

**ACAP ADVISORY PUBLIC COMPANY LIMITED**

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

**31 MARCH 2014**

## **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 2014, 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 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  
14 May 2014

**ACAP Advisory Public Company Limited**  
**Statement of Financial Position**  
**As at 31 March 2014**

	Notes	Consolidated		Company	
		Unaudited 31 March 2014 Baht'000	Audited 31 December 2013 Baht'000	Unaudited 31 March 2014 Baht'000	Audited 31 December 2013 Baht'000
<b>Assets</b>					
<b>Current assets</b>					
Cash and cash equivalents		491,332	479,381	181,397	193,190
Short-term investments		114,078	142,498	-	-
Accounts receivable, net		13,225	13,369	-	-
Amounts due from related companies	11 iii)	-	-	141	8,885
Short-term loans to related companies, net	11 iv)	-	-	2,000	3,000
Short-term loans to other companies, net	6	79,393	84,393	-	-
Other current assets		12,072	12,955	2,816	2,641
<b>Total current assets</b>		<b>710,100</b>	<b>732,596</b>	<b>186,354</b>	<b>207,716</b>
<b>Non-current assets</b>					
Long-term loan to related companies, net	11 iv)	-	-	-	-
Investment in subsidiaries	5	-	-	496,981	517,637
Leasehold improvements and equipment, net	7	36,638	38,930	24,160	25,734
Intangible assets, net	7	4,127	3,973	2,112	2,203
Other non-current assets		15,599	16,285	4,235	4,197
<b>Total non-current assets</b>		<b>56,364</b>	<b>59,188</b>	<b>527,488</b>	<b>549,771</b>
<b>Total assets</b>		<b>766,464</b>	<b>791,784</b>	<b>713,842</b>	<b>757,487</b>

Director \_\_\_\_\_ Director \_\_\_\_\_

Date \_\_\_\_\_

The notes to the financial information on pages 11 to 19 are an integral part of this interim financial information.

**ACAP Advisory Public Company Limited**  
**Statement of Financial Position (Cont'd)**  
**As at 31 March 2014**

	Notes	Consolidated		Company	
		Unaudited 31 March 2014 Baht'000	Audited 31 December 2013 Baht'000	Unaudited 31 March 2014 Baht'000	Audited 31 December 2013 Baht'000
<b>Liabilities and shareholders' equity</b>					
<b>Current liabilities</b>					
Accounts payable		163	-	-	-
Amounts due to related companies	11 iii)	-	-	19	41
Current portion of financial lease contracts	8	4,473	4,705	3,762	4,002
Short-term borrowings		924	-	-	-
Other current liabilities	9	18,103	23,108	1,528	1,092
<b>Total current liabilities</b>		<b>23,663</b>	<b>27,813</b>	<b>5,309</b>	<b>5,135</b>
<b>Non-current liabilities</b>					
Liabilities under financial lease contracts, net	8	2,271	3,330	1,444	2,321
Long-term borrowings from financial institution		-	3,236	-	-
Deferred tax liabilities		-	158	-	-
Employee benefits obligations		14,579	12,874	8,497	7,259
Other liabilities		10,700	10,700	1,310	1,310
<b>Total non-current liabilities</b>		<b>27,550</b>	<b>30,298</b>	<b>11,251</b>	<b>10,890</b>
<b>Total liabilities</b>		<b>51,213</b>	<b>58,111</b>	<b>16,560</b>	<b>16,025</b>

The notes to the financial information on pages 11 to 19 are an integral part of this interim financial information.

**ACAP Advisory Public Company Limited**  
**Statement of Financial Position (Cont'd)**  
**As at 31 March 2014**

	<b>Consolidated</b>		<b>Company</b>	
	<b>Unaudited 31 March 2014 Baht'000</b>	<b>Audited 31 December 2013 Baht'000</b>	<b>Unaudited 31 March 2014 Baht'000</b>	<b>Audited 31 December 2013 Baht'000</b>
<b>Liabilities and shareholders' equity (Cont'd)</b>				
<b>Shareholders' equity</b>				
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				
Appropriated	12,500	12,500	12,500	12,500
Unappropriated	247,661	266,924	222,040	266,220
Other components of equity	(2,333)	(2,146)	-	-
<b>Equity attributable to owners of the parent</b>	<b>720,570</b>	<b>740,020</b>	<b>697,282</b>	<b>741,462</b>
Non-controlling interests	(5,319)	(6,347)	-	-
<b>Total shareholders' equity</b>	<b>715,251</b>	<b>733,673</b>	<b>697,282</b>	<b>741,462</b>
<b>Total liabilities and shareholders' equity</b>	<b>766,464</b>	<b>791,784</b>	<b>713,842</b>	<b>757,487</b>

The notes to the financial information on pages 11 to 19 are an integral part of this interim financial information.

