

ACAP ADVISORY PUBLIC COMPANY LIMITED

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

31 MARCH 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 31 March 2013, the related consolidated and company statements of comprehensive income, changes in shareholders' equity, and cash flows for the three-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 reviews.

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
13 May 2013

ACAP Advisory Public Company Limited
Statement of Financial Position
As at 31 March 2013

	Notes	Consolidated		Company	
		Unaudited 31 March 2013 Baht'000	Audited 31 December 2012 Baht'000	Unaudited 31 March 2013 Baht'000	Audited 31 December 2012 Baht'000
Assets					
Current assets					
Cash and cash equivalents		732,926	740,015	43,572	61,077
Short-term investments		117,390	112,209	-	-
Accounts receivable, net	7	18,466	32,981	500	20,416
Investment in non - performing asset		-	2,469	-	-
Amounts due from related companies	10 iv)	-	-	337	313
Short-term loans to related companies, net	10 v)	-	-	400	10,400
Short-term loans to other companies, net		21,809	26,451	201	2,451
Other current assets, net		11,842	10,331	3,990	2,050
Total current assets		902,433	924,456	49,000	96,707
Non-current assets					
Investment in non performing asset		2,469	-	-	-
Long-term loan to related companies	10 v)	-	-	14,278	14,950
Long-term loan to other companies, net		2,619	4,969	2,619	4,969
Investment in subsidiary companies	6	-	-	827,963	828,992
Long-term investments		30,000	30,000	-	-
Building improvements and equipment, net	9	46,588	45,731	32,436	31,717
Intangible assets, net	9	4,535	4,977	2,661	2,859
Other non-current assets, net		18,526	18,400	5,789	5,817
Total non-current assets		104,737	104,077	885,746	889,304
Total assets		1,007,170	1,028,533	934,746	986,011

Director _____ Director _____

Date _____

The notes to the financial information on pages 9 to 20 are an integral part of these interim financial information.

ACAP Advisory Public Company Limited
Statement of Financial Position (Cont'd)
As at 31 March 2013

	Notes	Consolidated		Company	
		Unaudited 31 March 2013 Baht'000	Restated Audited 31 December 2012 Baht'000	Unaudited 31 March 2013 Baht'000	Audited 31 December 2012 Baht'000
Liabilities and shareholders' equity					
Current liabilities					
Accounts payable		142	-	-	-
Amounts due to related companies	10 iv)	-	-	1,206	107,644
Short-term borrowing from related company	10 vi)	-	-	253,588	18,000
Current portion of financial lease contracts	8	5,197	4,847	4,519	4,178
Other current liabilities		28,263	26,278	2,845	4,108
Total current liabilities		33,602	31,125	262,158	133,930
Non-current liabilities					
Liabilities under financial lease contracts, net	8	6,745	6,119	5,206	4,408
Long-term borrowings from financial institution		2,584	2,584	-	-
Long-term borrowings from related companies	10 vi)	-	-	-	760,000
Deferred tax liabilities		150	158	-	-
Employee benefits obligations		11,710	9,831	7,154	5,928
Other liabilities		12,228	12,097	2,912	2,912
Total non-current liabilities		33,417	30,789	15,272	773,248
Total liabilities		67,019	61,914	277,430	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		473,581	497,697	182,074	(396,409)
Other components of equity		(3,708)	(2,484)	-	-
Equity attributable to owners of the parent		945,115	970,455	657,316	78,833
Non-controlling interests		(4,964)	(3,836)	-	-
Total shareholders' equity		940,151	966,619	657,316	78,833
Total liabilities and shareholders' equity		1,007,170	1,028,533	934,746	986,011

The notes to the financial information on pages 9 to 20 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 31 March 2013

