

**Part 3**  
**Financial Statements and Operational Performance**

**13 Financial Highlight****13.1 Auditors**

2013-2014	Mr.Paiboon Tunkoon	Certified public accountant registration No. 4298 PricewaterhouseCoopers ABAS Limited
Or	Miss. Sakuna Yamsakul	Certified public accountant registration No. 4906 PricewaterhouseCoopers ABAS Limited
Or	Mrs.Anothai Leekitwattana	Certified public accountant registration No. 3442 PricewaterhouseCoopers ABAS Limited
2012	Mr.Boonlert Kamolchanokkul	Certified public accountant registration No. 5339 PricewaterhouseCoopers ABAS Limited
Or	Mrs.Anothai Leekitwattana	Certified public accountant registration No. 3442 PricewaterhouseCoopers ABAS Limited
Or	Mrs. Unakorn Phruithithada	Certified public accountant registration No. 3257 PricewaterhouseCoopers ABAS Limited

**13.2 Audit report 2014**

In the auditor's report on the audited consolidated and company financial statements for year 2014 by Mr. Paiboon Tunkoon, Certified Public Accountant registration No. 4298, PricewaterhouseCoopers ABAS Limited, it is the auditor's opinion that the consolidated and company financial statements present fairly, in all material respects, the consolidated and company financial position as at 31 December 2014 and the results of operations and cash flows for the year, in accordance with generally accepted accounting principles.

13.3 Table showing the Company's performance over the past three years

STATEMENTS OF FINANCIAL POSITION ; AS AT DECEMBER 31, 2012 2013 and 2014 (ASSETS)

	Company Only						Consolidated					
	2012	%	2013	%	2014	%	2012	%	2013	%	2014	%
	Baht ' 000		Baht ' 000		Baht ' 000		Baht ' 000		Baht ' 000		Baht ' 000	
<b>Current assets</b>												
Cash and cash equivalents	61,077	6.19%	193,190	25.50%	187,723	21.78%	740,015	71.82%	479,381	60.54%	565,164	75.99%
Short-term investments	-		-	-	-		112,209	10.89%	142,498	18.00%	-	
Accounts and notes receivable, net	20,416	2.07%	-	-	-		32,981	3.20%	13,369	1.69%	15,386	2.07%
Investment in non-performing assets, net	-		-	-	-		2,469	0.24%	-		-	
Amount due from related companies	313	0.03%	8,885	1.17%	312	0.04%	-		-		-	
Short-term loans to related companies, net	10,400	1.05%	3,000	0.40%	-		-		-		-	
Short-term loans to other companies	2,451	0.25%	-		100,000	11.60%	26,451	2.57%	84,393	10.66%	100,000	13.45%
Other current assets, net	2,050	0.21%	2,641	0.35%	3,879	0.45%	10,331	1.00%	12,955	1.64%	13,596	1.83%
<b>Total current assets</b>	<b>96,707</b>	<b>9.81%</b>	<b>207,716</b>	<b>27.42%</b>	<b>291,914</b>	<b>33.87%</b>	<b>924,456</b>	<b>89.72%</b>	<b>732,596</b>	<b>92.52%</b>	<b>694,146</b>	<b>93.34%</b>
<b>Non-current assets</b>												
Long-term loan to related companies	14,950	1.52%	-		-		-		-		-	
Long-term loan to other companies, net	4,969	0.50%	-		-		4,969	0.48%	-		-	
Investment in subsidiary companies, net	828,992	84.08%	517,637	68.34%	545,553	63.30%	-		-		-	
Long-term investments	-		-		-		30,000	2.91%	-		-	
Leasehold improvements and equipment, net	31,717	3.22%	25,734	3.40%	18,670	2.17%	45,731	4.44%	38,930	4.92%	31,819	4.28%
Intangible assets, net	2,859	0.29%	2,203	0.29%	1,833	0.21%	4,977	0.48%	3,973	0.50%	4,107	0.55%
Deferred tax assets	-		-		-		1,813	0.18%	-		-	
Other non-current assets, net	5,817	0.59%	4,197	0.55%	3,900	0.45%	18,400	1.79%	16,285	2.06%	13,633	1.83%
<b>Total non-current assets</b>	<b>889,304</b>	<b>90.19%</b>	<b>549,771</b>	<b>72.58%</b>	<b>569,956</b>	<b>66.13%</b>	<b>105,890</b>	<b>10.28%</b>	<b>59,188</b>	<b>7.48%</b>	<b>49,559</b>	<b>6.66%</b>
<b>Total assets</b>	<b>986,011</b>	<b>100.00%</b>	<b>757,487</b>	<b>100.00%</b>	<b>861,870</b>	<b>100.00%</b>	<b>1,030,346</b>	<b>100.00%</b>	<b>791,784</b>	<b>100.00%</b>	<b>743,705</b>	<b>100.00%</b>

**STATEMENTS OF FINANCIAL POSITION (Cont'd)**  
**AS AT DECEMBER 31, 2012, 2013 and 2014 (Liabilities and Shareholders' Equity)**