**ACAP Advisory Public Company Limited**  
**Statement of Comprehensive Income (Unaudited)**  
**For the three-month period ended 31 March 2014**

	Note	Consolidated		Company	
		31 March 2014 Baht'000	31 March 2013 Baht'000	31 March 2014 Baht'000	31 March 2013 Baht'000
<b>Revenues</b>					
Service income		19,001	27,551	-	2,332
Other income	10	11,041	13,641	1,380	626,622
Total revenues		30,042	41,192	1,380	628,954
<b>Expenses</b>					
Cost of services, assets management and loans		18,774	24,876	141	1,346
Administrative expenses		25,051	34,519	40,578	32,465
Management remunerations		4,775	5,498	4,755	5,498
Total expenses		48,600	64,893	45,474	39,309
(Loss) profit before finance costs and income tax		(18,558)	(23,701)	(44,094)	589,645
Finance costs		106	137	86	11,162
(Loss) profit before income tax		(18,664)	(23,838)	(44,180)	578,483
Income tax		(235)	1,411	-	-
Net (loss) profit for the period		(18,429)	(25,249)	(44,180)	578,483
<b>Other comprehensive income (expense)</b>					
Exchange differences on translating financial information		7	(1,219)	-	-
Total comprehensive income (expense) for the periods, net of tax		7	(1,219)	-	-
Total comprehensive (expense) income for the periods		(18,422)	(26,468)	(44,180)	578,483
<b>(Loss) profit attributable to:</b>					
Owners of the parent		(19,263)	(24,116)	(44,180)	578,483
Non-controlling interests		834	(1,133)	-	-
		(18,429)	(25,249)	(44,180)	578,483
<b>Total comprehensive (loss) income attributable to:</b>					
Owners of the parent		(19,450)	(25,340)	(44,180)	578,483
Non-controlling interests		1,028	(1,128)	-	-
		(18,422)	(26,468)	(44,180)	578,483
<b>(Loss) earning per share (Baht per share)</b>					
Basic (loss) earnings per share		(0.15)	(0.20)	(0.35)	4.63

The notes to the financial information on pages 11 to 19 are an integral part of this interim financial information.

ACAP Advisory Public Company Limited  
Statement of Changes in Shareholders' Equity (Unaudited)  
For the three-month period ended 31 March 2014

	Consolidated								
	Attributable to owners of the parent					Other components of equity	Total owners	Non-controlling	Total
	Issued and paid-up share capital	Premium on share capital	Retained earnings		Currency translation differences from subsidiary in overseas				
			Appropriated	Unappropriated		of the parent	interests		
Baht'000	Baht'000	Baht'000	Baht'000	Baht'000	Baht'000	Baht'000	Baht'000	Baht'000	
<b>Opening balance as at 1 January 2014</b>	125,000	337,742	12,500	266,924	(2,146)	740,020	(6,347)	733,673	
Total comprehensive expense for the period	-	-	-	(19,263)	(187)	(19,450)	1,028	(18,422)	
<b>Ending balance as at 31 March 2014</b>	<u>125,000</u>	<u>337,742</u>	<u>12,500</u>	<u>247,661</u>	<u>(2,333)</u>	<u>720,570</u>	<u>(5,319)</u>	<u>715,251</u>	

	Consolidated								
	Attributable to owners of the parent					Other components of equity	Total owners	Non-controlling	Total
	Issued and paid-up share capital	Premium on share capital	Retained earnings		Currency translation differences from subsidiary in overseas				
			Appropriated	Unappropriated		of the parent	interests		
Baht'000	Baht'000	Baht'000	Baht'000	Baht'000	Baht'000	Baht'000	Baht'000	Baht'000	
<b>Opening balance as at 1 January 2013</b>	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	-	-	-	(158)	-	(158)	-	(158)	
<b>Closing balance after adjustment</b>	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)	
<b>Ending balance as at 31 March 2013</b>	<u>125,000</u>	<u>337,742</u>	<u>12,500</u>	<u>473,581</u>	<u>(3,708)</u>	<u>945,115</u>	<u>(4,964)</u>	<u>940,151</u>	

The notes to the financial information on pages 11 to 19 are an integral part of this interim financial information.