	Notes	Consolidated		Company	
		31 March 2013 Baht'000	31 March 2012 Baht'000	31 March 2013 Baht'000	31 March 2012 Baht'000
Revenues					
Service income		27,551	34,728	2,332	12,432
Other income	10 i)	13,641	19,015	626,622	1,632
Total revenues		41,192	53,743	628,954	14,064
Expenses					
Cost of services, assets management and loans	10 ii)	24,876	26,736	1,346	5,718
Administrative expenses	10 ii)	34,519	36,540	32,465	113,354
Management remunerations		5,498	6,090	5,498	6,090
Total expenses		64,893	69,366	39,309	125,162
(Loss) profit before finance costs and income tax		(23,701)	(15,623)	589,645	(111,098)
Finance costs	10 iii)	137	190	11,162	13,832
(Loss) profit before income tax		(23,838)	(15,813)	578,483	(124,930)
Income tax		1,411	436	-	-
Net (loss) profit for the period		(25,249)	(16,249)	578,483	(124,930)
Other comprehensive (expense) income					
Exchange differences on translating financial information		(1,219)	68	-	-
Total comprehensive (expense) income for the period, net of tax		(1,219)	68	-	-
Total comprehensive (expense) income for the period		(26,468)	(16,181)	578,483	(124,930)
(Loss) Profit attributable to:					
Owners of the parent		(24,116)	(14,819)	578,483	(124,930)
Non-controlling interests		(1,133)	(1,430)	-	-
		(25,249)	(16,249)	578,483	(124,930)
Total comprehensive (loss) income attributable to:					
Owners of the parent		(25,340)	(14,738)	578,483	(124,930)
Non-controlling interests		(1,128)	(1,443)	-	-
		(26,468)	(16,181)	578,483	(124,930)
(Loss) earning per share (Baht per share)					
Basic (loss) earnings per share		(0.20)	(0.13)	4.63	(1.00)

The notes to the financial information on pages 9 to 20 are an integral part of these interim financial information.

ACAP Advisory Public Company Limited
Statement of Changes in Shareholders' Equity (Unaudited)
For the three-month period ended 31 March 2013

		Consolidated								
		Attributable to owners of the parent								
		Issued and paid-up share capital		Premium on share capital		Retained earnings		Other components of equity		Total shareholders' equity
								Currency translation differences from subsidiary in overseas		
Note		Baht'000	Baht'000	Appropriated Baht'000	Unappropriated Baht'000	Baht'000	Baht'000	Baht'000	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	
4.1	Impact of adoption of TAS 12 Income taxes	-	-	-	(158)	-	(158)	-	(158)	
	Closing balance after adjustment	125,000	337,742	12,500	497,697	(2,484)	970,455	(3,836)	966,619	
	Total comprehensive expense for the period	-	-	-	(24,116)	(1,224)	(25,340)	(1,128)	(26,468)	
	Ending balance as at 31 March 2013	125,000	337,742	12,500	473,581	(3,708)	945,115	(4,964)	940,151	

		Consolidated								
		Attributable to owners of the parent								
		Issued and paid-up share capital		Premium on share capital		Retained earnings		Other components of equity		Total shareholders' equity
								Currency translation differences from subsidiary in overseas		
Note		Baht'000	Baht'000	Appropriated Baht'000	Unappropriated Baht'000	Baht'000	Baht'000	Baht'000	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	
4.1	Impact of adoption of TAS 12 Income taxes	-	-	-	15,061	-	15,061	-	15,061	
	Closing balance after adjustment	125,000	337,742	12,500	575,667	(2,485)	1,048,424	1,684	1,050,108	
	Total comprehensive (expense) income for the period	-	-	-	(14,819)	81	(14,738)	(1,443)	(16,181)	
	Ending balance as at 31 March 2012	125,000	337,742	12,500	560,848	(2,404)	1,033,686	241	1,033,927	

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ACAP Advisory Public Company Limited
Statement of Changes in Shareholders' Equity (Unaudited) (Cont'd)
For the three-month period ended 31 March 2013

	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 2013	125,000	337,742	12,500	(396,409)	78,833
Total comprehensive income for the period	-	-	-	578,483	578,483
Closing balance as at 31 March 2013	<u>125,000</u>	<u>337,742</u>	<u>12,500</u>	<u>182,074</u>	<u>657,316</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	-	-	-	(124,930)	(124,930)
Closing balance as at 31 March 2012	<u>125,000</u>	<u>337,742</u>	<u>12,500</u>	<u>(301,245)</u>	<u>173,997</u>

The notes to the financial information on pages 9 to 20 are an integral part of these interim financial information.

