

ACAP ADVISORY PUBLIC COMPANY LIMITED

CONSOLIDATED AND COMPANY FINANCIAL STATEMENTS

31 DECEMBER 2015

AUDITOR'S REPORT

To the Shareholders and the Board of Directors of ACAP Advisory Public Company Limited

I have audited the accompanying consolidated and company financial statements of ACAP Advisory Public Company Limited and its subsidiaries and of ACAP Advisory Public Company Limited, which comprise the consolidated and company statements of financial position as at 31 December 2015, and the related consolidated and company statements of comprehensive income, changes in shareholders' equity and cash flows for the year then ended, and a summary of significant accounting policies and other notes.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with Thai Financial Reporting Standards, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

My responsibility is to express an opinion on these financial statements based on my audit. I conducted my audit in accordance with Thai Standards on Auditing. Those standards require that I comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my audit opinion.

Opinion

In my opinion, the consolidated and company financial statements referred to above present fairly, in all material respects, the consolidated and company financial position of ACAP Advisory Public Company Limited and its subsidiaries and of ACAP Advisory Public Company Limited as at 31 December 2015, and its consolidated and company results of operations and its cash flows for the year then ended in accordance with Thai Financial Reporting Standards.

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

Bangkok
12 February 2016

ACAP Advisory Public Company Limited
 Statements of Financial Position
 As at 31 December 2015

	Notes	Consolidated			Company		
		31 December	31 December	1 January	31 December	31 December	1 January
		2015	2014	2014	2015	2014	2013
		Baht'000	Baht'000	Baht'000	Baht'000	Baht'000	Baht'000
Assets							
Current assets							
Cash and cash equivalents	7	43,637	565,164	479,381	29,563	187,723	193,190
Short-term investments	8	2,990	-	142,498	148	-	-
Trade accounts receivable, net	9	18,092	15,386	13,369	-	-	-
Amounts due from related companies	29 iii)	-	-	-	1,691	312	8,885
Current portion of loans to employees	10	1,185	-	-	-	-	-
Short-term loans to related companies, net	29 iv)	-	-	-	307,000	-	3,000
Short-term loans to other companies, net	11	1,068,485	100,000	84,393	394,455	100,000	-
Other current assets	13	11,305	13,596	12,955	426	3,879	2,641
Total current assets		1,145,694	694,146	732,596	733,283	291,914	207,716
Non-current assets							
Loans to employees, net	10	1,208	-	-	-	-	-
Long-term loan to related companies, net	29 iv)	-	-	-	-	-	-
Investment in subsidiaries, net	12	-	-	-	613,873	545,553	517,637
Leasehold improvements and equipment, net	14	25,972	31,819	38,930	9,246	18,670	25,734
Intangible assets, net	15	2,978	4,107	3,973	1,464	1,833	2,203
Other non-current assets	16	3,015	13,633	16,285	2,177	3,900	4,197
Total non-current assets		33,173	49,559	59,188	626,760	569,956	549,771
Total assets		1,178,867	743,705	791,784	1,360,043	861,870	757,487

Director _____ Director _____

Date _____

ACAP Advisory Public Company Limited
 Statements of Financial Position (Cont'd)
 As at 31 December 2015

	Notes	Consolidated			Company		
		31 December 2015	31 December 2014	1 January 2013	31 December 2015	31 December 2014	1 January 2013
		Baht'000	Baht'000	Baht'000	Baht'000	Baht'000	Baht'000
Liabilities and shareholders' equity							
Current liabilities							
Other payables		9,706	16,627	21,797	1,773	1,312	1,125
Amounts due to related companies	29 iii)	-	-	-	26,446	466	41
Short-term borrowing from related companies	29 v)	-	-	-	200,000	200,000	-
Short-term borrowing from other companies	17	451,201	-	-	451,201	-	-
Current portion of financial lease liabilities	18	596	1,835	4,705	-	1,097	4,002
Other current liabilities	19	29,898	3,712	1,311	199	261	(33)
Total current liabilities		491,401	22,174	27,813	679,619	203,136	5,135
Non-current liabilities							
Financial lease liabilities, net	18	1,635	1,371	3,330	-	1,100	2,321
Long-term borrowings from financial institution		-	-	3,236	-	-	-
Deferred tax liabilities	20	-	-	158	-	-	-
Employee benefits obligations	21	7,072	14,685	12,874	3,435	7,472	7,259
Other non-current liabilities	22	1,052	8,811	10,700	1,052	1,310	1,310
Total non-current liabilities		9,759	24,867	30,298	4,487	9,882	10,890
Total liabilities		501,160	47,041	58,111	684,106	213,018	16,025
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	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	125,000	125,000
Premium on share capital		337,742	337,742	337,742	337,742	337,742	337,742
Retained earnings							
Appropriated - Legal reserve	23	12,500	12,500	12,500	12,500	12,500	12,500
Unappropriated		202,488	223,947	266,924	200,695	173,610	266,220
Other components of equity		-	(2,501)	(2,146)	-	-	-
Equity attributable to owners of the parent		677,730	696,688	740,020	675,937	648,852	741,462
Non-controlling interests		(23)	(24)	(6,347)	-	-	-
Total shareholders' equity		677,707	696,664	733,673	675,937	648,852	741,462
Total liabilities and shareholders' equity		1,178,867	743,705	791,784	1,360,043	861,870	757,487

ACAP Advisory Public Company Limited
Statements of Comprehensive Income
For the year ended 31 December 2015

	Notes	Consolidated		Company	
		2015 Baht'000	2014 Baht'000	2015 Baht'000	2014 Baht'000
Revenues					
Service income		112,707	89,679	-	-
Other income	24, 29 i)	41,409	77,555	19,883	53,507
Total revenues		154,116	167,234	19,883	53,507
Expenses					
Cost of services, asset management and loans		79,595	81,140	189	567
Administrative expenses	25	85,655	109,784	41,945	45,454
Management remunerations	25, 29 vi)	12,889	16,951	12,889	16,851
Impairment loss from loans to and investment in subsidiaries (reversal)		-	-	(62,257)	79,227
Total expenses		178,139	207,875	(7,234)	142,099
(Loss) profit before financial costs and income tax		(24,023)	(40,641)	27,117	(88,592)
Financial costs	29 ii)	1,114	316	5,426	3,476
(Loss) profit before income tax		(25,137)	(40,957)	21,691	(92,068)
Income tax	26	5	441	-	-
Net (loss) profit for the year		<u>(25,142)</u>	<u>(41,398)</u>	<u>21,691</u>	<u>(92,068)</u>
Other comprehensive income (expense)					
Items that will not be reclassified to profit or loss					
Remeasurements of post-employment benefit obligations		3,684	(739)	5,394	(542)
Items that will be reclassified to profit or loss					
Exchange differences on translating financial statements		-	(281)	-	-
Reclassification of item to profit (loss) for the year		2,501	-	-	-
Total comprehensive income (expense) for the year, net of tax		<u>6,185</u>	<u>(1,020)</u>	<u>5,394</u>	<u>(542)</u>
Total comprehensive (expense) income		<u>(18,957)</u>	<u>(42,418)</u>	<u>27,085</u>	<u>(92,610)</u>

The notes on pages 11 to 50 are an integral part of these financial statements.

ACAP Advisory Public Company Limited
Statements of Comprehensive Income
For the year ended 31 December 2015

	Note	Consolidated		Company	
		2015 Baht'000	2014 Baht'000	2015 Baht'000	2014 Baht'000
(Loss) profit attributable to:					
Shareholders of the parent		(25,143)	(42,238)	21,691	(92,068)
Non-controlling interests		1	840	-	-
		<u>(25,142)</u>	<u>(41,398)</u>	<u>21,691</u>	<u>(92,068)</u>
Total comprehensive (expense) income attributable to:					
Shareholders of the parent		(18,958)	(43,332)	27,085	(92,610)
Non-controlling interests		1	914	-	-
		<u>(18,957)</u>	<u>(42,418)</u>	<u>27,085</u>	<u>(92,610)</u>
(Loss) earnings per share					
(expressed in Baht per share)					
Basic (loss) earnings per share	27	<u>(0.20)</u>	<u>(0.33)</u>	<u>0.17</u>	<u>(0.74)</u>

ACAP Advisory Public Company Limited
 Statements of Changes in Shareholders' Equity
 For the year ended 31 December 2015

	Consolidated							
	Equity attributable to shareholders of the parent							
	Issued and paid-up share capital Baht'000	Premium on share capital Baht'000	Retained earnings		Other component of equity Currency translation differences from subsidiary in overseas Baht'000	Total shareholders of the parent Baht'000	Non-controlling interests Baht'000	Total shareholders' equity Baht'000
			Appropriated - Legal reserve Baht'000	Unappropriated Baht'000				
Opening balance as at 1 January 2014	125,000	337,742	12,500	266,924	(2,146)	740,020	(6,347)	733,673
Total comprehensive (expenses) income	-	-	-	(42,977)	(355)	(43,332)	914	(42,418)
Adjustments of non-controlling interests	-	-	-	-	-	-	5,409	5,409
Ending balance as at 31 December 2014	125,000	337,742	12,500	223,947	(2,501)	696,688	(24)	696,664

	Consolidated							
	Equity attributable to shareholders of the parent							
	Issued and paid-up share capital Baht'000	Premium on share capital Baht'000	Retained earnings		Other component of equity Currency translation differences from subsidiary in overseas Baht'000	Total shareholders of the parent Baht'000	Non-controlling interests Baht'000	Total shareholders' equity Baht'000
			Appropriated - Legal reserve Baht'000	Unappropriated Baht'000				
Opening balance as at 1 January 2015	125,000	337,742	12,500	223,947	(2,501)	696,688	(24)	696,664
Total comprehensive (expenses) income	-	-	-	(18,958)	-	(18,958)	1	(18,957)
Reclassifications of an item to profit or loss	-	-	-	(2,501)	2,501	-	-	-
Ending balance as at 31 December 2015	125,000	337,742	12,500	202,488	-	677,730	(23)	677,707

The notes on pages 11 to 50 are an integral part of these financial statements.

ACAP Advisory Public Company Limited
 Statements of Changes in Shareholders' Equity (Cont'd)
 For the year ended 31 December 2015

	Company				Total shareholders' equity Baht'000
	Issued and paid-up share capital Baht'000	Premium on share capital Baht'000	Retained earnings (deficits)		
			Appropriated - Legal reserve Baht'000	Unappropriated Baht'000	
Opening balance as at 1 January 2014	125,000	337,742	12,500	266,220	741,462
Total comprehensive expenses	-	-	-	(92,610)	(92,610)
Closing balance as at 31 December 2014	<u>125,000</u>	<u>337,742</u>	<u>12,500</u>	<u>173,610</u>	<u>648,852</u>

	Company				Total shareholders' equity Baht'000
	Issued and paid-up share capital Baht'000	Premium on share capital Baht'000	Retained earnings (deficits)		
			Appropriated - Legal reserve Baht'000	Unappropriated Baht'000	
Opening balance as at 1 January 2015	125,000	337,742	12,500	173,610	648,852
Total comprehensive income	-	-	-	27,085	27,085
Closing balance as at 31 December 2015	<u>125,000</u>	<u>337,742</u>	<u>12,500</u>	<u>200,695</u>	<u>675,937</u>

The notes on pages 11 to 50 are an integral part of these financial statements.