**ACAP Advisory Public Company Limited**  
**Statement of Changes in Shareholders' Equity (Unaudited) (Cont'd)**  
**For the three-month period ended 31 March 2014**

	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	
<b>Opening balance as at 1 January 2014</b>	125,000	337,742	12,500	266,220	741,462
Total comprehensive expense for the period	-	-	-	(44,180)	(44,180)
<b>Closing balance as at 31 March 2014</b>	<u>125,000</u>	<u>337,742</u>	<u>12,500</u>	<u>222,040</u>	<u>697,282</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	
<b>Opening balance as at 1 January 2013</b>	125,000	337,742	12,500	(396,409)	78,833
Total comprehensive income for the period	-	-	-	578,483	578,483
<b>Closing balance as at 31 March 2013</b>	<u>125,000</u>	<u>337,742</u>	<u>12,500</u>	<u>182,074</u>	<u>657,316</u>

The notes to the financial information on pages 11 to 19 are an integral part of this interim financial information.



**ACAP Advisory Public Company Limited**  
**Statement of Cash Flows (Unaudited)**  
**For the three-month period ended 31 March 2014**

	Notes	Consolidated		Company	
		31 March 2014 Baht'000	31 March 2013 Baht'000	31 March 2014 Baht'000	31 March 2013 Baht'000
<b>Cash flows from operating activities</b>					
(Loss) profit before income tax		(18,664)	(23,838)	(44,180)	578,483
Adjustments for:					
Depreciation and amortisation	7	2,706	3,509	1,665	2,034
Interest income		(4,671)	(7,232)	(1,226)	(4,221)
Interest expenses		-	-	-	11,053
Interest expenses from finance leases		106	137	86	109
Dividend income	11 i)	-	-	-	(622,050)
Allowance for doubtful account		1,100	-	-	-
Loss on impairment of investment in subsidiaries	5	-	-	20,656	1,029
Loss on impairment of long-term loan to related company	11 iv)	-	-	9,500	15,500
Gain on forgiveness of loan from other company		(2,310)	-	-	-
Loss on sales/impairment/write-off of assets		619	2,250	9	462
Gain on sales of short-term investment		(1,580)	-	-	-
Realised loss (gain) on foreign currencies translation		309	(121)	312	1,777
Unrealised gain on revaluation of investment		-	(681)	-	-
Unrealised loss on foreign exchange translation		7	5	-	-
Provision for employee benefits		1,706	1,879	1,238	1,226
Loss from operating activities before changes in operating assets and liabilities					
		(20,672)	(24,092)	(11,940)	(14,598)
(Increase) decrease in operating assets					
Accounts and notes receivable		(956)	14,515	-	19,916
Amounts due from related companies		-	-	-	(56)
Other current assets		1,365	2,980	(175)	1,829
Other non-current assets		686	(126)	(38)	28
Increase (decrease) in operating liabilities					
Accounts payable		163	142	-	-
Amounts due to related companies		-	-	(22)	(31)
Other current liabilities		(4,930)	416	437	(1,264)
Other non-current liabilities		-	280	-	-
Cash (used in) generated from operation					
before interest and income tax received (paid)		(24,344)	(5,885)	(11,738)	5,824
Interest received		4,191	2,750	1,300	480
Interest paid excluding finance lease contracts		-	-	-	(117,460)
Income tax paid		(718)	(2,449)	(9)	(674)
Net cash used in operating activities					
		(20,871)	(5,584)	(10,447)	(111,830)

The notes to the financial information on pages 11 to 19 are an integral part of this interim financial information.

