

ACAP ADVISORY PUBLIC COMPANY LIMITED

**INTERIM CONSOLIDATED AND
COMPANY FINANCIAL INFORMATION (UNAUDITED)**

30 SEPTEMBER 2013

AUDITOR'S REPORT ON REVIEW OF INTERIM FINANCIAL INFORMATION

To the Shareholders of ACAP Advisory Public Company Limited

I have reviewed the accompanying consolidated and company statements of financial position as at 30 September 2013, the related consolidated and company statements of comprehensive income for three-month and nine-month periods then ended, the related consolidated and company statements of changes in shareholders' equity, and cash flows for the nine-month period then ended, and condensed notes to interim financial information of ACAP Advisory Public Company Limited and its subsidiaries, and of ACAP Advisory Public Company Limited, respectively. Management is responsible for the preparation and presentation of this interim financial information in accordance with Thai Accounting Standard 34, "Interim Financial Reporting". My responsibility is to express a conclusion on this interim financial information based on my review.

Scope of review

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

Conclusion

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

Paiboon Tunkoon
Certified Public Accountant (Thailand) No. 4298
PricewaterhouseCoopers ABAS Ltd.

Bangkok
12 November 2013

ACAP Advisory Public Company Limited
Statement of Financial Position
As at 30 September 2013

	Notes	Consolidated		Company	
		Unaudited 30 September 2013 Baht'000	Audited 31 December 2012 Baht'000	Unaudited 30 September 2013 Baht'000	Audited 31 December 2012 Baht'000
Assets					
Current assets					
Cash and cash equivalents		610,634	740,015	30,248	61,077
Short-term investments		144,533	112,209	-	-
Accounts receivable, net	6	21,660	32,981	-	20,416
Investment in non-performing assets		-	2,469	-	-
Amounts due from related companies	12 iv)	-	-	840	313
Short-term loans to related companies, net	12 v)	-	-	5,000	10,400
Short-term loans to other companies, net	8	85,849	26,451	1,457	2,451
Other current assets, net		20,296	10,331	10,440	2,050
Total current assets		882,972	924,456	47,985	96,707
Non-current assets					
Long-term loans to related companies, net	12 v)	-	-	7,648	14,950
Long-term loans to other companies, net		-	4,969	-	4,969
Investment in subsidiary companies	7	-	-	931,082	828,992
Long-term investments		-	30,000	-	-
Building improvements and equipment, net	9	42,199	45,731	27,359	31,717
Intangible assets, net	9	4,302	4,977	2,296	2,859
Deferred tax assets		2,846	1,813	-	-
Other non-current assets, net		17,791	18,400	5,736	5,817
Total non-current assets		67,138	105,890	974,121	889,304
Total assets		950,110	1,030,346	1,022,106	986,011

Director _____ Director _____

Date _____

The notes to the financial information on pages 10 to 23 are an integral part of these interim financial information.

ACAP Advisory Public Company Limited
Statement of Financial Position (Cont'd)
As at 30 September 2013

	Notes	Consolidated		Company	
		Unaudited 30 September 2013 Baht'000	Audited 31 December 2012 Baht'000	Unaudited 30 September 2013 Baht'000	Audited 31 December 2012 Baht'000
Liabilities and shareholders' equity					
Current liabilities					
Amounts due to related companies	12 iv)	-	-	365	107,644
Short-term borrowing from related company	12 vi)	-	-	123,588	18,000
Current portion of financial lease contracts	10	4,889	4,847	4,195	4,178
Dividend payable	11	125,000	-	125,000	-
Other current liabilities		22,230	26,278	1,408	4,108
Total current liabilities		152,119	31,125	254,556	133,930
Non-current liabilities					
Liabilities under financial lease contracts, net	10	4,475	6,119	3,288	4,408
Long-term borrowings from financial institution		3,215	2,584	-	-
Long-term borrowings from related companies	12 vi)	-	-	-	760,000
Deferred tax liabilities		152	158	-	-
Employee benefits obligations		12,557	9,831	7,195	5,928
Other liabilities		10,633	12,097	1,310	2,912
Total non-current liabilities		31,032	30,789	11,793	773,248
Total liabilities		183,151	61,914	266,349	907,178
Shareholders' equity					
Share capital					
Authorised, issued and paid-up share capital					
125,000,000 ordinary shares of Baht 1 each		125,000	125,000	125,000	125,000
Issued and paid-up share capital					
125,000,000 ordinary shares of Baht 1 each		125,000	125,000	125,000	125,000
Premium on share capital		337,742	337,742	337,742	337,742
Retained earnings (deficits)					
Appropriated		12,500	12,500	12,500	12,500
Unappropriated		301,616	499,510	280,515	(396,409)
Other components of equity		(3,653)	(2,484)	-	-
Equity attributable to owners of the parent		773,205	972,268	755,757	78,833
Non-controlling interests		(6,246)	(3,836)	-	-
Total shareholders' equity		766,959	968,432	755,757	78,833
Total liabilities and shareholders' equity		950,110	1,030,346	1,022,106	986,011

The notes to the financial information on pages 10 to 23 are an integral part of these interim financial information.

ACAP Advisory Public Company Limited
Statement of Comprehensive Income (Unaudited)
For the three-month period ended 30 September 2013

	Notes	Consolidated		Company	
		30 September 2013 Baht'000	30 September 2012 Baht'000	30 September 2013 Baht'000	30 September 2012 Baht'000
Revenues					
Service income	12 i)	30,862	42,732	-	14,365
Other income	12 i)	10,645	7,752	10,730	2,812
Total revenues		41,507	50,484	10,730	17,177
Expenses					
Cost of services, assets management and loans		25,477	28,645	490	5,484
Administrative expenses	7, 12 ii)	23,980	39,390	(80,511)	27,052
Management remunerations		4,832	5,363	4,832	5,363
Total expenses		54,289	73,398	(75,189)	37,899
(Loss) income before finance costs and income tax		(12,782)	(22,914)	85,919	(20,722)
Finance costs	12 iii)	141	63	1,041	14,931
(Loss) income before income tax		(12,923)	(22,977)	84,878	(35,653)
Income tax		(272)	720	-	-
Net (loss) income for the period		(12,651)	(23,697)	84,878	(35,653)
Other comprehensive (expense) income					
Exchange differences on translating financial statements		(238)	206	-	-
Total comprehensive (expense) income for the period, net of tax		(238)	206	-	-
Total comprehensive (expense) income for the period		<u>(12,889)</u>	<u>(23,491)</u>	<u>84,878</u>	<u>(35,653)</u>
(Loss) profit attributable to:					
Shareholders of the parent		(11,955)	(21,907)	84,878	(35,653)
Non-controlling interests		(696)	(1,790)	-	-
		<u>(12,651)</u>	<u>(23,697)</u>	<u>84,878</u>	<u>(35,653)</u>
Total comprehensive (expense) income attributable to:					
Shareholders of the parent		(12,302)	(21,746)	84,878	(35,653)
Non-controlling interests		(587)	(1,745)	-	-
		<u>(12,889)</u>	<u>(23,491)</u>	<u>84,878</u>	<u>(35,653)</u>
(Loss) earnings per share (expressed in Baht per share)					
Basic (loss) earnings per share		<u>(0.09)</u>	<u>(0.18)</u>	<u>0.68</u>	<u>(0.29)</u>

The notes to the financial information on pages 10 to 23 are an integral part of these interim financial information.