ACAP Advisory Public Company Limited

Statements of Cash Flows

For the year ended 31 December 2015

	Notes	Consolidated		Company	
		2015 Baht'000	2014 Baht'000	2015 Baht'000	2014 Baht'000
Cash flows from operating activities					
(Loss) profit before income tax		(25,137)	(40,957)	21,691	(92,068)
Adjustments for:					
Depreciation and amortisation	14,15	7,435	10,458	2,070	6,042
Interest income		(34,706)	(21,741)	(8,024)	(11,354)
Interest expense		949	-	5,325	3,227
Interest expense from finance leases		165	316	101	248
Loss on written off office rental deposit		1,705	-	1,705	-
Loss on impairment withholding tax		1,329	3,313	442	161
Gain on sale of short-term investment	8	(390)	(41,325)	(3)	(39,504)
Gain on change in fair value of trading investments		(153)	-	(145)	-
Loss on impairment of investment in subsidiaries	12	-	-	7,243	35,427
Loss on impairment of loan and interest to related company (reversal)	29 iv)	-	-	(69,500)	43,800
Allowance for doubtful accounts		-	1,220	-	-
Gain on forgiveness of loan from other company		-	(2,310)	-	-
Gain on sale of investment in subsidiaries	12	(3,769)	-	(1,941)	-
Loss on disposal/impairment/write-off assets		5,982	3,921	5,981	420
Loss on reversal of assets, liabilities and non-controlling interests		149	4,550	-	-
Realised loss (gain) on foreign currencies exchange		81	(116)	81	(113)
Realised loss on foreign exchange translation		2,501	-	-	-
Unrealised gain on foreign exchange translation		-	(366)	-	-
Employee benefits obligations (reversal)	21	(3,767)	5,253	1,357	3,350
Reversal on provision on dismantling cost		(1,135)	-	(1,135)	-
Loss from operating activities before changes in operating assets and liabilities		(48,761)	(77,784)	(34,752)	(50,364)
(Increase) decrease in operating assets					
Trade accounts receivable		(2,826)	(3,476)	-	-
Amounts due from related companies		-	-	(1,288)	(100)
Other current assets		4,602	(929)	2,233	(67)
Other non-current assets		90	347	18	297
Increase (decrease) in operating liabilities					
Amounts due to related companies		-	-	7	-
Other payables		(6,660)	(5,170)	461	772
Other current liabilities		26,145	(194)	(62)	(291)
Other non-current liabilities		-	(4,183)	-	(3,678)
Cash used in operation before interest and income tax received (paid)		(27,410)	(91,389)	(33,383)	(53,431)
Interest income received		36,412	22,278	7,773	10,186
Interest expense paid excluding finance leases		-	-	(4,665)	(2,803)
Income tax paid		(3,609)	(4,916)	(442)	(161)
Net cash provided by (used in) operating activities		5,393	(74,027)	(30,717)	(46,209)

The notes on pages 11 to 50 are an integral part of these financial statements.

ACAP Advisory Public Company Limited
Statements of Cash Flows (Cont'd)
For the year ended 31 December 2015

	Notes	Consolidated		Company	
		2015 Baht'000	2014 Baht'000	2015 Baht'000	2014 Baht'000
Cash flows from investing activities					
Cash paid for short-term loans made to other company	11	(1,325,834)	(230,000)	(393,075)	(200,000)
Cash received from short-term loans to other companies	11	360,000	214,393	100,000	100,000
Cash paid for short-term loans made to related parties	29 iv)	-	-	(336,000)	-
Cash received from short-term loans payments from related parties	29 iv)	-	-	29,000	3,000
Cash paid for long-term loans made to related parties	29 iv)	-	-	(1,200)	(43,800)
Cash received from long-term loans payments from related parties	29 iv)	-	-	70,700	-
Cash paid for loan to employees		(3,563)	-	-	-
Cash received from short-term loan payments from employees		1,457	-	-	-
Cash paid for purchasing shares of subsidiaries	12	-	-	(54,000)	(66,602)
Cash received from disposal of investment in subsidiaries	12	-	-	6,640	-
Cash received from share capital reduction of investment in subsidiary		-	-	-	3,259
Cash paid for short-term investments	8	(274,890)	(119,589)	(75,000)	(93,107)
Cash received from sale of short-term investments	8	272,443	303,412	75,000	132,611
Cash paid for purchase of leasehold improvements, equipment and intangible assets	14,15	(10,920)	(4,508)	(3,733)	(61)
Cash received from disposal of leasehold improvement, equipment and intangible assets		7,656	1,133	6,352	1,033
Dividend received from subsidiary		-	-	-	8,670
Net cash (used in) provided by investing activities		(973,651)	164,841	(575,316)	(154,997)
Cash flows from financing activities					
Cash received from short-term borrowings from related companies	29 iv)	-	-	115,000	200,000
Cash paid for short-term borrowings from related companies	29 iv)	-	-	(115,000)	-
Cash received from short-term borrowings from other companies	17	450,252	-	450,252	-
Cash paid for liabilities under finance lease		(3,440)	(5,144)	(2,298)	(4,374)
Net cash provided by (used in) financing activities		446,812	(5,144)	447,954	195,626
Net (decrease) increase in cash and cash equivalents		(521,446)	85,670	(158,079)	(5,580)
Cash and cash equivalents at beginning of the year		565,164	479,381	187,723	193,190
Exchange gain on cash		(81)	113	(81)	113
Cash and cash equivalents at end of the year		43,637	565,164	29,563	187,723
Non-cash transactions					
Purchase of vehicle under finance lease		2,300	-	-	-
Purchase of leasehold improvements		1,052	1,224	1,052	-
Invest in investment in subsidiary		-	-	26,263	-
Provision on dismantling cost		-	972	-	-
Reclassification of non-current asset to current asset		-	372	-	-
Reclassification of non-current liability to current liability		-	925	-	-
Remeasurements		3,684	(739)	5,394	(542)
Loss on forgiveness loan and interest receivable to related company	29 iv)	-	-	-	18,113

1 General information

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

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

On 16 October 2015, the Company has changed its registered office to 349 SJ Infinite I Business Complex, 24th floor, Vibhavadi-Rangsit Road, Chompol, Chatuchak, Bangkok.

The Company is listed on 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 Company are financial advisory, non-performing assets management and consumer lendings.

The Consolidated and company financial statements were authorised for issue by the Board of Directors on 12 February 2016.

2 Accounting policies

The principal accounting policies adopted in preparation of these consolidation and company financial statements are set out below.

2.1 Basis of preparation

The consolidated and the company financial statements have been prepared in accordance with Thai generally accepted accounting principles under the Accounting Act B.E. 2543, being those Thai Accounting Standards (“TAS”) issued under the Accounting Profession Act B.E. 2547, and the financial reporting requirements of the Securities and Exchange Commission under the Securities and Exchange Act B.E. 2535.

The consolidated and the company financial statements have been prepared under the historical cost convention except certain transactions which are presented at fair value as disclosed in the accounting policies below.

The preparation of financial statements in conformity with Thai generally accepted accounting principles requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the Company’s accounting policies. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the consolidated financial statements are disclosed in Note 4 to the financial statements.

An English version of the consolidated and the company financial statements has been prepared from the consolidated and the company financial statements that are in Thai language. In the event of conflicts or differences in interpretation between the two languages, the Thai language consolidated and the company financial statements shall prevail.

2 Accounting policies (Cont'd)

2.2 New financial reporting standards and revised financial reporting standards

2.2.1 New financial reporting standards and revised financial reporting standards are effective on 1 January 2015. These standards are relevant to the Group.

a) Financial reporting standards, which have a significant impact to the Group:

TAS 1 (Revised 2014)	Presentation of Financial Statements
TAS 16 (Revised 2014)	Property, plant and equipment
TAS 19 (Revised 2014)	Employee Benefits
TAS 27 (Revised 2014)	Separate financial statements
TAS 28 (Revised 2014)	Investments in associates and joint ventures
TAS 34 (Revised 2014)	Interim Financial Reporting
TFRS 10	Consolidated financial statements
TFRS 11	Joint arrangements
TFRS 12	Disclosure of interests in other entities
TFRS 13	Fair value measurement
TFRIC 14 (Revised 2014)	TAS 19 - The limit on a defined benefit asset, minimum funding requirements and their interaction

Management evaluates that revised accounting standards, financial reporting standards, and related interpretations have no significant impact to the Consolidated and Company Financial Statements except for the following accounting standards;

TAS 19 (revised 2014). The key change is actuarial gains and losses being renamed as 'remeasurements' and this will be recognised immediately in 'other comprehensive income' (OCI). Actuarial gains and losses will no longer be deferred using the corridor approach or recognised in profit or loss. The significant impact to the Group is described in Note 2.16.

TFRS 13 aims to improve consistency and reduce complexity by providing a precise definition of fair value and a single source of fair value measurement and disclosure requirements for use across TFRS. The significant impact to the Group is described in Note 3.2.

b) Financial reporting standards, with minor changes and do not have impact to the Group are as follows:

TAS 7 (Revised 2014)	Statement of cash flows
TAS 8 (Revised 2014)	Accounting policies, changes in accounting estimates and errors
TAS 10 (Revised 2014)	Events after the reporting period
TAS 12 (Revised 2014)	Income taxes
TAS 17 (Revised 2014)	Leases
TAS 18 (Revised 2014)	Revenue
TAS 21 (Revised 2014)	The effects of changes in foreign exchange rates
TAS 24 (Revised 2014)	Related party disclosures
TAS 26 (Revised 2014)	Accounting and reporting by retirement benefit plans
TAS 33 (Revised 2014)	Earnings per share
TAS 36 (Revised 2014)	Impairment of assets
TAS 37 (Revised 2014)	Provisions, contingent liabilities and contingent assets

2 Accounting policies (Cont'd)

2.2 New financial reporting standards and revised financial reporting standards (Cont'd)

2.2.1 New financial reporting standards and revised financial reporting standards are effective on 1 January 2015. These standards are relevant to the Group. (Cont'd)

b) Financial reporting standards, with minor changes and do not have impact to the Group are as follows:
(Cont'd)

TAS 38 (Revised 2014)	Intangible assets
TFRS 3 (Revised 2014)	Business combinations
TFRS 8 (Revised 2014)	Operating segments
TSIC 15 (Revised 2014)	Operating leases - Incentives
TSIC 27 (Revised 2014)	Evaluating the substance of transactions involving the legal form of a lease
TFRIC 1 (Revised 2014)	Changes in existing decommissioning, restoration and similar liabilities
TFRIC 4 (Revised 2014)	Determining whether an arrangement contains a lease
TFRIC 5 (Revised 2014)	Rights to interests arising from decommissioning, restoration and environmental rehabilitation funds
TFRIC 10 (Revised 2014)	Interim financial reporting and impairment

Management evaluates that the revised accounting standards, revised financial reporting standards, and related interpretations have no significant impact to the Consolidated and Company Financial Statements.

2.2.2 New financial reporting standards, revised accounting standards and revised financial reporting standards are effective on 1 January 2016. These standards are relevant to the Group and are not early adopted:

a) Financial reporting standards, which have a significant impact to the Group:

TAS 16 (Revised 2015)	Property, plant and equipment
TAS 19 (Revised 2015)	Employee benefits
TAS 24 (Revised 2015)	Related party disclosures
TAS 27 (Revised 2015)	Separate financial statements
TAS 36 (Revised 2015)	Impairment of assets
TAS 38 (Revised 2015)	Intangible assets
TAS 40 (Revised 2015)	Investment property
TFRS 3 (Revised 2015)	Business combinations
TFRS 8 (Revised 2015)	Operating segments
TFRS 10 (Revised 2015)	Consolidated financial statements
TFRS 12 (Revised 2015)	Disclosure of interest in other entities
TFRS 13 (Revised 2015)	Fair value measurement

Group's management is currently assessing the impact of applying the revised accounting standards, revised financial reporting standards, and related interpretations to the Consolidated and Company Financial Statements.

