the Company’s MICE team is equipped with instrument, technology, and potential that are sufficient to fully accommodate the business opportunities. For instance, language proficiency of personnel, readiness of translating machine, advancement of visual equipment, registration management system technology, as well as database.

Besides the well-accepted working system and success enhancing the trust and credit in the team, another distinctiveness of MICE team is the **Art & Thai Cultural** offer, which is the ability to blend advance Thai arts and culture into the works of MICE. Therefore, the company was established MICE Team to be Business Unit, to serve the growth of MICE industry. The successful performance in the previous year as follows:

- International Education Expo : OCSC

- Honda Dealer Conference
- Energy Regulatory Commission Conference
- Public Seminar by Department of Trade Negotiation

2)The EYES

Presentation Media

Characteristic of Product or Service

The presentation media business is operated under The EYES Co., Limited, one of the subordinate company, which CM Organizer hold 99.95 percent of the paid-up capital. The EYES offer fully equipped presentation media which ranges from consultation on how to choose an appropriate type of media equipment and design for the event. Furthermore it also monitors the installation process for visual presentation light and sound, and other special effect. These presentation media that are created will be use in events such as product launch, exhibition, marketing activities and promotional activities, public entertainment activities and international conferences. At the moment The EYES offer five main types of services as follow;

- Multimedia which is provides various visual and audio media materials such as slide projector, video projector, computer graphic, midi sequencer, light, sound and laser effect, electrical system, interactive shadow, elusion effects, video panorama, holo-vision, multi-screen video, pyrotechnic and fountain using synchronize system which have one main point in controlling using computer system to present an astounding and impressive scene for the audience.
- Video Presentation in which The EYES design and produce video presentation by bringing in the most updated techniques with using computer graphics to make a high resolution presentation.
- Computer Graphic which is a new type of media for presenting organize by using interactive computer system which can combine computer graphic program such as 3-d max, 3-d studio, Illustration and Photoshop to help make a stunning and interesting production.
- TV seen advertising spot in which The Eyes design and produce with high technology computer. The experienced production team of The Eyes also add computer graphics into advertising spot for television seen.
-

3) PM Center

Equipment Management Services

Characteristic of the Product or Service

At the moment equipment services business for activities such as presentation and performance equipment falls under the operation of PM Center Limited (PM) which is another subordinate company of CM holding a 99.997 percent of the capital paid of the company. PM offers services in full-functional equipment management allocating convenience of a fully equipped production management solutions.

Right now PM offers equipment service for four types of activities as follow;

- Image equipment such as projector, screen, panorama, TV/VDO Wall, Projection wall, plasma, Xenon and Led Screen.
- Lighting equipment such as convention lighting, outdoor lighting, concert lighting, and exhibit lighting.
- Pro Audio equipments for conferences, product launch, and other light and sound projects with full functional for all event's scale.
- Effect equipment such as laser, water tunnel, water screen, and fountain that comes in straight skirt, circle mode and Roof-Top rental.

The service take account of giving advice about the suitability of each type of equipment for the event, equipment installation and how to use the equipment to close coordination for efficient accurate monitoring for a successful event.

4) Workmanship Set & Design Co., Ltd.

Exhibition Management Solution

Characteristics of products or services

At the moment, structural and exhibition services for event management business fall under the operation of Workmanship Set & Design Co., Ltd. (Workman), which is an affiliated company in which CM holds 90% of the paid capital. Workman provides services with regard to design and construction in both temporary and permanent exhibition. The services involve providing recommendation, advice, survey, giving opinions on structure and designs, selection of equipment, and directing the work from installation, during the exhibition, and demolition. Such services can be provided to the trade shows, exhibitions, marketing and sales promotion activities, public entertainment activities, as well as international conferences that are held domestically and in foreign countries.

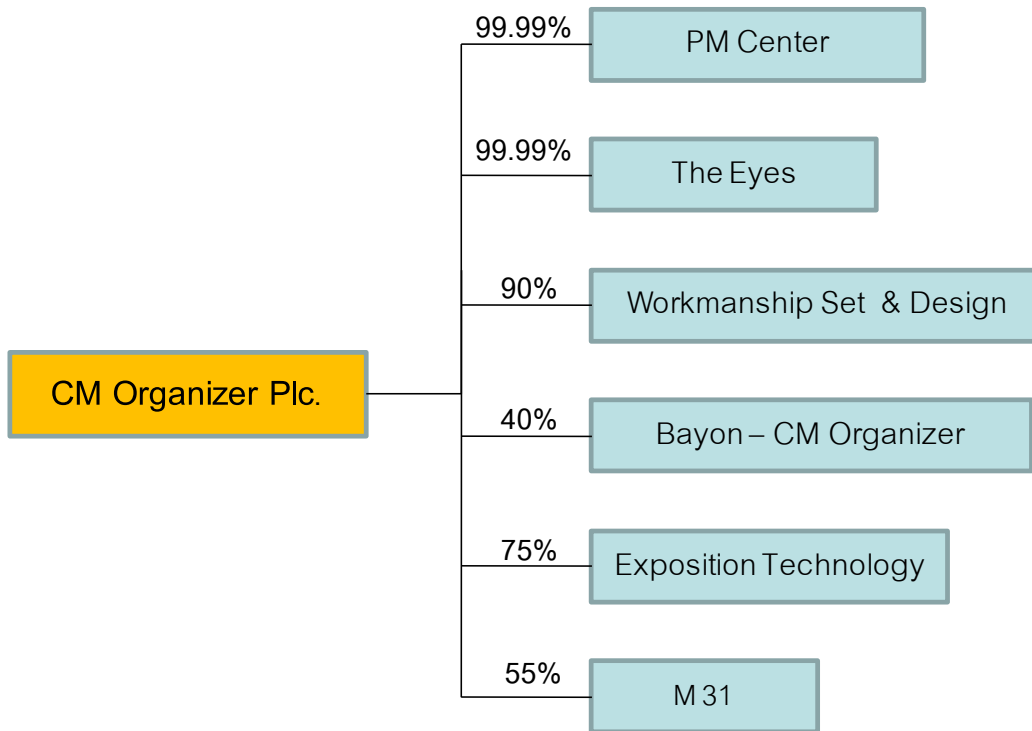
At present, Workmanship Set & Design Co., Ltd. provides 2 major services as follows:

1. Sub-contract, construction, decoration, design, survey, as well as other relevant construction works, ranging from a small scale such as an exhibition stage to the design and construction of large scale work (Pavilion). Special construction technique equipped with state of the art technology is utilized in construction, in addition to modern construction system. The surrounding atmosphere is also designed to enhance harmony and to create more memorable impression than sole structural work. In addition, there is a policy to provide service both domestically and internationally.
2. Equipment rental service for decoration, structural work, furniture, as well as ready made structural equipment. For example, tables and chairs, stage props, decorative equipment for exhibition

booths, sofa and furniture in modern designs, and ready-made structures including ready-made floor, structural equipment for exhibitions and trade shows.

Shareholding Structure

1) Shareholding Structure of the Group Company (Last Checked: December 31, 2010)



Company's name	Type of business	Kinds of stock	Amount (shares)	Percentage of shareholding(%)
PMCenter Co.,Ltd.	Providing equipment for event management and presentation	Common stock	1,349,991	99.99
The Eyes co.,Ltd.	Providing multimedia and presentation production	Common stock	149,918	99.95
C-MEX Exhibition Co.,Ltd.	Providing design and construction of booth and stage	Common stock	27,000	90.00
M31 Co.,Ltd	Agency for musical and activity	Common stock	11,000	55.00
Max Evolution Co.,Ltd. (Held by PM Center Co.,Ltd.)	Providing equipment for event management and presentation	Common stock	0	0
Exposition Technology Co.,Ltd.	Providing electric equipment and utilities in event	Common stock	20,000	40.00
Dream Box and CM Organizer Joint Venture	Musical Show management			50.00

2) The Business of the Group

PM Center Company Limited ("PM")

Large Shareholders and the Percentage of Shareholding	CM Organizer Public Co., Ltd. holds shares 99.997% of the company's paid-up capital
Registered Capital (Bt Million)	135 Million
Type of Business	Providing Equipment Rental Service, for example, pro-image, pro-lighting, pro-audio and special effect equipment

The Eyes Company Limited ("The Eyes")

Large Shareholders and the Percentage of Shareholding	CM Organizer Public Co., Ltd. holds shares 99.95% of the company's paid-up capital
Registered Capital (Bt Million)	15 Million
Type of Business	Providing a service for Presentation Media, for instance, Multimedia, Video, Computer Graphic and Multi-video

Workmanship Set & Design Co., Ltd. (“Workman”)

Large Shareholders and the Percentage of Shareholding	CM Organizer Public Co., Ltd. holds shares 90 % of the company's paid-up capital
Registered Capital (Bt Million)	3 Million
Type of Business	Providing a service for Design, Decoration, Building, Bill-Board, Commercial Ad and Construction. Also Space Decoration for Tradeshow or Exhibition.

Bayon CM Organizer Co., Ltd.

Large Shareholders and the Percentage of Shareholding	CM Organizer Public Co., Ltd. holds shares 75.0 % of the company's paid-up capital
Registered Capital (Bt)	178,250 baht
Type of Business	Providing an Event Management and MICE Management in Cambodia

M 31 Company Limited (“M 31”)

Large Shareholders and the Percentage of Shareholding	CM Organizer Public Co., Ltd. holds shares 55% of the company's paid-up capital
Registered Capital (Bt Million)	2 Million
Type of Business	One Stop Music and Artist Management Company

Exposition technology Company Limited (“Expo-Tech”)

Large Shareholders and the Percentage of Shareholding	CM Organizer Public Co., Ltd. holds shares 40% of the company's paid-up capital
Registered Capital (Bt Million)	5 Million
Type of Business	Providing electrical and utilities services for Event & Exhibitions.

3) Company and Subsidiary's Revenue Structure

The revenue and customer structure of the group in 2006 – 2009 has been declared separately as following :

Table1 :Group of Company Revenue divide by Company Business Type

ประเภทของรายได้ Type of revenue	2550 / 2007		2551 / 2008		2552 / 2009		2553 / 2010	
	มูลค่า (ล้านบาท) Amount (MB.)	%	มูลค่า (ล้านบาท) Amount (MB.)	%	มูลค่า (ล้านบาท) Amount (MB.)	%	มูลค่า (ล้านบาท) Amount (MB.)	%
รายได้จากการให้บริการ บริหารการจัดงาน Revenue from event management business	513.78	62.31%	566.63	63.02%	503.91	63.56%	572.83	60.21%
รายได้จากการให้บริการ ทางด้านอุปกรณ์ Revenue from equipment rental business	194.33	23.57%	230.19	25.60%	258.54	32.61%	325.63	34.23%
รายได้จากการให้บริการ ทางด้านการผลิตสื่อสำหรับนำเสนอ Revenue from presentation media production business	44.92	5.45%	39.95	4.44%	21.68	2.73%	33.38	3.51%
รายได้จากการออกแบบ ตกแต่ง และก่อสร้าง Revenue from design, decoration and construction	71.51	8.67%	62.39	6.94%	8.64	1.09%	10.74	1.13%
รายได้จากธุรกิจดนตรีและบริหาร ศิลป์ Revenue from musical and activity	-	-	-	-	-	-	8.83	0.93%
รวม (Total)	824.54	100%	899.16	100%	792.77	100%	951.41	100%

Table 2 : Separated Company Revenue divide by Business Service Unite

รายได้ของบริษัท Company's revenue	2550 / 2007		2551 / 2008		2552 / 2009		2553 / 2010	
	มูลค่า (ล้านบาท) Amount (MB.)	%	มูลค่า (ล้านบาท) Amount (MB.)	%	มูลค่า (ล้านบาท) Amount (MB.)	%	มูลค่า (ล้านบาท) Amount (MB.)	%
บริษัท ซีเอ็ม ออร์กาไนเซอร์ จำกัด (มหาชน) CM Organizer Public Company Limited								
- รายได้จากภาครัฐ Revenue from government sector	219.05	38.46%	285.19	49.47%	289.87	58.09%	225.39	39.26%
- รายได้จากภาคเอกชน Revenue from private sector	310.53	54.52%	272.22	47.22%	205.99	41.28%	347.44	60.51%
- รายได้อื่น Other revenue	3.49	0.61%	11.48	1.99%	3.14	0.63%	1.33	0.23%
- กำไรจากการรับรู้เงินลงทุนตาม วิธีส่วนได้ส่วนเสีย/รายได้เงินปันผล Profit from Investment Sharing Method/Dividend	36.51	6.41%	7.57	1.31%	0.00	0.00%	0.00	0.00%
รวมรายได้ (Total)	569.58	100%	576.46	100%	499.00	100%	574.16	100%

Table 3 : Separated Company Revenue divide by Customer Type

รายได้ของบริษัท Company's revenue	2550 / 2007		2551 / 2008		2552 / 2009		2552 / 2009	
	มูลค่า (ล้านบาท) Amount (MB.)	%	มูลค่า (ล้านบาท) Amount (MB.)	%	มูลค่า (ล้านบาท) Amount (MB.)	%	มูลค่า (ล้านบาท) Amount (MB.)	%
บริษัท ซีเอ็ม ออร์กาไนเซอร์ จำกัด (มหาชน) CM Organizer Public Company Limited								
- รายได้จากงานส่งเสริมการตลาด และส่งเสริมการจำหน่าย Revenue from corporate marketing events	135.28	23.75%	152.86	26.52%	169.87	34.04%	219.75	38.27%
- รายได้จากงานบันเทิงสาธารณะ Revenue from public events	209.83	36.84%	75.93	13.17%	151.01	30.26%	186.48	32.48%
- รายได้จากงานนิทรรศการและ งานแสดงสินค้า Revenue from trade show and exhibition	101.17	17.76%	266.87	46.29%	63.98	12.82%	99.00	17.24%
- รายได้จากงานประชุมสัมมนา Revenue from MICE	15.19	2.67%	10.27	1.78%	2.03	0.41%	16.46	2.87%
- รายได้จากการรับบริหารจัดการงาน Revenue from event management function	52.31	9.18%	21.34	3.70%	19.20	3.85%	21.14	3.68%
- รายได้จากงานออกแบบ ตกแต่ง Revenue from design& construction	15.79	2.77%	21.16	3.67%	89.77	17.99%	30.00	5.23%
- รายได้อื่น ๆ Other revenue	40.01	7.02%	28.03	4.86%	3.14	0.63%	1.33	0.23%
รวม (Total)	569.58	100%	576.46	100%	499.00	100%	574.16	100%

Competitive environment and competitive strategy and Future Competition**1) Competitive environment and competitive strategy****1.1) Competitive environment and competitive strategy in Creative and Organizer Management Services**

In the first half of 2010, this was an uncertainty in politic crisis together with world economic crisis which was not alleviating as many one anticipated. Most of business sector was decelerated their activities, campaign including with scale down their currently event. These situations were effected to company as well.

Therefore, competition in event business in 2010 was even more intense because of economic and political problem. Most of customer reduced and became more conservative in their budget. Customers invited many suppliers to join in one bidding, reflecting in high competition to get a job. The Company has a strategy to satisfy and keep customer especially in high purchasing power customers who required excellent and accurate service. The Company, as a leading event organizer, has long term credibility and is one of the complete event organizer who can satisfy customers need that made the Company to get customers' event continually.

For government sector, the Company has a policy to be an event counselor for customer that help the Company to get a database and create more chance to win a government event. The Company also has a strategy to diversify and balance the company's event product in order to minimize business risk.

1.2) Competitive Environment in the Equipment Rental Business & Competitive Advantage of PM Center

Although a lot of Equipment Service Business exists in Thailand, but when compared with demand, it is not satisfy customer need. The competition in equipment service business is not intense due to the limitation of high technology equipment and there are a few companies that have total solution equipments. However, many new players in the market have started to find their outstanding points and more combination between the equipment and state of the art technology. Besides, more facilities are provided to the equipment users so that they can be less dependent on expertise of technicians. Moreover, the time required for set-up and dismantling can be shortened. Such fact can be applied to decorative equipment, stage and comprehensive light and sound equipment, as well as new and rapidly developed series of projector equipment. Therefore, to maintain its competitive advantage, PM is aware of the importance in arranging modern equipment in response to the customer demand and changing technology. PM also provides new equipment to the customers continuously. It has attempted to find the most updated equipment and their corresponding technology. Exhibitions are held to display the potential of equipment and presentation of the equipment that has been developed to the customers in the Open House event. Besides, the Company also arranges an operating unit responsible for maintaining the equipment to always be in a ready-to-use mode. Additionally, staffs with knowledge and skills in providing equipment services together with the total solution of equipments are one of the key factors that keep PM to retain its competitive advantage. At the moment, PM is therefore accepted by the Company's customers as well as its competitors as the providers of exhibition and presentation equipment services, which include Pro Image, Pro Lighting, Pro Audio and Pro Effect equipment.