ACAP Advisory Public Company Limited
Statement of Comprehensive Income (Unaudited)
For the nine-month period ended 30 September 2013

	Notes	Consolidated		Company	
		30 September 2013 Baht'000	30 September 2012 Baht'000	30 September 2013 Baht'000	30 September 2012 Baht'000
Revenues					
Service income	12 i)	81,813	114,226	3,832	40,069
Other income	12 i)	33,180	34,856	804,752	6,974
Total revenues		114,993	149,082	808,584	47,043
Expenses					
Cost of services, assets management and loans		78,751	84,413	5,608	17,080
Administrative expenses	7, 12 ii)	94,399	108,178	(28,470)	171,024
Management remunerations		15,712	17,013	15,712	17,013
Total expenses		188,862	209,604	(7,150)	205,117
(Loss) profit before finance costs and income tax		(73,869)	(60,522)	815,734	(158,074)
Finance costs	12 iii)	424	1,397	13,810	43,927
(Loss) profit before income tax		(74,293)	(61,919)	801,924	(202,001)
Income tax		1,166	1,585	-	-
Net (loss) profit for the period		(75,459)	(63,504)	801,924	(202,001)
Other comprehensive (expense) income					
Exchange differences on translating financial statement		(1,014)	262	-	-
Other comprehensive (expense) income for the period, net of tax		(1,014)	262	-	-
Total comprehensive (expense) income for the period		<u>(76,473)</u>	<u>(63,242)</u>	<u>801,924</u>	<u>(202,001)</u>
(Loss) profit attributable to:					
Shareholders of the parent		(72,894)	(58,907)	801,924	(202,001)
Non-controlling interests		(2,565)	(4,597)	-	-
		<u>(75,459)</u>	<u>(63,504)</u>	<u>801,924</u>	<u>(202,001)</u>
Total comprehensive (expense) income attributable to:					
Shareholders of the parent		(74,063)	(58,770)	801,924	(202,001)
Non-controlling interests		(2,410)	(4,472)	-	-
		<u>(76,473)</u>	<u>(63,242)</u>	<u>801,924</u>	<u>(202,001)</u>
(Loss) earnings per share (expressed in Baht per share)					
Basic (loss) earnings per share		<u>(0.60)</u>	<u>(0.47)</u>	<u>6.42</u>	<u>(1.62)</u>

The notes to the financial information on pages 10 to 23 are an integral part of these interim financial information.

ACAP Advisory Public Company Limited
Statement of Changes in Shareholders' Equity (Unaudited)
For the nine-month period ended 30 September 2013

Consolidated									
Attributable to owners of the parent									
Notes	Issued and paid-up share capital Baht'000	Premium on share capital Baht'000	Retained earnings		Other components of equity Currency translation differences from subsidiary in overseas Baht'000	Total owners of the parent Baht'000	Non-controlling interests Baht'000	Total shareholders' equity Baht'000	
			Appropriated Baht'000	Unappropriated Baht'000					
Opening balance as at 1 January 2013	125,000	337,742	12,500	497,855	(2,484)	970,613	(3,836)	966,777	
Impact from the adoption of TAS 12									
Income taxes	4.1	-	-	1,655	-	1,655	-	1,655	
Closing balance after adjustments		125,000	337,742	12,500	499,510	(2,484)	972,268	(3,836)	968,432
Total comprehensive expense for the period		-	-	-	(72,894)	(1,169)	(74,063)	(2,410)	(76,473)
Dividend payment	11	-	-	-	(125,000)	-	(125,000)	-	(125,000)
Ending balance as at 30 September 2013		<u>125,000</u>	<u>337,742</u>	<u>12,500</u>	<u>301,616</u>	<u>(3,653)</u>	<u>773,205</u>	<u>(6,246)</u>	<u>766,959</u>

Consolidated									
Attributable to owners of the parent									
Note	Issued and paid-up share capital Baht'000	Premium on share capital Baht'000	Retained earnings		Other components of equity Currency translation differences from subsidiary in overseas Baht'000	Total owners of the parent Baht'000	Non-controlling interests Baht'000	Total shareholders' equity Baht'000	
			Appropriated Baht'000	Unappropriated Baht'000					
Opening balance as at 1 January 2012	125,000	337,742	12,500	560,606	(2,485)	1,033,363	1,684	1,035,047	
Impact from the adoption of TAS 12									
Income taxes	4.1	-	-	18,384	-	18,384	-	18,384	
Closing balance after adjustments		125,000	337,742	12,500	578,990	(2,485)	1,051,747	1,684	1,053,431
Total comprehensive expense for the period		-	-	-	(58,907)	137	(58,770)	(4,472)	(63,242)
Ending balance as at 30 September 2012		<u>125,000</u>	<u>337,742</u>	<u>12,500</u>	<u>520,083</u>	<u>(2,348)</u>	<u>992,977</u>	<u>(2,788)</u>	<u>990,189</u>

The notes to the financial information on pages 10 to 23 are an integral part of these interim financial information.

ACAP Advisory Public Company Limited

Statement of Changes in Shareholders' Equity (Unaudited) (Cont'd)

For the nine-month period ended 30 September 2013

	Company				Total shareholders' equity Baht'000	
	Note	Issued and paid-up share capital Baht'000	Premium on share capital Baht'000	Retained earnings (deficit)		
				Appropriated Baht'000		Unappropriated Baht'000
Opening balance as at 1 January 2013		125,000	337,742	12,500	(396,409)	78,833
Total comprehensive income for the period		-	-	-	801,924	801,924
Dividend payment	11	-	-	-	(125,000)	(125,000)
Closing balance as at 30 September 2013		<u>125,000</u>	<u>337,742</u>	<u>12,500</u>	<u>280,515</u>	<u>755,757</u>

	Company				Total shareholders' equity Baht'000	
		Issued and paid-up share capital Baht'000	Premium on share capital Baht'000	Retained earnings (deficit)		
				Appropriated Baht'000		Unappropriated Baht'000
Opening balance as at 1 January 2012		125,000	337,742	12,500	(176,315)	298,927
Total comprehensive expense for the period		-	-	-	(202,001)	(202,001)
Closing balance as at 30 September 2012		<u>125,000</u>	<u>337,742</u>	<u>12,500</u>	<u>(378,316)</u>	<u>96,926</u>

The notes to the financial information on pages 10 to 23 are an integral part of these interim financial information.