2 Accounting policies (Cont'd)

2.2 New financial reporting standards and revised financial reporting standards (Cont'd)

2.2.2 New financial reporting standards, revised accounting standards and revised financial reporting standards are effective on 1 January 2016. These standards are relevant to the Group and are not early adopted: (Cont'd)

b) Financial reporting standards with minor changes and do not have significant impact to the Group are as follows:

TAS 1 (Revised 2015)	Presentation of financial statements
TAS 2 (Revised 2015)	Inventories
TAS 7 (Revised 2015)	Statement of cash flow
TAS 8 (Revised 2015)	Accounting policies, changes in accounting estimates and errors
TAS 10 (Revised 2015)	Events after the reporting period
TAS 12 (Revised 2015)	Income taxes
TAS 17 (Revised 2015)	Leases
TAS 18 (Revised 2015)	Revenue
TAS 21 (Revised 2015)	The effects of changes in foreign exchange rates
TAS 26 (Revised 2015)	Accounting and reporting by retirement benefit plans
TAS 28 (Revised 2015)	Investments in associates and joint ventures
TAS 29 (Revised 2015)	Financial reporting in hyperinflationary economies
TAS 33 (Revised 2015)	Earnings per share
TAS 34 (Revised 2015)	Interim financial reporting
TAS 37 (Revised 2015)	Provisions, contingent liabilities and contingent assets
TSIC 27 (Revised 2015)	Evaluating the substance of transactions involving the legal form of a lease
TFRIC 1 (Revised 2015)	Changes in existing decommissioning, restoration and similar liabilities
TFRIC 4 (Revised 2015)	Determining whether an arrangement contains a lease
TFRIC 5 (Revised 2015)	Rights to interests arising from decommissioning, restoration and environmental rehabilitation funds
TFRIC 14 (revised 2015)	TAS 19 - The limit on a defined benefit asset, minimum funding requirements and their interaction
TFRIC 18 (revised 2015)	Transfers of assets from customers

Management evaluates that the revised accounting standards, revised financial reporting standards, and related interpretations have no significant impact to the Consolidated and Company Financial Statements.

2 Accounting policies (Cont'd)

2.3 Group Accounting - Investment in subsidiaries

(1) Subsidiaries

Subsidiaries are all entities over which the Group has control. The Group controls an entity when the Group is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity. Subsidiaries are fully consolidated from the date on which control is transferred to the Group. They are deconsolidated from the date that control ceases.

The Group applies the acquisition method to account for business combinations. The consideration transferred for the acquisition of a subsidiary is the fair value of the assets transferred, the liabilities incurred to the former owners of the acquiree and the equity interests issued by the Group. The consideration transferred includes the fair value of any asset or liability resulting from a contingent consideration arrangement. Acquisition-related costs are expensed as incurred. Identifiable assets acquired and liabilities and contingent liabilities assumed in a business combination are measured initially at their fair values at the acquisition date. On an acquisition-by-acquisition basis, the Group recognises any non-controlling interest in the acquiree either at fair value or at the non-controlling interest's proportionate share of the acquiree's net assets.

If the business combination is achieved in stages, the acquisition date carrying value of the acquirer's previously held equity interest in the acquiree is re-measured to fair value at the acquisition date; any gains or losses arising from such re-measurements are recognised in profit or loss.

Any contingent consideration to be transferred by the Group is recognised at fair value at the acquisition date. Subsequent changes to the fair value of the contingent consideration that is deemed to be an asset or liability is recognised either in profit or loss or as a change to other comprehensive income. Contingent consideration that is classified as equity is not re-measured, and its subsequent settlement is accounted for within equity.

The excess of the consideration transferred, the amount of any non-controlling interest in the acquiree and acquisition-date fair value of any previous equity interest in the acquiree over the fair value of the identifiable net assets acquired is recorded as goodwill. If the total of consideration transferred, non-controlling interest recognised and previously held interest measured is less than the fair value of the net assets of the subsidiary acquired in the case of a bargain purchase, the difference is recognised directly in profit or loss.

Intercompany transactions, balances and unrealised gains (losses) on transactions between group companies are eliminated; unrealised losses are also eliminated unless cost cannot be recovered. Where necessary, accounting policies of subsidiaries have been changed to ensure consistency with the policies adopted by the Group, respectively.

In the company's separated financial statements, investments in subsidiaries are accounted for at cost less impairment. Cost is adjusted to reflect changes in consideration arising from contingent consideration amendments. Cost also includes direct attributable costs of investment.

A list of the Group's subsidiaries is set out in Note 12 to the financial statements.

(2) Transactions and non-controlling interests

The Group treats transactions with non-controlling interests as transactions with equity owners of the Group. For purchases from non-controlling interests, the difference between any consideration paid and the relevant share acquired of the carrying value of net assets of the subsidiary is recorded in equity. Gains or losses on disposals to non-controlling interests are also recorded in equity.

2 Accounting policies (Cont'd)

2.3 Group Accounting - Investment in subsidiaries (Cont'd)

(3) Disposal of subsidiaries

When the Group ceases to have control, any retained interest in the entity is re-measured to its fair value, with the change in carrying amount recognised in profit or loss. The fair value is the initial carrying amount for the purposes of subsequently accounting for the retained interest as an associate, joint venture or financial asset. In addition, any amounts previously recognised in other comprehensive income in respect of that entity are accounted for as if the Group had directly disposed of the related assets or liabilities.

2.4 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.

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.

2.5 Cash and cash equivalents

In the Consolidated and Company's statement of cash flows, cash and cash equivalents includes cash on hand, deposits held at call with banks, other short-term highly liquid investments with maturities of three months or less from acquisition and bank overdrafts.

2 Accounting policies (Cont'd)

2.6 Investment in securities

Investment in securities is classified as (1) trading investments (2) held-to-maturity investments and (3) general investments which the classification is dependent on the purpose for which the investment was acquired. Management determines the appropriate classification of its investment at the time of the purchase and re-evaluates such designation on a regular basis.

1. Trading investments are investments that are acquired principally for the purpose of generating a profit from short-term fluctuations in price and included in current assets.
2. Held-to-maturity investments are investments with fixed maturity that the management has the intent and ability to hold to maturity and are included in non-current assets, except for maturities within 12 months from the statement of financial position date which are classified as current assets.
3. General investments are investments in non-marketable equity securities.

All categories of investment are initially recognised at cost, which is equal to the fair value of consideration paid plus transaction cost.

Trading investments are subsequently measured at fair value. The fair value of investments is based on last quoted bid price at the close of business on the statement of financial position date by reference to the Stock Exchange of Thailand. The unrealised gains and losses of trading investments are recognised statement of income.

Held-to-maturity investments are carried at amortised cost using the effective yield method less impairment loss.

General investments are carried at cost less allowance for decrease in value.

A test for allowance for decrease in value is carried out when there is a factor indicating that an investment might be decreased in value. If the carrying value of the investment is higher than its recoverable amount, loss on decrease in value is charged to the statement of income.

On disposal of an investment, the difference between the net disposal proceeds and the carrying amount is charged or credited to the statement of comprehensive income. When disposing of part of the Company's holding of a particular investment, the carrying amount of the disposed part is determined by the weight average carrying amount of the total holding of the investment.

2.7 Trade accounts receivable

Accounts receivable are carried at original invoice amount and subsequent measure at the remaining amount less allowance for doubtful receivables based on a review of all outstanding amounts at the year end. The amount of the allowance is the difference between the carrying amount of the receivable and the amount expected to be collectible. Bad debts are written off during the year in which they are identified and recognised in profit or loss within administrative expenses.

2.8 Investment in non-performing assets and allowance for impairment of investment

Investment in non-performing assets purchased from financial institutions is stated at acquisition cost net of allowance for impairment. Loss on impairment of such investment is recognised in statement of comprehensive income. In case of investment in non-performing assets which was entered into debt restructuring agreement, the subsidiaries will transfer such investment to be loans to non-performing assets. The subsidiaries consider allowance for impairment of investment on the same basis of loans to non-performing asset as prescribed by the Bank of Thailand.

2 Accounting policies (Cont'd)

2.9 Loans to non-performing assets and allowance for doubtful accounts

Loans to non-performing assets are non-performing assets transferred from investment in non-performing assets of those who enter into debt restructuring or changes of the conditions or re-agreements in debt repayment with the subsidiaries. Loans to non-performing assets are stated at fair value as at the transferred date net of allowance for doubtful accounts. Allowance for doubtful accounts of loans to non-performing assets are recognised in statement of comprehensive income.

The Group considers allowance for doubtful accounts of loans to non-performing assets in accordance with the notifications of the Bank of Thailand (“BOT”) which are applicable for the asset management companies. The subsidiaries have classified loans to non-performing assets and allowance for doubtful accounts in accordance with the guidelines of the BOT in relation to the classification of loans, allowance rates and the valuation of collaterals based on the outstanding period and realisable value of cash flows from disposal of collaterals. In case of loans to unsecured non-performing assets, the subsidiaries will provide for the allowance for doubtful accounts based on expected cash flows to be received from the debtors under the restructuring plan or rehabilitation plan. If the debtors could not comply with the plan, the allowance for doubtful accounts will be provided for using the BOT’s criteria.

2.10 Loans to consumers and interest receivable and allowance for doubtful accounts

Loans and interest receivables are carried at anticipated realisable value.

Bad debts are written off during the year in which they are identified and recognised in the statement of comprehensive income within administrative expense.

Concentrations of credit risk with respect to receivables are limited due to the subsidiary’s large number of customers, who are dispersed. Due to these factors, management believes that no additional credit risk beyond the amounts provided for collection losses.

The subsidiary provides allowance for doubtful accounts between 7% to 100% and writes off when the payment is in default more than 180 days. The allowance for doubtful is based on the historical loss rate of each loan category.

The above allowance for doubtful accounts policy does not conform with the accounting guideline jointly issued by the Securities and Exchange Commission and the Federation of Accounting Professions relating to allowance for doubtful accounts for consumer finance business. The guideline requires a full allowance for doubtful accounts based on those account receivables which are overdue more than 3 periods. However, the accounting guideline allows the subsidiaries to provide the allowance for doubtful accounts based on its historical information.

2 Accounting policies (Cont'd)

2.11 Leasehold improvements and equipment

Leasehold improvements and equipment are stated at historical cost less accumulated depreciation. Depreciation is calculated on the straight-line basis to write off the cost of each asset, to its residual value over its estimated useful life as follows:

Leasehold improvements	5 years
Computers	3 - 10 years
Furniture and fixture	5 years
Office equipment	5 years
Vehicles	5 years

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Group and the cost of the item can be measured reliably. The carrying amount of the replaced part is derecognised. All other repairs and maintenance are charged to profit or loss during the financial period in which they are incurred.

At the end of each reporting period, the assets' residual values and useful lives are reviewed, and adjusted if appropriate.

The asset's carrying amount is written-down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount

Gains or losses on disposals are determined by comparing the proceeds with the carrying amount and are recognised within 'Other (losses)/gains - net' in profit or loss.

2.12 Intangible assets

Computer software

Expenditure on acquired licenses and cost of computer software are capitalised and amortised using the straight-line method over their useful lives generally 5 years or over the contract period. Intangible assets are not revalued. The carrying amount of each intangible asset is reviewed annually and adjusted for impairment where it is considered necessary.

Expenditure which enhances or extends the performance computer software programmes beyond their original specifications is recognised as a capital improvement and added into the original cost of the software.

2.13 Impairment of assets

Leasehold improvements and equipment and other non-current assets that are not financial assets, including intangible assets are reviewed for impairment losses whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the carrying amount of the assets exceeds its recoverable amount which is the higher of an asset's net selling price and value in use. For the purposes of assessing impairment, assets are grouped at the lowest level for which there is separately identifiable cash flows.

