

**ASIA CAPITAL GROUP PUBLIC COMPANY LIMITED  
(FORMERLY NAMED AS ACAP ADVISORY PUBLIC  
COMPANY LIMITED)**

**CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS**

**31 DECEMBER 2016**

## **Independent Auditor's Report**

To the shareholders of ASIA Capital Group Public Company Limited  
(Formerly named as ACAP Advisory Public Company Limited)

### **My opinion**

In my opinion, the consolidated financial statements of ASIA Capital Group Public Company Limited (the Company) and its subsidiaries (the Group) and the separate financial statements of the Company present fairly, in all material respects, the consolidated and separate financial position of the Group and of the Company as at 31 December 2016, and its consolidated and separate financial performance and its consolidated and separate cash flows for the year then ended in accordance with Thai Financial Reporting Standards (TFRSs).

### **What I have audited**

I have audited the accompanying consolidated and separate financial statements of the Group and the Company, which comprise the consolidated and separate statements of financial position as at 31 December 2016, and the related consolidated and separate statements of comprehensive income, changes in equity and cash flows for the year then ended, and notes to the consolidated and separate financial statements, including a summary of significant accounting policies.

### **Basis for opinion**

I conducted my audit in accordance with Thai Standards on Auditing (TSAs). My responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the consolidated and separate financial statements section of my report. I am independent of the Group and Company in accordance with the Federation of Accounting Professions under the Royal Patronage of his Majesty the King's Code of Ethics for Professional Accountants together with the ethical requirements that are relevant to my audit of the financial statements, and I have fulfilled my other ethical responsibilities in accordance with these requirements. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my opinion.

Key audit matter	How my audit addressed the key audit matter
<p><b>Loans to other companies</b></p> <p>At 31 December 2016, loans to other companies had a net book value of Baht 4,110 million and Baht 3,481 million, representing 92 percent and 77 percent of the total assets of the Group and the Company, respectively. Refer to note 2.9 Accounting policy and note 13 Loans to other companies for full details.</p> <p>The Group operates a loan business, which is divided into corporate loans and retail loans. These loans are mainly short-term and are presented as short-term loans in the financial statements; however, corporate loans of the Group and the Company amounting to Baht 4,047 million and Baht 3,418 million, representing 98 percent and 98 percent of the total loans, respectively, were extended to between 1 to 6 months each. This is permitted under the loan agreements.</p> <p>According to the Group's policies on loan granting, the Group considers the value of collateral, the borrower's financial position and the borrower's financial ability to repay, based on limited information available at the time of loan granting.</p> <p>I focused my effort on the reclassification of loans to other companies because management needs to exercise significant judgement to assess whether such loans are not expected to be repaid within 12 months of the end of reporting and whether to reclassify them as long-term loans. In addition, I focused on the consideration of allowance for doubtful accounts because the setting up of the allowance for doubtful accounts is based on the value of the loan collateral which has to cover the loan amount and management's assessment on the borrower's ability to repay the loan. The Group engaged appraisers to assess the value of collateral. However, there may be uncertainty about the future value of the assets used as collateral.</p>	<p>My procedures performed in relation to loans to other companies comprised a combination of understanding control and substantive testing of a sample of loans and an assessment of related disclosures. My key procedures particularly on classification and valuation of loans to other companies included:</p> <ul style="list-style-type: none"> <li>• I have understand key controls relating to loans granting process and certain substantive testing including the review of related loan and collateral agreements.</li> <li>• In relation to setting up of the allowance for doubtful debts for loan, I checked with the recent collateral assets appraisal reports from independent appraiser and assessed that the value as per the appraisal report reasonably covers the loan amounts. I also performed an independent check against the land price which appraised by Department of Lands and announced by the Treasury Department. I also selected and performed construction site visit of the collateral. I found that there was no material issues noted.</li> <li>• In case of shares being pledged as collateral, I checked against the closing share price from the Stock Exchange of Thailand at year end date for listing stocks and also against the recent net book value for unlisted stocks. No material issues were identified from my testing.</li> <li>• In relation to re-scheduled loans, I checked with related cash flow projection of those loan receivables as prepared by management and assessed on the possibility and timing of repayment within twelve months after the reporting period by assessing of their financial position via financial statements and considering historical data for repayment and thus made a proper reclassification in the statement of financial position. I noted that there was no exception.</li> </ul>

## **Other information**

The directors are responsible for the other information. The other information comprises the information included in the annual report, but does not include the consolidated and separate financial statements and my auditor's report thereon. The annual report is expected to be made available to me after the date of this auditor's report.

My opinion on the consolidated and separate financial statements does not cover the other information and I will not express any form of assurance conclusion thereon.