ACAP Advisory Public Company Limited
Statements of Cash Flows (Unaudited)
For the nine-month period ended 30 September 2013

	Notes	Consolidated		Company	
		30 September	30 September	30 September	30 September
		2013	2012	2013	2012
		Baht'000	Baht'000	Baht'000	Baht'000
Cash flows from operating activities					
(Loss) profit before income tax		(74,293)	(61,919)	801,924	(202,001)
Adjustment for:					
Depreciation and amortisation	9	10,398	11,052	5,923	7,052
Interest income		(18,419)	(14,301)	(6,268)	(3,673)
Interest expenses		-	816	13,465	43,398
Interest expenses from finance lease		424	581	345	529
Dividend income		-	-	(787,050)	-
Loss on written off withholding tax assets		4,144	4,563	760	2,814
Gain on sales of investment		(1,641)	-	(9,000)	-
Loss on impairment of investment (Reversal)	7	-	-	(98,090)	113,871
Loss on impairment of loan and interest		3,926	-	3,926	-
Loss on impairment of loan and interest to related company	12 v)	-	-	30,988	2,000
Unrealised gain on investment in fair value		(1,301)	(1,363)	-	-
Gain on sales of short-term investment		-	(12,115)	-	(752)
Gain on disposal/impairment/write-off assets		(2,403)	(944)	(1,022)	(1,157)
(Gain) loss on foreign exchange		(1,805)	1,374	(995)	1,163
Unrealised loss (gain) on foreign exchange		154	(197)	-	-
Provision for employee benefits		2,793	6,085	1,267	4,160
Reversal of provision for dismantling cost		(1,602)	-	(1,602)	-
Loss from operating activities before changes in operating assets and liabilities		(79,625)	(66,368)	(45,429)	(32,596)
(Increase) decrease in operating assets					
Accounts receivable		11,300	45,631	20,416	50,947
Investment in non-performing assets		-	(600,000)	-	-
Amount due from related companies		-	-	(701)	(304)
Other current assets		(6,628)	2,014	307	(1,019)
Other non-current assets		609	(412)	81	85
Increase (decrease) in operating liabilities					
Amount due to related companies		-	-	8	(475)
Advance from sale of investment in non-performing asset		-	450,000	-	-
Other current liabilities		(4,817)	(4,128)	(1,175)	(1,256)
Other non-current liabilities		291	(419)	-	-
Cash (used in) generated from operation before interest and income tax received (paid)		(78,870)	(173,682)	(26,493)	15,382
Interest income received		13,488	17,940	2,128	2,806
Interest paid excluding finance lease contracts		-	(2,466)	(120,752)	(1,650)
Income tax paid		(4,160)	(4,563)	(760)	(2,814)
Net cash (used in) provided by operating activities		(69,542)	(162,771)	(145,877)	13,724

The notes to the financial information on pages 10 to 23 are an integral part of these interim financial information.

ACAP Advisory Public Company Limited
Statements of Cash Flows (Unaudited) (Cont'd)
For the nine-month period ended 30 September 2013

	Notes	Consolidated		Company	
		30 September 2013 Baht'000	30 September 2012 Baht'000	30 September 2013 Baht'000	30 September 2012 Baht'000
Cash flows from investing activities					
Cash paid for short-term loan to related companies	12 v)	-	-	(20,500)	(167,000)
Cash paid for short-term loan to other companies		(65,000)	-	-	-
Cash paid for long-term loan to related companies		-	-	(9,300)	-
Cash paid for investment in subsidiaries	7	-	-	(4,000)	(2,000)
Cash paid for short-term investments		(4,500)	(128,550)	-	(15,342)
Cash paid for long-term investments		-	(30,000)	-	-
Cash paid for building improvement, equipment and intangible assets	9	(6,446)	(5,897)	(1,235)	(88)
Cash received from disposal of short-term investment		5,000	36,004	-	31,004
Cash received from disposal of long-term investment		-	11,332	-	-
Cash received from short-term loan to related companies	12 v)	-	-	12,400	1,500
Cash received from short-term loan to other companies		6,857	4,204	2,250	-
Cash received from long-term loan to other companies		2,350	-	2,350	1,204
Cash received from disposal of building improvement, equipment		4,822	3,935	3,419	3,935
Dividend received from related party		-	-	787,050	-
Net cash (used in) provided by investing activities		(56,917)	(108,972)	772,434	(146,787)
Cash flows from financing activities					
Cash received from short-term loan from related companies	12 vi)	-	-	895,588	150,000
Cash repaid on short-term borrowings from related companies	12 vi)	-	-	(790,000)	(2,000)
Cash repaid on long-term borrowings from related companies	12 vi)	-	-	(760,000)	-
Cash repaid on long-term borrowings from other companies		630	-	-	-
Cash repaid for liabilities under financial lease		(4,190)	(6,851)	(3,612)	(5,633)
Net cash (used in) provided by financing activities		(3,560)	(6,851)	(658,024)	142,367
Net (decrease) increase in cash and cash equivalents		(130,019)	(278,594)	(31,467)	9,304
Cash and cash equivalents at beginning of the period		740,015	864,437	61,077	47,114
Exchange gain (loss) on cash		638	(1,653)	638	(1,454)
Cash and cash equivalents at end of the period		610,634	584,190	30,248	54,964
Significant non-cash transactions					
Purchase equipment under financial lease		2,164	3,710	2,164	-
Reversal of dismantling cost		-	3,370	-	1,941
Advance received from sale of investment in non-performing asset		-	300,000	-	-
Reclassification of current asset to non-current asset		-	7,500	-	-
Reclassification of current liability to non-current liability		-	7,500	-	-
Reclassification of long-term investment to short-term investment		30,000	-	-	-
Reclassification of short-term loans to other companies to long-term loans to other companies		2,619	-	2,619	-
Dividend payable		125,000	-	125,000	-
Disposal of investment in subsidiary		9,000	-	9,000	-

The notes to the financial information on pages 10 to 23 are an integral part of these interim financial information.