1.3) Competitive Environment in the Presentation Media Service and Competitive Advantage of the Eyes

The presentation media operators also exist abundantly in Thailand, but most of them are expert in only one or two areas of media presentation. Only a few of them, including The Eyes, is able to provide a turnkey services targeting at several segments of the audience. These services cover the access to various target groups, conducting systematic activities, as well as being widely accepted from people in the field. To maintain competitive advantage, the Eyes emphasized on offering fully equipped media presentation services which include video, multimedia, computer graphic, and multi-video presentation suitable for the customers wants, in compliance with the technology trend at a reasonable price. In addition, The Eyes is willing to provide advice and services to the customers with more convenience. Its staff and customer service personnel are responsible for responding to customer requirement with more care. Its strategy in building close customer relationship will bring about trust and more purchase.

2) Industrial Trend and Future Competition

In the year 2010, Thailand still faced political turmoil and effected by world financial crisis continuously caused all business were in difficult situation. These factors effected directly to event management business, a main business of CMO Group.

In 2011, resulting from economic promoting event of government sector and sales increasing campaign of private sector such as trade exhibition and sale exposition will raise the high tense of competition among event organizer. It is predicted that automobile sector, one of the most continuously spending sector in event will keep spend their money on roadshow to stimulate sale and brand awareness. Especially this time, the green energy concept is in social mindfulness.

Government sector will also take an important role as a major spending sector in event business, continuously from 2010. Government sector's event will focus in economic promoting event in tourism, trade and country image. Especially in 2011, Thailand has many big national event such as BOT Fair and Royal Flora which many government department and private business have to participate with. Then, the competition in government sector market will be among big leading event companies due to constrain of selection criteria and capital. The high standard organizer will have advantage to take new opportunity.

The company, as a leading event organizer with prominent credit from many national and international events throughout 20 years operating, is confident that the company will be the leading event company and will be able to keep our customers and generate revenue continuously.

Risk Factors

Risk from inconsistency of the client companies' plans for marketing activities

Marketing events, sales promotion, public relations and other image enhancing events are all additional activities or additional communicating tools for marketing that can be organized along with the traditional marketing tools such as advertisement. These activities are, therefore, supplementary activities for the clients' business. Consequently, the Company's event management can easily be affected by the change of customer requirement, such as the policy change from foreign head office in terms of content and budget, the product change, the budget change, the postponement of event schedule, etc. Such changes may affect the revenue and performance of the Company and its affiliations.

However, since the Company has been in the business continuously for over a decade, it has customer base comprising both government and private sectors conducting various types of business and has strong policy to acquire new customers. These clients have more tendency to organize events for their marketing, public relations and sales promotion purposes in order to communicate directly to their target consumers.

In addition, the Company also has another progressive management policy by establishing the strategy for managing its own event activities. Therefore, it is possible to forecast the target and implementation of such events, as well as to promote the brand of events in order to create good reputation and trustworthiness, as well as the interest in such events in the following years for more stable future. This will also result in more revenue from supporters of existing events as well as the potentially well-known branded events in the future.

Actually, the Company has tried to maintain the customer base in attempt to expand the revenue from each of the clients. This is indicated from the fact that the staff has put their best efforts in the work, and tried to expand the clients' successful performance in order to maintain continuous flow of work. A specific business unit is established to take care and provide services to the customers closely. All recommendations are accepted for improvement. And most importantly, the clients' budget will be worth utilized in accordance with their objectives. Moreover, the efficiency of performance must be measurable in order to achieve maximum quality.

1) Risk from economic instability and the change of government policy that may affect the Event Management Business

Event Management business is connected to and related with advertisement and public relations business that directly ties in with the overall economic situation of the country. The public spending and general business survival are essential factor for product or service owners in considering the use of any kinds of advertisement or public relations, which include exhibition as a marketing tool for sales promotion.

When people in the country, ranging from business sectors at the level of consumer product operators to the high impact level such as energy, are substantially sensitive to political situation, the business operation is therefore directly affected by overall political and economic movements such as political stability, political

rally, economic policy. These factors affect the consideration on roles of advertising, public relations, and budget for organizing event activities, not to mention various project policies that are established and supported directly from the government and jointly promoted by the private sector. Examples are gigantic projects of event organizations, such as the country's public relation projects for tourism purpose or international conference

Nevertheless, the Company has always been well prepared for such cases. The Company attempts to allocate the management to avoid overly reliance on certain parties, either from government or private sector. The company revenue come from different customers, not depending on or influenced by any customer. It also tries to maintain the balance of income generating operations with maximum prudence, apart from establishing the policy to depend on its own work. Moreover, there is also a policy to go for foreign market with regards to international conferences and receptions to create stability and to avoid being overly dependent on domestic operation.

2) Risk from market entering of the new operators, and from the adjustment of the clients and adjustment of the advertising firms into the Event market

Event Management market becomes well-known and has increasing market value yearly, not to mention its attractive revenue. Therefore, considerable number of operators, including those previously relating to the business, which are advertising agencies, media, or television programs and public relation companies, begin to adjust themselves and find ways to create more revenue from event management market. These operators attempt to focus on their existing strength, as well as to incorporate the business of event management into their operation. However, despite the attempt to create more selling points to increase revenue, the expertise in event management depends on experience and specific skills. Although these companies try to establish the Event Management division, or use other methods of marketing, the expertise of existing personnel is still not able to respond to the client needs. Moreover, they are not able to organize the events with equitable standard when compared to the companies with direct experience in this field. Nevertheless, the growth trend of these companies in the event market still creates pressure and results in more aggressive competition in the industry.

Additionally, the event market also involves the movement of previous operators or clients who have accumulated their experience and learned about the event management from our Company or other event management companies. Therefore, these operators or clients are able to adjust themselves, and learn to organize the events without depending upon the direct event management companies in some cases. Therefore, the Event industry not only confronts with higher competition, but it also needs to adjust itself, as well as to maintain and improve its quality. At the same time, it is also necessary to obtain client acceptance from successful performance and to continuously develop its potential to the greatest extent.

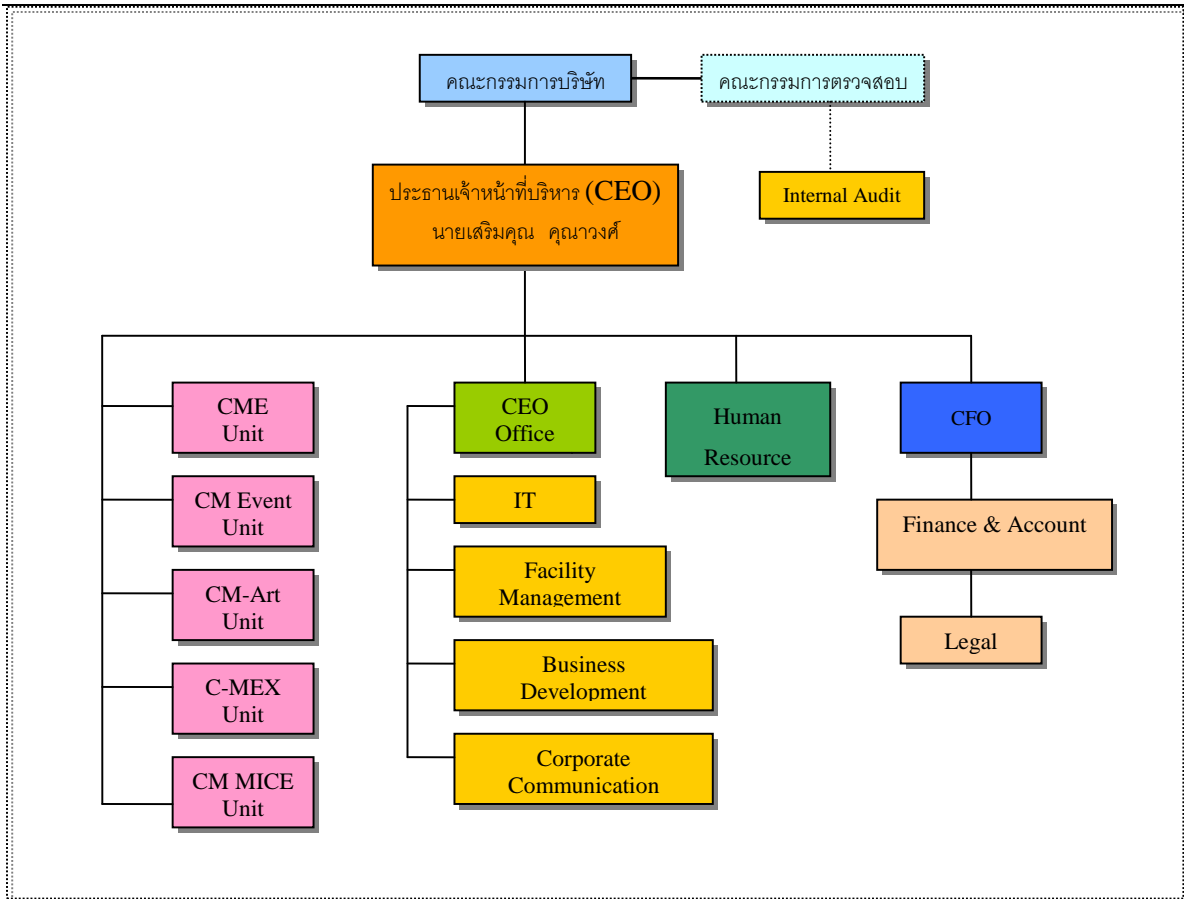
The Company has developed and promoted the quality of event management by accepting new technology that is suitable for organizing the events. Our staffs are assigned to take good care of the clients

closely, and are able to create high quality events with new concepts that are always beneficial for the business of the Company. Examples include the attempt to find new joint ventures to enhance the potential of the Company or to find new marketing tools to continuously reinforce the Company's business units. Moreover, the company takes advantage in the company's strength by expanding business into potential international market to reduce the risks.

Management

1) The Structure of the Organization of C.M. Organizer Public Co., Ltd.

(Checked: December 31, 2010)



The History and Important Changes

C.M. Organizer Public Company Limited is founded in June 5, 1991 by the lead of Mr. Sermkhun Kunawong and Mrs. Suree Khunawong. The company is running the business for Event Management; Public Event, Meeting, Incentive, Convention & Exhibition (MICE), Exhibition & Trade Show and Marketing & Promotion. The company's capital for the first registration was amounted Bt1 million and the business started with only 4 employees. The history and important movements of the Company Group is presented briefly as followed;

2) The History and Significant Movements of the Company Group

1st Part of the Development

Year	Significant Movements
1986	Mr. Sermkhun Kunawong is a founder of The Eyes Co., Ltd. The company was the first one among others. It provides a service for multimedia and multi-vision. At that time "The Eyes" was one of the biggest multimedia manufacturers in Thailand.
1990	Presentation Media Supplies Co., Ltd. (now it is P.M. Center Co., Ltd.) was established to provide Equipment Rental Service for performances and presentation of The Eyes Co., Ltd.
1991	C.M. Organizer Co., Ltd. was established to provide an Event Management Service. The company was truly one of the pioneers in such business in Thailand.
1992	The Executives of the Company Group decided to unite 3 companies altogether and "The Eyes Group" was formed. At that moment "The Eyes Group" was one of a few companies that was able to fully provide Event Management Business.

The Progress and Significant Movements of the Company Group

Year	Significant Movements
1994	The structure of the group's administration had changed. "S. Cubic Group" was formed to be in place of "The Eyes Group". Also, S.Cubic Co., Ltd. was built up to hold shares, control the financial arrangement, handle the accounting and also do an internal check for each company among the Company Group
1998	The policy and some business strategies of the company were changed. CM Organizer Public Co. Ltd. put more concerns on Public Event Service and MICE (Meeting, Incentive, Convention & Exhibition) because the growth of both kinds of business were speculated to be grand in the future
1999	"The Eyes" expanded more services for Multimedia. The products that "The Eyes" manufactured are 3D videos, panorama videos, computer games, CD-ROMs and websites, both for its chain group and internal customers In the same year, the 65 th Annual Conference of the International Federation of Library Association was held by the company (C.M. Organizer). More than 2,000 librarians from around the world attended the conference
2001	The administrators of "PM" changed the policy and marketing strategies by emphasizing more on Production Solutions Management (in pro-lighting, pro-image, pro-sound and special effects)
2001-2003	The company hosted and/or co-hosted both National and International Events, for example, The APEC CEO Summit, OTOP City Fair, the Annual Fair of the

	River's Land (Mae Nam Khong Pan Din Fair), Songkran Festival Celebration, Chinese New Year Celebration, etc.
2003	The Company Group had radically changed its funding structure and shareholding for a preparation to register in Mai Stock Exchange. The registered capital was increased from Bt8 million to Bt59 million and Bt150 million respectively. In addition, the shareholding structure was also changed in which the company held the shares of "PM" and "The Eyes" for 99.997% and 99.84% respectively. S.Cubic Co., Ltd. became the large shareholder of the Company Group. C.M. Organizer Co., Ltd. was transformed into a public company limited and renamed "C.M. Organizer Public Company Limited"
2004	PM Center 's capital structure has radically changed from Bt 39.90 Million to Bt 135 Million of capital paid which CM Organizer held the shares of "PM" for 99.99% and increased capital paid for the Eyes from Bt 5 Million to Bt15 Million which held the shares of "the eyes" for 99.45%
2005	CM Organizer has decide to invest in CMEX Exhibition Co., Ltd. Which held the shares 90% of capital paid for Bt3 million and also invest in CMO-KWCP Co., Ltd. Which held the share 50% of capital paid for Bt 1Million respectively.
2006	CM Organizer expand event management business to South East Asia Region by investing in Bayon CM Organizer Co.,Ltd. In Cambodia which held the share 75% of capital.
2007	CM Organizer had a chance to organize the opening and closing ceremony of the 24 th Universiade Bangkok 2007 and The Light and Sound at Angkor Wat, which has acceptably from worldwide. Beside, CM Organizer has decided to invest in A- Link Co., Ltd., providing and managing the Art Performance and Show both in local and oversea, which held the shares 99.99% of registered capital for Bt1 million.
2008	CM organizer Company Limited has expanded a new business in line of Utility Service Provider by held the share of Exposition Technology Company Limited for 40%. Moreover, CMO Group has a great successful of Thai Pavilion to stand up front of 102 countries with Silver Award in Theme and Conception from Bureau International des Expositions : BIE in World Water Exposition 2008 " Expo Zaragoza 2008", Zaragoza, Spain
2009	CM Organizer Plc. had set new business unit "CM MICE" and announced ASEAN Platform approach to serve various kinds of events in wide array of ASEAN market with international standard.

2010	Company had change company structure and name of A-Link to M31 which aim to be one stop music and artist management company. Company was won the Corporate Social Responsibility Award in Set Award 2010.
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The Purpose of the Company

Throughout 20 years since the establishment of the company, C.M. Organizer Public Co., Ltd. has 4 major purposes, which are:

1. Running the Business as an Event Management Company for Thai people with International Standard
2. Maintaining Leadership in the Event Management Business in Thailand
3. Running the Business by Holding to Good Corporate Governance to Balance Interest of Stakeholders
4. Being Good Citizen for Thai Society by Supporting Thai Art and Culture

Aims of Business

The company aims to maintain leadership in Event Management Service; Meeting, Incentive, Convention & Exhibition (MICE) and Public Event. It also aims to gain more of the market share in Exhibition & Trade Show and Marketing & Promotion business by emphasizing on the quality and standard of service. In addition, the company intends to increase its revenue and profit by pre-targeting the spot where a great potential of growth will arise in the next few years. The preferable areas are included Public Event Market, MICE Market and Exhibition & Trade Show Market. The company also has "Event Brand", which is belongs to the company. Furthermore, the Executive of the company pays more attention to the significance of Thai Art and Culture because they represent the uniqueness of being Thai.

The executives and employees of the company group are proud of being Thai Citizen. Therefore, another aim for the business is Being Good Citizen for Thai Society

3) The Management Structure

The management structure of the company consists of 3 groups of committees, which are Board of directors, Audit Committee and Executive Board, as listed below:

The Board of directors

On December 31, 2010, the company has 6 members* of a board as listed below:

- | | | | |
|----|---------------|-----------------|-----------------------------------|
| 1. | Mr.Ratanavudh | Vajarodaya | Chairman of Board of Directors*** |
| 2. | Mr.Jumphol | Rodcumdee | Committee*** |
| 3. | Mr.Anund | Gatepittaya**** | Committee*** |
| 4. | Mr.Sermkhun | Kunawong | Committee** |

-
- | | | | |
|----|------------|----------------------|-------------|
| 5. | Mrs.Suree | Kunawong | Committee** |
| 6. | Ms.Ausanee | Kerdpheungboonpracha | Committee |

Ms. Piyamart Yongsirichaisakul is a company secretary.

* please see an attachment 1

** Directors who have authority to sign

***Independent Committee

****Audit Committee who has experience in audited financial statement

Composition, Qualifications of the board of Directors

Composition

1. The Board of Directors consists of the Chairman of the Board of Directors and at least three persons or at least one-third of all directors, whichever is greater, shall be independent directors.
2. The directors shall have such qualifications and shall not have any prohibited characteristics as set forth in the Public Limited Companies Act, with two-year term of office.
3. The appointment of directors shall be transparent and comply with the Articles of Association. Names and backgrounds of candidates nominated for appointment as directors shall be submitted through the Board of Directors for consideration to seek approval from the shareholders meeting. The said nomination process should allow the minority shareholders to nominate candidates for consideration and selection.