2 Accounting policies (Cont'd)

2.14 Leases - where a Group company is the lessee

Leases which substantially transfer all the risks and rewards of ownership to the lessee are classified as finance leases. Finance leases are capitalised at the inception of the lease at the lower of the fair value of the leased property or the present value of the minimum lease payments. Each lease payment is allocated to the principal and to the finance charges so as to achieve a constant rate on the finance balance outstanding. The outstanding rental obligations, net of finance charges, are included in finance lease liabilities under finance lease contract. The interest element of the finance cost is charged to the statement of comprehensive income over the lease period. The property, plant or equipment acquired under finance leases is depreciated over the shorter of the useful life of the asset or the lease term.

Leases not transferring a significant portion of the risks and rewards of ownership to the lessee are classified as operating leases. Payments made under operating leases (net of any incentives received from the lessor) are charged to the statement of comprehensive income on a straight-line basis over the period of the lease.

When an operating lease is terminated before the lease period has expired, any payment required to be made to the lessor by way of penalty is recognised as an expense in the period in which termination takes place.

2.15 Borrowings

Borrowings are recognised initially at the fair value of proceeds received, net of transaction costs incurred. Borrowings are subsequently stated at amortised cost using the effective yield method.

2.16 Employee benefits

The Group has post-employment benefits for both defined contribution plans and defined benefit. A defined contribution plan is a retirement plan under which the Group pays fixed contributions into a separate entity. The Group has no legal or constructive obligations to pay further contributions if the fund does not hold sufficient assets to pay all employees the benefits relating to employee service in the current and prior periods. The Group pays contributions to a separate fund which is managed by an external fund manager in accordance with the provident fund Act. B.E. 2530. The Group has no further payment obligations once the contributions have been paid. The contributions are recognised as employee benefit expense when they are due. Prepaid contributions are recognised as an asset to the extent that a cash refund or a reduction in the future payments is available.

A defined benefit plan is not a defined contribution plan. Typically defined benefit plans define an amount of retirement benefit that an employee will receive on retirement, usually dependent on one or more factors such as age, years of service and compensation.

The liability recognised in the statement of financial position in respect of defined benefit retirement plans is the present value of the defined benefit obligation at the end of the reporting period less the fair value of plan assets. The defined benefit obligation is calculated annually by independent actuaries using the projected unit credit method. The present value of the defined benefit obligation is determined by discounting the estimated future cash outflows using market yield of government bonds that are denominated in the currency in which the benefits will be paid, and that have terms to maturity approximating to the terms of the related retirement liability.

Actuarial gains and losses arising from experience adjustments and changes in actuarial assumptions are charged or credited to equity in other comprehensive income in the period in which they arise.

Past-service costs are recognised immediately in profit or loss.

2 Accounting policies (Cont'd)

2.16 Employee benefits (Cont'd)

Under Labour Laws applicable in Thailand and the Group's employment policy, all employees completing 120 days of service are entitled to severance pay on termination or retrenchment without cause or upon retirement age of 60. The severance pay will be at the rate according to number of years of service as stipulated in the Labor Law which is currently at a maximum rate of 300 days of final salary.

In 2014, the Group recognised remeasurements in net profit (loss). Later, in 2015, the Group adopted TAS 19 - Employee Benefits, which was effective for the periods beginning on or after 1 January 2015 by making retrospective adjustments. The adjustment required the Group to recognise defined remeasurement in other comprehensive income (expense). The Group additionally presents the financial statement as at 1 January 2014 in the financial report for the year ended 31 December 2015. However, the adjustment does not have effect on beginning retain earnings.

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

	Consolidated		
	Originally stated Baht'000	Adjustments Baht'000	Restated Baht'000
Consolidated statement of Changes in Shareholders' Equity as at 1 January 2014			
Retained earnings - Unappropriate	266,924	(2,936)	263,988
Retained earnings - Remeasurements of post-employment benefit obligations	-	2,936	2,936
	<u>266,924</u>	<u>-</u>	<u>266,924</u>
Consolidated statement of Changes in Shareholders' Equity as at 1 January 2015			
Retained earnings - Unappropriate	223,947	739	224,686
Retained earnings - Remeasurements of post-employment benefit obligations	-	(739)	(739)
	<u>223,947</u>	<u>-</u>	<u>223,947</u>
	Company		
	Originally stated Baht'000	Adjustments Baht'000	Restated Baht'000
Statement of Changes in Shareholders' Equity as at 1 January 2014			
Retained earnings - Unappropriate	266,220	(1,930)	264,290
Retained earnings - Remeasurements of post-employment benefit obligations	-	1,930	1,930
	<u>266,220</u>	<u>-</u>	<u>266,220</u>
Statement of Changes in Shareholders' Equity as at 1 January 2015			
Retained earnings - Unappropriate	173,610	542	174,152
Retained earnings - Remeasurements of post-employment benefit obligations	-	(542)	(542)
	<u>173,610</u>	<u>-</u>	<u>173,610</u>

2 Accounting policies (Cont'd)

2.17 Provisions

Provisions for legal claims are recognised when: the Group has a present legal or constructive obligation as a result of past events; it is probable that an outflow of resources will be required to settle the obligation; and the amount has been reliably estimated. Restructuring provisions comprise lease termination penalties and employee termination payments. Provisions are not recognised for future operating losses.

Where there are a number of similar obligations, the likelihood that an outflow will be required in settlement is determined by considering the class of obligations as a whole. A provision is recognised even if the likelihood of an outflow with respect to any one item included in the same class of obligations may be small.

Provisions are measured at the present value of the expenditures expected to be required to settle the obligation using a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the obligation. The increase in the provision due to passage of time is recognised as interest expense.

2.18 Current and deferred income taxes

The tax expense for the year 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 Company and its 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.

Deferred income tax assets are recognised only to the extent that it is probable that Company and its 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.

2 Accounting policies (Cont'd)

2.19 Revenues and expenses recognition

Revenues from financial advisor and investment consultant

- Monthly fee is recognised based on the performance of services under related contract. The Company will cease revenue recognition when receivables are continuously delinquent on payments for more than 3 months.
- Service fee on condition of contract is recognised on success of each step of contract.
- Service fee on completion is recognised when the service is completely rendered.

Revenues from non-performing assets management

- Revenue from recovery operation expenses (Base Fee) is recognised monthly based on service performed.
- Revenue from cash collection sharing (Cash Collection Fee) is recognised based on percentage of cash collected in accordance with the terms in service agreement.

Interest and fee income is recognised on an accrual basis, except loan receivable which is uncollected over than three periods where interest is recognised on cash basis. The Group will recognise income on the accrual basis when the entire amount of principal and overdue interest has been paid. Interest income is recognised on a time proportion basis that takes into account the effective yield over the period to maturity and the outstanding amount of principals.

Dividend income is recognised when the right to receive payment is established.

Revenue from sales of goods is recognised when significant risks and rewards of ownership of the goods are transferred to the buyer. Revenue comprises the fair value of the consideration received or receivable for the sale of goods in the ordinary course of the Group's activities. Revenue is shown net of value-added tax, returns, rebates and discounts, and after eliminating sales within the Group.

Other incomes and expenses are recognised on accrual basis.

2.20 Dividends

Dividends are recorded in the Company's financial statements in the period in which it is approved by the shareholders.

2.21 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.

3 Financial risk management

3.1 Financial risk factors

The Group's activities expose it to a variety of financial risks: interest rate risk, credit risk and liquidity risk. The Group's overall risk management programme focuses on the fluctuation of financial markets and seeks to minimise potential adverse effects on the Group's financial performance.

Risk management is carried out by management by identifying, evaluating and hedging the overall financial risks.

3.2 Fair value estimation

The table below analyses financial instruments carried at fair value, by valuation method. The different levels have been defined as follows:

- Quoted prices (unadjusted) in active markets for identical assets or liabilities (Level 1).
- Inputs other than quoted prices included within level 1 that are observable for the asset or liability, either directly (that is, as prices) or indirectly (that is, derived from prices) (Level 2).
- Inputs for the asset or liability that are not based on observable market data (that is, unobservable inputs) (Level 3).

The following table presents the Group's financial assets and liabilities that are measured at fair value at 31 December 2015.

	Consolidated			
	Level 1 Baht'000	Level 2 Baht'000	Level 3 Baht'000	Total Baht'000
Assets				
Financial assets at fair value through profit or loss				
Trading securities				
Open fund	-	2,990	-	2,990
Total assets	-	2,990	-	2,990

There were no transfers between levels 1 and 2 during the year.

	Company			
	Level 1 Baht'000	Level 2 Baht'000	Level 3 Baht'000	Total Baht'000
Assets				
Financial assets at fair value through profit or loss				
Trading securities				
Open fund	-	148	-	148
Total assets	-	148	-	148

(a) Financial instruments in level 1

The fair value of financial instruments traded in active markets is based on quoted market prices at the statement of financial position date. A market is regarded as active if quoted prices are readily and regularly available from an exchange, dealer, broker, industry group, pricing service, or regulatory agency, and those prices represent actual and regularly occurring market transactions on an arm's length basis. The quoted market price used for financial assets held by the group is the current bid price. These instruments are included in Level 1.

3 Financial risk management (Cont'd)

3.2 Fair value estimation (Cont'd)

(b) Financial instruments in level 2

The fair value of financial instruments that are not traded in an active market (for example, over-the-counter derivatives) is determined by using valuation techniques. These valuation techniques maximise the use of observable market data where it is available and rely as little as possible on entity specific estimates. If all significant inputs required to fair value an instrument are observable, the instrument is included in level 2.

If one or more of the significant inputs is not based on observable market data, the instrument is included in Level 3.

Specific valuation techniques used to value financial instruments include:

- Quoted market prices or dealer quotes for similar instruments;
- The fair value of interest rate swaps is calculated as the present value of the estimated future cash flows based on observable yield curves;
- The fair value of forward foreign exchange contracts is determined using forward exchange rates at the statement of financial position date, with the resulting value discounted back to present value;
- Other techniques, such as discounted cash flow analysis, are used to determine fair value for the remaining financial instruments.

4 Critical accounting estimates, assumptions and judgements

Estimates, assumptions and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

4.1 Impairment on loans to other companies

The Group considers an impairment of loans to other companies to reflect impairment of loans to other companies relating to estimated losses resulting from the inability to make required payments. The allowance on impairment is significantly impacted by the difference of estimated future cash flows and carrying value of specific loans, such assessment being based on consideration of historical collection experience, follow up, instances of default, consideration of market trends and/or collateral value.

4.2 Leasehold improvements, equipment and intangible assets

Management determines the estimated useful lives and residual values for building improvements, equipment and intangible assets. Management will revise the depreciation charge where useful lives and residual values are different to previously estimated, or it will write off or write down technically obsolete assets or assets that have been abandoned or sold.

4 Critical accounting estimates, assumptions and judgements (Cont'd)

4.3 Employee benefits

The Group has committed to pay benefits to employees at retirement age. The present value of employee benefit liabilities recognised in the statement of financial position is determined on an actuarial basis using various assumptions. The assumptions used in determining the net period cost for employee benefits include the discount rate, the rate of salary increase and employee turnover. Any changes in these assumptions will impact the net periodic cost recorded for employee benefits. On an annual basis the Group determines the appropriate discount rate, which represents the interest rate that should be used to determine the present value of future cash flows currently expected to be required to settle the employee benefits. In determining the appropriate discount rate, the Group considers the interest rates of government bonds denominated in the currency in which the benefits will be paid.

5 Capital risk management

The Company's objectives when managing capital are to safeguard the ability to continue as a going concern in order to provide returns for shareholder and benefits for other stakeholders and to maintain an optimal capital structure to reduce the cost of capital.