1 General information

ACAP Advisory Public Company Limited (the “Company”) is a public limited company and resident in Thailand. The address of the Company’s registered office is as follows:

195 Empire Tower 2-3, 22nd floor, South Sathorn Road, Yanawa, Sathorn, Bangkok.

The Company is registered as a listed company in the Market for Alternative Investment (MAI) in Thailand. For reporting purposes, the Company and its subsidiaries are referred to as the Group.

The principal business operations of the Group are financial advisory, non - performing assets management, consumer lending and trading of consumer product.

The interim consolidated and company financial information was authorised by the Board of Directors on 12 November 2013.

The interim consolidated and company financial information has been reviewed, not audited.

2 Basis of interim financial information preparation

This interim consolidated and company financial information was prepared in accordance with Thai generally accepted accounting principles under the Accounting Act B.E. 2543, being those Thai Accounting Standards issued under the Accounting Professions Act B.E. 2547, and the financial reporting requirements of the Securities and Exchange Commission. The primary financial information (i.e., statements of financial position and the related statements of comprehensive income, statements of changes in shareholders’ equity and cash flows) are prepared in the full format as required by the Securities and Exchange Commission. The notes to the interim financial information are prepared in a condensed format according to Thai Accounting Standard no. 34 “Interim Financial Reporting” and additional notes are presented as required by the Securities and Exchange Commission under the Securities and Exchange Act.

The interim consolidated and company financial information should be read in conjunction with the annual financial statements for the year ended 31 December 2012.

An English version of the interim consolidated and company financial information has been prepared from the interim financial information that is in the Thai language. In the event of a conflict or a difference in interpretation between the two languages, the Thai language interim financial information shall prevail.

3 Accounting policies

The accounting policies used in the preparation of interim consolidated and company financial information are consistent with those used in the annual financial statements for the year ended 31 December 2012 except as described below.

New/revised accounting standards and related interpretations which are effective on 1 January 2013 and are relevant to the Group are:

TAS 12	Income taxes
TAS 21 (Revised 2009)	The Effects of Changes in Foreign Exchange Rates
IFRS 8	Operating Segments

New accounting policies resulting from new/revised accounting standards and related interpretations are discussed in note 4. There are no material impacts to the Group as a result of the adoption except for accounting policy about deferred income taxes as discussed in note 4.1.

3 Accounting policies (Cont'd)

New interpretations which are effective on 1 January 2014:

TFRIC 1	Changes in Existing Decommissioning, Restoration and Similar Liabilities
TFRIC 4	Determining whether an Arrangement contains a Lease
TFRIC 10	Interim Financial Reporting and Impairment
TFRIC 13	Customer Loyalty Programmes

TFRIC 1 provide guidance on accounting for changes in the measurement of an existing decommissioning, restoration and similar liability that result from changes in estimated timing or amount of the outflow of resources embodying economic benefits required to settle the obligation, or a change in the discount rate. This interpretation has no impact to the Group.

TFRIC 4 requires the determination of whether an arrangement is or contains a lease to be based on the substance of the arrangement. It requires an assessment of whether: (a) fulfilment of the arrangement is dependent on the use of a specific asset or assets (the asset); and (b) the arrangement conveys a right to use the asset. The management is currently assessing the impact of TRIC 4.

TFRIC 10 prohibits reversal of an impairment losses recognised in a previous interim period in respect of goodwill. This interpretation has no impact to the Group.

TFRIC 13 clarifies that where goods or services are sold together with a customer loyalty incentive (for example, loyalty points or free products), the arrangement is a multiple-element arrangement, and the consideration received or receivable from the customer is allocated between the components of the arrangement using fair values. This interpretation has no impact to the Group.

Costs that are incurred unevenly during the financial year are anticipated or deferred in the interim report only if it would also be appropriate to anticipate or defer such costs at the end of the financial year.

Taxes on income in the interim periods are accrued using the tax rate that would be applicable to expected total annual profit or loss.

4 New accounting policies

4.1 Current and deferred income taxes

The tax expense for the period comprises current and deferred tax. Tax is recognised in profit or loss, except to the extent that it relates to items recognised in other comprehensive income or directly in equity. In this case the tax is also recognised in other comprehensive income or directly in equity, respectively.

The current income tax charge is calculated on the basis of the tax laws enacted or substantively enacted at the end of reporting period in the countries where the subsidiaries operate and generate taxable income. Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation. It establishes provisions where appropriate on the basis of amounts expected to be paid to the tax authorities.

Deferred income tax is recognised, using the liability method, on temporary differences arising from differences between the tax base of assets and liabilities and their carrying amounts in the financial statements. However, the deferred income tax is not accounted for if it arises from initial recognition of an asset or liability in a transaction other than a business combination that at the time of the transaction affects neither accounting nor taxable profit or loss. Deferred income tax is determined using tax rates (and laws) that have been enacted or substantially enacted by the end of the reporting period and are expected to apply when the related deferred income tax asset is realised or the deferred income tax liability is settled.

4 New accounting policies (Cont'd)

4.1 Current and deferred income taxes (Cont'd)

Deferred income tax assets are recognised only to the extent that it is probable that future taxable profit will be available against which the temporary differences can be utilised. Deferred income tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets against current tax liabilities and when the deferred income tax assets and liabilities relate to income taxes levied by the same taxation authority on either the same taxable entity or different taxable entities where there is an intention to settle the balances on a net basis.

The Group adopted TAS 12 - Income Taxes, which was effective for the periods beginning on or after 1 January 2013 by making retrospective adjustments. This adoption resulted the beginning consolidated retained earning as at 2012 and 2013 increase by Baht 18.38 million and Baht 1.66 million, respectively. Furthermore, this adoption resulted the decrease in the consolidated basic loss per share by Baht 0.15.

The effects of change in new accounting policy are as follows:

	Previously stated Baht'000	Adjustments Baht'000	Restated Baht'000
Consolidated statement of financial position as at 31 December 2012			
Deferred tax asset	-	1,813	1,813
Deferred tax liability	-	158	158
Consolidated statement of changes in owners' equity as at 1 January 2012			
Retained earnings - Unappropriate	560,606	18,384	578,990
Consolidated statement of changes in owners' equity as at 1 January 2013			
Retained earnings - Unappropriate	497,855	1,655	499,510

4.2 Foreign currency translation

(a) Functional and presentation currency

Items included in the financial statements of each of the Group's entities are measured using the currency of the primary economic environment in which the entity operates ('the functional currency'). The consolidated financial statements are presented in Thai Baht, which is the company's functional and the Group's presentation currency.

(b) Transactions and balances

Foreign currency transactions are translated into the functional currency using the exchange rates prevailing at the dates of the transactions or valuation where items are re-measured. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at year-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in the profit or loss.