ACAP Advisory Public Company Limited

Statement of Cash Flows (Unaudited)

For the three-month period ended 31 March 2013

	Consolidated		Company	
	31 March	31 March	31 March	31 March
	2013	2012	2013	2012
Notes	Baht'000	Baht'000	Baht'000	Baht'000
Cash flows from operating activities				
(Loss) profit before income tax	(23,838)	(15,813)	578,483	(124,930)
Adjustments for:				
Depreciation and amortisation	9	3,509	2,034	2,436
Interest income		(7,232)	(4,221)	(42)
Interest expenses		-	11,053	13,642
Interest expenses from finance leases		137	109	190
Dividend income	10 i)	-	(622,050)	-
Loss on impairment of investment in subsidiary	6	-	1,029	91,099
Loss on impairment of short-term loan to related company		-	-	2,000
Loss on impairment of long-term loan to related company 10 v)		-	15,500	-
Loss on sales/impairment/write-off of assets		2,250	462	852
Gain on sales of short-term investment		-	-	(187)
Gain on sales of long-term investment		-	(10,221)	-
Realised (gain) loss on foreign currencies translation		(121)	1,777	1,189
Unrealised gain on revaluation of investment		(681)	-	-
Unrealised (gain) loss on foreign exchange translation		5	-	-
Provision for employee benefits		1,879	1,226	1,387
Loss from operating activities before changes in operating assets and liabilities		(24,092)	(14,598)	(12,364)
(Increase) decrease in operating assets				
Accounts and notes receivable		14,515	19,916	51,487
Amounts due from related companies		-	(56)	(190)
Other current assets		2,980	1,829	(9,550)
Other non-current assets		(126)	28	26
Increase (decrease) in operating liabilities				
Accounts payable		142	-	-
Amount due to related companies		-	(31)	(19)
Other current liabilities		416	(1,264)	(131)
Other non-current liabilities		280	-	-
Cash (used in) generated from operation before interest and income tax receive (paid)		(5,885)	5,824	29,259
Interest received		2,750	480	93
Interest paid excluding finance lease contracts		-	(117,460)	(115)
Income tax paid		(2,449)	(674)	(1,937)
Net cash (used in) provided by operating activities		(5,584)	(111,830)	27,300

The notes to the financial information on pages 9 to 20 are an integral part of these interim financial information.

ACAP Advisory Public Company Limited
Statement of Cash Flows (Unaudited) (Cont'd)
For the three-month period ended 31 March 2013

	Notes	Consolidated		Company	
		31 March 2013 Baht'000	31 March 2012 Baht'000	31 March 2013 Baht'000	31 March 2012 Baht'000
Cash flows from investing activities					
Cash paid for short-term investment		(4,500)	(80,000)	-	-
Cash paid for short-term loans to related companies	10 v)	-	-	(5,500)	(7,000)
Cash paid for long-term loans to related company	10 v)	-	-	(2,000)	-
Cash paid for long-term investment		-	(30,000)	-	-
Cash paid for purchases of building improvement, equipment and intangible assets	9	(2,570)	(640)	(1,179)	(28)
Proceeds from disposal of short-term investment		-	14,691	-	14,691
Cash received from short-term loan to other companies		4,642	109	2,250	109
Cash received from long-term loan to other companies		2,350	-	2,350	-
Cash received from short-term loan to related company		-	-	2,000	-
Proceeds from disposals of long-term investment		-	11,332	-	-
Proceeds from disposals of building improvement, equipment and intangible assets		1,000	1,673	1,000	1,673
Dividend received from related party	10 i)	-	-	622,050	-
Net cash provided by (used in) investing activities		922	(82,835)	620,971	9,445
Cash flows from financing activities					
Cash received from short-term borrowings from related companies	10 vi)	-	-	875,588	-
Cash paid for short-term borrowings from related companies	10 vi)	-	-	(640,000)	-
Cash paid on long-term borrowings from related companies	10 vi)	-	-	(760,000)	-
Cash paid for liability under finance leases		(1,326)	(2,499)	(1,133)	(1,820)
Net cash used in financing activities		(1,326)	(2,499)	(525,545)	(1,820)
Net (decrease) increase in cash and cash equivalents		(5,988)	(76,461)	(16,404)	34,925
Cash and cash equivalents at beginning of the period		740,015	864,437	61,077	47,114
Exchange losses on cash		(1,101)	(1,097)	(1,101)	(1,085)
Cash and cash equivalents at end of the period		732,926	786,879	43,572	80,954