**ACAP Advisory Public Company Limited**  
**Statement of Cash Flows (Unaudited) (Cont'd)**  
**For the three-month period ended 31 March 2014**

	Notes	Consolidated		Company	
		31 March 2014 Baht'000	31 March 2013 Baht'000	31 March 2014 Baht'000	31 March 2013 Baht'000
<b>Cash flows from investing activities</b>					
Purchase of short-term investment		-	(4,500)	-	-
Short-term loans made to related companies		-	-	-	(5,500)
Long-term loans made to related companies		-	-	(9,500)	(2,000)
Purchases of building improvement, equipment and intangible assets	7	(569)	(2,570)	-	(1,179)
Proceeds from disposal of short-term investment		30,000	-	-	-
Short-term loan payments received from other companies		5,000	4,642	-	2,250
Long-term loan payments received from other companies		-	2,350	-	2,350
Short-term loan payments received from related companies		-	-	1,000	2,000
Proceeds from disposals of building improvement, equipment and intangible assets		99	1,000	-	1,000
Dividend received from subsidiaries	11 i)	-	-	8,670	622,050
Net cash from investing activities		<u>34,530</u>	<u>922</u>	<u>170</u>	<u>620,971</u>
<b>Cash flows from financing activities</b>					
Proceeds from short-term borrowings from related companies		-	-	-	875,588
Payments on short-term borrowings from related companies		-	-	-	(640,000)
Payments on long-term borrowings from related companies		-	-	-	(760,000)
Cash paid for liability under finance leases		(1,396)	(1,326)	(1,204)	(1,133)
Net cash used in financing activities		<u>(1,396)</u>	<u>(1,326)</u>	<u>(1,204)</u>	<u>(525,545)</u>
<b>Net increase (decrease) in cash and cash equivalents</b>		<b>12,263</b>	<b>(5,988)</b>	<b>(11,481)</b>	<b>(16,404)</b>
Cash and cash equivalents at beginning of the period		479,381	740,015	193,190	61,077
Exchange losses on cash		(312)	(1,101)	(312)	(1,101)
<b>Cash and cash equivalents at end of the period</b>		<u><u>491,332</u></u>	<u><u>732,926</u></u>	<u><u>181,397</u></u>	<u><u>43,572</u></u>

The notes to the financial information on pages 11 to 19 are an integral part of this interim financial information.

**ACAP Advisory Public Company Limited**  
**Statement of Cash Flows (Unaudited) (Cont'd)**  
**For the three-month period ended 31 March 2014**

---

	<b>Consolidated</b>		<b>Company</b>	
	<b>31 March 2014 Baht'000</b>	<b>31 March 2013 Baht'000</b>	<b>31 March 2014 Baht'000</b>	<b>31 March 2013 Baht'000</b>
<b>Non-cash transactions</b>				
Purchases of equipment under finance leases	-	2,164	-	2,164
Reclassification of short-term loan to related companies to long-term loan to related companies	-	-	-	13,500
Reclassification of non-current liability to current liability	924	-	-	-
Loss on forgiveness loan and interest receivable to related company	-	-	18,113	-
Gain on forgiveness of loan from other company	2,310	-	-	-

---

The notes to the financial information on pages 11 to 19 are an integral part of this 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, 22<sup>nd</sup> 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 approved by the Board of Directors on 14 May 2014.

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

## **2 Accounting policies**

### **2.1 Basis of 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 statements of comprehensive income, 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 (revised 2012), “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 2013.

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.

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 2013.

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.

## **2 Accounting policies (Cont'd)**

### **2.2 Revised accounting standards, revised financial reporting standards, and related interpretations**

The following amendments of accounting standards and financial reporting standards and related interpretations which are effective for the periods beginning on or after 1 January 2014 and are relevant to the Group are as follows:

TAS 1 (revised 2012)	Presentation of financial statements
TAS 7 (revised 2012)	Statement of cash flows
TAS 12 (revised 2012)	Income taxes
TAS 17 (revised 2012)	Leases
TAS 18 (revised 2012)	Revenue
TAS 21 (revised 2012)	The effects of changes in foreign exchange rates
TAS 24 (revised 2012)	Related party disclosures
TAS 34 (revised 2012)	Interim financial reporting
TAS 36 (revised 2012)	Impairment of assets
TAS 38 (revised 2012)	Intangible assets
TFRS 3 (revised 2012)	Business combinations
TFRS 5 (revised 2012)	Non-current assets held for sale and discontinued operations
TFRS 8 (revised 2012)	Operating segments
TFRIC 1	Changes in existing decommissioning, restoration and similar liabilities
TFRIC 4	Determining whether an arrangement contains a lease
TFRIC 5	Rights to interests arising from decommissioning, restoration and environmental rehabilitation funds
TFRIC 10	Interim financial reporting and impairment
TSIC 27	Evaluating the substance of transactions in the legal form of a lease

Management evaluates that revised accounting standards, revised financial reporting standards, and related interpretations have no significant impact to the Group's financial information.