When a gain or loss on a non-monetary item is recognised in other comprehensive income, any exchange component of that gain or loss is recognised in other comprehensive income. Conversely, when a gain or loss on a non-monetary item is recognised in profit and loss, any exchange component of that gain or loss is recognised in profit and loss.

4 New accounting policies (Cont'd)

4.2 Foreign currency translation (Cont'd)

(c) Group companies

The results and financial position of all the group entities (none of which has the currency of a hyper-inflationary economy) that have a functional currency different from the presentation currency are translated into the presentation currency as follows:

- Assets and liabilities for each statement of financial position presented are translated at the closing rate at the date of that statement of financial position;
- Income and expenses for each statement of comprehensive income are translated at average exchange rates; and
- All resulting exchange differences are recognised as a separate component of equity.

4.3 Segment reporting

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision-maker. The chief operating decision-maker, who is responsible for allocating resources and assessing performance of the operating segments, has been identified as management that makes strategic decisions.

5 Segment information

	Consolidated				
	Advisory and Investment Banking Baht'000	Non-Performing Asset ("NPA") Management Baht'000	Consumer Finance Baht'000	Eliminations Baht'000	Total Baht'000
For the three-month period ended 30 September 2013					
Revenues					
Revenues from operations	23,297	8,789	9,421	-	41,507
Revenues from inter-segments	437	9,912	3,659	(14,008)	-
Total revenues	<u>23,734</u>	<u>18,701</u>	<u>13,080</u>	<u>(14,008)</u>	<u>41,507</u>
Segment expenses	27,724	29,036	11,530	(14,001)	54,289
Operating (loss) profit	<u>(3,990)</u>	<u>(10,335)</u>	<u>1,550</u>	<u>(7)</u>	<u>(12,782)</u>

	Consolidated				
	Advisory and Investment Banking Baht'000	Non-Performing Asset ("NPA") Management Baht'000	Consumer Finance Baht'000	Eliminate Baht'000	Total Baht'000
For the three-month period ended 30 September 2012					
Revenues					
Revenues from operations	19,234	24,350	6,900	-	50,484
Revenues from inter-segments	500	1,904	16,280	(18,684)	-
Total revenues	<u>19,734</u>	<u>26,254</u>	<u>23,180</u>	<u>(18,684)</u>	<u>50,484</u>
Segment expenses	26,377	43,522	27,787	(24,288)	73,398
Operating (loss) profit	<u>(6,643)</u>	<u>(17,268)</u>	<u>(4,607)</u>	<u>5,604</u>	<u>(22,914)</u>

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5 Segment information (Cont'd)

	Consolidated				
	Advisory and Investment Banking Baht'000	Non-Performing Asset ("NPA") Management Baht'000	Consumer Finance Baht'000	Eliminations Baht'000	Total Baht'000
For the nine-month period ended 30 September 2013					
Revenues					
Revenues from operations	63,135	27,520	24,338	-	114,993
Revenues from inter-segments	1,574	798,349	888,905	(1,688,828)	-
Total revenues	<u>64,709</u>	<u>825,869</u>	<u>913,243</u>	<u>(1,688,828)</u>	<u>114,993</u>
Segment expenses	85,959	109,401	36,924	(43,422)	188,862
Operating (loss) profit	<u>(21,250)</u>	<u>716,468</u>	<u>876,319</u>	<u>(1,645,406)</u>	<u>(73,869)</u>

	Consolidated				
	Advisory and Investment Banking Baht'000	Non-Performing Asset ("NPA") Management Baht'000	Consumer Finance Baht'000	Eliminate Baht'000	Total Baht'000
For the nine-month period ended 30 September 2012					
Revenues					
Revenues from operations	50,557	67,173	31,352	-	149,082
Revenues from inter-segments	1,328	4,262	46,424	(52,014)	-
Total revenues	<u>51,885</u>	<u>71,435</u>	<u>77,776</u>	<u>(52,014)</u>	<u>149,082</u>
Segment expenses	70,641	223,731	892,092	(976,860)	209,604
Operating (loss) profit	<u>(18,756)</u>	<u>(152,296)</u>	<u>(814,316)</u>	<u>924,846</u>	<u>(60,522)</u>

6 Accounts receivable, net

	Consolidated		Company	
	30 September 2013 Baht'000	31 December 2012 Baht'000	30 September 2013 Baht'000	31 December 2012 Baht'000
Accrued income	7,122	10,073	-	4,733
Accounts receivable from financial advisory	17,446	16,648	11,646	11,646
Accounts receivable from asset management	-	16,317	-	15,683
Others	12,848	5,699	-	-
Total	37,416	48,737	11,646	32,062
<u>Less</u> Allowance for doubtful accounts	<u>(15,756)</u>	<u>(15,756)</u>	<u>(11,646)</u>	<u>(11,646)</u>
Accounts receivable, net	<u>21,660</u>	<u>32,981</u>	<u>-</u>	<u>20,416</u>

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7 Investment in subsidiaries

List of subsidiaries as at 30 September 2013 are as follow:

Company's name	Country of establishment	Type of business	Nature of relationship	Percentage of investment
Subsidiaries				
ACAP Corporate Services Co., Ltd.	Thailand	Financial advisory	Shareholder	99.99
Global Service Center Co., Ltd.	Thailand	Asset rental service	Shareholder	99.99
ACAP Consulting Co., Ltd.	Thailand	Legal advisory and trading consumer product	Shareholder	99.99
ACAP (Malaysia) Sdn. Bhd.	Malaysia	Non-performing assets management	Shareholder	99.99
Capital OK Co., Ltd.	Thailand	Consumers Finance	Shareholder	99.99
AURUM CAPITAL ADVISORY PTE. LTD.	Singapore	Investment Banking	Shareholder	63.97
Subsidiaries under Capital OK Co., Ltd.				
Professional Collection Co., Ltd.	Thailand	Collection services	Shareholder	99.99
ACAP (Asia) Asset Management Co., Ltd.	Thailand	Non-performing assets management	Shareholder Indirect	57.60 42.40

The movement in investment in subsidiaries are as follows:

	Company Baht'000
For the nine-month period ended 30 September 2013	
Beginning net book balance	828,992
Addition on investment in ACAP Corporate Services Co., Ltd.	4,000
Disposal of investment in ACAP Asset Management Co., Ltd.	(25,000)
Increasing in allowance for impairment on investment in ACAP Corporate Services Co., Ltd. during the period	(2,705)
Reversal of allowance for impairment from disposal of investment in ACAP Asset Management Co., Ltd.	25,000
Reversal of allowance for impairment on investment in Capital OK Co., Ltd.	100,795
Closing net book balance	<u>931,082</u>

During the nine-month period ended 30 September 2013, the Company's management had provided additional allowance for impairment of investment in ACAP Corporate Services Co., Ltd. amounting to Baht 2.7 million and had reversed allowance for impairment of investment in Capital OK Co., Ltd. amounting to Baht 100.8 million as the Company's management had considered that the subsidiary's financial position had been improved from a substantial amount of repayment made by its large debtor in 2013. Such reversal of impairment of investment results in the negative balance of administrative expenses as shown in the statement of comprehensive income.