Non-cash transactions

Purchases of equipment under finance leases	9	2,164	2,741	2,164	-
Reversal of renovation cost		-	3,354	-	1,941
Reclassification of short-term loan to related companies to long-term loan to related companies	10 v)	-	-	13,500	-

The notes to the financial information on pages 9 to 20 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 consumer product.

The interim consolidated and company financial information was authorised by the Board of Directors on 13 May 2013.

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

2 Basis of 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 Company 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 and are relevant to the Group are:

TFRIC 1	Changes in Existing Decommissioning, Restoration and Similar Liabilities
TFRIC 4	Determining whether an Arrangement contains a Lease
TFRIC 5	Right to Interests arising from Decommissioning, Restoration and Environmental Rehabilitation Funds
TFRIC 7	Applying the Restatement Approach under TAS 29 Financial Reporting in Hyperinflationary Economics
TFRIC 10	Interim Financial Reporting and Impairment
TFRIC 12	Service Concession Arrangements
TFRIC 13	Customer Loyalty Programmes
TSIC 29	Service Concession Arrangements: Disclosure

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 5 provide guidance on accounting in the financial statements of a contributor for interests arising from decommissioning funds that the assets are administered separately and a contributor's right to access the assets is restricted. TFRIC 5 is not relevant to the Group's operations.

TFRIC 7 provides guidance on how to apply the requirements of TAS 29, Financial Reporting in Hyperinflationary Economics, in a reporting period in which an entity identifies the existence of hyperinflation in the economy of its functional currency, when the economy was not hyperinflationary in the prior period. TFRIC 7 is not relevant to the Group's operations.

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 12 deals with public-to-private service concession arrangements for the delivery of public services. It applies only to concession agreements where the use of the infrastructure is controlled by the grantor. This interpretation requires two different accounting treatments, depending on the specific terms of the concession agreement. When the operator builds infrastructure and has an unconditional contractual right to receive cash or another financial asset from the grantor, that right is treated as a financial asset. When the operator builds infrastructure and receives a right (a licence) to charge users of the public service, that right is treated as an intangible asset. The management is currently assessing the impact of applying this interpretation.

TFRIC 12 applies to public-to-private service concession arrangements whereby a private sector operator participates in the development, financing, operation and maintenance of infrastructure for public sector services. TFRIC12 is not relevant to the Group's operations.

3 Accounting policies (Cont'd)

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. The management is currently assessing the impact of applying this interpretation.

TSIC 29 Contains disclosure requirements in respect of public-to-private service arrangements.

New accounting standard which is effective on 1 January 2016 and is relevant to the group:

IFRS 4 Insurance Contracts

IFRS 4 applies to all insurance contracts (including reinsurance contracts) that an entity issues and to reinsurance contracts that it holds. The standard exempts an insurer temporarily from some requirements of other standards, including the requirement to consider the Framework in selecting accounting policies for insurance contracts. However, the standard (a) prohibits provision for possible claims under contracts that are not in existence at the end of the reporting period; (b) requires a test for the adequacy of recognised insurance liabilities and an impairment test for reinsurance assets; and (c) requires an insurer to keep insurance liabilities in its statement of financial position until they are discharged or cancelled, or expired, and to present insurance liabilities without offsetting them against related reinsurance assets. The management is currently assessing the impact of IFRS 4.

IFRS 4 applies to all insurance contracts (including reinsurance contracts) that an entity issues and to reinsurance contracts that it holds. IFRS 4 is not relevant to the Group's operations.