Qualifications

1. The Board of Directors shall have leadership, visions, ability, knowledge and experiences which are useful for the Company's business operations, and shall also be independent to provide opinions, consider, conclude opinions and make decisions, significantly taking into account the optimum benefits to both the Company and its shareholders. To ensure that the Board of Directors led by the Chairman of the Board of Directors shall be able to efficiently supervise the performance of the management, the Chairman of the Board of Directors shall not be the same person as the Managing Director.
2. Audit Committee: At least three members of the Board of Directors shall be appointed as members of the Audit Committee, provided that all of them shall be independent directors having the qualifications as prescribed in the Qualifications of Independent Directors and that at least one of them shall have knowledge in accounting and/or finance, with the duties to audit and supervise the Company's

operations, including to monitor the preparation of financial reports, internal control system, selection of the auditor, and consideration of conflicts of interest.

On December 31, 2010, the company has held the Meeting of Board of Director for 6 times. Here is the detail of committee attend.

Name	Position	Number of Attend
Mr.Ratanavudh Vajarodaya	Chairman of Board of Director	5/6
Mr.Jumphol Rodcumdee	Committee	6/6
Mr. Anund Gatepittaya	Committee	6/6
Mr.Sermkhun Kunawong	Committee	5/6
Mrs.Suree Kunawong	Committee	6/6
Ms. Ausanee Kerdpheungboonpracha	Committee	5/6

The Audit Committee / Independent Committee

On December 31, 2010, the company has 3 members of Audit Committee as listed below:

1. Mr.Jumphol Rodcumdee Chairman of Audit Committee
2. Mr.Anund Gatepittaya Audit Committee
3. Mr.Ratanavudh Vajarodaya Audit Committee

Mr. Vuttiphan Tanametantont is a secretary of the Audit Committee.

Qualifications of Independent Directors

1. The Board of Directors shall have the duty to supervise the Company's operations to ensure its compliance with the laws, objectives and the Articles of Association, as well as resolutions of the shareholders meetings, by performing its duties with integrity, good faith and due care to protect the Company's interest, including compliance with the rules and regulations as specified by the Stock Exchange of Thailand and the Office of the Securities and Exchange Commission. Holding no more than 1 (one) percent of all voting shares of the Company, its parent company, subsidiaries, affiliated companies or any legal entity which may have a conflict of interest;
2. Not being an employee, staff, advisor regularly receiving salary, or person with power to control the Company, its parent company, subsidiaries, affiliated companies or any legal entity which may have a conflict of interest, for a period of at least three years.

On December 31, 2010, the company has held the Meeting of Board of Director for 4 times. Here is the detail of committee attend.

Name	Position	Number of Attend
Mr.Jumphol Rodcumdee	Chairman of Board of Audit Committee	4/4
นายรัตนาวุธ วัชรโรทัย	Audit Committee	3/4
Mr.Ratanavudh Vajarodaya	Audit Committee	4/4

The Executive Board

On December 31, 2010, The company has 7 members of the executives as listed below :

1. Mr. Sermkhun Kunawong Chief Executive Officer
2. Mr. Veeraboon Reangsrimun Finance and Account Director
3. Mr. Pichet Turongkinanont Deputy CEO and Managing Director
4. Ms. Panitda Klaimanee Managing Director
5. Ms. Rungarunothai Sraikit Managing Director
6. Ms. Kronthong Tonarree Managing Director
7. Ms. Supaneewan Thanjitt Managing Director

The Remuneration for the Executives

Reward (Money)

(1) Total Reward of the Committee

In 2010, total remuneration in meeting fee paid to the committee equaled to 1.54 million Baht.

: baht

Name	Position	Amount
Mr.Ratanavudh Vajarodaya	Chairman of Board of Director	400,000
Mr.Jumphol Rodcumdee	Chairman of Board of Audit Committee / Co	300,000
Mr. Anund Gatepittaya	Audit Committee / Committee	240,000
Mr.Sermkhun Kunawong	Committee / Chief Executive Officer	200,000
Mrs.Suree Kunawong	Committee	200,000
Ms. Ausanee Kerdpheungboonpracha	Committee	200,000
	Total	1,540,000

(2) Rewards for the Executives of the Company

In 2010, the company paid a total reward as a salary and bonus to the executives of the company total amount 20.19 Million Baht.

Compliance with Good Corporate Governance Principles

Section 1 – Rights of Shareholders

Shareholders have a right to control the company through an appointment of Board of Directors who will represent them and make any decisions about major changes in the company. The board has recognized the good corporate government and taken steps to demonstrate its respect for basic shareholders' right. Since they believe that accountable and transparent operation will lead to organizational development and increase the confidence of relevant persons, which will eventually result in the best interests of shareholders and relevant persons. Therefore, the company has set policies relating to the rights of shareholders as follows:

- Shareholders and stakeholders have enjoyed equitable treatments and the rights that they are eligible to.
- The company sends each of the shareholders a letter identifying the date of the meeting including the meeting documents at least 14 days prior to the scheduled meeting. Besides, the information will be announced via CMO Group's website: <http://www.com-group.com/ir> before delivering the documents to the shareholders for considering the information in advance. The company always allows registration of shareholders at least an hour before meeting. Minutes of the meeting endorsed by the shareholders are kept in a safe place and all relevant persons are eligible to check the minutes.
- Before each meeting, the Chairman explains clearly how ballots are cast and counted as well as allocates enough time for meeting. Besides, the chairman gives the participants equitable right of questioning, expressing their opinions, and giving recommendations concerning the company administration without time limitation. Furthermore, the shareholders' opinions can be proposed prior to the meetings via the company's website: <http://www.com-group.com/ir> as well as Email address: cmoir@cm.co.th
- During a regular meeting, all members of the board participate in the meeting and answer the shareholders' questions.

Section 2 – Equitable Treatment of Stakeholders

The company realizes that shareholders should be treated equitably and fairly. A meeting of the shareholders is arranged under the following policies:

- Allowing each shareholder to propose agenda for consideration and director nominee at a shareholders' meeting ahead of the actual meeting date via the company's website: <http://www.com-group.com/ir> and Email address: cmoir@cm.co.th
- Shareholders who are the company's executives will not add any unnecessary and unannounced agendas, especially important agendas, which require other shareholders to take time to study.

- Shareholders who are not able to attend the meeting are eligible to having their delegates attending the meeting and voting on their behalf by using the proxy forms A, B and C, in which the independence directors will be listed as a shareholder' s proxy.
- For transparency and accountability, the company promotes the use of ballots during important agendas concerning the connected transactions. In addition, a director who involve the connected transactions will not have right to vote.
- In the director election agenda, the shareholders are able vote on individual nominees.
- Recording the minutes accurately and completely for sending it to SET and the Securities and Exchange Commission (SEC) after meeting. The minutes is also posted on the company's website <http://www.cmo-group.com/ir>
- The company has developed the code of conduct for the board of directors, the executive body, and the employees in writing. In order to be aware of it and use it as the guideline for execution of their duties honestly and morally and must not use the insider information as personal interest.

Section 3 – Roles of Stakeholders

The company realizes the importance of all groups of stakeholders. The rights of stakeholders that are established by law or through mutual agreements are to be respected. Stakeholders consist of shareholders, employees, creditors, debtors, customers, auditors, independent assessors, and communities which are equitable treated each group. The company has set policies to the stakeholders as follows:

- Customers – CMO Group strictly honors agreement and regularly coordinates with its customers to deliver products of quality matching customers' needs in a timely manner.
- Employees – CMO Group recruits, adopts, and hires staff based on qualifications, experience, and competence for suitable positions as well as equally promotes their career advancement.
- Government – CMO Group not only strictly follows the provisions of laws and regulations issued by supervisory agencies but also supports public-sector projects to foster the best interests of society.
- Suppliers – CMO Group treats all suppliers fairly and always offers an opportunity for new suppliers to present their products and services.
- Competitors – CMO Group treats its competitors professionally and fairly. The company participates in the establishment of the Business of Creative and Event Management Association (EMA) which aims to set a standard of event business quality and provide the knowledge to public.
- Society – CMO Group has set policies to benefit the society. This can be seen from art and culture promotion, such as organization of activities that show the diversity of arts and cultures and insert the concepts of Thai arts and cultures. Besides, the company is committed to conducting its business with due care for nature and the environment such as environmentally friendly products which are present to the customers.

Section 4 – Operational Transparency and Information Disclosure

The company emphasizes on operational transparency and disclosure of sufficient information that affects the decisions of the investors reliably, regularly and in timely manner. Besides, CMO Group has set the Investor Relations Department to coordinate with shareholders, property analysts stock analysts, relevant government agencies, and general people in order to present them information and make them confident that the company is able to disclose important and correct information in a timely and transparent manner. Apart from dissemination of information under the criteria set by the Stock Exchange of Thailand, the board of directors has approved the dissemination of some information both in Thai and English via the company's web site:

<http://www.com-group.com/ir>

- The board has reported the policies concerning good corporate governance as well as an evaluation of internal control via the annual report.
- In 2010, the board has arranged 6 meetings and 4 meetings of the audit committee. In every meeting, the secretary has notified the members of the meeting and sent them the meeting agendas and documents in advance.
- The company has disclosed the policies to benefit society and care for environment.
- The company has revealed the policy on remuneration for directors.
- The company has disclosed connected transactions in the financial statement by strictly following the rules, regulations, and orders of the Stock Exchange of Thailand.
- The company allows persons to ask questions through the investor relation department.

Section 5 – Responsibilities of the Committee

The company's board of directors consists of members with such qualities as leadership, vision, experiences, and expertise in required fields to facilitate the company operation and to best benefit the shareholders.

1. Structure of the Board of Directors

- The board of directors is composed of six directors, three of which are independent directors. The number of the independent directors counts more than 1/3 of the overall directors in accordance with the standard set by the Stock Exchange of Thailand. The chairman of the board is an independent director who has no connection with the executive body and is not the same person with the Chief Executive Officer. Policies for company operation is set by the executive body, which consists of 7 executive officers, to ensure that business planning and decision making are appropriate and are not controlled by only one person or one group of persons.
- In every annual general shareholder meeting, 1/3 or nearest 1/3 of directors will vacate the office. In the 1st and 2nd year after company's registered date, the directors will vacate the office by drawing of lots. After that, the longest term directors will vacate the office respectively.

- The board sets a policy to disclose information on the appointment of each director to shareholders in the annual report.
- For balance of administration, the board has clearly assigned the power of the chairperson of the board and the Managing Director (Chief Executive Officer). The chairperson of the board is not the same person with the Managing Director.
- The board has selected independent directors, who are not the company employees, to hold the position of chairperson of the board.
- The Chief Financial Officer acts as the company's secretary, who provides suggestions about laws and regulations that the committee needs to know and comply with.

2. Subcommittee

- The company's board of directors has appointed an audit committee according to regulations set by the Stock Exchange of Thailand. This subcommittee consists of three independent directors who are not the company's executives or employees. These independent directors will supervise the operation and responsibilities of the audit committee.

3. Roles, Duties, and Responsibilities of the Board of Directors

- The board will consider and provide opinions and recommendations concerning important issues of the company. It will also supervise and ensure that the executive body is able to achieve the goals under the established strategies, work plans, and annual budget.
- The board will use the code of ethics as its guideline and operate honestly, fairly, and morally to achieved the defined intent.
- The company has a policy to avoid connected transactions or any transactions that may cause conflict of interest. However, in the event of a connected transaction, the company has assigned relevant divisions to gather information relating to such connected transaction to present to the audit committee who will consider and present the opinions concerning such matter to the board of directors and the shareholders for approval. The stakeholders of such matter will not be allowed to make an approval vote to ensure that the company complied with the regulations of the Stock Exchange of Thailand and Securities and Exchange Commission.
- The board will hold responsible for the company's financial statement and information, which will appear in the annual report. Such financial statement is prepared under the accounting standard accepted nationwide. Appropriate accounting policy will be selected. Preparation of the financial statement will be performed in a regular and careful manner. Sufficient information will be disclosed in the notes to the financial statements.
- The board has a strict control and supervision of financial transactions and compliance with rules and regulations through the audit committee and internal audit unit of the company. The responsibilities of the audit committee include the following:
 - Review of the internal control system.

- Review and consideration of the financial statement.
- Company's compliance with the Securities and Exchange Act, the rules and regulations of the Stock Exchange of Thailand as well as other related laws.
- Selection and appointment of external auditor as well as report preparation of the audit committee and disclosure in the annual report.

4. Meeting of the Committees

- The company has followed the Public Company Limited Act, which requires the board of directors to hold at least one meeting every three months. The board has prepared the meeting in advance and called for additional meeting as necessary. In 2010, there were 6 meetings of the board of directors. The secretary informed the directors in advance of the meeting and sent them the meeting agendas and documents. During the meeting, each director was allowed to freely express his/her opinions. The secretary was the one recording the meeting and prepared the minutes.
- The audit committee meets at least once every three months. In 2010, there were 4 meetings. An internal auditor acted as the secretary of the audit committee and prepared the minutes. At least one week before the meeting, the secretary would inform the committee members of the meeting and send them agendas and supporting documents. In the event that there was an agenda in which the audit committee needed to consider the financial statement, certified public accounts, and the Chief Financial Officer would be invited to attend the meeting in order to give the meeting their opinions towards the financial statement.

5. Remuneration

- Currently, the Remuneration Committee is not established in the company. However, the board of directors carefully considers and transparently sets a policy on remuneration of the board directors. Such remuneration is in the same level as that offered by other companies in the industry and good enough to attract and keep qualified directors. For the executives, their remuneration is in compliance with the principles and policies established by the committee, which is in connection with the operational results of the company and the performance of each executive.

6. Development of the Committee Members and the Executives

- The company promotes the training and education for those related to supervision of the company's business operation, including the executives, secretaries, and internal audit unit, for improvement of their performance. Related persons are encouraged to participate in the training arranged by the Stock Exchange of Thailand or relevant associations.

The internal control and audit

The company has an Audit Committee which independently performs duties and responsibilities in accordance with the Audit Committee Charter. Operation of the Audit Committee is consistent with the regulations of the Stock Exchange of Thailand and Securities and Exchange Commission. In the opinion of the Audit Committee, the company has a good business supervision system in accordance with the corporate governance principles and appropriate and sufficient internal control system. The internal control system has presented no transactions that essentially affected the company.

Internal Control

CMO Group has designed and developed its internal control system in efficiency and effectiveness, which consists of internal environment, risk management and continuous monitoring. The organization chart has been determined appropriately with the business plan and business environment. Each department has its responsibilities and can be independently verified each other. The company recruits, adopts, and hires staff based on qualifications, experience, and competence for suitable positions. As a result, the company assures that the internal control system is efficient and suitable practices with current business circumstances and also complies with a good corporate governance policy.

Internal Audit

By using the internal audit department as a tool, the Audit Committee performs independently on reviewing and evaluating the sufficiency of the internal control system as well as considering all reports directly from the internal auditor. Consequently, the internal control system can be assured that it has efficient and suitable practices with current business circumstances as well as the company complies with the Securities and Exchange Act, the rules and regulations of the Stock Exchange of Thailand as well as other related laws. Furthermore, the Audit Committee performs duties to review the quarterly and annual financial statements and also connected transactions between the company and its subsidiaries and related parties to ensure that the company has a good corporate governance.

The Policy of Dividend Contribution

The company's policy is to contribute the dividend to shareholders not less than 40 percent of the net profit (after the company's income tax has been cleared and legally reserved). Anyhow, this completely depends on economic situation, the proceedings of the company and future projects of the company. "PM" and "The Eyes" both share a policy of dividend contribution. Both companies contribute the dividend to shareholders not less than 40 per cent of the net profit (after the company's income tax has been cleared and legally reserved). Anyhow, this completely depends on economic situation, the proceedings of the company and future projects of each company.

The Connected Transaction

List of Enterprises which hold the company's shares for up to 10%

Company's name	Type of business	Kinds of stock	Amount (shares)	Percentage of shareholding(%)
PMCenter Co.,Ltd.	Providing equipment for event management and presentation	Common stock	1,349,991	99.99
The Eyes co.,Ltd.	Providing multimedia and presentation production	Common stock	149,918	99.95
C-MEX Exhibition Co.,Ltd.	Providing design and construction of booth and stage	Common stock	27,000	90.00
CMO-KWCP Co.,Ltd.	Organizing karaoke contest in country and abroad	Common stock	0	0
Bayon CM Organizer Co.,Ltd.	Public, Exhibition and Entertainment Event management	Common stock	0	0.00
M31 Co.,Ltd	Agency for musical and activity	Common stock	11,000	55.00
Max Evolution Co.,Ltd. (Held by PM Center Co.,Ltd.)	Providing equipment for event management and presentation	Common stock	0	0
Exposition Technology Co.,Ltd.	Providing electric equipment and utilities in event	Common stock	20,000	40.00
Dream Box and CM Organizer Joint Venture	Musical Show management			50.00

Steps of the Approval for the Corresponded Listing

The company or the chain group will have a corresponded listing with other entrepreneurs whom may have a beneficial conflict. To do so, they will need an approval from the committee of the company or shareholders beforehand. However, it depends on the proportion that has been set by the Stock Exchange of Thailand. If there is any conflict that involves with the gain and loss, or with the benefit of the company, the committee who has the gain and loss in such matters will not have the right to cast the vote in any circumstances. This process will not be authorized if the assigned person is able to approve the list, in which may have caused any conflict to the company or the chain group. Common business is an exception. It will also be called an exception if the process is going along with the resolution of the company's committee that the independent director joined in, or if the consideration is clearly narrowed down.