	Company Only						Consolidated					
	2012	%	2013	%	2014	%	2012	%	2013	%	2014	%
	Baht ' 000		Baht ' 000		Baht ' 000		Baht ' 000		Baht ' 000		Baht ' 000	
<b>Liabilities and shareholders' equity</b>												
<b>Current liabilities</b>												
Amount due to related companies	107,644	10.92%	41	0.01%	466	0.05%	-	-	-	-	-	-
Current portion of long-term loan												
from related company	18,000	1.83%	-	-	-	-	-	-	-	-	-	-
Short-term borrowing from related company	-	-	-	-	200,000	23.21%	-	-	-	-	-	-
Current portion of financial lease contracts	4,178	0.42%	4,002	0.53%	1,097	0.13%	4,847	0.47%	4,705	0.59%	1,835	0.25%
Other current liabilities	4,108	0.42%	1,092	0.14%	1,573	0.18%	26,278	2.55%	23,108	2.92%	20,339	2.73%
<b>Total current liabilities</b>	<b>133,930</b>	<b>13.58%</b>	<b>5,135</b>	<b>0.68%</b>	<b>203,136</b>	<b>23.57%</b>	<b>31,125</b>	<b>3.02%</b>	<b>27,813</b>	<b>3.51%</b>	<b>22,174</b>	<b>2.98%</b>
<b>Non-current liabilities</b>												
Liabilities under financial lease contracts, net	4,408	0.45%	2,321	0.31%	1,100	0.13%	6,119	0.59%	3,330	0.42%	1,371	0.18%
Long-term loans from financial institutions	-	-	-	-	-	-	2,584	0.25%	3,236	0.41%	-	-
Long-term loans from related companies	760,000	77.08%	-	-	-	-	-	-	-	-	-	-
Deferred tax liabilities	-	-	-	-	-	-	158	0.02%	158	0.02%	-	-
Employee benefits Obligations	5,928	0.60%	7,259	0.96%	7,472	0.87%	9,831	0.95%	12,874	1.63%	14,685	1.97%
Other liabilities	2,912	0.30%	1,310	0.17%	1,310	0.15%	12,097	1.17%	10,700	1.35%	8,811	1.18%
<b>Total non-current liabilities</b>	<b>773,248</b>	<b>78.42%</b>	<b>10,890</b>	<b>1.44%</b>	<b>9,882</b>	<b>1.15%</b>	<b>30,789</b>	<b>2.99%</b>	<b>30,298</b>	<b>3.83%</b>	<b>24,867</b>	<b>3.34%</b>
<b>Total liabilities</b>	<b>907,178</b>	<b>92.00%</b>	<b>16,025</b>	<b>2.12%</b>	<b>213,018</b>	<b>24.72%</b>	<b>61,914</b>	<b>6.01%</b>	<b>58,111</b>	<b>7.34%</b>	<b>47,041</b>	<b>6.33%</b>

**STATEMENTS OF FINANCIAL POSITION (Cont'd)**  
**AS AT DECEMBER 31, 2012, 2013 and 2014 (Liabilities and Shareholders' Equity)**

	Company Only						Consolidated					
	2012		2013		2014		2012		2013		2014	
	Baht ' 000	%	Baht ' 000	%	Baht ' 000	%	Baht ' 000	%	Baht ' 000	%	Baht ' 000	%
<b>Shareholders' equity</b>												
Authorised, issued and paid-up share capital												
125,000,000 ordinary shares of												
Baht 1 each	125,000	12.68%	125,000	16.50%	125,000	14.50%	125,000	12.13%	125,000	15.79%	125,000	16.81%
Premium on share capital	337,742	34.25%	337,742	44.59%	337,742	39.19%	337,742	32.78%	337,742	42.66%	337,742	45.41%
Retained earnings (deficit)												
Appropriated	12,500	1.27%	12,500	1.65%	12,500	1.45%	12,500	1.21%	12,500	0.02	12,500	1.68%
Unappropriated	(396,409)	-40.20%	266,220	35.15%	173,610	20.14%	499,510	48.48%	266,924	33.71%	223,948	30.11%
Other components of equity	-		-		-		(2,484)	-0.24%	(2,146)	-0.27%	(2,502)	-0.34%
Equity attributable to owners of the parent	78,833	8.00%	741,462	97.88%	648,852	75.28%	972,268	94.36%	740,020	93.46%	696,688	93.68%
Non-controlling interests	-		-		-	0.00%	(3,836)	-0.37%	(6,347)	-0.80%	(24)	0.00%
<b>Total shareholders' equity</b>	<b>78,833</b>	<b>8.00%</b>	<b>741,462</b>	<b>97.88%</b>	<b>648,852</b>	<b>75.28%</b>	<b>968,432</b>	<b>93.99%</b>	<b>733,673</b>	<b>92.66%</b>	<b>696,664</b>	<b>93.67%</b>
<b>Total liabilities and shareholders' equity</b>	<b>986,011</b>	<b>100.00%</b>	<b>757,487</b>	<b>100.00%</b>	<b>861,870</b>	<b>100.00%</b>	<b>1,030,346</b>	<b>100.00%</b>	<b>791,784</b>	<b>100.00%</b>	<b>743,705</b>	<b>100.00%</b>