In order to maintain or adjust the capital structure, the Group may adjust the amount of dividends paid to shareholders, return capital to shareholders, issue new shares, or sell assets to reduce debt.

6 Segment information

The Group divides its business into three business lines which consist of financial advisory and investment banking services, non-performing assets management and consumers finance services.

- Financial advisory and investment banking services - to provide financial advisory and investment banking services for debt restructuring, preparation and management of rehabilitation plan, fund raising, financial restructuring, seeking strategic alliance, purchase/sales and merger & acquisition while a subsidiary company engages into the business of being rehabilitation plan administrator under the Bankruptcy Act.
- Non-performing assets management - to provide non-performing assets management in terms of negotiation and collection of non-performing loans of financial institutions and various non-performing assets management organisations. The Group also provides litigation services for debt payment and management of disposal transferred assets for debt repayment or foreclosure of collaterals and trading of consumer product.
- Consumers finance Business - to provide consumers finance services to customers.

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6 Segment information (Cont'd)

	Consolidated				
	Advisory and investment banking Baht'000	Non- performing asset ("NPA") management Baht'000	Consumer finance Baht'000	Elimination Baht'000	Total Baht'000
For the year ended 31 December 2015					
Revenues					
Third party revenue	112,530	9,030	32,556	-	154,116
Inter-segment revenue	138	10,944	8,659	(19,741)	-
Total revenues	112,668	19,974	41,215	(19,741)	154,116
Segment expenses	(106,057)	6,948	(27,011)	(52,019)	(178,139)
Operating profit (loss)	6,611	26,922	14,204	(71,760)	(24,023)
Financial costs	(1,945)	(5,425)	(1,844)	8,100	(1,114)
Profit (loss) before tax	4,666	21,497	12,360	(63,660)	(25,137)
Income tax	-	-	(5)	-	(5)
Profit (loss) before non-controlling interest	4,666	21,497	12,355	(63,660)	(25,142)
Non-controlling interest	-	-	-	(1)	(1)
Net (loss) profit for the year	4,666	21,497	12,355	(63,661)	(25,143)
Segment assets	43,983	1,360,043	897,530	(1,122,689)	1,178,867
Segment liabilities	50,585	684,107	341,310	(574,842)	501,160
Capital expenditure	13,598	10,710	4,131	511	28,950
Depreciation and amortisation	4,055	2,070	1,629	(319)	7,435

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6 Segment information (Cont'd)

	Consolidated				
	Advisory and investment banking Baht'000	Non- performing asset ("NPA") management Baht'000	Consumer finance Baht'000	Elimination Baht'000	Total Baht'000
For the year ended					
31 December 2014					
Revenues					
Third party revenue	92,108	51,261	23,865	-	167,234
Inter-segment revenue	909	2,345	13,886	(17,140)	-
Total revenues	93,017	53,606	37,751	(17,140)	167,234
Segment expenses	(105,158)	(143,154)	(47,117)	86,815	(208,614)
Operating (loss) profit	(12,141)	(89,548)	(9,366)	69,675	(41,380)
Financial costs	(1,947)	(3,476)	-	5,107	(316)
(Loss) profit before tax	(14,088)	(93,024)	(9,366)	74,782	(41,696)
Income tax	-	(366)	(75)	-	(441)
(Loss) profit before non-controlling interests	(14,088)	(93,390)	(9,441)	74,782	(42,137)
Non-controlling interests	-	-	-	(840)	(840)
Net (loss) profit for the year	(14,088)	(93,390)	(9,441)	73,942	(42,977)
Segment assets	70,171	867,488	558,245	(752,199)	743,705
Segment liabilities	131,378	213,958	13,150	(311,445)	47,041
Capital expenditure	10,042	20,503	5,189	192	35,926
Depreciation and amortisation	3,258	6,043	2,113	(956)	10,458

7 Cash and cash equivalents

	Consolidated		Company	
	2015 Baht'000	2014 Baht'000	2015 Baht'000	2014 Baht'000
Cash on hand	10	220	3	20
Deposit held at call with banks	44130	126,564	29,560	6,261
Fixed deposit less than 3 months	-	410,892	-	177,442
Short-term investment	-	27,991	-	4,000
Total cash, deposit with bank and short-term investment	44,140	565,667	29,563	187,723
<u>Less</u> Deposit at banks which subject to restrictions	(503)	(503)	-	-
Cash and cash equivalents	43,637	565,164	29,563	187,723

The interest rate of deposit held at call with banks is 0.05% per annum (2014: 0.67% per annum).

As at 31 December 2015, the Group had pledged deposit at bank totaling Baht 0.50 million (2014: Baht 0.50 million) as security against related office service agreements and rental agreements.

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8 Short-term investments

	Consolidated		Company	
	2015	2014	2015	2014
	Cost/ book value Baht'000	Cost/ book value Baht'000	Cost/ book value Baht'000	Cost/ book value Baht'000
Trading investment - Fund	2,990	-	148	-
Held to maturity investment - Debt securities	-	-	-	-
Total	2,990	-	148	-

The movement in short-term investments can be analysed as follows:

	Consolidated		Company	
	2015	2014	2015	2014
	Baht'000	Baht'000	Baht'000	Baht'000
Opening balance	-	142,498	-	-
Additions	274,890	119,589	75,000	93,107
Repayment/ disposal during the year	(272,443)	(303,412)	(75,000)	(132,611)
Gain on sales of short-term investment	390	41,325	3	39,504
Change in fair value	153	-	145	-
Ending balance	2,990	-	148	-

As at 31 December 2015, short-term investments in the Consolidated and Company financial statements represented trading investments in open fund in with financial institutions.

9 Trade accounts receivables, net

	Consolidated		Company	
	2015	2014	2015	2014
	Baht'000	Baht'000	Baht'000	Baht'000
Undue and up to 30 days	902	4,022	-	-
Overdue 30 days but not over 180 days	47	80	-	-
Overdue 180 days but not over 1 year	-	320	-	-
Overdue more than 1 year	11,646	15,157	11,646	11,646
Total	12,595	19,579	11,646	11,646
<u>Less</u> Allowance for doubtful accounts	(11,646)	(15,476)	(11,646)	(11,646)
Trade account receivables, net	949	4,103	-	-
Accrued income - service fee	17,143	11,283	-	-
	18,092	15,386	-	-

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10 Loans to employees, net

	Consolidated		Company	
	2015	2014	2015	2014
	Baht'000	Baht'000	Baht'000	Baht'000
Minimum repayment under loans to employees	2,802	-	-	-
<u>Less</u> Deferred interest	(409)	-	-	-
	<u>2,393</u>	<u>-</u>	<u>-</u>	<u>-</u>
Current portion due within one year	1,185	-	-	-
Non-current portion due after one year	1,208	-	-	-
	<u>2,393</u>	<u>-</u>	<u>-</u>	<u>-</u>

11 Short-term loans to other companies, net

Loans to other companies are classified as follows:

	Consolidated		Company	
	2015	2014	2015	2014
	Baht'000	Baht'000	Baht'000	Baht'000
Bill of exchange	653,485	-	394,455	-
Short-term loans to other companies	415,000	100,000	-	100,000
Total	<u>1,068,485</u>	<u>100,000</u>	<u>394,455</u>	<u>100,000</u>

Bill of exchange

As at 31 December 2015, the Group and the Company have short-term loans with bill of exchange totalling to Baht 653 million and Baht 394 million which are due in June 2016. The interest rate is charged at 6.0%-10.0% per annum.

Short-term loans to other companies

On 13 February 2015, the Company had already received the repayment amounting to Baht 100 million from Property Perfect Public Company Limited.

Short-term loan to Green Town Real Estate Co., Ltd. amounting to Baht 350 million was given in June 2015 and is due in December 2015. However, in December 2015, both companies had an agreement to change the due to be in June 2016 with the interest rate charged at 14% per annum and the total amount of interest received at the drawn down date. The short-term loan is secured by 2 plots of land of approximately 176 rais located at Pathumtani, all shares of Green Town Real Estate Co., Ltd. and also guaranteed by a major shareholder of Green Town Real Estate Co., Ltd. and her family member.

Short-term loan to Parichart Property and Resort Co., Ltd. amounting to Baht 65 million was given in December 2015 and is due in June 2016. The interest rate is charged at 12% per annum and the total amount of interest is already received at the drawn down date. The short-term loan is secured by 16 plots of land located at Banglamong District, Chonburi of approximately 243 rais, and all shares of Parichart Property and Resort Co., Ltd.

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12 Investment in subsidiaries, net

List of subsidiaries is as follow:

Company's name	Country of establishment	Type of business	Nature of relationship	Percentage of investment	
				2015	2014
Subsidiaries					
ACAP Corporate Services Co., Ltd.	Thailand	Financial advisory	Shareholder	-	99.99
Global Service Center Co., Ltd.	Thailand	Call center service	Shareholder	99.99	99.99
ACAP Consulting Co., Ltd.	Thailand	Legal advisory	Shareholder	99.99	99.99
Capital OK Co., Ltd.	Thailand	Consumers Finance	Shareholder	99.99	99.99
OK Cash Co., Ltd. (Formerly named as Professional Collection Co., Ltd.)	Thailand	Collection services	Shareholder	99.99	99.99
ACAP (Asia) Asset Management Co., Ltd.	Thailand	Non-performing assets management	Shareholder	99.99	2.40
Aurum Capital Advisory Pte. Ltd.	Singapore	Investment Banking	Shareholder	63.97	63.97
ACAP (Malaysia) Sdn. Bhd.	Malaysia	Non-performing assets management	Shareholder	-	99.99
Subsidiaries under Capital OK Co., Ltd.					
ACAP (Asia) Asset Management Co., Ltd.	Thailand	Non-performing assets management	Indirect	-	97.60

The followings are details of the movements in investment in subsidiaries.

	2015					
	Company					
	Paid-up capital Baht'000	Cost method			Investment proportion	
Cost Baht'000		Allowance for impairment Baht'000	Net Baht'000	Amount at par Baht'000	Percentage of holding	
Global Service Center Co., Ltd.	10,000	60,000	(10,000)	50,000	60,000	99.99
ACAP Consulting Co., Ltd.	550	550	(550)	-	550	99.99
Capital OK Co., Ltd.	412,500	509,926	(35,518)	474,408	412,500	99.99
ACAP (Asia) Asset Management Co., Ltd.	25,000	26,863	-	26,863	25,000	99.99
OK Cash Co., Ltd. (Formerly named as Professional Collection Co., Ltd.)	62,050	62,602	-	62,602	62,050	99.99
Aurum Capital Advisory Pte. Ltd.	14,274	10,892	(10,892)	-	14,274	63.97
		<u>670,833</u>	<u>(56,960)</u>	<u>613,873</u>	<u>574,374</u>	

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12 Investment in subsidiaries, net (Cont'd)

The followings are details of the movements in investment in subsidiaries. (Cont'd)

	2014					
	Company				Investment proportion	
	Paid-up capital Baht'000	Cost Baht'000	Cost method Allowance for impairment Baht'000	Net Baht'000	Amount at par Baht'000	Percentage of holding
ACAP Corporate Services Co., Ltd.	31,000	31,000	(29,797)	1,203	31,000	99.99
Global Service Center Co., Ltd.	10,000	10,000	(10,000)	-	10,000	99.99
ACAP Consulting Co., Ltd.	550	550	(550)	-	550	99.99
ACAP (Malaysia) Sdn. Bhd.	2,031	2,031	(1,591)	440	2,031	99.99
Capital OK Co., Ltd.	412,500	509,926	(29,218)	480,708	412,500	99.99
ACAP (Asia) Asset Management Co., Ltd.	25,000	600	-	600	25,000	2.40
OK Cash Co., Ltd. (Formerly named as Professional Collection Co., Ltd.)	62,602	62,602	-	62,602	62,050	99.99
Aurum Capital Advisory Pte, Ltd.	14,274	10,892	(10,892)	-	14,274	63.97
		<u>627,601</u>	<u>(82,048)</u>	<u>545,553</u>	<u>557,405</u>	

The movement in investment in subsidiaries are as follows:

	Company Baht'000
For the year ended 31 December 2015	
Beginning net book balance	545,553
Invest in investment in Global Service Center Co., Ltd.	50,000
Invest in investment in ACAP Corporate Services Co., Ltd.	4,000
Disposal on investment in ACAP Corporate Services Co., Ltd.	(35,000)
Invest in investment in ACAP (Asia) Asset Management Co., Ltd.	26,263
Receive repayment from investment in ACAP (Malaysia) Sdn. Bhd.	(440)
Additional allowance for impairment on investment in Capital OK Co., Ltd. during the year	(6,300)
Additional allowance for impairment of investment in ACAP Corporate Services Co., Ltd.	(944)
Reversal on allowance for impairment of investment in ACAP Corporate Services Co., Ltd.	30,741
Closing net book balance	<u>613,873</u>

In 2015, the Company's management had provided additional allowance for impairment of investment in Capital OK Co., Ltd. and ACAP Corporate Services Co., Ltd. totalling to Baht 7.2 million.