## **3 Estimates**

The preparation of interim financial information requires management to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets and liabilities, income and expense. Actual results may differ from these estimates.

In preparing this interim financial information, the significant judgements made by management in applying the group's accounting policies and the key sources of estimation uncertainty were the same as those that applied to the consolidated financial statements for the year ended 31 December 2013.

**ACAP Advisory Public Company Limited**  
**Condensed Notes to Interim Consolidated and Company Financial Information (Unaudited)**  
**For the three-month period ended 31 March 2014**

**4 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
<b>For the three-month period ended 31 March 2014</b>					
Revenues					
Revenue from operation	21,328	970	7,744	-	30,042
Revenue from inter-segment	583	509	3,543	(4,635)	-
Total revenues	21,911	1,479	11,287	(4,635)	30,042
Segment expenses	25,274	45,985	11,151	(33,810)	48,600
Operating (loss) profit	(3,363)	(44,506)	136	29,175	(18,558)
<b>For the three-month period ended 31 March 2013</b>					
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	21,325	633,826	890,282	(1,504,241)	41,192
Segment expenses	28,422	43,196	13,826	(20,551)	64,893
Operating (loss) profit	(7,097)	590,630	876,456	(1,483,690)	(23,701)

**5 Investment in subsidiaries**

List of subsidiaries as at 31 March 2014 is as follow:

Company's name	Country of establishment	Type of business	Nature of relationship	Percentage of investment
<b>Subsidiaries</b>				
ACAP Corporate Services Co., Ltd.	Thailand	Financial advisory	Direct shareholding	99.99
Global Service Center Co., Ltd.	Thailand	Asset rental service	Direct shareholding	99.99
ACAP Consulting Co., Ltd.	Thailand	Legal advisory and trading of consumer product	Direct shareholding	99.99
ACAP (Malaysia) Sdn. Bhd.	Malaysia	Non-performing assets management	Direct shareholding	99.99
Capital OK Co., Ltd.	Thailand	Consumers finance	Direct shareholding	99.99
AURUM CAPITAL ADVISORY PTE. LTD.	Singapore	Investment banking	Direct shareholding	63.97
<b>Subsidiaries under Capital OK Co., Ltd.</b>				
Professional Collection Co., Ltd.	Thailand	Collection services	Indirect shareholding	99.99
ACAP (Asia) Asset Management Co., Ltd.	Thailand	Non-performing assets management	Direct shareholding Indirect shareholding	2.40 97.60

**ACAP Advisory Public Company Limited**  
**Condensed Notes to Interim Consolidated and Company Financial Information (Unaudited)**  
**For the three-month period ended 31 March 2014**

---

**5 Investment in subsidiaries (Cont'd)**

The movements in investment in subsidiaries are as follows:

	<b>Company Baht'000</b>
<b>For the three-month period ended 31 March 2014</b>	
Beginning net book balance	517,637
Additional allowance for impairment on investment in ACAP Corporate Services Co., Ltd. during the period	(1,319)
Additional allowance for impairment on investment in Capital OK Co., Ltd. during the period	<u>(19,337)</u>
Closing net book balance	<u>496,981</u>

During the three-month period ended 31 March 2014, the Company's management had taken a conservative approach and provided additional allowance for impairment of investment in ACAP Corporate Services Co., Ltd. and Capital OK Co., Ltd. amounting to Baht 1.3 million and Baht 19.3 million, respectively.

**Subsequent events**

On 4 April 2014, the Board of Directors Meeting of ACAP (Malaysia) Sdn. Bhd., a subsidiary, had a resolution to commence the liquidation process and to appoint a liquidator. Accordingly, the interim financial information of the subsidiary included in this interim consolidated financial information was prepared on a liquidation basis.

On 28 April 2014, the Executive Directors Committee Meeting No. 5/2557 had a resolution to approve the additional share purchase of ACAP Corporate Services Co. Ltd., a subsidiary, for 400,000 shares at par value of Baht 10 each, totalling Baht 4 million.