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 substantively 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 will be effective for the periods beginning on or after 1 January 2013 by making retrospective adjustments. This adoption the beginning consolidated retained earnings as at 2012 and 2013 increased by Baht 15 Million and decrease by Baht 157,874, respectively. Furthermore, this adoption resulted decreasing in the consolidated basic loss per share amounting to Baht 0.12.

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

	Originally stated Baht'000	Adjustment Baht'000	Restated Baht'000
Consolidated statement of financial position as at 31 December 2012			
Deferred tax liability	-	158	158
Consolidated statement of Changes in Owners' Equity as at 1 January 2012			
Retained earnings - Unappropriate	560,606	15,061	575,667
Consolidated statement of Changes in Owners' Equity as at 1 January 2013			
Retained earnings - Unappropriate	497,855	(158)	497,697

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.

Goodwill and fair value adjustments arising on the acquisition of a foreign operation are treated as assets and liabilities of the foreign operation and translated at the closing rate.

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

Primary reporting format - financial information by business segment

	Consolidated				
	Advisory and Investment Banking Baht'000	Non-Performing Asset Management Baht'000	Consumer Finance Baht'000	Eliminations Baht'000	Total Baht'000
For the three-month period ended 31 March 2013					
Revenues					
Revenue from operation	20,752	11,316	9,124	-	41,192
Revenue from inter-segment	573	622,510	881,158	(1,504,241)	-
Total revenues	<u>21,325</u>	<u>633,826</u>	<u>890,282</u>	<u>(1,504,241)</u>	<u>41,192</u>
Segment expenses	<u>28,422</u>	<u>43,196</u>	<u>13,826</u>	<u>(20,551)</u>	<u>64,893</u>
Operating (loss) profit	<u>(7,097)</u>	<u>590,630</u>	<u>876,456</u>	<u>(1,483,690)</u>	<u>(23,701)</u>

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5 Segment information (Cont'd)

	Consolidated				
	Advisory and Investment Banking Baht'000	Non-Performing Asset Management Baht'000	Consumer Finance Baht'000	Eliminations Baht'000	Total Baht'000
For the three-month period ended 31 March 2012					
Revenues					
Revenue from operation	15,153	20,732	17,858	-	53,743
Revenue from inter-segment	423	830	14,862	(16,115)	-
Total revenues	<u>15,576</u>	<u>21,562</u>	<u>32,720</u>	<u>(16,115)</u>	<u>53,743</u>
Segment expenses	<u>21,723</u>	<u>131,429</u>	<u>838,994</u>	<u>(922,780)</u>	<u>69,366</u>
Operating loss	<u>(6,147)</u>	<u>(109,867)</u>	<u>(806,274)</u>	<u>906,665</u>	<u>(15,623)</u>

6 Investment in subsidiaries

List of subsidiaries as at 31 March 2013 are as follow:

Company's name	Country of establishment	Type of business	Nature of relationship	Percentage of investment
Subsidiaries				
ACAP Asset Management Co., Ltd.	Thailand	Non-performing assets management	Shareholder	99.99
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 three-month period ended 31 March 2013	
Beginning net book balance	828,992
Additional allowance for impairment during the period	<u>(1,029)</u>
Closing net book balance	<u><u>827,963</u></u>

In the three-month period ended 31 March 2013, the Company's management had provided additional allowance for impairment of investment in ACAP Corporate Services Co., Ltd. amounting to Baht 1 million.

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6 Investment in subsidiaries (Cont'd)

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 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. After decreasing capital, subsidiary is required to register share capital of Baht 62.05 million, divided into 6,205,000 shares at par value of Baht 10 each. Subsidiary is in process of reduction the share capital.