**STATEMENTS OF COMPREHENSIVE INCOME  
FOR THE YEARS ENDED DECEMBER 31, 2012, 2013 AND 2014**

	Company Only						Consolidated					
	2012	%	2013	%	2014	%	2012	%	2013	%	2014	%
	Baht ' 000		Baht ' 000		Baht ' 000		Baht ' 000		Baht ' 000		Baht ' 000	
Revenues												
Service income	71,327	79.63%	3,832	0.47%	-		168,923	72.23%	104,239	73.36%	89,679	53.62%
Interest income from NPL	-		-		-		22,480	9.61%	-		-	
Dividend income	-		795,720	96.88%	-		-		-		-	
Other income	18,251	20.37%	21,830	2.66%	53,507	100.00%	42,473	18.16%	37,855	26.64%	77,555	46.38%
<b>Total revenues</b>	<b>89,578</b>	<b>100.00%</b>	<b>821,382</b>	<b>100.00%</b>	<b>53,507</b>	<b>100.00%</b>	<b>233,876</b>	<b>100.00%</b>	<b>142,094</b>	<b>100.00%</b>	<b>167,234</b>	<b>100.00%</b>
Expenses												
Cost of services, asset management and loans	33,280	37.15%	7,025	0.86%	567	1.06%	124,984	53.44%	106,636	75.05%	81,140	48.52%
Administrative expenses	192,923	215.37%	89,226	10.86%	125,223	234.03%	147,853	63.22%	119,961	84.42%	110,523	66.09%
Management remunerations	22,395	25.00%	20,444	2.49%	16,851	31.49%	22,395	9.58%	20,484	14.42%	16,951	10.14%
Reversal of allowance for impairment on investment in subsidiary	-		(97,145)	-11.83%	-		-		-		-	
<b>Total expenses</b>	<b>248,598</b>	<b>277.52%</b>	<b>19,550</b>	<b>2.38%</b>	<b>142,641</b>	<b>266.58%</b>	<b>295,232</b>	<b>126.23%</b>	<b>247,081</b>	<b>173.89%</b>	<b>208,614</b>	<b>124.74%</b>
Profit (loss) before financial costs and income tax	(159,020)	-177.52%	801,832	97.62%	(89,134)	-166.58%	(61,356)	-26.23%	(104,987)	-73.89%	(41,380)	-24.74%
Financial costs	61,074	68.18%	14,203	1.73%	3,476	6.50%	4,317	1.85%	1,186	0.83%	316	0.19%
Profit (loss) before income tax	(220,094)	-245.70%	787,629	95.89%	(92,610)	-173.08%	(65,673)	-28.08%	(106,173)	-74.72%	(41,696)	-24.93%
Income tax	-		-		-		19,436	8.31%	4,206	2.96%	441	0.26%
<b>Net profit (loss) for the year</b>	<b>(220,094)</b>	<b>-245.70%</b>	<b>787,629</b>	<b>95.89%</b>	<b>(92,610)</b>	<b>-173.08%</b>	<b>(85,109)</b>	<b>-36.39%</b>	<b>(110,379)</b>	<b>-77.68%</b>	<b>(42,137)</b>	<b>-25.20%</b>

**STATEMENTS OF COMPREHENSIVE INCOME (Cont'd)  
FOR THE YEARS ENDED DECEMBER 31, 2012, 2013 AND 2014**

	Company Only						Consolidated					
	2012 Baht ' 000	%	2013 Baht ' 000	%	2014 Baht ' 000	%	2012 Baht ' 000	%	2013 Baht ' 000	%	2014 Baht ' 000	%
<b>Other comprehensive income (loss)</b>												
Exchange differences on translating F/S	-		-		-		110	0.05%	620	0.44%	(281)	-0.17%
Other comprehensive loss, net of tax	-		-		-		110	<b>0.05%</b>	620	<b>0.44%</b>	-	
<b>Total comprehensive income (loss)</b>	<b>(220,094)</b>	<b>-245.70%</b>	<b>787,629</b>	<b>95.89%</b>	<b>(92,610)</b>	<b>-173.08%</b>	<b>(84,999)</b>	<b>-36.34%</b>	<b>(109,759)</b>	<b>-77.24%</b>	<b>(42,418)</b>	<b>-25.36%</b>
<b>Profit (loss) attributable to:</b>												
Shareholders of the parent	(220,094)	-245.70%	787,629	95.89%	(92,610)	-173.08%	(79,480)	-33.98%	(107,586)	-75.71%	(42,976)	-25.70%
Non-controlling interests	-		-		-		(5,629)	-2.41%	(2,793)	-1.97%	839	0.50%
	<b>(220,094)</b>	<b>-245.70%</b>	<b>787,629</b>	<b>95.89%</b>	<b>(92,610)</b>	<b>-173.08%</b>	<b>(85,109)</b>	<b>-36.39%</b>	<b>(110,379)</b>	<b>-77.68%</b>	<b>(42,137)</b>	<b>-25.20%</b>
<b>Total comprehensive income (loss) attributable to:</b>												
Shareholders of the parent	(220,094)	-245.70%	787,629	95.89%	(92,610)	-173.08%	(79,479)	-33.98%	(107,248)	-75.48%	(43,332)	-25.91%
Non-controlling interests	-		-		-		(5,520)	-2.36%	(2,511)	-1.77%	914	0.55%
	<b>(220,094)</b>	<b>-245.70%</b>	<b>787,629</b>	<b>95.89%</b>	<b>(92,610)</b>	<b>-173.08%</b>	<b>(84,999)</b>	<b>-36.34%</b>	<b>(109,759)</b>	<b>-77.24%</b>	<b>(42,418)</b>	<b>-25.36%</b>
<b>Basic earnings (loss) per shar</b>	<b>(1.76)</b>		<b>6.30</b>		<b>(0.74)</b>		<b>(0.68)</b>		<b>(0.88)</b>		<b>(0.34)</b>	