**6 Short-term loans to other companies, net**

	<b>Consolidated</b>	
	<b>2014</b>	<b>2013</b>
	<b>Baht'000</b>	<b>Baht'000</b>
Chiangrai Industrial 1111 Company Limited	19,393	19,393
Andaman Long Beach Resort Company Limited	45,000	50,000
ACAP Asset Management Company Limited	<u>15,000</u>	<u>15,000</u>
Total	<u>79,393</u>	<u>84,393</u>

The short-term loan to Chiangrai Industrial 1111 Company Limited amounting to Baht 19.4 million is due in July 2014. The interest rate is at 15% per annum and repayable every 30 day after the drawdown date.

The short-term loan to Andaman Long Beach Resort Company Limited amounting to Baht 45 million is due in July 2014. The interest rate is at 10% 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.

All short-term loans above are secured.

**ACAP Advisory Public Company Limited**  
**Condensed Notes to Interim Consolidated and Company Financial Information (Unaudited)**  
**For the three-month period ended 31 March 2014**

**7 Leasehold improvements and equipment, net and intangible assets, net**

	<b>Consolidated</b>		<b>Company</b>	
	<b>Building improvements and equipment Baht'000</b>	<b>Intangible assets Baht'000</b>	<b>Building improvement and equipment Baht'000</b>	<b>Intangible Assets Baht'000</b>
<b>For the three-month period ended 31 March 2014</b>				
Opening net book amount	38,930	3,973	25,734	2,203
Additions	126	443	-	-
Disposals and write-offs, net	(1)	-	-	-
Depreciation charge and amortisation	(2,417)	(289)	(1,574)	(91)
Ending net book amount	<u>36,638</u>	<u>4,127</u>	<u>24,160</u>	<u>2,112</u>

**8 Liability under financial lease contract, net**

	<b>Consolidated</b>		<b>Company</b>	
	<b>31 March 2014 Baht'000</b>	<b>31 December 2013 Baht'000</b>	<b>31 March 2014 Baht'000</b>	<b>31 December 2013 Baht'000</b>
Minimum lease payments obligation under long-term lease contracts (lease of vehicles)	7,152	8,539	5,569	6,772
<u>Less</u> Deferred interest	(408)	(504)	(363)	(449)
	<u>6,744</u>	<u>8,035</u>	<u>5,206</u>	<u>6,323</u>
Current portion due within one year	4,473	4,705	3,762	4,002
Non-current portion due after one year	2,271	3,330	1,444	2,321
	<u>6,744</u>	<u>8,035</u>	<u>5,206</u>	<u>6,323</u>

**9 Other current liabilities**

	<b>Consolidated</b>		<b>Company</b>	
	<b>31 March 2014 Baht'000</b>	<b>31 December 2013 Baht'000</b>	<b>31 March 2014 Baht'000</b>	<b>31 December 2013 Baht'000</b>
Other payables	4,516	3,334	860	432
Accrued expenses	11,938	18,462	324	585
Accrued withholding tax	467	91	308	26
Others	1,182	1,221	36	49
	<u>18,103</u>	<u>23,108</u>	<u>1,528</u>	<u>1,092</u>



**ACAP Advisory Public Company Limited**  
**Condensed Notes to Interim Consolidated and Company Financial Information (Unaudited)**  
**For the three-month period ended 31 March 2014**

**10 Other income**

	Consolidated		Company	
	31 March 2014 Baht'000	31 March 2013 Baht'000	31 March 2014 Baht'000	31 March 2013 Baht'000
Dividend income	-	-	-	622,050
Others	11,041	13,641	1,380	4,572
	<u>11,041</u>	<u>13,641</u>	<u>1,380</u>	<u>626,622</u>

**11 Related party transactions**

The Company is located in Thailand and registered as a listed company at the Market for Alternative Investment (MAI). Major shareholder of the Company is Dr. Vivat Vitoontien who holds 49.19% of total registered share capital.

Pricing policy

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. Consequently, ACAP Asset Management Co., Ltd. is not a company under common control by parent company from 2 September 2013 onwards.