Policy of Future Corresponded Listing

The Audit Committee and the company will handle the corresponded listing, which may be taken in the future. They will check if the list is reasonable and should be approved through its course, along with the announcement of the Stock Exchange of Thailand. The corresponded listing will be clearly revealed.

**Analysis of Operation Performance and Financial Status
Of CM Organizer Public Company Limited and Subsidiaries**

(Unit: Thousands baht)

	The Company				Consolidated			
	2007	2008	2009	2010	2007	2008	2009	2010
Income statement:								
Revenue from service	529,571	557,403	495,857	572,829	683,232	791,798	741,410	869,574
Total revenue	569,586	576,458	498,999	604,404	687,993	803,063	743,690	872,046
Cost of service	446,032	514,894	412,670	474,136	540,656	665,074	606,476	668,658
Gross profit	83,539	42,508	83,187	98,693	142,576	126,724	134,934	200,916
Selling and administrative expense	65,296	63,475	122,777	62,595	129,170	132,294	125,190	132,993
Interest expense	4,770	8,811	10,525	11,624	5,488	11,718	12,897	14,487
Net profit(Loss)	48,079	(10,722)	(51,606)	48,617	(89)	(14,039)	(5,603)	41,786
Balance sheet:								
Total assets	463,415	465,670	461,226	642,874	543,580	539,746	570,890	727,646
Total liabilities	191,965	219,942	267,104	400,135	261,186	287,567	322,894	436,176
Shareholders' equity	271,450	245,728	194,122	242,739	282,394	252,179	247,996	291,470
Financial ratios:								
Gross profit margin ratio(%)	15.77	7.63	16.78	17.22	20.87	16.00	18.20	23.11
Operating profit margin ratio(%)	3.44	-3.76	-7.98	11.82	1.96	-0.70	1.31	8.39
Net profit margin ratio(%)	8.44	-1.86	-10.34	8.49	-0.01	-1.75	-0.75	4.81
Return on equity ratio(%)	18.43	-4.15	-23.47	22.25	-0.03	-5.25	-2.24	12.97
Earnings per share(fully diluted)	0.32	-0.07	-0.34	0.32	0.00	-0.11	-0.06	0.25
Liquidity ratio(times)	1.23	0.78	0.93	0.87	1.18	0.84	1.01	0.75
Debt to equity ratio(times)	0.71	0.90	1.38	1.65	0.92	1.14	1.30	1.50

(A) Operation performance
Business operation overview

In the first 9 months of 2010, business of CMO group was effected by political turmoil inevitably, especially even management business. However, as whole year results, CMO group can reach to a set sales target due to a much more income recognized in quarter 4. Moreover, the group can make a gross margin rate be higher than the one of 2009 and this is resulted from an ability to manage cost of services efficiently. These finally brought to the group's net profit

Revenues

In 2010, CMO group had total revenue 869.6 million THB increased from 2009 by 128.2 million THB or by 17.3%. An increase came from a decline in political situation in quarter 4 and the company taking an approach marketing strategy to pull up revenue. Revenue from event management business is the highest one of the group, total income was 572.8 million THB increased from 255.2 by 77 million THB or by 15.5%. The second revenue came from equipment rental and installation services, total income was 215.2 million THB increased from the previous year by 53.7 million THB or by 33.3%. Some of an increase came of a start up in equipment installation service and some from an expansion on a customer base. The third revenue, 33.4 million THB, came from presentation media production business. The income increased from year 2009 by 11.7 million THB or by 54%. A higher dramatically was resulted from a drastic drop in income of 2009. Totally, an increase in revenue of the group mainly came from event management business which had an income only the 4th quarter 298.0 million THB and this because customer slowed down their activities in the first 9 months and moved it all to the 4th quarter.

Cost of services

CMO group had service cost 668.6 million THB or 76.9% of their revenues in 2010 and 606.5 million THB or 81.8% of their revenues in 2009. Besides an increase in revenue, the group can manage their cost efficiently, these led to 23.1 % gross margin rate which was higher than the last year by 5% (2009 gross margin was 18%).

Selling and administrative expenses

In 2010, the group had selling and administrative expenses 133.0 million THB or 15.3% of their revenues and in 2009, they had the expenses 114.9 million THB or 15.5% of their revenues. An increase in the expenses came from sales and promotion expense and employee expense, these costs related directly to the revenues increased. CM Organizer Public Company Limited had selling and administrative expenses 62.6 million THB in 2010 and 56.6 million THB in 2009. Higher cost from the previous year came from depreciation of asset investment and some accrual expenses.

Net profit

In 2010, the group had net profit 41.8 million THB and in 2009, they had a loss 5.6 million THB. A profit occurred from an increase in revenue by 17% and an ability to manage serviced cost, both can increase gross margin from 18.2% in 2009 to 23.1% in 2010. Besides, the group can control selling and administrative expenses and a better in manage debt collection. CM Organizer Public Company Limited had net profit 48.6 million THB which was included dividend income 30.2 million THB received from affiliated companies.

(B) Financial status

Assets

As at December 31,2010,the group had total assets 727.6 million THB divided into current assets 306.0 million THB and non-current assets 421.6 million THB while at the same date of 2009, the group had total assets 570.9 million THB and this is consists of current assets 295.7 million THB and non-current assets 275.2 million THB. An increase in non-current assets caused by one of account receivable (Government Unit) has been pending to settle the debt of 128.5 million THB.

Liabilities

As at December 31,2010,the group had total liabilities 436.2 million THB while at the same date of 2009, the group had total liabilities 322.9 million THB. An increase in liabilities mainly belongs to CM Organizer Public Company Limited; the company had big events in quarter 4 which was led to an increase in trade account payable and short term loan to boost up the company's liquidity.

Shareholders' Equity

As at December 31, 2010, the group had total shareholders' equity 291.5 million THB while at the same date of 2009 had 248.0 million THB, an increase because of 2010 performance.

Liquidity

In 2010, the group had cash flows from all activities as of the followings:

- Net cash from operating activities 32.2 million THB..
- Net cash used in investing activities 57.6 million THB which mainly invested in property and equipment
- Net cash from financing activities 9.8 million THB which mainly got from short term loan.

Capital structure

The debt to equity ratio of CMO group increased from 1.3 in 2009 to 1.5 to 2010,an increase because of an increase in trade account payable and short term loan to support more events in quarter 4.



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Auditor's Report

To the Shareholders and the Board of Directors

of CM Organizer Public Company Limited and its subsidiaries and joint venture:

I have audited the consolidated and separate balance sheets as at December 31, 2010, and the related consolidated and separate statement of income, consolidated and separate statement of changes in shareholders' equity and consolidated and separate statement of cash flows for the year then ended of CM Organizer Public Company Limited and its subsidiaries and joint venture, and of CM Organizer Public Company Limited, respectively. The Company's management is responsible for the correctness and completeness of information presented in these financial statements. My responsibility is to express an opinion on these financial statements based on my audit. The consolidated and separate financial statements of CM Organizer Public Company Limited and its subsidiaries and joint venture and of CM Organizer Public Company Limited for the year ended December 31, 2009 were audited by another auditor of my office whose report dated February 26, 2010, expressed an unqualified opinion and had emphasis paragraph on unbilled receivable in the governmental sector on those statements.

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

In my opinion, the consolidated and separate financial statements referred to above present fairly, in all material respects, the consolidation and separate financial positions as at December 31, 2010 and the consolidation and separate results of operations and cash flows for the year then ended of CM Organizer Public Company Limited and its subsidiaries and joint venture, and of CM Organizer Public Company Limited, respectively, in accordance with generally accepted accounting principles.

Without qualify my review report, I draw your attention to Note 9 of the financial statements. As at December 31, 2010, the Company has a unbilled receivable in the governmental sector in amount of Baht 128.48 million (Outstanding over 12 months as of December 31, 2010). The debtor claimed that the services already performed by the Company are less than the contracted value by Baht 52.51 million. The Company is in the litigation process with the debtor. Presently, the process is under the court of first instance. The Company's lawyer has an opinion that the chance that the company will win the case and be able to receive full amount of debt including the interest is high. The management believes that the Company will be ultimately able to process the case without material damage to the company.

(Atipong AtipongSakul)
Certified Public Accountant
Registration Number 3500

ANS Audit Company Limited
Bangkok, February 24, 2011

CM ORGANIZER PUBLIC COMPANY LIMITED AND SUBSIDIARIES AND JOINT VENTURE

BALANCE SHEETS

AS AT DECEMBER 31, 2010 AND 2009

(Unit: Baht)

Assets	Notes	Consolidated financial statements		Separate financial statements	
		2010	2009	2010	2009
Current Assets					
Cash and cash equivalents		6,014,991.72	20,833,064.59	434,757.10	7,626,284.12
Trade accounts receivable - net	5, 6	270,106,714.97	238,755,305.79	216,726,748.10	197,785,797.05
Dividends receivable	5	-	-	29,996,800.02	-
Work in process and supplies	7	21,383,073.55	19,360,489.02	18,153,630.34	16,210,263.45
Accounts receivable and short-term loan to related companies - net	5	25,000.00	-	539,704.47	3,015,606.16
Other current assets	8	8,474,267.77	16,763,494.66	4,790,146.20	12,925,998.06
Total Current Assets		306,004,048.01	295,712,354.06	270,641,786.23	237,563,948.84
Non-Current Assets					
Unbilled receivable under litigation process	9, 11	128,476,484.11	-	128,476,484.11	-
Accounts receivable and long-term loan to related companies - net	5	-	-	-	-
Restricted deposits at bank	11	4,633,479.71	920,068.86	2,607,842.09	698,279.21
Investments - net	5	-	6,958,870.48	156,180,000.00	155,330,000.00
Goodwill	5	4,635,859.29	4,635,859.29	-	-
Property plant and equipment - net	10, 11, 13	266,179,547.22	234,155,129.14	75,526,622.37	49,455,785.61
Withholding tax		12,943,943.28	27,044,486.08	5,397,152.27	17,075,345.17
Other non-current assets		4,773,046.41	1,463,226.12	4,044,412.39	1,102,751.23
Total Non-Current Assets		421,642,360.02	275,177,639.97	372,232,513.23	223,662,161.22
Total Assets		727,646,408.03	570,889,994.03	642,874,299.46	461,226,110.06

CM ORGANIZER PUBLIC COMPANY LIMITED AND SUBSIDIARIES AND JOINT VENTURE

BALANCE SHEETS

AS AT DECEMBER 31, 2010 AND 2009

(Unit: Baht)

Liabilities and Shareholders' Equity	Notes	Consolidated financial statements		Separate financial statements	
		2010	2009	2010	2009
Current Liabilities					
Bank overdrafts and short-term loans from financial institutions	11	141,248,313.70	147,499,748.78	98,670,991.22	115,154,510.86
Factoring payable	6	16,684,209.92	20,720,028.09	16,684,209.92	20,720,028.09
Trade accounts payable	5	132,515,157.84	70,389,970.64	182,456,672.47	71,550,609.54
Accounts payable for purchase fixed assets		9,660,217.15	312,408.50	9,660,217.15	312,408.50
Unearned income received from customers		4,710,004.14	9,808,090.52	1,989,422.37	6,399,116.84
Current portion of liabilities under financial lease agreements	12	7,357,321.67	6,101,435.48	108,483.66	252,229.92
Current portion of long-term loan from financial institutions	13	9,072,000.00	6,300,000.00	2,676,000.00	2,676,000.00
Accounts payable and short-term loan from related parties	5	21,676,288.35	6,131,063.67	31,637,853.58	18,280,189.57
Short-term loan from third party	14	18,085,186.22	6,000,000.00	18,085,186.22	6,000,000.00
Other current liabilities	5, 15	45,374,979.73	18,677,841.88	28,608,228.91	13,420,705.78
Total Current Liabilities		406,383,678.72	291,940,587.56	390,577,265.50	254,765,799.10
Non-Current Liabilities					
Liabilities under financial lease agreements - net	12	8,038,019.50	5,689,332.95	243,989.98	352,374.25
Long-term loan from financial institutions - net	13	21,587,035.74	24,972,000.00	9,314,035.74	11,986,000.00
Other non-current liabilities		168,113.00	291,777.00	-	-
Total Non-Current Liabilities		29,793,168.24	30,953,109.95	9,558,025.72	12,338,374.25
Total Liabilities		436,176,846.96	322,893,697.51	400,135,291.22	267,104,173.35
Shareholders' Equity					
Share capital					
Authorized, issued and fully paid-up,					
150,000,000 common shares, at Baht 1 each		150,000,000.00	150,000,000.00	150,000,000.00	150,000,000.00
Premiums on share capital	16	44,121,936.71	78,307,760.00	44,121,936.71	78,307,760.00
Discount from purchasing investments in subsidiaries		4,907,142.73	4,907,142.73	-	-
Currency translation differences		-	(787,100.77)	-	-
Retained earnings (Deficits)					
Appropriated					
Appropriated to legal reserve	16	2,430,853.58	12,478,135.53	2,430,853.58	12,478,135.53
Unappropriated		78,385,757.78	(3,371,084.37)	46,186,217.95	(46,663,958.82)
Minority interest		11,623,870.27	6,461,443.40	-	-
Total Shareholders' Equity		291,469,561.07	247,996,296.52	242,739,008.24	194,121,936.71
Total Liabilities and Shareholders' Equity		727,646,408.03	570,889,994.03	642,874,299.46	461,226,110.06

CM ORGANIZER PUBLIC COMPANY LIMITED AND SUBSIDIARIES AND JOINT VENTURE

STATEMENTS OF INCOME

FOR THE YEARS ENDED DECEMBER 31, 2010 AND 2009

(Unit: Baht)

	Consolidated financial statements		Separate financial statements		
	Notes	2010	2009	2010	2009
	3, 5, 17				
Revenues from services		869,573,898.78	741,409,752.35	572,828,852.62	495,856,984.29
Cost of services		(668,658,028.40)	(606,475,590.52)	(474,136,315.21)	(412,670,175.11)
Gross profit		200,915,870.38	134,934,161.83	98,692,537.41	83,186,809.18
Dividend income		-	-	30,246,782.52	-
Other incomes		2,471,517.86	2,280,336.04	1,328,070.61	3,142,403.41
Profit before expenses		203,387,388.24	137,214,497.87	130,267,390.54	86,329,212.59
Selling expenses		(13,526,447.34)	(8,464,681.86)	(3,555,149.24)	(3,500,864.84)
Administrative expenses		(95,079,096.65)	(85,021,868.09)	(48,160,514.26)	(44,084,372.44)
Management compensation		(24,388,268.90)	(21,393,309.35)	(10,879,102.22)	(8,988,112.00)
Reverse (allowance) for doubtful accounts		2,533,973.32	(10,310,214.22)	11,738.32	(66,204,182.45)
Total expenses		(130,459,839.57)	(125,190,073.52)	(62,583,027.40)	(122,777,531.73)
Profit (loss) before finance cost and income tax expenses		72,927,548.67	12,024,424.35	67,684,363.14	(36,448,319.14)
Finance costs		(14,486,887.26)	(12,897,108.88)	(11,623,637.17)	(10,524,767.07)
Share of profit from investments using the equity method		66,007.27	1,534,569.09	-	-
Profit (loss) before income tax		58,506,668.68	661,884.56	56,060,725.97	(46,973,086.21)
Income tax		(16,720,287.42)	(6,264,427.21)	(7,443,654.44)	(4,632,714.30)
Net profit (loss)		41,786,381.26	(5,602,542.65)	48,617,071.53	(51,605,800.51)
Attributable to:					
Shareholders of the parent		37,523,736.91	(8,794,330.29)	48,617,071.53	(51,605,800.51)
Minority interest		4,262,644.35	3,191,787.64	-	-
		41,786,381.26	(5,602,542.65)	48,617,071.53	(51,605,800.51)
Basic earnings (loss) per Share					
Net Profit (loss) attributable to the shareholders of the parent		0.25	(0.06)	0.32	(0.34)
Weighted average number of issued and fully paid-up common shares (shares)		150,000,000	150,000,000	150,000,000	150,000,000

CM ORGANIZER PUBLIC COMPANY LIMITED AND SUBSIDIARIES AND JOINT VENTURE

STATEMENTS OF CHANGES IN SHAREHOLDERS' EQUITY

FOR THE YEARS ENDED DECEMBER 31, 2010 AND 2009

(Unit: Baht)