In connection with my audit of the consolidated and separate financial statements, my responsibility is to read the other information identified above when it becomes available and, in doing so, consider whether the other information is materially inconsistent with the consolidated and separate financial statements or my knowledge obtained in the audit, or otherwise appears to be materially misstated.

When I read the annual report, if I conclude that there is a material misstatement therein, I am required to communicate the matter to the audit committee.

## **Responsibilities of the directors for the consolidated and separate financial statements**

The directors are responsible for the preparation and fair presentation of the consolidated and separate financial statements in accordance with TFRSs, and for such internal control as the directors determine is necessary to enable the preparation of consolidated and separate financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated and separate financial statements, the directors are responsible for assessing the Group and the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the Group and the Company or to cease operations, or has no realistic alternative but to do so.

The audit committee assists the directors in discharging their responsibilities for overseeing the Group and the Company's financial reporting process.

## **Auditor's responsibilities for the audit of the consolidated and separate financial statements**

My objectives are to obtain reasonable assurance about whether the consolidated and separate financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes my opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with TSAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated and separate financial statements.

As part of an audit in accordance with TSAs, I exercise professional judgment and maintain professional scepticism throughout the audit. I also:

- Identify and assess the risks of material misstatement of the consolidated and separate financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for my opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit 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 Group and the Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors.
- Conclude on the appropriateness of the directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group and the Company's ability to continue as a going concern. If I conclude that a material uncertainty exists, I am required to draw attention in my auditor's report to the related disclosures in the consolidated and separate financial statements or, if such disclosures are inadequate, to modify my opinion. My conclusions are based on the audit evidence obtained up to the date of my auditor's report. However, future events or conditions may cause the Group and the Company to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the consolidated and separate financial statements, including the disclosures, and whether the consolidated and separate financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. I am responsible for the direction, supervision and performance of the group audit. I remain solely responsible for my audit opinion.

I communicate with the audit committee regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that I identify during my audit.

I also provide the audit committee with a statement that I have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on my independence, and where applicable, related safeguards.

From the matters communicated with the audit committee, I determine those matters that were of most significance in the audit of the consolidated financial statements of the current period and are therefore the key audit matters. I describe these matters in my auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, I determine that a matter should not be communicated in my report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

PricewaterhouseCoopers ABAS Ltd.

**Paiboon Tunkoon**  
Certified Public Accountant (Thailand) No. 4298  
Bangkok  
14 February 2017

ASIA Capital Group Public Company Limited (Formerly named as ACAP Advisory Public Company Limited)

Statements of Financial Position

As at 31 December 2016

	Notes	Consolidated			Company		
		31 December	31 December	1 January	31 December	31 December	1 January
		2016	2015	2015	2016	2015	2015
		Baht'000	Baht'000	Baht'000	Baht'000	Baht'000	Baht'000
<b>Assets</b>							
<b>Current assets</b>							
Cash and cash equivalents	8	72,214	43,637	565,164	65,953	29,563	187,723
Short-term investments	9	181,887	2,990	-	59	148	-
Trade accounts receivable, net	10	30,934	18,092	15,386	-	-	312
Amounts due from related companies	32 iii)	-	-	-	1,756	1,691	-
Factoring receivables, net	11	32,550	-	-	-	-	-
Current portion of loans to employees	12	929	1,185	-	-	-	-
Short-term loans to related companies, net	32 iv)	-	-	-	248,000	307,000	-
Short-term loans to other companies, net	13	4,109,833	1,039,079	100,000	3,481,161	394,455	100,000
Other current assets	15	20,313	11,305	13,596	9,896	426	3,879
<b>Total current assets</b>		<b>4,448,660</b>	<b>1,116,288</b>	<b>694,146</b>	<b>3,806,825</b>	<b>733,283</b>	<b>291,914</b>
<b>Non-current assets</b>							
Loans to employees, net	12	431	1,208	-	-	-	-
Long-term loan to related companies, net	32 iv)	-	-	-	-	-	-
Deferred tax asset	23	46,595	-	-	42,132	-	-
Investment in subsidiaries, net	14	-	-	-	648,789	613,873	545,553
Leasehold improvements and equipment, net	16	27,973	25,972	31,819	14,881	9,246	18,670
Intangible assets, net	17	2,442	2,978	4,107	1,094	1,464	1,833
Other non-current assets	18	1,584	3,015	13,633	1,130	2,177	3,900
<b>Total non-current assets</b>		<b>79,025</b>	<b>33,173</b>	<b>49,559</b>	<b>708,026</b>	<b>626,760</b>	<b>569,956</b>
<b>Total assets</b>		<b>4,527,685</b>	<b>1,149,461</b>	<b>743,705</b>	<b>4,514,851</b>	<b>1,360,043</b>	<b>861,870</b>

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

Date \_\_\_\_\_

The notes to Consolidated and the Company's financial statement on pages 13 to 48 are an integral part of these financial statements.