7 Accounts receivable, net

	Consolidated		Company	
	31 March 2013 Baht'000	31 December 2012 Baht'000	31 March 2013 Baht'000	31 December 2012 Baht'000
Accrued incomes	10,896	10,073	-	4,733
Accounts receivable from financial advisory	17,789	16,648	11,646	11,646
Account receivable from asset management	1,465	16,317	500	15,683
Others	4,072	5,699	-	-
Total	34,222	48,737	12,146	32,062
<u>Less</u> Allowance for doubtful accounts	(15,756)	(15,756)	(11,646)	(11,646)
Accounts and notes receivable, net	18,466	32,981	500	20,416

8 Liability under finance leases

	Consolidated		Company	
	31 March 2013 Baht'000	31 December 2012 Baht'000	31 March 2013 Baht'000	31 December 2012 Baht'000
Minimum lease payments obligation under finance leases	12,823	11,678	10,513	9,094
<u>Less</u> Deferred interest	(881)	(712)	(788)	(508)
	11,942	10,966	9,725	8,586
Current portion due within one year	5,197	4,847	4,519	4,178
Non-current portion due after one year	6,745	6,119	5,206	4,408
	11,942	10,966	9,725	8,586

9 Building improvements and equipment, 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 three-month period ended 31 March 2013				
Opening net book amount	45,731	4,977	31,717	2,859
Additions	4,734	-	3,343	-
Disposals and write-offs, net	(810)	-	(788)	-
Depreciation charge / amortisation	(3,067)	(442)	(1,836)	(198)
Ending net book amount	46,588	4,535	32,436	2,661

10 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 per normal businesses similar to other customers. Interest income/expense incurred from borrowings, cost of services and administrative expenses are carried out at the agreed rate as per contracts.

The following significant transactions were carried out with related parties:

i) Income for the three-month periods ended 31 March

	Consolidated		Company	
	2013	2012	2013	2012
	Baht'000	Baht'000	Baht'000	Baht'000
Other income				
Accounting and financial service income				
- Global Service Center Co., Ltd.	-	-	2	6
- Capital OK Co., Ltd.	-	-	20	47
- Professional Collection Co., Ltd.	-	-	2	6
Sharing expense income				
- ACAP Consulting Co., Ltd.	-	-	36	156
- ACAP Corporate Services Co., Ltd.	-	-	62	60
- ACAP Asset Management Co., Ltd.	-	-	17	60
Interest income				
- ACAP Asset Management Co., Ltd.	-	-	2	30
- ACAP Consulting Co., Ltd.	-	-	34	15
- ACAP Corporate Services Co., Ltd.	-	-	5	6
- Global Service Center Co., Ltd.	-	-	254	177
- Aurum Capital Advisory Pte. Ltd.	-	-	26	27
Dividend income				
- Capital OK Co., Ltd.	-	-	622,050	-
Total other income	-	-	622,510	590

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, including appropriated legal reserve of 5%.

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10 Related party transactions (Cont'd)

ii) Expenses for the three-month periods ended 31 March

	Consolidated		Company	
	2013 Baht'000	2012 Baht'000	2013 Baht'000	2012 Baht'000
Cost of service				
Professional fee				
- ACAP Consulting Co., Ltd.	-	-	-	240
Administrative expenses				
Rental and maintenance equipment				
- Global Service Center Co., Ltd.	-	-	243	345

iii) Interest expenses for the three-month periods ended 31 March

	Consolidated		Company	
	2013 Baht'000	2012 Baht'000	2013 Baht'000	2012 Baht'000
- Capital OK Co., Ltd	-	-	9,871	13,642
- Professional Collection Co., Ltd.	-	-	1,182	-
	-	-	11,053	13,642

iv) Outstanding balances arising from sales / purchases of services

	Consolidated		Company	
	31 March 2013 Baht'000	31 December 2012 Baht'000	31 March 2013 Baht'000	31 December 2012 Baht'000
Amounts due from related companies				
- ACAP Corporate Services Co., Ltd.	-	-	2	1
- ACAP Consulting Co., Ltd.	-	-	15	5
- ACAP (Malaysia) Sdn. Bhd.	-	-	95	34
- Global Service Center Co. Ltd.	-	-	93	163
- Aurum Capital Advisory Pte. Ltd.	-	-	132	110
	-	-	337	313
Amounts due to related companies				
- Global Service Center Co. Ltd.	-	-	2	4
- Professional Collection Co., Ltd.	-	-	1,183	4
- Capital OK Co., Ltd.	-	-	21	107,629
- ACAP Consulting Co., Ltd.	-	-	-	7
	-	-	1,206	107,644