## STATEMENTS OF CASH FLOWS (Cont'd) ; FOR THE YEARS ENDED DECEMBER 31, 2012 2013 AND 2014

	Company Only			Consolidated		
	2012	2013	2014	2012	2013	2014
	Baht ' 000	Baht ' 000	Baht ' 000	Baht ' 000	Baht ' 000	Baht ' 000
<b>Cash flows from operating activities</b>						
Profit (loss) before income tax	(220,094)	787,629	(92,610)	(65,673)	(106,173)	(41,696)
Adjustment for :						
Depreciation and amortisation	9,195	7,642	6,042	14,699	13,648	10,458
Interest income	(4,736)	(8,324)	(11,354)	(41,060)	(23,686)	(21,741)
Interest expense	60,422	13,756	3,227	3,584	-	-
Interest expense from finance leases	652	447	248	733	548	316
Dividend income	(9,804)	(795,720)	-	-	-	-
Loss on impairment/written off withholding tax assets	3,299	785	161	5,791	4,900	3,313
Impairment loss from investments in subsidiaries (reversal)	117,217	(97,145)	35,427	-	-	-
unrealised loss (gain) on investment in fair value	-	-	-	(2,160)	1,489	-
Loss on impairment of loans (reversal)	7,300	31,613	43,800	9,800	(9,800)	-
Loss on loan forgiveness	-	13,726	-	-	13,726	-
Gain on forgiveness of borrowings from financial institution	-	-	-	-	-	(2,310)
Gain from sale of investment	(751)	-	(39,504)	(12,052)	(2,278)	(41,325)
Gain from sale of subsidiary	-	(9,000)	-	-	(129)	-
Gain on disposal/impairment/write-off assets	(1,157)	(1,016)	420	(624)	(1,196)	3,921
Realised (Gain) loss on foreign currencies translation	1,473	(2,963)	(113)	1,396	(1,833)	(116)
Unrealised loss on foreign exchange translation	-	-	-	109	622	(366)
Provision for employee benefits	699	1,331	3,892	2,203	3,393	5,992

STATEMENTS OF CASH FLOWS (Cont'd) ; FOR THE YEARS ENDED DECEMBER 31, 2012 2013 AND 2014

	Company Only			Consolidated		
	2012 Baht ' 000	2013 Baht ' 000	2014 Baht ' 000	2012 Baht ' 000	2013 Baht ' 000	2014 Baht ' 000
Loss on reversal of assets, liabilities and non-controlling interests	-	-	-	-	-	4,550
Bad debt and allowance for doubtful account	-	-	-	-	-	1,220
Reversal on provision on dismantling cost	-	(1,602)	-	-	(1,602)	-
Profit (loss) from operating activities before changes in operating assets and liabilities	(36,285)	(58,841)	(50,364)	(83,254)	(108,371)	(77,784)
(Increase) decrease in operating assets						
Accounts and notes receivable	34,359	20,416	-	32,851	19,587	(3,476)
<b>Investment in non-performing assets</b>	-	-	-	(2,469)	-	-
<b>Amount due from - related companies</b>	(109)	(50)	(100)	-	-	-
Other receivables	228	-	(1)	245	-	-
Other current assets	530	679	(66)	2,579	(9)	(929)
Other non-current assets	114	118	297	306	613	347
Increase (decrease) in operating liabilities						
Amount due to related companies	(482)	(15)	-	-	-	-
Other current liabilities	(1,186)	(1,490)	(3,678)	(12,012)	(4,132)	(5,364)
Other non-current liabilities	-	-	481	(435)	(73)	(4,183)
Cash generated from (used in) operation before						
Interest and income tax received (paid)	(2,831)	(39,183)	(53,431)	(62,189)	(92,385)	(91,389)
Interest income received	4,703	2,582	10,186	48,117	18,483	22,278
Interest expense paid excluding finance lease contracts	(2,939)	(121,345)	(2,803)	-	-	-
Income tax paid	(3,299)	(785)	(161)	(5,791)	(4,900)	(4,916)
<b>Net cash provided by (used in) operating activities</b>	<b>(4,366)</b>	<b>(158,731)</b>	<b>(46,209)</b>	<b>(19,863)</b>	<b>(78,802)</b>	<b>(74,027)</b>