ASIA Capital Group Public Company Limited (Formerly named as ACAP Advisory Public Company Limited)

Statements of Financial Position (Cont'd)

As at 31 December 2016

	Notes	Consolidated			Company		
		31 December	31 December	1 January	31 December	31 December	1 January
		2016	2015	2015	2016	2015	2015
		Baht'000	Baht'000	Baht'000	Baht'000	Baht'000	Baht'000
<b>Liabilities and equity</b>							
<b>Current liabilities</b>							
Account payables		21,381	-	16,627	15,249	-	1,312
Other payables		10,116	9,706	-	1,536	1,773	-
Amounts due to related companies	32 iii)	568	-	-	687	26,446	466
Short-term borrowings from related companies	32 v)	450,000	-	-	575,000	200,000	200,000
Short-term borrowings from other companies	19	1,093,042	451,201	-	1,093,042	451,201	-
Current portion of financial lease liabilities	20	1,728	596	1,835	1,162	-	1,097
Other current liabilities	21	11,688	492	3,712	9,374	199	261
<b>Total current liabilities</b>		<b>1,588,523</b>	<b>461,995</b>	<b>22,174</b>	<b>1,696,050</b>	<b>679,619</b>	<b>203,136</b>
<b>Non-current liabilities</b>							
Financial lease liabilities, net	20	5,019	1,635	1,371	3,949	-	1,100
Debentures	22	1,928,579	-	-	1,928,579	-	-
Employee benefits obligations	24	4,335	7,072	14,685	2,989	3,435	7,472
Other non-current liabilities		1,052	1,052	8,811	1,052	1,052	1,310
<b>Total non-current liabilities</b>		<b>1,938,985</b>	<b>9,759</b>	<b>24,867</b>	<b>1,936,569</b>	<b>4,487</b>	<b>9,882</b>
<b>Total liabilities</b>		<b>3,527,508</b>	<b>471,754</b>	<b>47,041</b>	<b>3,632,619</b>	<b>684,106</b>	<b>213,018</b>
<b>Equity</b>							
Share capital	26						
Authorised, issued and paid-up share capital							
312,500,000 ordinary shares of Baht 0.5 each		156,250			156,250		
125,000,000 ordinary shares of Baht 1 each			125,000	125,000		125,000	125,000
Issued and paid-up share capital							
304,689,350 ordinary shares of Baht 0.5 each		152,345	-	-	152,345	-	-
125,000,000 ordinary shares of Baht 1 each		-	125,000	125,000	-	125,000	125,000
Premium on share capital		419,776	337,742	337,742	419,776	337,742	337,742
Retained earnings							
Appropriated - Legal reserve	25	12,500	12,500	12,500	12,500	12,500	12,500
Unappropriated		415,556	202,488	223,947	297,611	200,695	173,610
Other components of equity		-	-	(2,501)	-	-	-
<b>Equity attributable to owners of the parent</b>		<b>1,000,177</b>	<b>677,730</b>	<b>696,688</b>	<b>882,232</b>	<b>675,937</b>	<b>648,852</b>
Non-controlling interests		-	(23)	(24)	-	-	-
<b>Total equity</b>		<b>1,000,177</b>	<b>677,707</b>	<b>696,664</b>	<b>882,232</b>	<b>675,937</b>	<b>648,852</b>
<b>Total liabilities and equity</b>		<b>4,527,685</b>	<b>1,149,461</b>	<b>743,705</b>	<b>4,514,851</b>	<b>1,360,043</b>	<b>861,870</b>

The notes to Consolidated and the Company's financial statement on pages 13 to 48 are an integral part of these financial statements.

**ASIA Capital Group Public Company Limited (Formerly named as ACAP Advisory Public Company Limited)**  
**Statements of Comprehensive Income**  
**For the year ended 31 December 2016**