On 23 February 2015, the Executive Directors Committee Meeting had a resolution to approve the additional share increase of ACAP Corporate Services Co. Ltd., a subsidiary, for 400,000 shares at par value of Baht 10 each, totalling Baht 4 million.

On 1 September 2015, the Company received repayment from liquidation of ACAP (Malaysia) Sdn. Bhd., a subsidiary, amounting to Baht 0.14 million. Consequently, as at 30 September 2015, the Company wrote off assets and liabilities and adjusted exchange differences on translating financial information of ACAP (Malaysia) Sdn. Bhd., the subsidiary from its consolidated financial statements, resulting in loss on written off and adjustments amounting to Baht 0.15 million as included in administrative expense.

On 3 September 2015, OK Cash Co., Ltd. (formerly named as Professional Collection Co., Ltd.), a subsidiary, registered change in its name from Professional Collection Co., Ltd. to OK Cash Co., Ltd.

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12 Investment in subsidiaries, net (Cont'd)

On 1 December 2015, the Executive Directors Committee Meetings had a resolution to approve the sale of investment in ACAP Corporate Services Company Limited of Baht 35 million, which the Company had provided for impairment amounting to Baht 30 million, to other party for Baht 6.5 million with price basing on 1.5 time on book value. Therefore, the consolidated statement of financial position as at 31 December 2015 did not include the financial position of ACAP Corporate Services Company Limited as the Company had no control since the selling date. The consolidated statement of comprehensive income included the comprehensive income of ACAP Corporate Service Company Limited until the selling date. The consolidated and the company statement of comprehensive income for the year included gain on disposal of the subsidiary amounting to Baht 3.8 million and Baht 2.2 million, respectively, as included in other income.

On 1 December 2015, the Executive Directors Committee Meeting had a resolution to approve the purchase of all shares of ACAP (Asia) Asset Management Co., Ltd. in which Capital OK Co., Ltd. held for 2,440,001 shares at Baht 10.763 each (based on the book value of ACAP (Asia) Asset Management Co., Ltd. as at 30 November 2015), totaling Baht 26.26 million. The Company has not yet made a payment for the shares but transferred the shares on 1 December 2015.

On 29 December 2015, the Executive Directors Committee Meeting had a resolution to approve the additional share increase of Global Service Center Co. Ltd., a subsidiary, for 5,000,000 shares at par value of Baht 10 each, totaling Baht 50 million. The payment was made on the same day.

13 Other current assets

	Consolidated		Company	
	2015	2014	2015	2014
	Baht'000	Baht'000	Baht'000	Baht'000
Other receivables	4	75	1	1
VAT receivable	4,942	5,214	5	8
Interest receivable	-	1,706	-	1,222
Deposits	104	1,800	-	1,428
Others	6,255	4,801	420	1,220
	11,305	13,596	426	3,879

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14 Leasehold improvements and equipment, net

	Consolidated						
	Leasehold improvements Baht'000	Computers Baht'000	Furniture and fixture Baht'000	Equipment Baht'000	Vehicles Baht'000	Work in progress Baht'000	Total Baht'000
At 31 December 2013							
Cost	15,731	113,783	23,760	27,124	38,311	-	218,709
<u>Less</u> Accumulated depreciation	(12,507)	(107,477)	(18,152)	(24,148)	(17,495)	-	(179,779)
Net book amount	<u>3,224</u>	<u>6,306</u>	<u>5,608</u>	<u>2,976</u>	<u>20,816</u>	<u>-</u>	<u>38,930</u>
For the year ended 31 December 2014							
Opening net book amount	3,224	6,306	5,608	2,976	20,816	-	38,930
Additions	31	940	-	90	-	3,239	4,300
Disposals/write offs, net	-	(22)	-	(1)	(1,448)	-	(1,471)
Dismantling costs	972	-	-	-	-	-	972
Allowance for impairment	(1,752)	-	-	-	-	-	(1,752)
Depreciation charge	(1,084)	(2,345)	(1,370)	(845)	(3,516)	-	(9,160)
Closing net book amount	<u>1,391</u>	<u>4,879</u>	<u>4,238</u>	<u>2,220</u>	<u>15,852</u>	<u>3,239</u>	<u>31,819</u>
At 31 December 2014							
Cost	17,636	114,295	23,760	27,158	34,501	3,239	220,589
<u>Less</u> Accumulated depreciation	(16,245)	(109,416)	(19,522)	(24,938)	(18,649)	-	(188,770)
Net book amount	<u>1,391</u>	<u>4,879</u>	<u>4,238</u>	<u>2,220</u>	<u>15,852</u>	<u>3,239</u>	<u>31,819</u>
For the year ended 31 December 2015							
Opening net book amount	1,391	4,879	4,238	2,220	15,852	3,239	31,819
Transfers in (out)	6,390	-	-	658	-	(7,048)	-
Additions	1,611	480	3,903	163	4,141	3,809	14,107
Disposals/write offs, net	(175)	(122)	(3,133)	(19)	(10,143)	-	(13,592)
Allowance for impairment	(221)	-	-	-	-	-	(221)
Depreciation charge	(1,677)	(1,697)	(812)	(898)	(1,057)	-	(6,141)
Closing net book amount	<u>7,319</u>	<u>3,540</u>	<u>4,196</u>	<u>2,124</u>	<u>8,793</u>	<u>-</u>	<u>25,972</u>
At 31 December 2015							
Cost	10,324	108,886	11,614	22,093	13,176	-	166,093
<u>Less</u> Accumulated depreciation	(3,005)	(105,346)	(7,418)	(19,969)	(4,383)	-	(140,121)
Net book amount	<u>7,319</u>	<u>3,540</u>	<u>4,196</u>	<u>2,124</u>	<u>8,793</u>	<u>-</u>	<u>25,972</u>

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14 Leasehold improvements and equipment, net (Cont'd)

	Company					Total Baht'000
	Leasehold improvements Baht'000	Computers Baht'000	Furniture and fixture Baht'000	Equipment Baht'000	Vehicles Baht'000	
At 31 December 2013						
Cost	1,941	9,832	15,034	5,706	36,036	68,549
<u>Less</u> Accumulated depreciation	(1,537)	(8,618)	(9,609)	(5,593)	(17,458)	(42,815)
Net book amount	<u>404</u>	<u>1,214</u>	<u>5,425</u>	<u>113</u>	<u>18,578</u>	<u>25,734</u>
For the year ended 31 December 2014						
Opening net book amount	404	1,214	5,425	113	18,578	25,734
Additions	-	2	-	59	-	61
Disposals	-	(4)	-	(1)	(1,448)	(1,453)
Depreciation charge	(161)	(840)	(1,368)	(57)	(3,246)	(5,672)
Closing net book amount	<u>243</u>	<u>372</u>	<u>4,057</u>	<u>114</u>	<u>(13,884)</u>	<u>18,670</u>
At 31 December 2014						
Cost	1,941	9,548	15,034	5,708	33,149	65,380
<u>Less</u> Accumulated depreciation	(1,698)	(9,176)	(10,977)	(5,594)	(19,265)	(46,710)
Net book amount	<u>243</u>	<u>372</u>	<u>4,057</u>	<u>114</u>	<u>13,884</u>	<u>18,670</u>
For the year ended 31 December 2015						
Opening net book amount	243	372	4,057	114	13,884	18,670
Additions	1,052	108	3,558	67	-	4,785
Disposals/write offs, net	(175)	(108)	(3,133)	(17)	(9,075)	(12,508)
Depreciation charge	(89)	(255)	(729)	(33)	(595)	(1,701)
Closing net book amount	<u>1,031</u>	<u>117</u>	<u>3,753</u>	<u>131</u>	<u>4,214</u>	<u>9,246</u>
At 31 December 2015						
Cost	1,683	9,269	5,579	3,200	10,535	30,266
<u>Less</u> Accumulated depreciation	(652)	(9,152)	(1,826)	(3,069)	(6,321)	(21,020)
Net book amount	<u>1,031</u>	<u>117</u>	<u>3,753</u>	<u>131</u>	<u>4,214</u>	<u>9,246</u>

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15 Intangible assets, net

	Consolidated	Company
	Computer software	Computer software
	Baht'000	Baht'000
At 31 December 2013		
Cost	242,781	5,921
<u>Less</u> Accumulated amortisation	(238,808)	(3,718)
Net book amount	<u>3,973</u>	<u>2,203</u>
For the year ended 31 December 2014		
Opening net book amount	3,973	2,203
Additions	1,432	-
Amortisation charge	(1,298)	(370)
Closing net book amount	<u>4,107</u>	<u>1,833</u>
At 31 December 2014		
Cost	243,464	5,921
<u>Less</u> Accumulated amortisation	(239,357)	(4,088)
Net book amount	<u>4,107</u>	<u>1,833</u>
For the year ended 31 December 2015		
Opening net book amount	4,107	1,833
Additions	165	-
Amortisation charge	(1,294)	(369)
Closing net book amount	<u>2,978</u>	<u>1,464</u>
At 31 December 2015		
Cost	243,586	5,921
<u>Less</u> Accumulated amortisation	(240,608)	(4,457)
Net book amount	<u>2,978</u>	<u>1,464</u>

16 Other non-current assets

	Consolidated		Company	
	2015	2014	2015	2014
	Baht'000	Baht'000	Baht'000	Baht'000
Deposits from office lease	1,401	11,845	1,257	2,865
Others	1,614	1,788	920	1,035
	<u>3,015</u>	<u>13,633</u>	<u>2,177</u>	<u>3,900</u>

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17 Short-term borrowing from other companies

	31 December 2015			
	Interest rate per annum (percent)	Remaining period to maturity		Total Baht
		At call Baht	Within 1 year Baht	
Debt issued - bill of exchange	4.5 - 5.0	-	451,201	451,201

Outstanding of bill of exchange issued to third parties as at 31 December 2015 are shown below:

	2015 Million Baht
As at 1 January	-
Bill of exchange issued during the year	451,201
As at 31 December	451,201

In December 2015, the Company had issued two bills of exchange unsecured for the borrowing from a third parties person totalling to Baht 460 million. Stated bills of exchange charged at 4.5% - 5.0% interest rate per annum and are due in March 2016 and June 2016 at Baht 100 million and Baht 360 million, respectively.