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10 Related party transactions (Cont'd)

v) Loans to related parties

For the three-month period ended 31 March 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 doubtful	(5,900)	-	-	5,900	-
	-	-	-	-	-
ACAP Corporate Services Co., Ltd.	400	500	(500)	-	400
<u>Less</u> Allowance for doubtful	-	-	-	-	-
	400	500	(500)	-	400
Global Service Center Co. Ltd.	30,000	3,500	-	(33,500)	-
<u>Less</u> Allowance for doubtful	(20,000)	-	-	20,000	-
	10,000	3,500	-	(13,500)	-
ACAP Asset Management Co., Ltd.	-	1,500	(1,500)	-	-
<u>Less</u> Allowance for doubtful	-	-	-	-	-
	-	1,500	(1,500)	-	-
Total	10,400	5,500	(2,000)	(13,500)	400

On 30 January 2013, the Company had entered into a loan agreement with ACAP Corporate Services Co., Ltd. amounting to Baht 0.5 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 period, the Company had received the repayment of Baht 0.5 million.

On 7 February 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 period, the Company has fully received the repayment amounting Baht 1.5 million.

On 22 February 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.

During the period, 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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10 Related party transactions (Cont'd)

v) Loans to related parties (Cont'd)

	Company					
	Long-term loans					
	Opening balance Baht'000	Addition during the period Baht'000	Allowance or doubtful Baht'000	Reclassify from short-term Baht'000	Decrease from exchange rate Baht'000	Ending balance Baht'000
ACAP Consulting Co., Ltd.	-	-	-	5,900	-	5,900
<u>Less</u> Allowance for doubtful	-	-	-	(5,900)	-	(5,900)
	-	-	-	-	-	-
Global Service Center Co. Ltd.	-	2,000	-	33,500	-	35,500
<u>Less</u> Allowance for doubtful	-	-	(15,500)	(20,000)	-	(35,500)
	-	2,000	(15,500)	13,500	-	-
Aurum Capital Advisory Pte. Ltd.	14,950	-	-	-	(672)	14,278
<u>Less</u> Allowance for doubtful	-	-	-	-	-	-
	14,950	-	-	-	(672)	14,278
Total	14,950	2,000	(15,500)	13,500	(672)	14,278

On 22 March 2013, the Company had entered into a loan agreement with Global Service Center Co., Ltd. amounting to Baht 2 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 fully impairment for the loan to Global Service Center Co., Ltd..

vi) Borrowings from related party

During the three-month period ended 31 March 2013, the Company had borrowings from related party as follows:

Counterparty	Company			
	Opening balance Baht'000	Additions during the period Baht'000	Repayment during the period Baht'000	Ending balance Baht'000
Short-term loan				
- Capital OK Co., Ltd.	18,000	-	(18,000)	-
- Professional Collection Co., Ltd.	-	875,588	(622,000)	253,588
	18,000	875,588	(640,000)	253,588
Long-term loan				
- Capital OK Co., Ltd.	760,000	-	(760,000)	-

On 6 March 2013, 11 March 2013, and 29 March 2013, the Company had entered into the loan agreements with Professional Collection Co., Ltd. amounting to Baht 602 million, Baht 264 million and Baht 10 million, respectively. The loans are repayable at call and bear interest rate at 3% per annum. The interest is due every 30 days after drawn down. During the period, the Company repaid short-term borrowings of Baht 622 million to Professional Collection Co., Ltd.

During the period, 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.

11 Contingent liabilities

As at 31 March 2013, the Company was jointly litigated with Inter Capital Alliance Asset Management Co.,Ltd for being part of negotiation of debt collection of non-performing asset portfolio, which the Company involved as a service provider for debt collection in 2007. On 31 March 2013, this court case is in the legal consideration of the Southern Bangkok Civil Court. The management assesses the fact and believes that the case has no ground and will not result any liability to the Company.

12 Event after the reporting period

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. As a result, subsidiary is required to register capital amounting to Baht 412.5 million, divided into 82,500,000 shares at par value of Baht 5 each. The subsidiary is still in process of approval by the Ministry of Finance.