**STATEMENTS OF CASH FLOWS (Cont'd) ; FOR THE YEARS ENDED DECEMBER 31, 2012 2013 AND 2014**

	Company Only			Consolidated		
	2012 Baht ' 000	2013 Baht ' 000	2014 Baht ' 000	2012 Baht ' 000	2013 Baht ' 000	2014 Baht ' 000
<b>Cash flows from investing activities</b>						
Purchase of short-term investment	(15,342)	-	(93,107)	(128,550)	(4,500)	(119,589)
Short-term loans made to related companies	(169,000)	(20,500)	-	-	-	-
Short-term loans made to other company	-	-	(200,000)	-	(65,000)	(230,000)
Long-term loans made to related companies	(3,899)	(9,800)	(43,800)	-	-	-
Purchase of long-term investment	-	-	-	(30,000)	-	-
Cash paid for increase of issuing share of subsidiaries	(2,000)	(4,000)	-	-	-	-
Cash paid for acquisition of minority interest of a subsidiary	-	-	(66,602)	-	-	-
Purchase of building improvement, equipment and intangible assets	(98)	(1,242)	(61)	(6,950)	(7,184)	(4,508)
Proceeds from disposal of short-term investment	31,004	-	132,611	36,005	5,000	303,412
Proceeds from disposal of investment in subsidiary	-	9,000	-	-	2,584	-
Cash received from share capital reduction of investment in subsidiary	-	412,500	3,259	-	-	-
Proceeds from disposal of long-term investment	-	-	-	11,332	-	-
Proceeds from short-term loans to other companies	-	-	100,000	6,000	10,664	214,393
Loan repayment received from short-term loans to related companies	161,100	14,400	3,000	-	-	-
Loan repayment received from long-term loans to other companies	13,277	6,057	-	13,277	-	-
Proceeds from disposal of building improvement equipment and intangible assets	3,935	3,419	1,033	3,935	4,762	1,133
Dividend received from investment in subsidiaries	9,804	787,050	8,670	-	-	-
<b>Net cash provided by (used in) investing activities</b>	<b>28,781</b>	<b>1,196,884</b>	<b>(154,997)</b>	<b>(94,951)</b>	<b>(53,674)</b>	<b>164,841</b>

**STATEMENTS OF CASH FLOWS (Cont'd) ; FOR THE YEARS ENDED DECEMBER 31, 2012 2013 AND 2014**

	Company Only			Consolidated		
	2012 Baht ' 000	2013 Baht ' 000	2014 Baht ' 000	2012 Baht ' 000	2013 Baht ' 000	2014 Baht ' 000
<b>Cash flows from financing activities</b>						
Payment on short-term borrowing from related companies	(152,000)	(913,588)	-	-	-	-
Proceeds from long-term borrowings from financial institutions	-	-	-	706	653	-
Cash paid on long-term loans from related companies	-	(760,000)	-	-	-	-
Proceeds from short-term borrowings from related companies	150,000	895,588	200,000	-	-	-
Dividend paid	-	(125,000)	-	-	(125,000)	-
Payment on liabilities under financial lease contracts	(6,767)	(4,873)	(4,374)	(8,177)	(5,644)	(5,144)
<b>Net cash provided by (used in) financing activities</b>	<b>(8,767)</b>	<b>(907,873)</b>	<b>195,626</b>	<b>(7,471)</b>	<b>(129,991)</b>	<b>(5,144)</b>
Net increase (decrease) in cash and cash equivalents	15,648	130,280	(5,580)	(122,285)	(262,467)	85,670
<b>Cash and cash equivalents at beginning of the year</b>	<b>47,114</b>	<b>61,077</b>	<b>193,190</b>	<b>864,437</b>	<b>740,015</b>	<b>479,381</b>
<b>Exchange gain (loss) on cash</b>	<b>(1,685)</b>	<b>1,833</b>	<b>113</b>	<b>(2,137)</b>	<b>1,833</b>	<b>113</b>
<b>Cash and cash equivalents at end of the year</b>	<b>61,077</b>	<b>193,190</b>	<b>187,723</b>	<b>740,015</b>	<b>479,381</b>	<b>565,164</b>
<b>Non-cash transactions ; Purchase equipment under financial lease contracts</b>	-	2,164	-	3,710	2,164	-
<b>Purchase of leasehold improvements</b>	-	-	-	-	-	1,224
<b>Reversal of dismantling cost</b>	1,941	-	-	3,354	61	-
<b>Provision on dismantling cost</b>	-	-	-	-	-	972
Reclassification of long-term investment to short-term investment	-	-	-	674	30,000	-
Reclassification of current asset to non-current asset	-	-	-	7,500	-	-
Reclassification of non-current asset to current asset	-	1,500	-	-	1,500	372
Reclassification of current liability to non-current liability	-	-	-	7,500	-	925
Dividend receivable	-	8,670	-	-	-	-

**Ratio Analysis**

	Company Only						Consolidated					
	2012		2013		2014		2012		2013		2014	
<b><u>Liquidity Ratio</u></b>												
Current Ratio	0.72	Times	40.45	Times	1.44	Times	29.70	Times	26.34	Times	31.30	Times
Quick Ratio	0.61	Times	37.62	Times	0.92	Times	28.44	Times	22.84	Times	26.18	Times
Cash Flows Liquidity Ratio	-0.04	Times	-2.28	Times	-0.44	Times	-0.53	Times	-2.67	Times	-2.96	Times
Accounts Receivable Turnover	1.90	Times	0.38	Times	n.a.	Times	3.60	Times	4.50	Times	6.24	Times
Day Receivable	190	Days	959	Days	n.a.	Days	100	Days	80	Days	58	Days
Accounts Payable Turnover	n.a.	Times	n.a.	Times	n.a.	Times	n.a.	Times	n.a.	Times	n.a.	Times
Repayment Period	n.a.	Days	n.a.	Days	n.a.	Days	n.a.	Days	n.a.	Days	n.a.	Days
Cash Cycle	n.a.	Days	n.a.	Days	n.a.	Days	n.a.	Days	n.a.	Days	n.a.	Days
<b><u>Profitability Ratio</u></b>												
Gross Profit Margin	53.34	%	99.12	%	n.a.	%	34.70	%	-2.30	%	9.52	%
Earnings Before Interest and Tax Ratio	-217.14	%	87.96	%	n.a.	%	-42.55	%	-117.38	%	-113.72	%
Other Profit Margin	20.37	%	2.66	%	100.00	%	18.16	%	26.64	%	46.38	%
Cash per Earnings Margin	0.03	Times	-0.23	Times	0.37	Times	0.24	Times	0.64	Times	0.73	Times
Net Profit Margin	-245.70	%	95.89	%	-173.08	%	-33.98	%	-75.71	%	-25.70	%
Return on Equity	-116.53	%	192.04	%	-13.32	%	-7.85	%	-12.57	%	-5.98	%
<b><u>Efficiency Ratio</u></b>												
Return on Total Assets	-20.51	%	90.35	%	-11.44	%	-7.39	%	-11.81	%	-5.60	%
Return on Fixed Assets	-581.30	%	2768.52	%	-389.91	%	-138.42	%	-221.92	%	-91.92	%
Assets Turnover	0.08	Times	0.94	Times	0.07	Times	0.22	Times	0.16	Times	0.22	Times