18 Finance lease liabilities, net

	Consolidated		Company	
	2015 Baht'000	2014 Baht'000	2015 Baht'000	2014 Baht'000
Minimum lease payments obligation under long-term lease liabilities (lease of vehicles)	2,472	3,411	-	2,383
<u>Less</u> Deferred interest	(241)	(205)	-	(186)
	<u>2,231</u>	<u>3,206</u>	<u>-</u>	<u>2,197</u>
Current portion due within one year	596	1,835	-	1,097
Non-current portion due after one year	1,635	1,371	-	1,100
	<u>2,231</u>	<u>3,206</u>	<u>-</u>	<u>2,197</u>

19 Other current liabilities

	Consolidated		Company	
	2015 Baht'000	2014 Baht'000	2015 Baht'000	2014 Baht'000
Accrued withholding tax	417	648	162	232
Provision on dismantling costs	-	2,717	-	-
Unearned interest - loans to other companies	29,406	-	-	-
Others	75	347	37	29
	<u>29,898</u>	<u>3,712</u>	<u>199</u>	<u>261</u>

20 Deferred income taxes

The gross movement and the deferred tax liabilities account is as follows:

	Consolidated		Company	
	2015	2014	2015	2014
	Baht'000	Baht'000	Baht'000	Baht'000
At 1 January	-	158	-	-
Credited to profit or loss	-	(158)	-	-
At 31 December	-	-	-	-

During the year 2014, the Group utilised deferred tax liabilities from depreciation expenses amounting to Baht 0.16 million.

Deferred income tax assets are recognised from tax loss and carry forward only to the extent that realisation of the related tax benefit through the future taxable profits is probable. The Group has unrecognised tax losses of Baht 422.62 million (2014: Baht 507.54 million), to carry forward against future taxable income; these tax losses will expire in 2016 - 2020.

21 Employee benefits obligations

	Consolidated		Company	
	2015	2014	2015	2014
	Baht'000	Baht'000	Baht'000	Baht'000
<u>Statement of financial position</u>				
Employee benefits	7,072	14,685	3,435	7,472
	<u>7,072</u>	<u>14,685</u>	<u>3,435</u>	<u>7,472</u>
<u>Profit or loss</u>				
Employee benefits (reversal)	(3,767)	5,253	1,357	3,350
	<u>(3,767)</u>	<u>5,253</u>	<u>1,357</u>	<u>3,350</u>

As at 1 January 2011, employment benefits obligations for the Consolidated and the Company financial statements amounting to Baht 17.1 million and Baht 12.3 million, respectively, which the Group recognised such obligations by applying straight-line method throughout five years as stated in notification of Federation of Accounting Professions no. 17/2554. The Group has recognised such obligations as expense for the year 2015 amounting to Baht 3.2 million and Baht 2.5 million in the Consolidated and Company financial statements, respectively.

The Group and the Company recognised measurements of post-employment benefit obligations amounting to loss for Baht 3.68 million (2014: Baht 0.74 million) which is presented in net profit (loss). Defined recognition arises from change in accounting policy which is described in Note 2.16 to the financial statements.

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21 Employee benefits obligations (Cont'd)

The movement in the defined benefits obligations over the year is as follows:

	Consolidated		Company	
	2015	2014	2015	2014
	Baht'000	Baht'000	Baht'000	Baht'000
At 1 January	14,685	12,874	7,472	7,259
Past service cost	3,225	3,400	2,460	2,460
Current service cost	2,490	1,263	1,778	572
Interest cost	710	590	375	318
Remeasurements	(3,984)	739	(5,394)	542
	17,126	18,866	6,691	11,151
<u>Less</u> Benefits paid	-	(4,181)	-	(3,679)
Reversals from employees resignation	(10,192)	-	(3,256)	-
Reversals from sales of investment in subsidiary	(162)	-	-	-
At 31 December	<u>7,072</u>	<u>14,685</u>	<u>3,435</u>	<u>7,472</u>

The amounts recognised in the statement of comprehensive income are as follows:

	Consolidated		Company	
	2015	2014	2015	2014
	Baht'000	Baht'000	Baht'000	Baht'000
Past service cost	3,225	3,400	2,460	2,460
Current service cost	2,490	1,263	1,778	572
Interest cost	710	590	375	318
Reversals from employees resignation	(10,192)	-	(3,256)	-
Total	<u>(3,767)</u>	<u>5,253</u>	<u>1,357</u>	<u>3,350</u>

The principal actuarial assumptions used are as follows:

	Consolidated and Company	
	2015	2014
Discount rate	3.43%	4.06%
Salary increase rate	5%	4%
Average turnover rate	0% - 10%	0% - 10%
Pre-retirement mortality rate	80% of mortality rate Year 2008	80% of mortality rate Year 2008
Retirement age	60 years old	60, 70 years old

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21 Employee benefits obligations (Cont'd)

Sensitivity analysis

	<u>Consolidated</u>	<u>Company</u>
	Increase (decrease) in provision on employee benefit	
	2015	2015
	Baht'000	Baht'000
Discount rate		
Increase 1%	(647)	(307)
Decrease 1%	754	351
Salary income rate		342
Increase 0.5%	734	(306)
Decrease 0.5%	(644)	
Resignation rate		
Increase 1%	(656)	(305)
Decrease 1%	495	196

Maturity profile of defined benefit obligation

	<u>Consolidated</u>	<u>Company</u>
	2015	
	Years	Years
Duration of the defined benefit obligation	16	15

	<u>Consolidated</u>	<u>Company</u>
	2015	
	Baht'000	Baht'000
Maturity analysis of benefits expected to be paid		
Benefits expected to be paid within 12 months	1,532	-
Benefits expected to be paid more than 1year	29,655	14,066

22 Other liabilities

	<u>Consolidated</u>		<u>Company</u>	
	2015	2014	2015	2014
	Baht'000	Baht'000	Baht'000	Baht'000
Provision on dismantling cost	1,052	1,310	1,052	1,310
Liability from deposit	-	7,501	-	-
Total	1,052	8,811	1,052	1,310

23 Legal reserve

Under the Public Limited Company Act., B.E. 2535, the Company is required to set aside as a legal reserve at least 5 percent of its net profit after deducting accumulated deficit brought forward (if any) until the reserve is not less than 10 percent of the registered share capital. The legal reserve is non-distributable.

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24 Other income

	Consolidated		Company	
	2015	2014	2015	2014
	Baht'000	Baht'000	Baht'000	Baht'000
Gain on sale of subsidiary	3,769	-	1,941	-
Gain on sale of investment (Note 8)	390	41,325	3	39,504
Interest income	34,706	21,741	8,024	11,354
Other income	2,544	14,489	9,915	2,649
Total	41,409	77,555	19,883	53,507

25 Expenses by nature

Certain items, included in arriving at operating profit (loss), have been classified by nature as follow:

	Consolidated		Company	
	2015	2014	2015	2014
	Baht'000	Baht'000	Baht'000	Baht'000
Bad debt and doubtful accounts	-	1,220	-	-
Personnel expenses	39,378	62,042	28,178	40,314
Other expenses	33,993	29,270	17,436	7,133
Depreciation and amortisation charges (Note 14 and 15)	7,435	10,458	2,070	6,042
Rental expenses	12,191	18,266	7,110	7,468
Repair and maintenance expenses	5,547	5,479	1,040	1,348
	98,544	126,735	54,834	62,305

26 Income tax expense

	Consolidated		Company	
	2015	2014	2015	2014
	Baht'000	Baht'000	Baht'000	Baht'000
Current tax:				
Current tax on profits for the year	5	599	-	-
Total current tax	5	599	-	-
Deferred tax:				
Utilisation of tax losses	-	(158)	-	-
Total deferred tax	-	(158)	-	-
Total tax expense	5	441	-	-

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26 Income tax expense (Cont'd)

The tax on the Group's profit before tax differs from the theoretical amount that would arise using the basic tax rate of the home country of the company as follows:

	Consolidated		Company	
	2015 Baht'000	2014 Baht'000	2015 Baht'000	2014 Baht'000
(Loss) profit before tax	(25,137)	(40,957)	21,691	(92,068)
Tax calculated at a tax rate of 20% (2014: 20%)	(5,027)	(8,191)	4,338	(18,414)
Tax effect of:				
Income not subject to tax	(3,886)	-	(12,378)	-
Expenses not deductible for tax purpose	-	1,478	-	18,342
Utilisation of previously unrecognised tax losses	(4,163)	-	-	-
Tax losses for which no deferred income tax asset was recognised	13,081	7,154	8,040	72
Tax charge	5	441	-	-

The weighted average applicable tax rate of the Group and the Company was 0% and 0%, respectively (2014: 1.06% and 0%, respectively).

27 Basic (loss) earnings per share

Basic (loss) earnings per share is calculated by dividing the net (loss) profit attributable to equity holders by the weighted average number of ordinary shares issued during the year.

	Consolidated		Company	
	2015	2014	2015	2014
Net (loss) profit attributable to ordinary shareholders (Baht'000)	(25,142)	(41,389)	21,691	(92,068)
Weighted average number of ordinary shares issued during the year (Shares)	125,000	125,000	125,000	125,000
Basic (loss) earnings per share (Baht)	(0.20)	(0.33)	0.17	(0.74)

There are no potential dilutive ordinary share issued for the years ended 31 December 2015 and 2014.

28 Provident fund

The Group and the Company paid to provident fund for the year ended 31 December 2015 in the amount of Baht 1 million and Baht 0.7 million, respectively (2014: Baht 1.7 million and Baht 1.1 million, respectively).

29 Related party transactions

The Company is located in Thailand and registered as a listed company at the Market for Alternative Investment (MAI). Major shareholders of the Company are Ms.Sugunya Sukjaroenkraisri and her family member, who hold 10.06% of total registered share capital (Previously, major shareholder of the Company was Mr. Kenuo Lin who held 15.20% of total registered share capital until 9 October 2015).

Pricing policy

Interest income/expense incurred from borrowings, cost of services and administrative expenses are charged at the agreed rates as per related contracts.

Relationship of related parties is as follows:

Company Name	Relationship	Cause of relationship
Global Service Center Co., Ltd.	Subsidiary	Shareholder/mutual management
ACAP Consulting Co., Ltd.	Subsidiary	Shareholder/mutual management
ACAP (Malaysia) Sdn. Bhd.	Subsidiary	Shareholder/mutual management
Capital OK Co., Ltd.	Subsidiary	Shareholder/mutual management
OK Cash Co., Ltd. (Formerly named as Professional Collection Co., Ltd.)	Subsidiary	Shareholder/mutual management
ACAP (Asia) Asset Management Co., Ltd.	Subsidiary	Shareholder/mutual management

On 1 December 2015, the Company disposed its investment in ACAP Corporate Services Co., Ltd. Consequently, ACAP Corporate Services Co., Ltd. is not a company under common control by the parent company from 1 December 2015.

On 1 December 2015, the Company purchased all shares of ACAP (Asia) Asset Management Co., Ltd. (Note 12) in which Capital OK Co., Ltd. held. Consequently, The Company is the directed shareholder of ACAP (Asia) Asset Management Co., Ltd from 1 December 2015 onwards.