On 11 March 2013, the Executive Directors Committee Meeting No. 3/2556 had approved the decrease of share capital of Professional Collection Co., Ltd., which was a subsidiary, by decreasing the number of shares in order to compensate the deficits of Baht 62.30 million and refunding part of capital to the subsidiary's shareholders of Baht 95.65 million. Prior to share capital reduction, subsidiary had share capital of Baht 220 million, divided into 22,000,000 shares. After the share decrease on 10 May 2013, the subsidiary has registered share capital of Baht 62.05 million, divided into 6,205,000 shares at par value of Baht 10 each.

On 2 April 2013, the Executive Directors Committee Meeting No. 4/2556 had approved the decrease of registered share capital of Capital OK Co., Ltd., a subsidiary, by decreasing the par value of shares in order to refund a partial capital to the subsidiary's shareholders amounting to Baht 412.5 million. Prior to the capital reduction, the subsidiary had registered capital of Baht 825 million, divided into 82,500,000 shares at par value of Baht 10 each. On 25 October 2013, Capital OK Co., Ltd. had registered its decrease of share capital, and has registered share capital of Baht 412.5 million, divided into 82,500,000 shares at par value of Baht 5 each.

On 22 April 2013, the Executive Directors Committee Meeting No. 5/2556 had a resolution to approve to additionally purchase share capital of ACAP Corporate Services Co. Ltd., a subsidiary, for 400,000 share capital at par value of Baht 10 each, totalling Baht 4 million.

7 Investment in subsidiaries (Cont'd)

On 2 September 2013, the Executive Directors Committee Meeting No. 10/2556 had a resolution to approve the sale of investment in ACAP Asset Management Company Limited of Baht 25 million, which the Company had provided for full impairment, to MAK Consulting (Asia) Company Limited. Therefore, the consolidated statement of financial position as at 30 September 2013 did not include the financial position of ACAP Asset Management Company Limited as the Company had no control since the selling date. The consolidated statement of comprehensive income included the comprehensive income of ACAP Asset Management Company Limited until the selling date. The consolidated and the company statement of comprehensive income for the nine-month period ended 30 September 2013 included gain on disposal of the subsidiary amounting to Baht 0.1 million and Baht 9 million, respectively, as included in other income.

8 Short-term loans to other companies, net

	Consolidated		Company	
	2013 Baht'000	2012 Baht'000	2013 Baht'000	2012 Baht'000
Star Asset Management Ltd.	12,620	3,851	12,620	3,851
<u>Less</u> Allowance for impairment	<u>(11,163)</u>	<u>(1,400)</u>	<u>(11,164)</u>	<u>(1,400)</u>
	1,457	2,451	1,457	2,451
Chiangrai Industrial 1111 Company Limited	19,392	24,000	-	-
ACAP Asset Management Company Limited	15,000	-	-	-
Andaman Long Beach Resort Company Limited	<u>50,000</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total	<u>85,849</u>	<u>26,451</u>	<u>1,457</u>	<u>2,451</u>

The short-term loan to Star Asset Management Ltd. amounting to Baht 12.6 million bore incentive fees and interest expenses which were calculated on a quarterly basis, varied by criteria and conditions in the agreements. The maturity date of principals are as follows:

- The outstanding principal of Baht 1.6 million, the maturity date is on 2 December 2013.
- The outstanding principal of Baht 11 million, the maturity date is on 30 June 2014.

The short-term loan to Chiangrai Industrial 1111 Company Limited amounting to Baht 19.4 million is due in January 2014. The interest rate is at 15% per annum and repayable every 3 months after the drawdown date.

The short-term loan to ACAP Asset Management Company Limited amounting to Baht 15 million is due in September 2014. The interest rate is at 7% per annum and repayable every 3 months after the drawdown date.

The short-term loan to Andaman Long Beach Resort Company Limited amounting to Baht 50 million is due in January 2014. The interest rate is at 10% per annum and repayable every 3 months after the drawdown date.

9 Building improvements and equipment, net and intangible assets, net

	Consolidated		Company	
	Building improvements and equipment Baht'000	Intangible assets Baht'000	Building improvement and equipment Baht'000	Intangible assets Baht'000
For the nine-month period ended 30 September 2013				
Opening net book amount	45,731	4,977	31,717	2,859
Additions	7,975	635	3,399	-
Disposals and write-offs, net	(2,419)	-	(2,397)	-
Depreciation charge and amortisation	(9,088)	(1,310)	(5,360)	(563)
Ending net book amount	42,199	4,302	27,359	2,296

10 Liability under finance leases

	Consolidated		Company	
	30 September 2013 Baht'000	31 December 2012 Baht'000	30 September 2013 Baht'000	31 December 2012 Baht'000
Minimum lease payments obligation under finance leases	9,982	11,678	8,034	9,094
<u>Less</u> Deferred interest	(618)	(712)	(551)	(508)
	9,364	10,966	7,483	8,586
Current portion due within one year	4,889	4,847	4,195	4,178
Non-current portion due after one year	4,475	6,119	3,288	4,408
	9,364	10,966	7,483	8,586

11 Dividend payment

At the Board of Directors' Meeting of ACAP Advisory Public Company Limited No. 5/2013 held on 30 September 2013, the Board of Directors approved the interim dividend payment from the operating profit of the six-month period ended 30 June 2013 at Baht 1 per share, totalling Baht 125 million which will be paid to the shareholders on 29 October 2013.

12 Related party transactions

The Company is located in Thailand and registered as a listed company in the Market for Alternative Investment (MAI). The major shareholders of the Company are Dr. Vivat Vitoontien and family which hold 49.19% of total registered share capital.

Pricing policy

Other income is charged based on normal business practice which is similar to other customers. Interest income/expense incurred from borrowings, cost of services and administrative expenses are charged at the agreed rate as per contracts.

On 2 September 2013, the Company disposed its investment in ACAP Asset Management Co., Ltd. (Note 7). Consequently, ACAP Asset Management Co., Ltd. is not a company under common control by parent company from 2 September 2013.