**Ratio Analysis (Cont'd)**

	Company Only						Consolidated					
	2012		2013		2014		2012		2013		2014	
<b><u>Financial Policy Ratio</u></b>												
Debt per Equity Ratio	11.51	Times	0.02	Times	0.33	Times	0.06	Times	0.08	Times	0.07	Times
Interest Coverage Ratio	-4.60	Times	54.46	Times	-27.64	Times	-14.91	Times	-88.17	Times	-135.60	Times
Ability to pay cash basis	-0.73	Times	-1.13	Times	-0.42	Times	-0.54	Times	-0.60	Times	-16.42	Times
Dividend pay out Ratio	0.00	%	15.87	%	0.00	%	0.00	%	-113.64	%	0.00	%
<b><u>Growth Ratio</u></b>												
Total Assets	-14.98	%	-23.18	%	13.78	%	-8.08	%	-23.15	%	-6.07	%
Total Liability	5.39	%	-98.23	%	1229.29	%	-8.19	%	-6.14	%	-19.05	%
Income from services	-45.93	%	-94.63	%	-100.00	%	-28.56	%	-45.54	%	-13.97	%
Selling and Administrative Expenses	41.40	%	-53.75	%	40.34	%	-59.63	%	-18.86	%	-7.87	%
Net Profit (Loss) Ratio	99.67	%	-457.86	%	-111.76	%	-120.22	%	35.36	%	-60.05	%
<b><u>Data Per Share</u></b>												
Book Value per share	0.63	Baht	5.93	Baht	5.19	Baht	7.75	Baht	5.87	Baht	5.57	Baht
Earning (Loss) per share	-1.76	Baht	6.30	Baht	-0.74	Baht	-0.68	Baht	-0.88	Baht	-0.34	Baht
Dividend per share	0.00	Baht	1.00	Baht	0.00	Baht	0.00	Baht	1.00	Baht	0.00	Baht

## 14. Financial Status and Operating Results Analysis

### 14.1 Operation overview and significant changes during the past year

In the previous year there was no further change to business operation of the Company and its subsidiaries, i.e. the Company and its subsidiaries did not have any new investment or work assignment in material aspect due to business-related reason, both in term of remunerations or risk of investment, which was not sufficiently favorable or attractive. Another reason was because there was a change to major shareholding structure in the previous year in that Dr. Vivat Vithoontien, Chief Executive Officer of the Company, who was a major shareholder holding approximately 49 per cent of the total shares, reduced his shareholding proportion to approximately 8 per cent, and there was a group of new shareholders, while concurrently there was a change to the directorship structure. The previous year was, therefore, in the process of ascertaining executive structure adjustment and laying of direction for business operation in order to generate earnings to the business of the Company and its subsidiaries.

In respect of business operation result in 2014 when compared with that of 2013, the financial statement presented total assets of 743.70 million Baht, decreasing by approximately 48.08 million Baht, total liabilities of 47.04 million Baht, decreasing by approximately 11.07 million Baht, shareholders' equity of the parent company of 696.69 million Baht, decreasing by approximately 43.33 million Baht, total revenues of 167.23 million Baht, increasing by approximately 25.14 million Baht, total expenditures of 208.61 million Baht, decreasing by approximately 38.47 million Baht, loss from shareholders' equity of the parent company of 42.98 million Baht, decreasing by 64.61 million Baht. The main reason why the Company had improving revenues, expenditures, profits and shareholders' equity, though still suffering loss but at a lower rate than that of the previous year, was because the Company had increasing revenues from business operation while employee structure was adjusted after 2013 to be consistent with the work volume, particularly in respect of the decreasing asset management business to control the expenditures, which resulted in the decrease of the Company's expenditures in 2014. Details of business operation could be summarized as follows.

### 14.2 Operating results for the past year can be summarised as follows:

- **Revenues**

As per the 2014 consolidated financial statement, the Company and subsidiaries had total revenues of 167.23 million Baht, increasing by approximately 25.14 million Baht or 17.69 per cent from 2013. Sources of revenues were as follows.

*Revenues from provision of services* were from provision of various services such as financial and investment banking advisory services recognized as monthly retainer fees and success fees, general legal advisory services, and Call Center services, were recognized as per individual contracts, and revenues from non-performing asset port management contracts by the Company and subsidiaries, recognized in the following formats.

- Revenues from remunerations for operation expenses (Base Fee), collectable by the Company from employers on a monthly basis.