Consolidated financial statements									
	Notes	Issued and paid-up share capital	Premiums on share capital	Discounts on investments	Currency translation differences	Retained earnings (Deficits)		Total	
						Appropriated to legal reserve	Unappropriated		Minority interest
Beginning balance as at January 1, 2009		150,000,000.00	78,307,760.00	4,907,142.73	(2,206,756.21)	12,478,135.53	5,423,245.92	3,269,655.76	252,179,183.73
Currency translation differences		-	-	-	1,419,655.44	-	-	-	1,419,655.44
Net profit (loss)		-	-	-	-	-	(8,794,330.29)	3,191,787.64	(5,602,542.65)
Ending balance as at December 31, 2009		150,000,000.00	78,307,760.00	4,907,142.73	(787,100.77)	12,478,135.53	(3,371,084.37)	6,461,443.40	247,996,296.52
Currency translation differences		-	-	-	787,100.77	-	-	-	787,100.77
Transfer legal reserve for the deficit	16	-	-	-	-	(12,478,135.53)	12,478,135.53	-	-
Surplus compensated for the deficit	16	-	(34,185,823.29)	-	-	-	34,185,823.29	-	-
Appropriated to legal reserve	16	-	-	-	-	2,430,853.58	(2,430,853.58)	-	-
Dividends paid to minority interest		-	-	-	-	-	-	(217.48)	(217.48)
Increase in minority interests	5	-	-	-	-	-	-	900,000.00	900,000.00
Net profit		-	-	-	-	-	37,523,736.91	4,262,644.35	41,786,381.26
Ending balance as at December 31, 2010		150,000,000.00	44,121,936.71	4,907,142.73	-	2,430,853.58	78,385,757.78	11,623,870.27	291,469,561.07

CM ORGANIZER PUBLIC COMPANY LIMITED AND SUBSIDIARIES AND JOINT VENTURE

STATEMENTS OF CHANGES IN SHAREHOLDERS' EQUITY

FOR THE YEARS ENDED DECEMBER 31, 2010 AND 2009

(Unit: Baht)

	Notes	Separate financial statements				Total
		Issued and paid-up share capital	Premiums on share capital	Retained earnings (Deficits)		
				Appropriated to legal reserve	Unappropriated	
Beginning balance as at January 1, 2009		150,000,000.00	78,307,760.00	12,478,135.53	4,941,841.69	245,727,737.22
Net loss		-	-	-	(51,605,800.51)	(51,605,800.51)
Ending balance as at December 31, 2009		150,000,000.00	78,307,760.00	12,478,135.53	(46,663,958.82)	194,121,936.71
Transfer legal reserve for the deficit	16	-	-	(12,478,135.53)	12,478,135.53	-
Surplus compensate for the deficit	16	-	(34,185,823.29)	-	34,185,823.29	-
Appropriated to legal reserve	16	-	-	2,430,853.58	(2,430,853.58)	-
Net profit		-	-	-	48,617,071.53	48,617,071.53
Ending balance as at December 31, 2010		150,000,000.00	44,121,936.71	2,430,853.58	46,186,217.95	242,739,008.24

CM ORGANIZER PUBLIC COMPANY LIMITED AND SUBSIDIARIES AND JOINT VENTURE

STATEMENTS OF CASH FLOWS

FOR THE YEARS ENDED DECEMBER 31, 2010 AND 2009

(Unit: Baht)

	Consolidated financial statements		Separate financial statements		
	Notes	2010	2009	2010	2009
Cash Flows from Operating Activities:					
Net profit (loss) before income tax expenses		58,506,668.68	661,884.56	56,060,725.97	(46,973,086.21)
Adjustments to reconcile net profit (loss) to net cash flow					
from (used in) operating activities:					
Depreciation		45,336,478.82	47,034,635.03	9,385,409.97	8,914,531.06
(Reverse) allowance for doubtful accounts		(2,533,973.32)	10,310,214.22	(11,738.32)	62,134,501.25
Loss on inventory devaluation		197,773.95	-	197,773.95	-
Loss from contingent liabilities		2,000,000.00	2,709,475.00	2,000,000.00	6,779,156.20
Interest income-related companies		-	-	-	(1,232,418.39)
Unrealized gain on exchange rate		-	-	-	1,242,419.23
Share of profit from investments using the equity method		(66,007.27)	(1,534,569.09)	-	-
Dividend income		-	-	(30,246,782.52)	-
(Gain) loss on sales of fixed assets		(294,440.43)	2,173,503.90	3,295.83	(193.59)
Loss on disposal of investment in associate		4,096,204.48	-	-	-
Written off withholding tax		4,220,752.61	2,350,474.05	2,368,891.24	2,332,220.93
Interest expenses		14,486,887.26	12,897,108.88	11,623,637.17	10,524,767.07
Profit from Operating Activities before Changes					
in Operating Assets and Liabilities		125,950,344.78	76,602,726.55	51,381,213.29	43,721,897.55
Operating assets (increased) decreased					
Trade accounts receivable		(157,293,919.97)	(92,227,654.00)	(144,405,696.84)	(85,042,465.04)
Work in process and supplies		(2,220,358.48)	5,242,447.72	(2,141,140.84)	4,536,298.16
Accounts receivable - related companies		-	98,401.87	(64,704.47)	-
Other current assets		714,038.24	(1,956,175.87)	616,517.68	(1,967,412.45)
Withholding tax		19,425,960.33	5,383,927.66	18,574,911.20	5,383,927.66
Other non-current assets		(3,309,820.29)	8,782,588.37	(2,941,661.16)	8,125,703.44
Operating liabilities increased (decreased)					
Trade accounts payable		62,125,187.20	3,752,617.92	110,906,062.93	17,204,971.15
Advances received from customers		(5,098,086.38)	6,738,191.43	(4,409,694.47)	4,765,238.34
Accounts payable - related companies		(124,371.21)	-	41,098.79	(5,763.35)
Other current liabilities		23,436,317.39	(15,019,010.19)	13,187,523.13	(2,036,268.81)
Other non-current liabilities		(123,881.48)	(1,811,134.00)	-	-
Cash from (used in) operating activities					
Interest paid		(14,272,038.74)	(13,178,339.34)	(11,468,855.06)	(10,805,997.53)
Income tax paid		(17,501,769.40)	(15,776,010.30)	(9,189,929.80)	(8,368,166.98)
Net cash from (used in) operating activities		31,707,601.99	(33,367,422.18)	20,085,644.38	(24,488,037.86)

CM ORGANIZER PUBLIC COMPANY LIMITED AND SUBSIDIARIES AND JOINT VENTURE

STATEMENTS OF CASH FLOWS

FOR THE YEARS ENDED DECEMBER 31, 2010 AND 2009

(Unit: Baht)

Notes	Consolidated financial statements		Separate financial statements	
	2010	2009	2010	2009
Cash Flows from Investing Activities:				
(Increase) decrease in restricted deposits at bank	(3,713,410.85)	22,914,064.95	(1,909,562.88)	18,375,032.66
Cash payment of loans to related companies	(25,000.00)	-	(675,000.00)	(4,093,532.87)
Cash received from loans to related companies	-	2,520,000.00	215,606.16	3,062,102.53
Investments in subsidiaries	-	-	(850,000.00)	-
Cash received from sales of investment in associate	2,939,927.81	-	-	-
Dividend income from investments	-	1,000,000.00	249,982.50	-
Purchase of fixed assets	(56,802,493.38)	(33,049,394.02)	(26,116,406.81)	(10,197,682.41)
Cash received from sales of fixed assets	526,996.50	3,178,462.49	4,672.90	6,542.06
Net cash from (used in) investing activities	(57,073,979.92)	(3,436,866.58)	(29,080,708.13)	7,152,461.97
Cash Flows from Financing Activities:				
Increase (decrease) in bank overdraft and short-term loans				
from financial institutions - net	(6,251,435.08)	45,248,665.99	(16,483,519.64)	30,913,393.65
Decrease in factoring payable	(4,035,818.17)	-	(4,035,818.17)	-
Repayment of long-term loans from financial institution	(7,912,964.26)	(18,001,000.00)	(2,671,964.26)	(6,318,000.00)
Cash payments for financial lease agreements	(7,838,578.20)	(5,011,658.55)	(252,130.53)	(328,846.31)
Received from loans from related parties	17,000,000.00	5,000,000.00	31,491,969.33	27,000,000.00
Repayment of short-term loans from related parties	(1,400,000.00)	(5,400,000.00)	(18,245,000.00)	(32,655,000.00)
Received from short-term loan from third party	23,100,000.00	6,500,000.00	23,100,000.00	6,500,000.00
Repayment of short-term loan from third party	(11,100,000.00)	(3,000,000.00)	(11,100,000.00)	(3,000,000.00)
Received from long-term loans from financial institution	7,300,000.00	10,000,000.00	-	-
Minority interest increase	900,000.00	-	-	-
Net cash from financing activities	9,761,204.29	35,336,007.44	1,803,536.73	22,111,547.34
Net increase (decrease) in cash and cash equivalents	(15,605,173.64)	(1,468,281.32)	(7,191,527.02)	4,775,971.45
Currency translation differences	787,100.77	1,419,655.44	-	-
Cash and cash equivalents, Beginning of years	20,833,064.59	20,881,690.47	7,626,284.12	2,850,312.67
Cash and cash equivalents, End of years	6,014,991.72	20,833,064.59	434,757.10	7,626,284.12
Supplemental Disclosures of Cash Flows Information				
Increased in assets from financial lease agreements during the years	11,443,150.94	5,857,111.34	-	591,279.65
Increased in assets from long-term loans				
from financial institution during the years	-	16,000,000.00	-	16,000,000.00

CM ORGANIZER PUBLIC COMPANY LIMITED AND SUBSIDIARIES AND JOINT VENTURE

NOTES TO FINANCIAL STATEMENTS

CM ORGANIZER PUBLIC COMPANY LIMITED AND SUBSIDIARIES AND JOINT VENTURE

NOTES TO FINANCIAL STATEMENTS

FOR THE YEARS ENDED DECEMBER 31, 2010 AND 2009

1. GENERAL INFORMATION

CM Organizer Public Company Limited (“the Company”) was incorporated under Thai laws on June 5, 1991, and was subsequently transformed from a juristic person under the Civil and Commercial code as “a Company Limited” to be a juristic person under the Public Company Limited Act B.E. 2535 on December 29, 2003. The Company’s primary business is event management for public events, exhibitions and entertainment activities. The Company’s registered office is located at 1471 Soi Ladprao 94, Ladprao Rd., Plubpla, Wangthanglang, Bangkok.

2. BASIS FOR PRESENTATION OF THE FINANCIAL STATEMENTS AND CONSOLIDATED FINANCIAL STATEMENTS

The financial statements are prepared in accordance with Thai Accounting Standards (“TAS”) including related interpretations and guidelines promulgated by the Federation of Accounting Professions (“FAP”), applicable rules and regulations of the Securities and Exchange Commission and with generally accepted accounting principles in Thailand.

The presentation of the financial statements has been made in compliance with the stipulations of the Notification of the Department of Business Development dated January 30, 2009, issued under the Accounting Act B.E. 2543.

They are prepared on the historical cost basis, except as disclosed in respective accounting policies.

As required by Thai law and regulatory requirements, the Company’s financial statements have been prepared in the Thai language. They have been translated into English for the convenience of the reader.

The preparation of financial statements in conformity with TAS 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. Therefore, actual result 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, or in the period of the revision and future periods, if the revision affects both current and future periods.

The consolidated financial statements consist of accounting transactions of the Company and its subsidiaries and joint venture after eliminating significant intercompany transactions and balances. The Company’s shareholding in subsidiaries and joint venture as at December 31, 2010 and 2009, are as follows:

Subsidiaries	Nature of business	% Equity interest owned by the Company	
		December 31, 2010	December 31, 2009
PM Center Co., Ltd.	Rental equipment for Image, Lighting, Sound and Effects.	99.99	99.99
The Eyes Co., Ltd.	Production of multi-vision slide, video, multimedia and computer graphics.	99.95	99.95
Workmanship Set and Design Co., Ltd. (Formerly: C-MEX Exhibition Co., Ltd.)	Designing, fixing, composing and construction of sign boards and construction work for the trade fair and exhibition.	90.00	90.00
CMO-KWCP Co., Ltd.	Organizing Karaoke Contests in Thailand and overseas.	-	49.96
Bayon CM Organizer Co., Ltd.	Management for public events, exhibitions and entertainment activities.	-	75.00
M Thirty One Co., Ltd. (Formerly: A Link Co., Ltd.)	Full range services of music productions both studio to live music production, corporate music and concert and contractors to install materials and equipment.	55.00	99.99
Exposition Technology Co., Ltd.	Electrical and lighting services	40.00	40.00
Joint ventures			
Dream Box and CM Organizer Joint Venture	The musical show and stage play.	50.00	50.00

Pursuant to the meeting of the Board of Directors of CM Organizer Public Company Limited No.7/2009 held on September 11, 2009, the meeting approved to close the business of Bayon CM Organizer Company Limited, doing the Light & Sound Show in Cambodia, due to the continuity in its loss in operation. An allowance for doubtful account had been fully booked in financial statements; therefore, there will be no affect to the financial statements.

Pursuant to the meeting of the Board of Directors of CM Organizer Public Company Limited No.6/2009 held on August 13, 2009, the meeting approved to close the business of CMO-KWCP Company Limited, doing the Karaoke Singing Contest. This is due to its operation did not achieve the Company's plan and its license for the Karaoke Contest was expired. At present, CMO-KWCP does not run any business, and for the purpose of cost reduction, the Board resolved to close down CMO-KWCP Company Limited.

The financial statements of the subsidiary company incorporated overseas are translated into Thai Baht at the closing average exchange rate for assets and liabilities and at the monthly average exchange rate applying during the

period for revenues and expenses. The differences have been shown under the caption of “Translation adjustment” in the shareholders’ equity.

The financial statements of Exposition Technology Co., Ltd. are included in the consolidated financial statements even though the Company’s shareholding is 40 percent. This is because the Company has control over its financial and operating policies, and it is therefore regarded as a subsidiary company.

Adoption of new accounting standards

During 2010, the Federation of Accounting Professions has issued a Notification, re-numbering of the following Thai Accounting Standards (“TAS”) as follows:

Former TAS no.	Re-numbering TAS no.	Topic
TAS 11	TAS 101	Doubtful Accounts and Bad Debts
TAS 26	TAS 102	Income Recognition For Real Estate Business
TAS 27	TAS 103	Disclosures in the Financial Statements of Banks and Similar Financial Institutions
TAS 34	TAS 104	Accounting for Troubled Debt Restructuring (revised 2002)
TAS 40	TAS 105	Accounting for Investments in Debt and Equity Securities
TAS 42	TAS 106	Accounting For Investment Companies
TAS 48	TAS 107	Financial Instruments Disclosure and Presentation

Adoption of new and revised Thai Accounting Standards, Thai Financial Reporting Standards and Thai Financial Reporting Interpretation

During 2010, the Federation of Accounting Professions has issued Notifications, mandating the use of new and revised Framework for the Preparation and Presentation of Financial Statements, Thai Accounting Standards (TAS), Thai Financial Reporting Standards (TFRS) and Thai Financial Reporting Interpretation (TFRI) as follows:

- a) Framework for the Preparation and Presentation of Financial Statements (revised 2009) which is immediately effective for the current year. The management of the Company has assessed the effects of this framework and believes that it does not have any significant impact on the financial statements for the current year.
- b) TAS, TFRS and TFRI which are effective for the financial statements for the period beginning on or after January 1, 2011 of totaling 28 standards.

TAS/TFRS/TFRI	Topic
TAS 1 (revised 2009)	Presentation of Financial Statements
TAS 2 (revised 2009)	Inventories
TAS 7 (revised 2009)	Statement of Cash Flows
TAS 8 (revised 2009)	Accounting Policies, Changes in Accounting Estimates and Errors
TAS 10 (revised 2009)	Events After the Reporting Period
TAS 11 (revised 2009)	Construction Contracts
TAS 16 (revised 2009)	Property, Plant and Equipment
TAS 17 (revised 2009)	Leases
TAS 18 (revised 2009)	Revenue
TAS 19	Employee Benefits
TAS 23 (revised 2009)	Borrowing Costs
TAS 24 (revised 2009)	Related Party Disclosures
TAS 26	Accounting and Reporting by Retirement Benefit Plans
TAS 27 (revised 2009)	Consolidated and Separate Financial Statements
TAS 28 (revised 2009)	Investments in Associates
TAS 29	Financial Reporting in Hyperinflationary Economies
TAS 31 (revised 2009)	Interests in Joint Ventures
TAS 33 (revised 2009)	Earnings per Share
TAS 34 (revised 2009)	Interim Financial Reporting
TAS 36 (revised 2009)	Impairment of Assets
TAS 37 (revised 2009)	Provisions, Contingent Liabilities and Contingent Assets
TAS 38 (revised 2009)	Intangible Assets
TAS 40 (revised 2009)	Investment Property
TFRS 2	Share – Based Payments
TFRS 3 (revised 2009)	Business Combinations
TFRS 5 (revised 2009)	Non-current Assets Held for sale and Discontinued Operations
TFRS 6	Exploration for and Evaluation of Mineral Resources
TFRI 15	Agreements for the Construction of Real Estate

The management of the Company has assessed the effects of these TAS, TFRS and TFRI, and believes that they will not have any significant impact on the financial statements for the year in which they are initially applied except for TAS as follows:

TAS 19 – Employee Benefits

TAS 19 includes the requirements to recognize and measure employee benefits costs of post-employment benefits under defined benefit plans, other long-term employee benefits and termination benefits in the period

in which the service is performed. The requirements require actuarial assumptions to measure the obligation and expense. Moreover, the obligations are measured on a discounted basis using the Projected Unit Credit Method because they may be settled many years after the employees render the related service.