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12 Related party transactions (Cont'd)

The following significant transactions were carried out with related parties:

i) Income

	Consolidated		Company	
	2013	2012	2013	2012
	Baht'000	Baht'000	Baht'000	Baht'000
For the three-month period ended 30 September				
Other income				
Accounting and financial service income				
- Global Service Center Co., Ltd.	-	-	2	1
- Capital OK Co., Ltd.	-	-	20	13
- Professional Collection Co., Ltd.	-	-	2	1
Sharing expense				
- ACAP Consulting Co., Ltd.	-	-	30	161
- ACAP Corporate Services Co., Ltd.	-	-	56	62
- ACAP Asset Management Co., Ltd.	-	-	(3)	62
Interest income				
- ACAP Asset Management Co., Ltd.	-	-	-	1,362
- ACAP Consulting Co., Ltd.	-	-	49	15
- Global Service Center Co., Ltd.	-	-	275	246
- ACAP Corporate Services Co., Ltd.	-	-	63	12
- Aurum Capital Advisory Pte. Ltd.	-	-	546	283
Total other income	-	-	1,040	2,218
For the nine-month period ended 30 September				
Other income				
Accounting and financial service income				
- Global Service Center Co., Ltd.	-	-	7	13
- Capital OK Co., Ltd.	-	-	60	108
- Professional Collection Co., Ltd.	-	-	7	13
Sharing expense				
- ACAP Consulting Co., Ltd.	-	-	101	474
- ACAP Corporate Services Co., Ltd.	-	-	181	183
- ACAP Asset Management Co., Ltd.	-	-	31	183
Interest income				
- ACAP Asset Management Co., Ltd.	-	-	2	1,896
- ACAP Consulting Co., Ltd.	-	-	126	45
- Global Service Center Co., Ltd.	-	-	819	28
- ACAP Corporate Services Co., Ltd.	-	-	137	630
- Aurum Capital Advisory Pte. Ltd.	-	-	958	525
Dividend income				
- Capital OK Co., Ltd.	-	-	787,050	-
Total other income	-	-	789,479	4,098

12 Related party transactions (Cont'd)

The following significant transactions were carried out with related parties: (Cont'd)

i) Income (Cont'd)

On 18 March 2013, the Executive Directors Committee Meeting of Capital OK Co., Ltd. No. 6/2556 had approved the interim dividend from its operating result for the period of 2.5 months ended 15 March 2013 to the shareholders as whose names appear on the company shareholder's register as at 18 March 2013 at the rate Baht 7.54 each, totalling of Baht 622,050,000. Capital OK Co., Ltd. paid interim dividend on 20 March 2013, and appropriated legal reserve of 5% of its net profit for the period until the reserve is not less than 10% of the registered capital.

On 13 May 2013, the Executive Directors Committee Meeting of Capital OK Co., Ltd. No. 9/2013 had approved the interim dividend from its operating result for the quarter ended 31 March 2013 to the shareholders as whose names appear on the company shareholder's register as at 15 May 2013 at the rate Baht 2 each, totaling of Baht 165,000,000. Capital OK Co., Ltd. paid interim dividend on 20 May 2013, and appropriated legal reserve of 5% of its net profit for the period until the reserve is not less than 10% of the registered capital.

ii) Expenses

	Consolidated		Company	
	2013	2012	2013	2012
	Baht'000	Baht'000	Baht'000	Baht'000
For the three-month period ended 30 September				
Cost of services				
Professional fee				
- ACAP Consulting Co., Ltd.	-	-	-	(320)
Rental and maintenance vehicle				
- Global Service Center Co., Ltd.	-	-	49	-
Administrative expenses				
Rental and maintenance equipment				
- Global Service Center Co., Ltd.	-	-	143	428
	Consolidated		Company	
	2013	2012	2013	2012
	Baht'000	Baht'000	Baht'000	Baht'000
For the nine-month period ended 30 September				
Cost of service				
Professional fee				
- ACAP Consulting Co., Ltd.	-	-	-	160
Rental and maintenance vehicle				
- Global Service Center Co., Ltd.	-	-	249	-
Administrative expenses				
Rental and maintenance equipment				
- Global Service Center Co., Ltd.	-	-	428	1,118

12 Related party transactions (Cont'd)

The following significant transactions were carried out with related parties: (Cont'd)

iii) Finance costs

	Consolidated		Company	
	2013	2012	2013	2012
	Baht'000	Baht'000	Baht'000	Baht'000
For the three-month period ended 30 September				
- Capital OK Co., Ltd	-	-	141	14,900
- Professional Collection Co., Ltd.	-	-	783	-
	-	-	924	14,900
	Consolidated		Company	
	2013	2012	2013	2012
	Baht'000	Baht'000	Baht'000	Baht'000
For the nine-month period ended 30 September				
- Capital OK Co., Ltd	-	-	10,109	42,582
- Professional Collection Co., Ltd.	-	-	3,356	-
	-	-	13,465	42,582

iv) Outstanding balances arising from sales / purchases of services

	Consolidated		Company	
	30 September 2013	31 December 2012	30 September 2013	31 December 2012
	Baht'000	Baht'000	Baht'000	Baht'000
Amounts due from related companies				
- ACAP Corporate Services Co., Ltd.	-	-	11	1
- ACAP Consulting Co., Ltd.	-	-	16	5
- Professional Collection Co., Ltd.	-	-	9	-
- ACAP (Malaysia) Sdn. Bhd.	-	-	103	34
- Global Service Center Co. Ltd.	-	-	90	163
- Capital OK Co., Ltd.	-	-	71	-
- Aurum Capital Advisory Pte. Ltd.	-	-	540	110
	-	-	840	313
Amounts due to related companies				
- Global Service Center Co. Ltd.	-	-	6	4
- Professional Collection Co., Ltd.	-	-	262	4
- Capital OK Co., Ltd.	-	-	97	107,629
- ACAP Consulting Co., Ltd.	-	-	-	7
	-	-	365	107,644

12 Related party transactions (Cont'd)

The following significant transactions were carried out with related parties: (Cont'd)

v) Loans to related parties

For the nine-month period ended 30 September 2013, the Company had loan to subsidiaries as follows:

	Company				
	Short-term loans				
	Opening balance Baht'000	Additions during the period Baht'000	Repayments during the period Baht'000	Reclassified to long-term Baht'000	Ending balance Baht'000
ACAP Consulting Co., Ltd.	5,900	-	-	5,900	-
<u>Less</u> Allowance for impairment	(5,900)	-	-	(5,900)	-
	-	-	-	-	-
ACAP Corporate Services Co., Ltd.	400	15,500	(10,900)	-	5,000
<u>Less</u> Allowance for impairment	-	-	-	-	-
	400	15,500	(10,900)	-	5,000
Global Service Center Co. Ltd.	30,000	3,500	-	(33,500)	-
<u>Less</u> Allowance for impairment	(20,000)	-	-	20,000	-
	10,000	3,500	-	(13,500)	-
ACAP Asset Management Co., Ltd.	-	1,500	(1,500)	-	-
<u>Less</u> Allowance for impairment	-	-	-	-	-
	-	1,500	(1,500)	-	-
Total	10,400	20,500	(12,400)	(13,500)	5,000

During the nine-month period ended 30 September 2013, the Company had entered into a loan agreement with ACAP Corporate Services Co., Ltd. totalling to Baht 15.5 million. The subsidiary issued at call promissory notes which bear interest rate at 2.8% per annum and 3% per annum and the interest is due every 30 days after drawn down. During the nine-month period ended 30 September 2013, the Company had received the repayment of Baht 10.9 million.