- Revenues in the form of percentage sharing from the amounts received by the Company from debtors and/or from sales of securities (Cash Collection Fee), payable on quarterly basis. The Company would present as accrued revenues at the end of the quarter and convert them when the Company issued bills.

- Revenues from provision of legal advisory services in connection with asset management business by subsidiaries.

Most of the revenues from provision of services in 2014 of 89.68 million, approximately 57.17 million Baht were earned from Call Center services and approximately 22.90 million Baht from debt collection service. The remaining revenues were earned from provision of advisory services, e.g. approximately 8.90 million Baht from financial and investment banking advisory services, approximately 0.52 million Baht from legal advisory services, etc. When compared with those of 2013, revenues from provision of services decreased by approximately 14.56 million Baht, or 13.97 per cent, mostly due to loss of revenues from non-performing asset port management contracts of a subsidiary in Malaysia because the contracts were expired and the Company closed the subsidiary at the end of 2013. Others were decreases in revenues from provision of other services, for example, in 2013 revenue from Call center services was approximately 71.08 million Baht, revenue from provision of financial and investment banking advisory services was approximately 9.01 million Baht, which were higher than those in 2014.

*Other revenues* in 2014 were 77.55 million Baht, increasing from those of 2013, because the Company profited from sale of short-term investment of approximately 41.71 million Baht, while other revenues, e.g. approximately 21.74 million Baht from bank deposit interest and returns from loans, decreasing by approximately 1.94 million Baht, approximately 944 million Baht from reversal of unidentified account receivables, increasing by approximately 7.04 million Baht, approximately 2.00 million Baht from loan provision, increasing by approximately 0.50 million Baht. Remaining revenues were profits from sales of assets, unrealized profit from exchange rate, etc. Other revenues in 2013 were 37.86 million Baht, mostly from bank deposit interest of approximately 19.91 million Baht, returns of approximately 3.77 million Baht from loans, profits of approximately 2.42 million from sales of assets, unrealized profits of approximately 2.96 million Baht from exchange rate, loan agreement extension fees of approximately 1.50 million Baht, approximately 2.40 million Baht from reversal of unidentified account receivables, profit of 0.50 million Baht from sales of liabilities, compensation of approximately 0.70 million Baht, gain on open fund of approximately 1.90 million Baht, respectively.

#### ***Cost of Service and Administrative Expenses***

Service cost in 2014 was 81.14 million Baht, mostly incurred from personnel expenses of approximately 76.43 million Baht or 91.20 per cent. Said cost was decreasing by approximately 25.50 million Baht, or 23.91 per cent, when compared with that of the preceding year.

Sales and administrative expenses in 2014 were 110.52 million Baht, mostly incurred from personnel expenses of approximately 41.23 million Baht, rents of 18.26 million Baht, advisory fees of 3.70 million Baht, depreciation and amortization of 10.46 million Baht, provision for employee benefits of 5.99 million Baht, impairment loss from withholding tax of 3.30 million Baht, respectively, decreasing by approximately 9.44 million Baht or 7.87 per cent, which was deemed a slight decrease when compared with that of the preceding year, similar to management remunerations of 16.95 million Baht in 2014 which was slightly decreasing from that of the preceding year.

**Net Profit (loss)**

The net profits (loss) of the Company and its subsidiaries for 2013 and 2014 were as follows:

	2013		2014	
	THB (million)	% compared to total revenues	THB (million)	% compared to total revenues
Gross Profit	(2.40)	(1.69)	8.54	5.11
EBITDA	(104.99)	(73.89)	(41.38)	(24.74)
Net Profit attributable to shareholders of the parent	(107.59)	(75.72)	(42.98)	(25.70)

In 2014 the Company and subsidiaries had gross profit of 8.54 million Baht, increasing by 10.94 million Baht, with loss before interest expenses and income tax of 41.38 million Baht, decreasing by 63.61 million Baht, and net loss in shareholders' equity of the parent company of 42.98 million Baht, decreasing by 64.61 million Baht. When compared with those of 2013 the Company and subsidiaries had decreasing loss due to increase in other revenues earned from profit from sales of short-term investment coupled with the decrease of approximately 38.47 million Baht in expenditures, thus causing the net loss per share to decrease from 0.68 Baht to 0.34 Baht and negative return on equity (ROE) to decrease from 12.57% to -5.98% and negative return on assets (ROA) to decrease from -11.81% to -5.60%.

**14.3 Financial Status of the Company and its Subsidiaries**

- **Assets, liabilities and shareholders' equity**

**Assets**

At the end of 2014 the Company and subsidiaries had total assets of 743.71 million Baht as per the consolidated financial statement, mostly comprising cash and cash equivalents of approximately 565.16 million Baht or 75.99 per cent of the assets, short-term loans to other companies of approximately 100.00 million Baht net, or 13.45 per cent of the assets, respectively.

The increase of 85.78 million Baht in cash and cash equivalents in 2014 compared with the preceding year was because in the previous year the Company and subsidiaries had net cash used in operating activities of 74.03 million Baht and net cash used in investing activities of 74.03 million Baht, with net cash gained from investing activities of 164.84 million Baht, net cash used in financing activities of 5.14 million Baht, and profit from exchange rate of 0.11 million Baht.

Short-term loans to other companies of 100.00 million Baht, increasing by approximately 15.61 million Baht when compared with that of the preceding year, because the Company granted a loan to a customer with repayment scheduled for early 2015.