Presently, the management of the Company is assessing the impact of this standard on the financial statements for the year in which it is initially applied.

- c) TAS which are effective for the financial statements for the period beginning on or after January 1, 2013 are as follows:

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

The management of the Company is assessing the impacts of these standards on the financial statements for the year in which they are initially applied.

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Revenues and Expenses Recognitions

Revenues and expenses are recognized on an accrual basis.

Revenues from event management of public shows, exhibitions and entertainment events are recognized when the services are completed. Revenues from completed service but unbilled has presented in unbilled receivable which included in trade accounts receivable.

Revenues from decoration construction are recognized based on the percentage of completion computing on the proportion of actual cost incurred compared to the estimated total cost. Uninvoiced income is presented as unbilled receivable included as part of account receivable while the respective cost is presented in statement of income.

Revenues from rental of Image, Lighting, and Sound, and Effect techniques equipment are recognized when the services are completed.

Revenues from the production of slide, multivision, video, multimedia and computer graphics are recognized when the productions are delivered to the customers.

Revenues from service of music and artist management are recognized when the services are completed.

Cost of uncompleted jobs or undelivered jobs are recorded as work in process.

Cash and Cash Equivalents

Cash and cash equivalents presented in the statements of cash flows, comprise of cash in hand, deposits at financial institutions with a maturity period not over 3 months except for cash at bank held as collateral.

Allowance for Doubtful Accounts

The Company and subsidiaries provide an allowance for doubtful accounts equal to the estimated uncollectible amount which is based on collection experience and analysis of the current status of individual receivables.

Work in process and supplies

Cost of work, which is not yet recognized as revenues, is recorded in work in process using the invoiced value after discounting.

Supplies are stated at cost by using First-in, First-out method.

Investment in subsidiaries, associated company and joint venture

Investments in associated company and joint venture are presented in the consolidated financial statements by using the equity method.

Investments in subsidiaries, associated company and joint venture are presented in the separate financial statements by using the cost method, and adjusted impairment, if any.

The Company presented the outstanding balance of the negative goodwill arisen from the acquisition of the investment in a subsidiary company as "Discount on Investment" shown under the shareholders' equity. This will be recognized in the statement of income when the investment is disposed.

Property, plant and equipment and depreciation

Property, plant and equipment are stated at cost less accumulated depreciation and impairment loss from assets (if any).

Depreciation is computed by the straight-line method based on the estimated useful lives of the assets as follows:

	<u>Years</u>
Buildings	20
Building improvements	5
Building and equipment on leased space	The remaining lease term of 21 months
Operating equipment	3, 5
Office equipment	3, 5
Furniture and fixtures	5
Vehicles	5

Financial lease agreements

The Company and the subsidiaries record operating equipment and vehicle under financial leases as assets and liabilities in their balance sheets at amounts equal to the fair value of the leased assets at the inception of the lease or, if lower, at the present value of the minimum lease payments. In calculating the present value of the minimum lease payments, the discount factor is the interest rate implicit in the lease. Interest expense is allocated to periods during the lease term according to the remaining balance of the liability for each period.

Transactions in Foreign Currencies

Foreign currency transactions are translated into Baht at the exchange rates ruling on the transaction dates. Monetary assets and liabilities denominated in foreign currencies outstanding at the balance sheet dates are translated into Baht at the exchange rates ruling on the balance sheet dates. Gain or losses on exchange rates are recognized as income or expenses for the year.

Employee benefits

Salary, wages, bonuses and contributions to the social security fund and provident fund are recognized as expenses when incurred.

Provisions

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

Corporate Income Tax

Income tax for the year is calculated from the net profit for the year adjusted by non-deductible expenses or non-taxable income and multiplied by the income tax rate stipulated by the Revenue Code.

Basic Earning (Loss) per Share

Basic earning (loss) per share is computed by dividing the net profit (loss) for the year by the weighted average number of issued and paid-up common shares during the year.

Financial instruments

The Company has no policy to speculate in or engage in the trading of any financial derivative instruments.

4. SIGNIFICANT ACCOUNTING JUDGMENTS AND ESTIMATES

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

Allowance for doubtful accounts

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

Allowance for diminution in value of inventory

The determination of allowances for diminution in the value of inventory, requires management to make judgments and estimates. The allowance for decline in net realizable value is estimated based on the selling price expected in the ordinary course of business; and provision for obsolete, slow-moving and deteriorated inventories, that is estimated based on the approximate useful life of each type of inventory.

Leases

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

Property plant and equipment/Depreciation

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

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

Goodwill

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

5. RELATED PARTY TRANSACTIONS

The Company had business transactions with related parties. These parties are directly and indirectly related through common shareholding and/or directorship. The financial statements reflect the effects of these transactions on the basis determined by the Company and the parties concerned. For the years ended December 31, 2010 and 2009, the significant transactions with related parties can be summarized as follows:

(Unit: Thousands Baht)

	Consolidated financial statements		Separate financial statements	
	2010	2009	2010	2009
Transactions between the Company and related parties				
<u>Subsidiaries</u>				
Revenue from services	-	-	717	1,130
Dividend income	-	-	30,247	-
Other income	-	-	390	273
Interest income	-	-	188	1,603
Cost of services	-	-	77,554	47,767
Other expenses	-	-	1,363	8
Interest expenses	-	-	1,091	942
Doubtful debt	-	-	3,000	4,836
<u>Related Companies</u>				
Revenue from services	109	8,036	-	-
Cost of services	101	218	-	-
Interest income	-	32	-	2
Interest expenses	-	68	-	-
Dividend income	-	1,000	-	-
<u>Directors</u>				
Interest expenses	427	303	340	303
<u>Related parties</u>				
Interest expenses	412	-	384	-

The Company has transactions with related parties by using cost plus profit determined in the normal course of business.

The outstanding balances as at December 31, 2010 and 2009 of the above transactions have been separately shown in the balance sheets and consist of the following:

(Unit: Thousands Baht)

	Consolidated financial statements		Separate financial statements	
	2010	2009	2010	2009
<u>Trade receivables - related companies</u>				
PM Center Co.,Ltd.	-	-	194	405
Workmanship Set and Design Co.,Ltd.	-	-	-	267
CMO-KWCP Co., Ltd.	-	-	-	1,286
Bayon CM Organizer Co., Ltd.	-	-	-	4,791
Dream Box and CM Organizer Joint Venture	45	45	45	45
M Thirty One Co., Ltd.	-	-	10	-
Total trade receivables - related companies	45	45	249	6,794
<u>Account receivables and short-term loan to related companies</u>				
<u>Other account receivables</u>				
CMO-KWCP Co., Ltd.	-	-	-	480
Exposition Technology Co., Ltd.	-	-	15	-
Less: Allowance for doubtful accounts	-	-	-	(480)
Total other account receivables - net	-	-	15	-
<u>Accrued interest receivable</u>				
CMO-KWCP Co., Ltd.	-	-	-	511
Workmanship Set and Design Co.,Ltd.	-	-	48	-
M Thirty One Co., Ltd.	-	-	2	-
Dream Box and CM Organizer Joint Venture	7	7	7	7
Total accrued interest receivable	7	7	57	518
Less: Allowance for doubtful accounts	(7)	(7)	(7)	(518)
Total accrued interest receivable - net	-	-	50	-
<u>Short-term loan to related companies</u>				
Workmanship Set and Design Co.,Ltd.	-	-	3,000	3,016
CMO-KWCP Co., Ltd.	-	-	-	4,400
M Thirty One Co., Ltd.	-	-	450	-
Dream Box and CM Organizer Joint Venture	75	50	75	50
Total short-term loan to related companies	75	50	3,525	7,466
Less: Allowance for doubtful accounts	(50)	(50)	(3,050)	(4,450)
Total short-term loan to related companies - net	25	-	475	3,016
Total account receivables and short-term loan to related companies	25	-	540	3,016

(Unit: Thousands Baht)

	Consolidated financial statements		Separate financial statements	
	2010	2009	2010	2009
<u>Account receivable and long-term loan to related companies</u>				
<u>Account receivables to related companies</u>				
Bayon CM Organizer Co., Ltd.				
Other account receivables	-	-	-	3,401
Accrued interest receivable	-	-	-	4,265
Total account receivables and accrued interest receivable	-	-	-	7,666
Less: Allowance for doubtful accounts	-	-	-	(7,666)
Total account receivables and accrued interest receivable - net	-	-	-	-
<u>Long-term loan to related companies</u>				
Bayon CM Organizer Co., Ltd.				
Less: Allowance for doubtful accounts	-	-	-	(42,757)
Total long-term loan to related companies - net	-	-	-	-
Total account receivable and long-term loan to related companies	-	-	-	-

During the years, the Company had movements on the accounting balances with related parties as follow:-

(Unit: Thousands Baht)

	Consolidated financial statements		Separate financial statements	
	2010	2009	2010	2009
<u>Short-term loan to related companies</u>				
<u>Subsidiaries</u>				
Balance at beginning of the years	-	-	7,416	9,000
Increase during the years	-	-	650	-
Decrease during the years	-	-	(216)	(1,584)
Disposal during the years	-	-	(4,400)	-
Balance at end of the years	-	-	3,450	7,416
<u>Related parties</u>				
Balance at beginning of the years	50	770	50	50
Increase during the years	25	1,800	25	-
Decrease during the years	-	(2,520)	-	-
Balance at end of the years	75	50	75	50
Total short-term loan to related parties	75	50	3,525	7,466

(Unit: Thousands Baht)

	Consolidated financial statements		Separate financial statements	
	2010	2009	2010	2009
<u>Long-term loan to related company</u>				
<u>Subsidiaries</u>				
Balance at beginning of the years	-	-	42,757	41,368
Increase during the years	-	-	-	4,093
Decrease during the years	-	-	-	(1,462)
Disposal during the years	-	-	(42,757)	-
Exchange rate adjustment	-	-	-	(1,242)
Balance at end of the years - net	-	-	-	42,757
<u>Related Company</u>				
Balance at beginning of the years	-	1,800	-	-
Decrease during the years	-	(1,800)	-	-
Balance at end of the years - net	-	-	-	-
Total long-term loan to related companies	-	-	-	42,757

The Company charged interest on loan to related parties by MOR rate per annum.

Loans to a subsidiary in oversea are unsecured. The loans are repayable on demand and carry interest at MOR rate.

The Company did not intend to call for repayment in short-term, therefore, the loans were classified as long-term loans. The Board of Director resolved to close down this subsidiary on September 11, 2009.

Investment – net

Investments in subsidiaries, associated company and joint venture are as follow:

(Unit: Thousands Baht)

Company	Relationships	Consolidated financial statements					
		2010			2009		
		Paid-up capital	Owner ship %	Equity method	Paid-up capital	Owner ship %	Equity method
<u>Investment in associated</u>							
Max Evolution Co., Ltd. (Held by PM Center Co., Ltd.)	Common management and shareholdings	-	-	-	8,000	33.33	6,959
<u>Joint Venture</u>							
Dream Box and CM Organizer Joint Venture	Common management and shareholdings	160	50.00	-	160	50.00	-
Total Investment				-			6,959

On February 25, 2010, the subsidiary has disposed the investment in common stock of Max Evolution Co., Ltd. of 26,667 shares at Baht 110.25 per share. The Company has recognized the loss from disposal of investment in associate on the statement of income for the years ended December 31, 2010 amounting to Baht 4.10 million. The Company recorded share of profit from investments in associated company using equity method in the consolidated statement of income for the years ended December 31, 2010 and 2009 of Baht 0.07 million and Baht 1.47 million respectively by using financial statements prepared by the management which had not yet been reviewed by an auditor.

(Unit: Thousands Baht)

Company	Relationships	Separate financial statements							
		2010				2009			
		Paid-up capital	Owner ship %	Cost method	Dividend income	Paid-up capital	Owner ship %	Cost method	Dividend income
<u>Investment in subsidiaries</u>									
PM Center Co., Ltd.	Common management and shareholdings	135,000	99.99	134,999	29,997	135,000	99.99	134,999	-
The Eyes Co., Ltd.	Common management and shareholdings	15,000	99.95	14,601	-	15,000	99.95	14,601	-
Workmanship Set and Design Co.,Ltd.	Common management and shareholdings	3,000	90.00	2,700	-	3,000	90.00	2,700	-
CMO-KWCP Co., Ltd.	Common management and shareholdings	-	-	-	-	1,000	49.96	500	-
Bayon C M Organizer Co., Ltd.	Common management and shareholdings	-	-	-	-	179	75.00	134	-
M Thirty One Co., Ltd. (Formerly: A Link Co., Ltd.)	Common management and shareholdings	2,000	55.00	1,100	250	250	99.99	250	-
Exposition Technology Co.,Ltd.	Common management and shareholdings	2,000	40.00	5,400	-	2,000	40.00	5,400	-
<u>Joint Venture</u>									
Dream Box and CM Organizer Joint Venture	Common management and shareholdings	160	50.00	80	-	160	50.00	80	-
Total investment				158,880	30,247			158,664	-
Less: Impairment of investment				(2,700)				(3,334)	
Total investment - net				156,180				155,330	

On July 1, 2010, a subsidiary, A Link Co., Ltd., registered the change of its name to “M Thirty One Co., Ltd.”.

At the Extraordinary Meeting of Shareholders No. 2 / 2010 held on July 28, 2010, the subsidiary’s shareholders held a resolution to increase the registered capital from Baht 1 million to Baht 1.5 million. The company offered a portion of increased share to third parties. As a result, the proportion of company’s interest is diluted from 99.99% to 55%.

On October 29, 2010, the Extraordinary Meeting of Shareholders of M Thirty One Co., Ltd, a subsidiary company, passed a resolution to increase the Company’s authorized share capital from Baht 1.5 million to Baht 2 million by issuing 50,000 new ordinary shares with a par value of Baht 10 per share. The subsidiary registered the increased share capital on October 29, 2010.

On August 11, 2009, a subsidiary, C-MEX Exhibition Co., Ltd., registered the change of its name to “Workmanship Set and Design Co., Ltd.”.

On July 1, 2008, the Company acquired ordinary shares of Exposition Technology Co., Ltd., in the amount of Baht 5 million equal to 4,000 shares at Baht 1,250 per share (Par value of Baht 100 per share). This incurred the excess of cost over the book value as at July 1, 2008 of the subsidiary company according to the unaudited or unreviewed financial statements of Baht 4.64 million.

	(Unit: Thousands Baht)			
	Consolidated financial statements		Separate financial statements	
	2010	2009	2010	2009
<u>Trade accounts payable related companies</u>				
PM Center Co., Ltd.	-	-	58,941	16,442
The Eyes Co., Ltd.	-	-	12,632	1,628
Exposition Technology Co.,Ltd.	-	-	10,153	2,617
Workmanship Set and Design Co., Ltd	-	-	730	952
Max Evolution Co., Ltd.	-	400	-	400
Total trade accounts payable related companies	-	400	82,456	22,039
<u>Accounts payable and short-term loan from related parties</u>				
<u>Accrued interest expenses</u>				
PM Center Co., Ltd.	-	-	10	8
The Eyes Co., Ltd.	-	-	24	24
M Thirty One Co., Ltd.	-	-	-	3
Exposition Technology Co., Ltd.	-	-	36	-
Related parties	76	-	76	-
Director	-	131	-	-
Total accrued interest expense from related companies	76	131	146	35
<u>Short-term loan from related parties</u>				
PM Center Co., Ltd.	-	-	8,367	8,000
The Eyes Co., Ltd.	-	-	4,520	4,745
M Thirty One Co., Ltd.	-	-	-	500
Exposition Technology Co., Ltd.	-	-	5,005	-
Related parties	8,000	-	8,000	-
Directors	13,600	6,000	5,600	5,000
Total short-term loan from related parties	21,600	6,000	31,492	18,245
Total account payable and short-term loan from related parties	21,676	6,131	31,638	18,280
<u>Other accounts payable - related companies</u>				
PM Center Co., Ltd.	-	-	3,650	3,650
Workmanship Set and Design Co., Ltd	-	-	420	420
	-	-	4,070	4,070

The short-term loan from related parties charged with interest rate of MOR per annum.