During the nine-month period ended 30 September 2013, the Company had amended the outstanding loan agreements with ACAP Corporate Services Co., Ltd. as at 14 June 2013 amounting to Baht 11.4 million in order to amend interest rate at 2.75% per annum.

During the nine-month period ended 30 September 2013, the Company had entered into a loan agreement with ACAP Asset Management Co., Ltd. amounting to Baht 1.5 million. The subsidiary issued at call promissory notes which bear interest rate at 3% per annum and the interest is due every 30 days after drawn down. During the nine-month period ended 30 September 2013, the Company has fully received the repayment amounting Baht 1.5 million.

During the nine-month period ended 30 September 2013, the Company had entered into a loan agreement with Global Service Center Co., Ltd. amounting to Baht 3.5 million. The subsidiary issued at call promissory notes which bear interest rate at 3% per annum and the interest is due every 30 days after drawn down. On 1 June 2013, the Company had rolled forward the loan agreement which bear interest rate at 2.75% per annum.

During the nine-month period ended 30 September 2013, the Company reclassified short-term loans to ACAP Consulting Co., Ltd. and to Global Service Center Co., Ltd amounting to Baht 5.9 million and Baht 33.5 million, respectively, to long-term loans. The reclassifications included allowance for doubtful of short-term loans to ACAP Consulting Co., Ltd. and to Global Service Center Co., Ltd of to Baht 5.9 million and Baht 20 million, respectively.

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12 Related party transactions (Cont'd)

The following significant transactions were carried out with related parties: (Cont'd)

v) Loans to related parties (Cont'd)

	Company					Ending balance Baht'000
	Long-term loans					
	Opening balance Baht'000	Addition during the period Baht'000	Allowance for impairment Baht'000	Reclassify from short-term Baht'000	Increase from exchange rate Baht'000	
ACAP Consulting Co., Ltd.	-	1,300	-	5,900	-	6,400
<u>Less</u> Allowance for impairment	-	-	(1,300)	(5,900)	-	(6,400)
	-	1,300	(1,300)	-	-	-
Global Service Center Co. Ltd.	-	8,000	-	33,500	-	39,500
<u>Less</u> Allowance for impairment	-	-	(21,500)	(20,000)	-	(39,500)
	-	8,000	(21,500)	13,500	-	-
Aurum Capital Advisory Pte. Ltd.	14,950	-	-	-	346	15,296
<u>Less</u> Allowance for impairment	-	-	(7,648)	-	-	(7,648)
	14,950	-	(7,648)	-	346	7,648
Total	14,950	9,300	(30,448)	13,500	346	7,648

During the nine-month period ended 30 September 2013, Company had entered into a loan agreement with Global Service Center Co., Ltd. amounting to Baht 8 million. The subsidiary issued at call promissory notes which bear interest rate at 2.75% per annum and the interest is due every 30 days after drawn down. The Company set up a full impairment for the loan to Global Service Center Co., Ltd..

On 1 June 2013, the Company amended loan agreement with Global Service Center Co., Ltd. which had outstanding as at 31 December 2012 amounting to Baht 30 million in order to amend interest rate at 2.75% per annum. During the nine-month period ended 30 September 2013, the loan was reclassified from short-term loan to long-term loan.

During the nine-month period ended 30 September 2013, the Company had entered into the loan agreements with ACAP Consulting Co., Ltd. totalling to Baht 1.3 million. The subsidiary issued promissory notes, which are repayable at call which bears interest rate at 2.5% per annum and 2.75% per annum and the interest is due every 30 days after drawn down. During the nine-month period ended 30 September 2013, the Company has set up a full impairment for the loan to ACAP Consulting Co., Ltd.

During the nine-month period ended 30 September 2013, the Company set up impairment for loan to Auram Capital Advisory Pte. Ltd. amounting to Baht 7.6 million.

12 Related party transactions (Cont'd)

The following significant transactions were carried out with related parties: (Cont'd)

vi) Borrowings from related party

During the nine-month period ended 30 September 2013, the Company had borrowings from related party as follows:

Counterparty	Company			Ending balance Baht'000
	Opening balance Baht'000	Additions during the period Baht'000	Repayment during the period Baht'000	
Short-term borrowings				
- Capital OK Co., Ltd.	18,000	20,000	(18,000)	20,000
- Professional Collection Co., Ltd.	-	875,588	(772,000)	103,588
	<u>18,000</u>	<u>895,588</u>	<u>(790,000)</u>	<u>123,588</u>
Long-term borrowings				
- Capital OK Co., Ltd.	<u>760,000</u>	<u>-</u>	<u>(760,000)</u>	<u>-</u>

On 6 March 2013, 11 March 2013, and 29 March 2013, the Company had entered into the borrowing agreements with Professional Collection Co., Ltd. amounting to Baht 602 million, Baht 264 million and Baht 10 million, respectively. The borrowings are repayable at call and bear interest rate at 3% per annum. The interest is due every 30 days after drawn down. During the nine-month period ended 30 September 2013, the Company repaid short-term borrowings of Baht 772 million to Professional Collection Co., Ltd.

On 29 April 2013, the Company had entered into a borrowing agreement with Capital OK Co., Ltd. amounting to Baht 20 million. The borrowing is repayment at call and bear interest rate at 2.8% per annum. The interest is due every 30 days after drawn down.

During the nine-month period ended 30 September 2013, the Company had fully repaid short-term and long-term borrowings of Baht 18 million and Baht 760 million, respectively to Capital OK Co., Ltd.

13 Contingent liabilities

As at 30 September 2013, the Company was jointly litigated with Inter Capital Alliance Asset Management Co., Ltd for being part of the negotiation of debt collection of non-performing asset portfolio, which the Company involved as a service provider for debt collection in 2007. On 30 September 2013, this court case is pending for the consideration by the Southern Bangkok Civil Court. The management assesses the fact and believes that the case has no ground and will not result in any liability to the Company.