The following significant transactions were carried out with related parties:

**i) Income for the three-month period ended 31 March**

	Consolidated		Company	
	2014 Baht'000	2013 Baht'000	2014 Baht'000	2013 Baht'000
<b>Other income</b>				
<b><u>Subsidiaries</u></b>				
Accounting and financial service income				
- Global Service Center Co., Ltd.	-	-	4	2
- Capital OK Co., Ltd.	-	-	34	20
- Professional Collection Co., Ltd.	-	-	4	2
Sharing expense income				
- ACAP Consulting Co., Ltd.	-	-	31	36
- ACAP Corporate Services Co., Ltd.	-	-	57	62
- ACAP Asset Management Co., Ltd.	-	-	-	17
Interest income				
- ACAP Asset Management Co., Ltd.	-	-	-	2
- ACAP Consulting Co., Ltd.	-	-	57	34
- ACAP Corporate Services Co., Ltd.	-	-	18	5
- Global Service Center Co., Ltd.	-	-	304	254
- Aurum Capital Advisory Pte. Ltd.	-	-	-	26
Dividend income				
- Capital OK Co., Ltd.	-	-	-	622,050
	<u>-</u>	<u>-</u>	<u>509</u>	<u>622,510</u>

**11 Related party transactions (Cont'd)**

**i) Income for the three-month period ended 31 March (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 appeared on the company shareholder's register as at 18 March 2013 at the rate Baht 7.54 each, totalling Baht 622,050,000. Capital OK Co., Ltd. paid interim dividend on 20 March 2013, including appropriated legal reserve of 5%. On 23 April 2013, the Annual General Meeting of shareholders of Capital OK Co., Ltd. No. 1/2557 had given a consent to this interim dividend payment.

**ii) Expenses for the three-month period ended 31 March**

	Consolidated		Company	
	2014 Baht'000	2013 Baht'000	2014 Baht'000	2013 Baht'000
<b>Administrative expenses</b>				
<b><u>Subsidiary</u></b>				
Rental and maintenance equipment - Global Service Center Co., Ltd.	-	-	-	243
<b>Finance costs</b>				
<b><u>Subsidiaries</u></b>				
- Capital OK Co., Ltd.	-	-	-	9,871
- Professional Collection Co., Ltd.	-	-	-	1,182
	-	-	-	11,053

**iii) Outstanding balances arising from sales / purchases of services**

	Consolidated		Company	
	31 March 2014 Baht'000	31 December 2013 Baht'000	31 March 2014 Baht'000	31 December 2013 Baht'000
<b>Amounts due from related companies</b>				
<b><u>Subsidiaries</u></b>				
- ACAP Corporate Services Co., Ltd.	-	-	5	7
- ACAP Consulting Co., Ltd.	-	-	23	18
- Global Service Center Co., Ltd.	-	-	113	190
- ACAP (Malaysia) Sdn. Bhd.	-	-	-	8,670
	-	-	141	8,885
<b>Amounts due to related companies</b>				
<b><u>Subsidiaries</u></b>				
- Capital Ok Co., Ltd.	-	-	15	33
- Professional Collection Co., Ltd.	-	-	2	4
- Global Service Center Co., Ltd.	-	-	2	4
	-	-	19	41

**11 Related party transactions (Cont'd)**

**iii) Outstanding balances arising from sales / purchases of services (Cont'd)**

On 24 December 2013, the Executive Directors Committee Meeting of ACAP (Malaysia) Sdn. Bhd. had approved the interim dividend for the year ended 31 December 2013 to the shareholders as whose names appeared on the company shareholder's register as at 24 December 2013 at the rate of RM 1.80 each, totalling RM 0.9 million or Baht 8.67 million. ACAP (Malaysia) Sdn. Bhd. paid dividend on 2 January 2014.

**iv) Loans to related parties**

For the three-month period ended 31 March 2014, the Company had loan to subsidiaries as follows:

	<b>Company</b>			
	<b>Short-term loans</b>			
	<b>Opening balance Baht'000</b>	<b>Additions during the period Baht'000</b>	<b>Repayments during the period Baht'000</b>	<b>Ending balance Baht'000</b>
ACAP Corporate Services Co., Ltd.	3,000	-	(1,000)	2,000
<u>Less</u> Allowance for impairment	-	-	-	-
	<u>3,000</u>	<u>-</u>	<u>(1,000)</u>	<u>2,000</u>

On 3 March 2014, the Company had received the repayment amounting to Baht 1 million from ACAP Corporate Services Co., Ltd. For the remaining balance as at 31 March 2014 amounting to Baht 2 million, the subsidiary issued a promissory note due at call which bears interest rate at 2.75% per annum and the interest is due every 30 day after the drawn down date.