During the years, the Company had movements on the accounting balances with related parties as follow:-

(Unit: Thousands Baht)

	Consolidated financial statements		Separate financial statements	
	2010	2009	2010	2009
<u>Short-term loan from related parties</u>				
<u>Subsidiaries</u>				
Balance at beginning of the years	-	-	13,245	18,500
Increase during the years	-	-	21,492	22,000
Decrease during the years	-	-	(16,845)	(27,255)
Balance at end of the years	-	-	17,892	13,245
<u>Related company</u>				
Balance at beginning of the years	-	2,400	-	2,400
Decrease during the years	-	(2,400)	-	(2,400)
Balance at end of the years	-	-	-	-
<u>Related parties</u>				
Balance at beginning of the years	-	-	-	-
Increase during the years	8,000	-	8,000	-
Balance at end of the years	8,000	-	8,000	-
<u>Directors</u>				
Balance at beginning of the years	6,000	4,000	5,000	3,000
Increase during the years	9,000	5,000	2,000	5,000
Decrease during the years	(1,400)	(3,000)	(1,400)	(3,000)
Balance at end of the years	13,600	6,000	5,600	5,000
Total short-term loan from related parties	21,600	6,000	31,492	18,245

During for the years ended December 31, 2010, the Company's director approved to write off the receivables and investments and to adjust the respective allowance for doubtful accounts and allowance for impairment due to the closing down of its subsidiaries as follows:

Unit: Thousands Baht

	Bayon C M Organizer Co., Ltd.	CMO-KWCP Co., Ltd.
Account receivables	4,791	1,286
Other account receivables	3,401	480
Accrued interest receivable	4,265	511
Short-term loan to related companies	-	4,400
Long-term loan to related companies	42,757	-
Investment	134	500

6. TRADE ACCOUNTS RECEIVABLE - NET

Trade accounts receivable can be classified by age analysis as at December 31, as follow:

	(Unit: Baht)			
	Consolidated financial statements		Separate financial statements	
	2010	2009	2010	2009
Trade receivables – related companies				
Not yet due	-	-	10,000.00	-
Past due				
Less than 3 months	-	-	-	211,843.14
Over 6 months but not over 12 months	-	-	-	141,051.57
Over 12 months	44,720.00	44,720.00	44,720.00	5,162,625.96
Unbilled receivables - related companies				
Not yet due	-	-	10,000.00	110,975.05
Past due				
Less than 3 months	-	-	-	15,400.00
Over 6 months but not over 12 months	-	-	184,000.00	647,775.00
Over 12 months	-	-	-	503,825.00
Total trade receivables – related companies	44,720.00	44,720.00	248,720.00	6,793,495.72
Trade receivables - others				
Not yet due	140,637,220.99	62,959,737.00	107,041,942.18	35,467,392.13
Past due				
Less than 3 months	56,312,401.76	17,710,447.78	43,588,755.60	6,490,666.64
Over 3 months but not over 6 months	8,729,976.07	1,040,924.33	6,791,836.07	-
Over 6 months but not over 12 months	4,758,945.00	4,840,874.74	83,858.00	3,988,317.76
Over 12 months	17,286,188.10	23,668,364.02	14,772,574.65	19,620,145.57
Unbilled receivables - others				
Not yet due	40,128,496.01	13,177,987.31	39,750,976.01	12,938,940.10
Past due				
Less than 3 months	16,210,017.41	5,965,170.02	16,210,017.41	5,942,170.02
Over 3 months but not over 6 months	362,700.00	-	362,700.00	-
Over 6 months but not over 12 months	420,000.00	128,660,484.11	420,000.00	128,476,484.11
Over 12 months	2,677,545.50	2,865,180.50	2,677,545.50	2,865,180.50
Total trade receivables - others	287,523,490.84	260,889,169.81	231,700,205.42	215,789,296.83
Total	287,568,210.84	260,933,889.81	231,948,925.42	222,582,792.55
Less: Allowance for doubtful accounts	(17,461,495.87)	(22,178,584.02)	(15,222,177.32)	(24,796,995.50)
Trade receivables – net	270,106,714.97	238,755,305.79	216,726,748.10	197,785,797.05

As at December 31, 2010 and 2009, the Company and a subsidiary discounted this trade accounts receivable with a company amounted of Baht 22.72 million and Baht 23.02 million, respectively. The Company and a subsidiary have factoring facility lines with a company totaling Baht 33 million which are guaranteed by some of the Company's and subsidiary's directors.

7. WORK IN PROCESS AND SUPPLIES

Work in process and supplies as at December 31, consisted of:

	(Unit: Baht)			
	Consolidated financial statements		Separate financial statements	
	2010	2009	2010	2009
Supplies	1,915,588.22	2,823,447.65	-	-
Work in process	19,665,259.28	16,537,041.37	18,351,404.29	16,210,263.45
Loss on inventory devaluation	(197,773.95)	-	(197,773.95)	-
Total	<u>21,383,073.55</u>	<u>19,360,489.02</u>	<u>18,153,630.34</u>	<u>16,210,263.45</u>

8. OTHER CURRENT ASSETS

Other current assets as at December 31, consisted of:

	(Unit: Baht)			
	Consolidated financial statements		Separate financial statements	
	2010	2009	2010	2009
Advance payments	2,427,875.06	3,917,680.79	1,943,298.97	3,709,342.38
Refundable withholding tax	-	7,519,334.18	-	7,519,334.18
Prepaid expenses	1,546,032.05	2,185,581.19	1,802,103.18	1,557,173.48
Others	4,500,360.66	3,140,898.50	1,044,744.05	140,148.02
Total	<u>8,474,267.77</u>	<u>16,763,494.66</u>	<u>4,790,146.20</u>	<u>12,925,998.06</u>

9. UNBILLED RECEIVABLE UNDER LITIGATION PROCESS

As at December 31, 2010 and 2009, the Company has an unbilled receivable in the governmental sector in amount of Baht 128.48 million (Outstanding over 12 months as of December 31, 2010). The debtor claimed that the services already performed by the Company are less than the contracted value by Baht 52.51 million. The Company is in the litigation process with the debtor. Presently, the process is under the court of first instance. The Company's lawyer has an opinion that the chance that the company will win the case and be able to receive full amount of debt including the interest is high. The management believes that the Company will be ultimately able to process the case without material damage to the company. Therefore, the Company did not provide for any possible loss in the financial statements.

As at December 31, 2010 and 2009, the Company's transferred the rights in collections on its unbilled receivable amounted of Baht 128.48 million to a financial institution as collateral for obtained loans (Note 11).

10. PROPERTY, PLANT AND EQUIPMENT - NET

Property, plant and equipment as at December 31, 2010, consisted of:

(Unit : Baht)

	Consolidated financial statement			As at December 31, 2010
	As at	Movement during the year		
	January 1, 2010	Increase	Decrease	
<u>Cost</u>				
Land	84,735,202.80	-	-	84,735,202.80
Buildings	76,230,591.12	1,288,525.00	-	77,519,116.12
Building improvements	10,133,814.39	781,750.20	-	10,915,564.59
Building and equipment on leased space	-	31,949,337.84	-	31,949,337.84
Operating equipment	312,530,549.70	35,096,101.63	1,058,023.39	346,568,627.94
Office equipment	41,161,410.22	3,260,967.85	225,790.19	44,196,587.88
Furniture and fixtures	2,535,778.47	327,650.22	-	2,863,428.69
Vehicles	20,470,601.50	4,323,750.00	1,339,000.00	23,455,351.50
Work in progress	2,217,802.56	1,043,470.26	483,236.26	2,778,036.56
Total	550,015,750.76	78,071,553.00	3,106,049.84	624,981,253.92
<u>Accumulated depreciation</u>				
Buildings	19,705,116.18	4,411,815.08	-	24,116,931.26
Building improvements	6,437,329.37	1,955,490.50	-	8,392,819.87
Building and equipment on leased space	-	1,814,611.45	-	1,814,611.45
Operating equipment	236,149,167.95	32,055,733.82	839,568.37	267,365,333.40
Office equipment	33,787,171.52	2,661,407.87	216,826.37	36,231,753.02
Furniture and fixtures	1,700,757.18	254,959.18	-	1,955,716.36
Vehicles	17,841,769.71	2,182,460.92	1,338,999.00	18,685,231.63
Total	315,621,311.91	45,336,478.82	2,395,393.74	358,562,396.99
<u>Allowance for impairment</u>	239,309.71			239,309.71
Net booked value	234,155,129.14			266,179,547.22

Depreciations for the years ended December 31, 2010 and 2009, amounted to Baht 45.34 million and Baht 47.03 million, respectively, in the Company's consolidated financial statements.

As at December 31, 2010 and 2009, the Company's and subsidiaries' equipment and vehicles amounting to Baht 233.52 million and Baht 195 million, respectively, are fully depreciated but still in use.

The Company's and the subsidiaries' land and constructions are mortgaged as collateral for letters of guarantee, bank overdrafts and loans from financial institutions.

(Unit : Baht)

	Separate financial statement			As at December 31, 2010
	As at	Movement during the year		
	January 1, 2010	Increase	Decrease	
<u>Cost</u>				
Land	22,490,061.00	-	-	22,490,061.00
Buildings	15,445,000.00	-	-	15,445,000.00
Building improvements	6,659,670.66	-	-	6,659,670.66
Building and equipment on leased space	-	31,949,337.84	-	31,949,337.84
Operating equipment	26,573,547.81	2,499,010.94	-	29,072,558.75
Office equipment	13,943,171.55	1,015,866.68	53,271.03	14,905,767.20
Vehicles	9,677,159.16	-	-	9,677,159.16
Total	94,788,610.18	35,464,215.46	53,271.03	130,199,554.61
<u>Accumulated depreciation</u>				
Buildings	3,737,426.99	846,359.47	-	4,583,786.46
Building improvements	3,387,280.00	849,579.70	-	4,236,859.70
Building and equipment on leased space	-	1,814,611.45	-	1,814,611.45
Operating equipment	19,066,434.70	3,795,880.64	-	22,862,315.34
Office equipment	10,123,879.29	1,300,490.03	45,302.30	11,379,067.02
Vehicles	8,778,493.88	778,488.68	-	9,556,982.56
Total	45,093,514.86	9,385,409.97	45,302.30	54,433,622.53
<u>Allowance for impairment</u>	239,309.71			239,309.71
Net booked value	49,455,785.61			75,526,622.37

Depreciations for the years ended December 31, 2010 and 2009, amounted to Baht 9.39 million and Baht 8.91 million, respectively, in the Company's separate financial statements.

As at December 31, 2010 and 2009, the Company's equipment and vehicles amounting to Baht 35.18 million and Baht 25.10 million, respectively, are fully depreciated but still in use.

11. BANK OVERDRAFTS AND SHORT-TERM LOANS FROM FINANCIAL INSTITUTIONS

Bank overdrafts and short-term loans from financial institutions as at December 31, consisted of:

(Unit: Baht)

	Consolidated financial statements		Separate financial statements	
	2010	2009	2010	2009
Bank overdrafts	55,420,270.75	56,209,024.30	30,353,100.69	37,174,510.86
Promissory notes	85,828,042.95	91,290,724.48	68,317,890.53	77,980,000.00
Total bank overdrafts and short-term loans from financial institution	<u>141,248,313.70</u>	<u>147,499,748.78</u>	<u>98,670,991.22</u>	<u>115,154,510.86</u>

As at December 31, the Company and subsidiaries and joint venture had bank overdrafts and short-term loans facilities as follows:-

(Unit: Million Baht)

	2010	2009
	CM Organizer PLC. and subsidiaries and joint venture	174
CM Organizer PLC.	132	120

As at December 31, 2010 and 2009, bank overdrafts, short-term loans, promissory notes, and long-term loan from financial institutions charged with interest rates between the market rate and MOR, were guaranteed by some of the Company's and subsidiaries' directors and by a mortgage of the Company's and subsidiaries' land and construction.

As at December 31, 2010 and 2009, the Company's transferred rights of collections on its unbilled receivable amounted of Baht 128.48 million, as collateral for loans from the financial institution.

12. LIABILITIES UNDER FINANCIAL LEASE AGREEMENTS - NET

Liabilities under financial lease agreements – net as at December 31, consisted of:

(Unit: Baht)

	Consolidated financial statements		Separate financial statements	
	2010	2009	2010	2009
Due within 1 year				
Minimum payments	8,123,991.47	6,721,584.38	139,971.13	293,376.90
Deferred interest	(766,669.80)	(620,148.90)	(31,487.47)	(41,146.98)
Present value of minimum payment	7,357,321.67	6,101,435.48	108,483.66	252,229.92
Due over 1 year not exceeding 5 years				
Minimum payments	8,485,470.93	5,998,905.00	278,445.00	418,316.92
Deferred interest	(447,451.43)	(309,572.05)	(34,455.02)	(65,942.67)
Present value of minimum payment	8,038,019.50	5,689,332.95	243,989.98	352,374.25
Net book value of equipment				
under finance leases agreements	23,769,648.70	16,638,726.30	392,847.17	890,705.60

The Company and the subsidiaries entered into lease agreements with certain companies for operating equipment and vehicles. The leases agreements have the terms of one to five years and bear interest rates between 4.22% to 9.02% per annum.

13. LONG-TERM LOANS FROM FINANCIAL INSTITUTION - NET

Long- term loans from financial institution as at December 31, consisted of:

(Unit: Baht)

	Consolidated financial statements		Separate financial statements	
	2010	2009	2010	2009
Long-term loans from banks	30,659,035.74	31,272,000.00	11,990,035.74	14,662,000.00
<u>Less current portion</u>	<u>(9,072,000.00)</u>	<u>(6,300,000.00)</u>	<u>(2,676,000.00)</u>	<u>(2,676,000.00)</u>
Long-term loans - net	21,587,035.74	24,972,000.00	9,314,035.74	11,986,000.00

In May 13, 2010, a subsidiary obtained long-term loan from a local bank totaling of Baht 7.3 million. The loan bears the interest at the rate of MLR per annum. The repayments of the principal will be made within 36 equal monthly installments of Baht 231,000 each starting in June 2010. The loans are guaranteed by a mortgage of the subsidiary's land and construction.

On June 25, 2009, the Company obtained long-term loan from a local bank totaling of Baht 16 million. The loan bears the interest at the rate of MLR per annum. The repayments of the principal will be made within 72 equal

monthly installments of Baht 223,000 each starting in July 2009. The loans are guaranteed by a mortgage of the Company's land and construction.

On March 25, 2009, a subsidiary obtained long-term loan from a local bank totaling of Baht 8 million. The loan bears the interest at the rate of MLR per annum. The repayments of the principal will be made within 60 equal monthly installments of Baht 135,000 each starting in April 2009. The loans are guaranteed by a mortgage of the subsidiary's land and construction.

On November 7, 2007, a subsidiary obtained long-term loan from a local bank totaling of Baht 14 million. The loan bears the interest at the rate of MLR per annum. The repayments of the principal will be made within 84 equal monthly installments of Baht 167,000 each starting in December 2007. The loans are guaranteed by a mortgage of the subsidiary's land and construction.

14. SHORT-TERM LOAN FROM THIRD PARTY

As at December 31, 2010, the Company issued the promissory notes to third party of Baht 18 million. The promissory notes bear interest rate between 3.53% to 15% per annum and have 3 months maturity term.

15. OTHER CURRENT LIABILITIES

Other current liabilities as at December 31, consisted of:

	(Unit: Baht)			
	Consolidated financial statements		Separate financial statements	
	2010	2009	2010	2009
Account payable-Revenue Department	4,402,975.72	392,562.58	3,779,855.16	308,041.13
Accrued expenses	18,024,424.76	6,690,516.11	4,979,783.43	2,487,951.53
Accrued withholding tax	7,039,951.71	2,459,827.72	5,657,614.20	2,028,194.45
Provision for contingent liabilities	4,691,775.00	2,709,475.00	4,691,775.00	2,709,475.00
Other payables - related parties	-	-	4,069,681.20	4,069,681.20
Other payables	1,239,005.22	900,378.51	747,070.87	337,784.33
Deposit	1,753,261.59	1,308,670.88	1,753,261.59	1,258,066.25
Accrued corporate income tax	1,245,353.98	-	-	-
Others	6,978,231.75	4,216,411.08	2,929,187.46	221,511.89
Total	<u>45,374,979.73</u>	<u>18,677,841.88</u>	<u>28,608,228.91</u>	<u>13,420,705.78</u>

16. SHARE PREMIUM, LEGAL RESERVE

Pursuant to annual meeting of shareholders held on April 22, 2010, the meeting approved to transfer legal reserve of Baht 12.48 million and premium on share capital of Baht 34.19 million to compensate for the accumulated losses of the Company as of December 31, 2009.

Legal reserve

In compliance with the Public Company Act, B.E. 2535 (1992), the Company set aside as a legal reserve at least 5% of its net profit until the reserve equaled 10% of the authorized share capital. This reserve is not available for dividend distribution.

Share premium

Section 51 of the Public Companies Act B.E. 2535 requires companies to set aside share subscription received in excess of the par value to a reserve account (“share premium”). Share premium is not available for dividend distribution.