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29 Related party transactions (Cont'd)

i) Income for the years ended 31 December

	Consolidated		Company	
	2015	2014	2015	2014
	Baht'000	Baht'000	Baht'000	Baht'000
Other income				
Accounting and financial service income				
- Global Service Center Co., Ltd.	-	-	4	11
- Capital OK Co., Ltd.	-	-	33	86
- OK Cash Co., Ltd. (Formerly named as Professional Collection Co., Ltd.)	-	-	4	11
Sharing expense income				
- ACAP Consulting Co., Ltd.	-	-	63	125
- ACAP Corporate Services Co., Ltd.	-	-	118	233
Interest income				
- ACAP Consulting Co., Ltd.	-	-	228	268
- ACAP Corporate Services Co., Ltd.	-	-	10	30
- Global Service Center Co., Ltd.	-	-	1,644	1,581
- OK Cash Co., Ltd. (Formerly named as Professional Collection Co., Ltd.)	-	-	1,844	-
Management fee income				
- ACAP Consulting Co., Ltd.	-	-	815	-
- ACAP Corporate Services Co., Ltd.	-	-	732	-
- Capital OK Co., Ltd.	-	-	165	-
- Global Service Center Co., Ltd.	-	-	4,163	-
- OK Cash Co., Ltd. (Formerly named as Professional Collection Co., Ltd.)	-	-	1,634	-
- ACAP (Asia) Asset Management Co., Ltd.	-	-	165	-
	-	-	11,622	2,345

Pricing policy for interest income received from related companies is disclosed in Note 29 iv).

ii) Finance costs for the year ended 31 December

	Consolidated		Company	
	2015	2014	2015	2014
	Baht'000	Baht'000	Baht'000	Baht'000
Interest expense				
- Capital OK Co., Ltd.	-	-	4,216	3,227
- ACAP (Asia) Asset Management Co., Ltd.	-	-	160	-
	-	-	4,376	3,227

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29 Related party transactions (Cont'd)

iii) Outstanding balances arising from sales/purchases of services as at 31 December

	Consolidated		Company	
	2015	2014	2015	2014
	Baht'000	Baht'000	Baht'000	Baht'000
Amounts due from related companies				
- ACAP Consulting Co., Ltd.	-	-	172	25
- Global Service Center Co., Ltd.	-	-	882	187
- Capital OK Co., Ltd.	-	-	33	-
- OK Cash Co., Ltd. (Formerly named as Professional Collection Co., Ltd.)	-	-	570	100
- ACAP (Asia) Asset Management Co., Ltd.	-	-	33	-
	-	-	1,690	312
Amounts due to related companies				
- Capital Ok Co., Ltd.	-	-	26,424	458
- OK Cash Co., Ltd. (Formerly named as Professional Collection Co., Ltd.)	-	-	-	4
- Global Service Center Co., Ltd.	-	-	-	4
- ACAP (Asia) Asset Management Co., Ltd.	-	-	22	-
	-	-	26,446	466

iv) Loans to related companies

	Company			
	Short-term loans			
	Opening balance	Additions during the year	Repayments during the year	Ending balance
For the year ended 31 December 2015				
ACAP Corporate Services Co., Ltd.	-	2,000	(2,000)	-
OK Cash Co., Ltd. (Formerly named as Professional Collection Co., Ltd.)	-	334,000	(27,000)	307,000
	-	336,000	(29,000)	307,000

	Company			
	Short-term loans			
	Opening balance	Repayments during the year	Ending balance	
				Baht'000
For the year ended 31 December 2014				
ACAP Corporate Services Co., Ltd.	3,000	(3,000)	-	
	3,000	(3,000)	-	

29 Related party transactions (Cont'd)

iv) Loans to related companies (Cont'd)

During the year 2014, the Company had received the repayment amounting to Baht 3 million from ACAP Corporate Services Co., Ltd..

On 26 February 2015, the Company had entered into an unsecured loan agreement with ACAP Corporate Services Co., Ltd. amounting to Baht 2 million. The Company had already received the repayment on 11 May 2015.

During the year 2015, the Company had entered into an unsecured loan agreement with OK Cash Co., Ltd. (Formerly named as Professional Collection Co., Ltd.) amounting to Baht 334 million. The subsidiary issued a promissory note due at call which bear interest rate at 1% and 4.5% per annum and the interest is due every 30 day after the drawn down date. The proceed from such loan given is then lent to other company by OK Cash Co., Ltd. (Formerly named as Professional Collection Co., Ltd.) as disclosed in Note 11.

During the year 2015, the Company had received the repayment amounting to Baht 27 million from OK Cash Co., Ltd. (Formerly named as Professional Collection Co., Ltd.).

	Company				
	Long-term loans				
	Opening balance Baht'000	Addition during the year Baht'000	Increase in allowance for impairment Baht'000	Repayments during the year Baht'000	Ending balance Baht'000
For the year ended 31 December 2015					
ACAP Consulting Co., Ltd.	10,500	1,200	-	(700)	11,000
<u>Less</u> Allowance for impairment	(10,500)	-	(1,200)	700	(11,000)
	-	1,200	(1,200)	-	-
Global Service Center Co. Ltd.	82,500	-	-	(70,000)	12,500
<u>Less</u> Allowance for impairment	(82,500)	-	-	70,000	(12,500)
	-	-	-	-	-
Total	-	1,200	(1,200)	-	-

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29 Related party transactions (Cont'd)

iv) Loans to related companies (Cont'd)

	Company				
	Long-term loans				
	Opening balance Baht'000	Addition during the year Baht'000	Increase in allowance for impairment Baht'000	Loan forgiveness Baht'000	Ending balance Baht'000
For the year ended 31 December 2014					
ACAP Consulting Co., Ltd.	7,700	2,800	-	-	10,500
<u>Less</u> Allowance for impairment	<u>(7,700)</u>	<u>-</u>	<u>(2,800)</u>	<u>-</u>	<u>(10,500)</u>
	<u>-</u>	<u>2,800</u>	<u>(2,800)</u>	<u>-</u>	<u>-</u>
Global Service Center Co. Ltd.	41,500	41,000	-	-	82,500
<u>Less</u> Allowance for impairment	<u>(41,500)</u>	<u>-</u>	<u>(41,000)</u>	<u>-</u>	<u>(82,500)</u>
	<u>-</u>	<u>41,000</u>	<u>(41,000)</u>	<u>-</u>	<u>-</u>
Aurum Capital Advisory Pte. Ltd.	15,996	-	-	(15,996)	-
<u>Less</u> Allowance for impairment	<u>(15,996)</u>	<u>-</u>	<u>-</u>	<u>15,996</u>	<u>-</u>
	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total	<u><u>-</u></u>	<u><u>43,800</u></u>	<u><u>(43,800)</u></u>	<u><u>-</u></u>	<u><u>-</u></u>

During the year 2014, Company had entered into a loan agreement with ACAP Consulting Co., Ltd. amounting to Baht 2.8 million for the purpose of working capital. 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 year 2014, the Company had set up a full impairment for the loan to ACAP Consulting Co., Ltd. Moreover, the company had set up a full impairment for the loan amounting to Baht 16 million with Baht 2.1 million net accrued interest income totalling Baht 18.1 million to Aurum Capital Advisory Pte. Ltd. on 31 December 2013.

During the year 2014, the Company had entered into the loan agreements with Global Service Center Co., Ltd. totalling Baht 41 million for the purpose of working capital. 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 year 2014, the Company had set up a full impairment for the loan to Global Service Center Co., Ltd.

On 23 February 2015 and 24 August 2015, the Company had entered into a long-term unsecured loan agreement with ACAP Consulting Co., Ltd. totalling to Baht 1.2 million for the purpose of working capital. The subsidiary issued promissory notes due at call which bear interest rate at 2.75% per annum. On 1 August 2015, the Company decreased the interest rate to 1% per annum, and the interest is due every 30 day after the drawn down date. The Company set up a full impairment for the loan to ACAP Consulting Co., Ltd.

In December 2015, the Company had received repayment from long-term borrowings from ACAP Consulting Co., Ltd. and Global Service Center Co., Ltd. totalling Baht 70.7 million. Consequently, the Company had reversed related allowance for impairment at the same amount.

29 Related party transactions (Cont'd)

v) Loans from related companies

Counterparty	Company			
	Opening balance Baht'000	Additions during the period Baht'000	Repayments during the period Baht'000	Ending balance Baht'000
For the year ended 31 December 2015				
Capital OK Co., Ltd.	200,000	90,000	(115,000)	175,000
ACAP (Asia) Asset Management Co., Ltd.	-	25,000	-	25,000
	<u>200,000</u>	<u>115,000</u>	<u>(115,000)</u>	<u>200,000</u>

Counterparty	Company		
	Opening balance Baht'000	Additions during the period Baht'000	Ending balance Baht'000
For the year ended 31 December 2014			
Capital OK Co., Ltd.	-	200,000	200,000

In May 2014, the Company had entered into the borrowing agreements with Capital OK Co., Ltd. totalling Baht 200 million for the purpose of lending loan to other company. The Company issued promissory notes due at call which bear interest rate at 2.50% per annum. The interest is due every 30 days after the drawn down date.

On 24 June 2015, the Company had entered into the borrowing agreements with Capital OK Co., Ltd. and ACAP (Asia) Asset Management Co., Ltd. amounting to Baht 90 million and Baht 25 million, respectively. The Company issued promissory notes due at call which bear interest rate at 2% per annum. The interest is due every 30 days after the drawn down date. On 1 August 2015, both lenders decreased the interest rate of all borrowings to 1% per annum.

During December 2015, the Company made the repayment of short-term loan to Capital OK Co., Ltd. amounting to Baht 115 million.

vi) Directors' remuneration

	Consolidated		Company	
	2015 Baht'000	2014 Baht'000	2015 Baht'000	2014 Baht'000
Directors' remuneration	12,889	16,951	12,889	16,851

30 Commitments

There were commitments from operating lease agreements of office building, archive and equipment including other service agreements as follows:

	Consolidated		Company	
	2015	2014	2015	2014
	Baht'000	Baht'000	Baht'000	Baht'000
Within 1 year	9,343	14,216	3,787	6,770
More than 1 year but less than 5 years	7,998	5,484	6,785	3,125
Total	17,341	19,700	10,572	9,895

31 Contingent liabilities

As at 21 March 2012, 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 Appeal Court also dismissed the court case according to consideration of the Court of First instance. The plaintiff has further filed the court case to the Supreme Court against the consideration of the Appeal Court. This court case is still pending for the consideration by the Supreme Court at the moment. The management assesses related facts and believes that the case has no ground and will not result in any liability to the Company.

As at 2 April 2012, the Company together with 11 defendants were jointly litigated 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. The Appeal Court also dismissed the court case according to consideration of the Court of First instance. The plaintiff has further filed the court case to the Supreme Court against the consideration of the Appeal Court. This court case is still pending for the consideration by the Supreme Court at the moment. The management assesses related facts and believes that the case has no ground and will not result in any liability to the Company.

As at 29 April 2015, the Company was litigated by a supplier for default in the service contract and for several compensation of Baht 1.3 million. This court case is still pending for the consideration by the Southern Bangkok Civil Court at the moment. The management assesses related facts and believes that the case has no ground and will not result in any liability to the Company.

32 Subsequent events

At the Board of Directors meeting no.1/2559 meeting held on 12 February 2016, the meeting passed certain significant resolutions as follows:

- (a) Approved the change of par value from Baht 1 to Baht 0.5 and approved the amendment to the Memorandum of Association of the Company to be in accordance with the change of par value.
- (b) Approved the increase of the share capital by issuing new ordinary shares totalling Baht 31,250,000 (62,500,000 shares, of Baht 0.5 par value) from the existing registered capital of Baht 125,000,000 (250,000,000 shares, of Baht 0.5 par value) to Baht 156,250,000 (312,500,000 shares, of Baht 0.5 par value) and approved the amendment to the Memorandum of Association of the Company to be in accordance with the increase of such registered capital. The Company allots shares to reserve for the exercise by way of rights issue of ordinary shares of the Company to existing shareholders at the ratio of 4 existing share to 1 unit of warrant. The term of warrant is for a period of two years by way of rights issue at the ratio of 1 unit of warrant to 1 new ordinary share at the offer price of Baht 2 per share.