	<b>Company</b>				
	<b>Long-term loans</b>				
	<b>Opening balance Baht'000</b>	<b>Addition during the period Baht'000</b>	<b>Allowance for impairment Baht'000</b>	<b>Loan forgiveness Baht'000</b>	<b>Increase Ending balance Baht'000</b>
ACAP Consulting Co., Ltd.	7,700	2,500	-	-	10,200
<u>Less</u> Allowance for impairment	(7,700)	-	(2,500)	-	(10,200)
	<u>-</u>	<u>2,500</u>	<u>(2,500)</u>	<u>-</u>	<u>-</u>
Global Service Center Co. Ltd.	41,500	7,000	-	-	48,500
<u>Less</u> Allowance for impairment	(41,500)	-	(7,000)	-	(48,500)
	<u>-</u>	<u>7,000</u>	<u>(7,000)</u>	<u>-</u>	<u>-</u>
Aurum Capital Advisory Pte. Ltd.	15,996	-	-	(15,996)	-
<u>Less</u> Allowance for impairment	(15,996)	-	-	15,996	-
	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total	<u>-</u>	<u>9,500</u>	<u>(9,500)</u>	<u>-</u>	<u>-</u>

## **11 Related party transactions (Cont'd)**

### **iv) Loans to related parties (Cont'd)**

During the three-month period ended 31 March 2014, Company had entered into a loan agreement with ACAP Consulting Co., Ltd. amounting to Baht 2.5 million. The subsidiary issued promissory notes due at call which bear interest rate at 2.75% per annum and the interest is due every 30 day after the drawn down date. During the three-month period ended 31 March 2014, the Company had set up a full impairment for the loan to ACAP Consulting Co., Ltd.

During the three-month period ended 31 March 2014, the Company had entered into the loan agreements with Global Service Center Co., Ltd. totalling Baht 7 million. The subsidiary issued promissory notes due at call which bear interest rate at 2.75% per annum and the interest is due every 30 day after the drawn down date. During the three-month period ended 31 March 2014, the Company had set up a full impairment for the loan to Global Service Center Co., Ltd.

As at 31 December 2013, the Company had a loan amounting to Baht 16 million and interest receivable amounting to Baht 2.1 million totalling Baht 18.1 million due from AURUM CAPITAL ADVISORY PTE. LTD. in which the Company has set up a full impairment allowance. During the three-month period ended 31 March 2014, the Company entered into an agreement to forgive all obligations amounting to Baht 18.1 million to AURUM CAPITAL ADVISORY PTE. LTD. The Company recorded a loss on loan forgiveness amounting to Baht 18.1 million as administrative expense in the company statement of comprehensive income, and reversed related impairment allowance amounting to Baht 18.1 million accordingly.

## **12 Contingent liabilities**

As at 31 March 2014, the Company was jointly litigated with Inter Capital Alliance Asset Management Co., Ltd for being part of the negotiation of debt collection of a debtor in non-performing asset portfolio, which the Company involved as a service provider for debt collection in 2007. On 31 March 2014, this court case was still 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.

As at 31 March 2014, the Company together with 13 defendants were jointly litigated for tort to withdraw the consideration from debt subrogation by the defendant and for joint or several compensation of Baht 1 million per day from the court filing date, which is 21 March 2012, to the date of payment to the plaintiff. The Court of First instance dismissed the court case. The plaintiff has further appealed the consideration of the Court of First instance. The court case is still pending for hearing of the consideration. The management assesses the fact and believes that the case has no ground and will not result in any liability to the Company.

As at 31 March 2014, the Company together with 11 defendants were jointly litigated as tort for joint or several compensation of Baht 1 million per day with interest rate of 7.5 percent per annum from the court filing date, which is 2 April 2012, to the date of payment to the plaintiff and joint or several compensation of Baht 2.5 million with interest rate of 7.5 percent per annum from 11 May 2009 to the date of payment to the plaintiff. The Court of First instance dismissed the court case. However, this court case is still under the appeal process by the plaintiff at the Appeal court. The management assesses the fact and believes that the case has no ground and will not result in any liability to the Company.