Building improvements and equipments were 31.82 million Baht, slightly decreasing by 7.11 million Baht, which comprised assets used in operation, mostly were office equipments, furniture and fixtures, computers, vehicles. The decrease in building improvements was due to depreciation of each item of the assets.

Trade account receivables and note receivables were 15.39 million Baht, decreasing by 2.02 million Baht, which was close to that of the preceding year. However, the Company and subsidiaries have provided allowance for doubtful account of said trade account receivable in the amount of 15.48 million Baht as illustrated in the table below.

	Consolidated		Company Only	
	2013	2014	2013	2014
	THB (thousand)	THB (thousand)	THB (thousand)	THB (thousand)
<b>Accounts receivable</b>				
Accrued income	6,589	11,283	-	-
Undue and up to 30 days	5,237	4,022	-	-
Overdue 30 days but not over 180 days	1,043	80	-	-
Overdue 180 days but not over 1 year	-	320	-	-
Overdue more than 1 year	16,256	15,157	11,646	11,646
<b>Total</b>	<b>29,125</b>	<b>30,862</b>	<b>11,646</b>	<b>11,646</b>
<u>Less:</u> Allowance for doubtful accounts	(15,756)	(15,476)	(11,646)	(11,646)
Accounts and notes receivable - net	13,369	15,386	-	-

#### **Liabilities**

In 2014 the Company and subsidiaries had 47.04 million Baht balance of liabilities, decreasing from 58.11 million Baht in the preceding year. Most liabilities came from other current liabilities of 20.34 million Baht, mainly were accrued expenses of 12.86 million Baht or 63.22 per cent, non-current liabilities of approximately 24.87 million Baht mainly comprised of liabilities under employee benefits obligations of 14.68 million Baht, deposits of 7.50 million Baht, respectively.

#### **Shareholders' equity**

The Company had shareholders' equity of the parent company of 696.69 million Baht as per the consolidated financial statement, decreasing by 43.33 million Baht or 5.85 per cent compared with the preceding year, because the Company suffered loss of approximately 42.42 million Baht in the previous year. Debt-equity ratio of the Company and subsidiaries in 2014 slightly decreased when compared with that of the preceding year, i.e. from 0.08 to 0.07 times.

- **Liquidity**

The Company and subsidiaries had increasing liquidity ratio from 26.34 to 31.30 times, reflecting that the Company and subsidiaries had improving operating liquidity because the Company and subsidiaries did not distribute any dividend or make any additional investment in the previous year, thus resulted in the increase to liquidity of the Company and subsidiaries. However, since the Company still had cash in hand of 565.16 million Baht, coupled with its business on provision of financial advisory services which used mainly the expertise and capabilities in the business operation unlike other businesses which required investments to purchase raw materials or in construction, it could, therefore, be deemed that the Company and subsidiaries had sound cash and liquidity.



#### **14.4 Main factors which may impact upon the business operation or the financial position in the future**

##### ***Economic Changes***

National economic changes mostly fluctuated along with global economic changes, e.g. if foreign economy grew Thai economy would grow as well. However, factors with domestic impacts, i.e. political problems, were currently putting more weights upon the economic growth. Such problems inevitably impact upon implementation of investment policies, thus reducing confidence of foreign investors who wanted to invest.

In the previous year, Thai economic growth had a decreasing expansion as evidenced by decreasing profits of several listed companies. It was more difficult for the Company to find new customers in the previous year because many customers delayed their investments due to uncertainty in the work administration policy of the Government Sector. The economic changes with a trend of decreasing growth would be a significant factor towards the growth in the earnings of the Company from collection of debts and finding sources of investments for customers. However, financial advisory services which could create compensatory earnings during the weakening economic duration were those in respect of debt restructuring, which would be in an increasing proportion as many businesses were facing with financial problems from poor economic situations. As such, it was a good opportunity for the Company to find more customers from provision of financial advisory services in respect of debt restructuring, which would create revenues to compensate for other earnings impacted from the decreasing economic growth.

Consequently, many factors impacting the economic changes were what the Company must carefully monitor and assess to enable the Company to keep pace with such changes and adapt itself to future business operation.

##### ***Investor Confidence***

Financial advisory services have direct relation with sources of fund since the clients' objective is for the Company to provide advisory service relating to debt restructuring and sources of fund. The investment fund are essential for business development, thus, the negotiation with both domestic and foreign investors is one of the major parts to facilitate the continuity of business operation.

Likewise, large amount of fund is needed for the NPL portfolio auction by the Company's subsidiary in which the Company generally gained support from foreign financial institutions. Therefore, if both domestic and foreign investors have confidence in the Company including reliance to make an investment in Thailand will maintain the Company's business for further development. This as well takes account of the political steadiness and the Government's supportive policy to smooth the progress of investment.

##### ***Intensity of Competition in the Industry***

At present, several financial institutions have expanded its financial advisory service and investment banking including NPL asset management by set up their own subsidiaries. The objective is to separately operate its own works. It is expected that new financial advisory service will be increased and leading to intense competition. However, the clients' confidence is the fundamental in selection of service provider. The client will select based on work experience and capability of the executives in the Company. The Company's executives has been working in this particular area for years and within this business scope of work enable the Company to provide service both during economic growth and economic recession. The Company is certain that there are sufficient works to support rising numbers of new service providers in coming future.