17. EXPENSES BY NATURE

Expenses by nature for the years ended December 31, are as follows:

	(Unit: Million Baht)			
	Consolidated financial statements		Separate financial statements	
	2010	2009	2010	2009
Cost of services	583.65	517.54	398.14	352.41
Employee benefits	130.74	106.61	74.74	47.13
Depreciation	45.88	47.03	9.39	8.92
Advertising Fee	2.31	2.18	1.33	1.73
Management compensation	34.30	29.29	20.79	16.88
(Reverse) allowance for doubtful accounts	2.53	10.31	(0.01)	66.20

18. FINANCIAL INFORMATION BY SEGMENT

The Company and subsidiaries and joint venture operate the event management for public, exhibition and various entertainment activities. The revenues separated by business and by geographical segments are as follows:

For The Year End December 31, 2010

(Unit : Thousands Baht)

	Consolidated Financial Statement							Total
	Foreign		Domestic				Eliminated	
	Organizer	Rental Equipment	Production of Midia	Designing Fixing	Music Production			
Revenues								
Marketing and Promotion Events	219,745							
Trade Shows and Exhibitions	128,998							
Public Events	186,482							
MICE	16,460							
Professional Exhibition Organizer	21,144							
Total	-	572,829	325,625	33,381	10,744	8,826	(81,831)	869,574
Cost of service								(668,658)
Gross Profit								200,916
Other income								2,471
Profit before expenses								203,387
Selling expenses								(13,527)
Administrative expenses								(95,079)
Management compensation								(24,388)
Reverse of allowance for doubtful account								2,534
Total expenses								(130,460)
Profit before finance cost and income tax expense								72,927
Finance cost								(14,487)
Share of profit from investments using the equity method								66
Profit before income tax								58,506
Income tax expenses								(16,720)
Net income								41,786
Attributable to								
Shareholders of the parent								37,524
Monority interest								4,262
								41,786
<u>As at December 31, 2010</u>								
Trade accounts receivable - net	-	345,203	121,789	16,473	2,214	1,107	(88,203)	398,583
Property, plant and equipment - net	-	75,527	184,209	8,913	106	1,645	(4,221)	266,179
Others	-	222,144	28,664	8,056	2,442	2,011	(200,433)	62,884
Total Assets	-	642,874	334,662	33,442	4,762	4,763		727,646

For The Year End December 31, 2009

(Unit : Thousands Baht)

	Consolidated Financial Statement							Total
	Foreign		Domestic				Eliminated	
	Organizer	Rental Equipment	Production of Midia	Designing Fixing	Music Production			
Revenues								
Marketing and Promotion Events		169,873						
Trade Shows and Exhibitions		153,749						
Public Events		151,013						
MICE		2,025						
Professional Exhibition Organizer		19,197						
Total	8,050	495,857	258,541	21,678	8,643	-	(51,360)	741,410
Cost of service								(606,476)
Gross Pofit								134,934
Other income								2,280
Profit before expenses								137,214
Selling expenses								(8,465)
Administrative expenses								(85,022)
Management compensation								(21,393)
Allowance for doubtful account								(10,310)
Total expenses								(125,190)
Profit before finance cost and income tax expense								12,024
Finance cost								(12,897)
Share of profit from investments using the equity method								1,535
Profit before income tax								662
Income tax expenses								(6,264)
Net loss								(5,602)
Attributable to								
Shareholders of the parent								(8,794)
Monority interest								3,192
								(5,602)
<u>As at December 31, 2009</u>								
Trade accounts receivable - net	-	197,786	60,581	5,056	1,962	-	(26,630)	238,755
Property, plant and equipment - net	-	49,456	179,334	9,187	466	-	(4,288)	234,155
Others	1,815	214,714	33,209	9,418	4,297	-	(165,474)	97,979
Total Assets	1,815	461,956	273,124	23,661	6,725	-		570,889

19. FINANCIAL INSTRUMENTS**Financial Risk Management**

The Company and the subsidiaries are exposed to risks from changes in market interest rates, and from nonperformance of contractual obligations by counterparties. The Company and its subsidiaries do not use derivative instruments to manage such risks. They do not hold or issue derivative instruments for speculative or trading purposes.

Interest rate risk

The interest rate risk is the risk that future movements in market interest rates will affect the results of the Company's and its subsidiary's operations and cash flows. The Company's and its subsidiary's exposure to interest rate risk relates primarily to its deposits with and loans from financial institutions, and short-term loans from related parties.

Since the majority of these financial assets and liabilities are short-term and long-term loans bear floating interest rate, the Company and its subsidiaries believe that there will be no material impact on the Company and its subsidiaries' financial statements.

Exchange rate risk

The Company has no transactions in foreign currencies, therefore, there is no exchange rate risk.

Credit Risk

The Company and its subsidiaries are exposed to credit risk primarily with respect to trade accounts receivable including the related company receivables. However, due to the large number of entities comprising the Company's and its subsidiaries customer base, the Company and its subsidiaries do not anticipate material losses from their debt collections, except the risk of the receivable in the government sector which the Company is in dispute resolution (Note 9).

Fair Value

As the majority of financial assets and liabilities are short-term and long-term loans bear floating interest rate, the Company's and the subsidiaries' management believe that their carrying values of financial assets and liabilities do not materially differ from their fair value.

20. COMMITMENTS AND CONTINGENT LIABILITIES

As at December 31, 2010 and 2009, the Company and the subsidiaries have contingent liabilities in relation to the letters of guarantee issued by banks amounting to approximately Baht 55 million and Baht 71 million, respectively.

As at December 31, 2010, the Company has a rental agreement for the space in order to carry the business under the name "Ratchaprasong Urban Spaces" for the period from April 1, 2010 to September 30, 2012. The Company is committed to pay for the rental space at the fix rate of Baht 700,000 per month and pay the revenue sharing at the rate stipulated in the agreement computed from the revenue earned.

As at December 31, 2010, the Company has a construction agreement for the project “Ratchaprasong Urban Spaces” of Baht 16.43 million and a design and installation of infrastructure agreement of Baht 9.57 million of which an amount of Baht 19.53 million has been paid.

21. PROVIDENT FUND

The Company and subsidiaries and their employees have jointly established a provident fund in accordance with the Provident Fund Act B.E. 2552. Both employees and the Company contribute to the fund monthly at the rate of 3% of salary. The fund, which is managed by TISCO Asset Management Company Limited, will be paid to employees upon termination in accordance with the fund rules. Total contributions by the Company and subsidiaries for the year ended December 31, 2010 amounted to approximately Baht 2.98 million.

22. RECLASSIFICATION OF ACCOUNTS

The Company has reclassified certain accounts in the balance sheet as at December 31, 2009 and the statements of income for the year ended December 31, 2009 to conform to the presentation of the financial statements of this year as follow:

	(Unit:Thousands Baht)					
	Consolidated financial statements			Separate financial statements		
	Before reclassification	Reclassification	After reclassification	Before reclassification	Reclassification	After reclassification
<u>Balance Sheets</u>						
Bank overdrafts and shot-term						
loans from financial institution	168,220	(20,720)	147,500	135,875	(20,720)	115,155
Factoring payable	-	20,720	20,720	-	20,720	20,720
<u>Statements of Income</u>						
Administrative expenses	83,860	1,162	85,022	41,710	2,374	44,084
Management compensation	22,555	(1,162)	21,393	11,362	(2,374)	8,988

23. APPROVAL OF FINANCIAL STATEMENT

These financial statements have been approved by the Board of Directors to be issued on February 24, 2011.

Attachment 1.1 Information of Board of Director and Executive Management of CM Organizer Public Company Limited and Subsidiaries as at December 31, 2010
CM Organizer Public Company Limited

Name	Age	Education	No. of share (as at March 16, 2010)	Relationship	Working Experience last 5 years	
					Year	Position
1. Mr. Ratanavudh Vajarodaya	53	- MA Corporate Political and Communication, Fairfield University, USA - DAP 9/2004	0.10 %	-	2003-present 2000-present	Chairman and Audit Committee Special Advisor
2. Mr. Sermkhun Kunawong	50	- BCA, Chulalongkorn University - DAP 10/2004	3.74%	spouse	2005-present 2003-present 2003-present 1986-present	Chairman, C-MEX Exhibition Co., Ltd. Chief Executive Officer, CM Organizer Plc. Chairman, The Eyes Co., Ltd. Chairman, PM Center Co.,Ltd
3 Mrs. Suree Kunawong	50	- BNS, Chulalongkorn University - DAP 10/2004	8.02 %	spouse	2003-Present 1990-Present	Managing Director, PM Center Co.,Ltd. Director, CM Organizer Plc.
4. Mr. Anant Gatpitaya	59	- MM , Graduate Institute of Business Administration of Chulalongkorn University (SASIN) - DAP7/2004 - ACP2/2004 - DCP 17/2002	-	-	2003-present 2001-present 2000-present 2007-present 2004-present 2007-present	Director and Audit Committee, CM Organizer Plc. Director and Audit Committee, Supalai Plc. Director and Audit Committee, Hydrotech Plc. Chairman, The Brilliant Solution Co., Ltd. Director and Audit Committee, Fortune Part Industry Plc. Director and Audit Committee, Asset Management of Donsak-Samui Plc.

CM Organizer Public Company Limited

Name	Age	Education	No. of share (as at March 16, 2010)	Relationship	Working Experience last 5 years	
					Year	Position
5. Associate Professor JoompolL Rodcumdee	64	- MS Broadcast-Journalism, Boston University, USA - DAP 9/2004	0.06%	-	2003-present 2006-present 2003-2006 1995-2003 1991-present	Director and Chairman of Audit Committee, CM Organizer Plc. Art & Culture Consultant, Chulalongkorn University Vice President, Chulalongkorn University Dean of Faculty of Communication Arts, Chulalongkorn University Managing Director of Chulalogkorn University Broadcasting Station
6. Ms. Ausaneev Kertpaengboonpracha	49	- MBA, National Institute of Development Administration (NIDA)- DAP 9/2004	2.33 %	Sibling	2003-Present 1993-present	Director, CM Organizer Public Company Limited Deputy Managing Director, PM Center Co.,Ltd.
7. Mr. Pichet Turongkinanont	42	- BDA, Silpakorn University	0.07%	-	2005-Present 2008-Present	Deputy CEO and Managing Director, CM Organizer Plc. Managing Director, C-MEX Exhibition Co., Ltd.
8 Mr. Veeraboon Reangsrimun	38	MBA, Kasetsart University	-	-	2009-Present 2008 - 2009 2002 – 2008	Finance and Account Director, CM Organizer Plc. Finance Manager, HAVI Food (Thailand) Co., Ltd. Financial Controller, Givaudan (Thailand)
9. Ms. Panitda Klaimanee	42	- BA, Suan Dusit Rajabhat University	0.006%	-	2008-Present 1994 - 2008	Managing Director, CM Organizer Plc. Director, CM Organizer Plc.

CM Organizer Public Company Limited

11 Ms. Rungarunothai Sraikit	43	MA , National Institute of Development Administration	0.006 %	-	2008-Present 1993 - 2008	Managing Director, CM Organizer Plc. Director, CM Organizer Plc.
Name	Age	Education	No. of share (as at March 16, 2010)	Relationship	Working Experience last 5 years	
					Year	position
12 Ms. Kronthong Tonarree	39	Journalism and Mass Communication, Thammasat University	100 Stocks	-	2008-Present 2550 – 2551 2543-2550	Managing Director, CM Organizer Plc. Director, CM Organizer Plc. Manager, CM Organizer Plc.
13. Ms. Supaneewan Thanjitt	37	MA English Business, National Institute of Development Administration (NIDA)	0.003%	-	2008-Present 2550 – 2551 2545-2550	Managing Director, CM Organizer Plc. Director, CM Organizer Plc. Manager, CM Organizer Plc.

Attachment 1.2 Information of Board of Directors, Executive Managements and Director who have Authorize to Sign of CM Organizer Plc. and Subsidiaries as at December 31, 2010

Name	CM Organizer Plc.	S. Cubic Co., Ltd.	Subsidiaries					
			PM Center Co., Ltd.	The Eyes Co., Ltd.	Workmanship Set & Design Co., Ltd.	Bayon CM Organizer Co., Ltd.	M31 Co., Ltd.	Exposition Technology Co., Ltd.
1. Mr. Ratanavudh Vajarodaya	/, //, /////							
2. Mr. Sermkhun Kunawong	//, ///, ////	//, ///, ////	/, ////	/, ////	/, ////	//, ///, ////	/, ////	//, ////
3. Mrs. Suree Kunawong	//, ////	//, ///, ////	//, ///, ////	//, ////	//, ////		//, ////	//, ////
4. Ms. Ausaneev Kertpaengboonpracha	//		///					
5. Mr. Anant Gatpitaya	//, /////				//			
6. Associate Professor Joompol Rodcumdee	//, /////							
7. Mr. Pichet Turongkinanont	///				//, ///	///		
8. Mr. Veeraboon Reangsrimun	///							
9. Ms. Panitda Klaimanee	///							
10. Ms. Rungarunothai Sraikit	///							
11. Ms. Kronthong Tonarree	///							
12. Ms. Supaneewan Thanjitt	///							

Remark / = Chairman // = Committee /// = Executive Management //// = Directors who have authorize to sign ///// = Audit Committee

Attachment 2. Information of Subsidiaries as at December 31, 2010

Name	Subsidiaries					
	PM Center Co., Ltd.	The Eyes Co., Ltd.	Workmanship Set & Design Co., Ltd.	Bayon CM Organizer Co., Ltd.	Exposition Technology Co., Ltd.	M31 Co., Ltd.
1. Mr. Sermkhun Kunawong	/, ////	/, ////	/, ////	//, ///, ////	//, ////	//, ////
2. Mrs. Suree Kunawong	//, ///, ////	//, ////	//, ////		//, ////	//, ////
3. Ms. Ausaneev Kertpaengboonpracha	///				//	
4. Mr. Pichet Turongkinanont			//, ///	///		

Remark / = Chairman // = Committee /// = Executive Management //// = Directors who have authorize to sign ///// = Audit Committee

Attachment 3. Report of the Audit Committee 2010**Report of the Audit Committee 2010**

The Board of Directors of CM Organizer Public Company Limited appointed an Audit Committee comprising of three independent directors who are not the company's executives or employees. All directors are well-qualified persons in terms of the requirement of the SEC. The list of their names is as follows:

Assoc. Prof. Joompol Rodcumdee	Chairman
Mr. Anant Gatepithaya	Member
Mr. Ratanavudh Vajarodaya	Member

All audit committee members have knowledge, expertise and experience in the fields of mass communications, business administration, and finance. The secretary of the Audit Committee is Mr. Vuttiphan Tanamentanont.

During 2010, the Audit Committee members performed duties and responsibilities in accordance with the Audit Committee Charter. We were responsible for review of financial transactions to ensure compliance with accounting standards and disclosure of sufficient information. In addition, we ensured that the company had an appropriately efficient internal control system and considered a disclosure of information concerning the connected transactions. Operation of the Audit Committee was consistent with the guideline of the Stock Exchange of Thailand.


In the year 2010, the committee held four meetings and the attendance of the Audit Committee members was 92%. Each meeting included the external auditors, the Chief Financial Officer, and the internal auditor. Essences of the meetings are presented below.

1. Reviewed the quarterly and annual financial statements of CM Organizer Public Company Limited as well as the consolidated financial statements of CMO with CMO management. External auditors were invited to attend the meetings in order to give their opinions. Such the financial statements show financial status and operation result correctly and in consistence with the generally accepted accounting principles. Information significant to the financial statements has been disclosed in the notes to the financial statements to submit to the company's committee for approval before filing with the Stock Exchange of Thailand and the Securities and Exchange Commission.

2. Approved the internal audit plan and reviewed the performance of the auditing unit in terms of operation, report of the audit results, and monitoring including provided recommendations for efficient and effective practices.
3. Reviewed and evaluated the sufficiency of the internal control system as well as considered all reports of the internal audit in order to assure that the internal control system was efficient and suitable practices with current business circumstances and ensure that the company complied with the Securities and Exchange Act, the rules and regulations of the Stock Exchange of Thailand as well as other related laws.
4. Supported a good corporate governance policy by assigning delegates to attend the Principles of good corporate governance conference.
5. Considered and approved connected transactions between the company or its subsidiaries and related parties to ensure that the company complied with the regulations of the Stock Exchange of Thailand and Securities and Exchange Commission.
6. Assessed the company's risk and reported to the Board of Directors for necessary actions.
7. Considered, selected, submitted, and appointed the company's auditor for the year 2011. The selected auditor is ANS Audit Co., Ltd. Result of the selection will be submitted to the meeting of the shareholders.

The Audit Committee regularly submitted all minutes of the meetings to the Board of Directors. In the opinion of the Audit Committee, during the year 2010 the company has had a good business supervision system in accordance with the corporate governance principles and appropriate and sufficient internal control system. The internal control system has presented no transactions that essentially affected the company. Results have been reported to the company's committee.

On behalf of the Audit Committee


.....
Assoc. Prof. Joompol Rodcumdee
Chairman, Audit Committee