	Notes	Consolidated		Company	
		2016 Baht'000	2015 Baht'000	2016 Baht'000	2015 Baht'000
<b>Revenues</b>					
Interest income		244,334	34,706	167,234	8,024
Interest expense		(98,646)	(949)	(100,541)	(5,325)
<b>Net interest income</b>		145,688	33,757	66,693	2,699
Service income		146,904	112,707	-	-
Commission income		74,410	-	-	-
Other income	27	3,155	6,703	17,866	11,859
<b>Total operating income</b>		370,157	153,167	84,559	14,558
<b>Other operating expenses</b>					
	28				
Cost of services		124,618	79,595	25,867	189
Administrative expenses		71,613	84,888	47,540	41,178
Management remunerations	32 vi)	7,790	13,656	7,790	13,656
Total other operating expenses		204,021	178,139	81,197	55,023
Reversal on impairment loss from loans to and investment in subsidiaries		-	-	(50,466)	(62,257)
<b>Profit (loss) before financial costs and income tax</b>		166,136	(24,972)	53,828	21,792
Financial costs		169	165	61	101
<b>Profit (loss) before income tax</b>		165,967	(25,137)	53,767	21,691
Tax (Income) expense	23, 29	(46,506)	5	(43,692)	-
<b>Net profit (loss) for the year</b>		<u>212,473</u>	<u>(25,142)</u>	<u>97,459</u>	<u>21,691</u>
<b>Other comprehensive income</b>					
<b>Items that will not be reclassified to profit or loss</b>					
Remeasurements of post-employment benefit obligations	24	2,320	3,684	1,017	5,394
Income tax relating to item that will be reclassified subsequently to profit or loss	23	(464)	-	(203)	-
<b>Items that will be reclassified to profit or loss</b>					
Reclassification of item to profit for the year		-	2,501	-	-
Total comprehensive income for the year, net of tax		<u>1,856</u>	<u>6,185</u>	<u>814</u>	<u>5,394</u>
Total comprehensive income (expense)		<u>214,329</u>	<u>(18,957)</u>	<u>98,273</u>	<u>27,085</u>

The notes to Consolidated and the Company's financial statement on pages 13 to 48 are an integral part of these financial statements.



ASIA Capital Group Public Company Limited (Formerly named as ACAP Advisory Public Company Limited)  
 Statements of Comprehensive Income (Cont'd)  
 For the year ended 31 December 2016

	Note	Consolidated		Company	
		2016 Baht'000	2015 Baht'000	2016 Baht'000	2015 Baht'000
<b>Profit (loss) attributable to:</b>					
Shareholders of the parent		212,450	(25,143)	97,459	21,691
Non-controlling interests		23	1	-	-
		<u>212,473</u>	<u>(25,142)</u>	<u>97,459</u>	<u>21,691</u>
<b>Total comprehensive income (expense) attributable to:</b>					
Shareholders of the parent		214,306	(18,958)	98,273	27,085
Non-controlling interests		23	1	-	-
		<u>214,329</u>	<u>(18,957)</u>	<u>98,273</u>	<u>27,085</u>
<b>Earnings (loss) per share (expressed in Baht per share)</b>					
	30				
Basic earnings (loss) per share		<u>0.84</u>	<u>(0.10)</u>	<u>0.39</u>	<u>0.09</u>
Diluted earnings (loss) per share		<u>0.73</u>	<u>(0.10)</u>	<u>0.34</u>	<u>0.09</u>

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ASIA Capital Group Public Company Limited (Formerly named as ACAP Advisory Public Company Limited)

Statements of Changes in Equity

For the year ended 31 December 2016

	Consolidated							
	Attributable to owners 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 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	-	-	-
<b>Ending balance as at 31 December 2015</b>	<b>125,000</b>	<b>337,742</b>	<b>12,500</b>	<b>202,488</b>	<b>-</b>	<b>677,730</b>	<b>(23)</b>	<b>677,707</b>

	Notes	Consolidated							
		Attributable to owners 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 equity Baht'000
				Appropriated - Legal reserve Baht'000	Unappropriated Baht'000				
Opening balance as at 1 January 2016		125,000	337,742	12,500	202,488	-	677,730	(23)	677,707
Warrants	26	27,345	82,034	-	-	-	109,379	-	109,379
Tax credited directly to equity	23	-	-	-	(1,238)	-	(1,238)	-	(1,238)
Total comprehensive income		-	-	-	214,306	-	214,306	23	214,329
<b>Ending balance as at 31 December 2016</b>		<b>152,345</b>	<b>419,776</b>	<b>12,500</b>	<b>415,556</b>	<b>-</b>	<b>1,000,177</b>	<b>-</b>	<b>1,000,177</b>

The notes to Consolidated and the Company's financial statement on pages 13 to 48 are an integral part of these financial statements.

ASIA Capital Group Public Company Limited (Formerly named as ACAP Advisory Public Company Limited)

Statements of Changes in Equity (Cont'd)

For the year ended 31 December 2016

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

	Notes	Company				
		Issued and paid-up share capital Baht'000	Premium on share capital Baht'000	Retained earnings		Total equity Baht'000
				Appropriated	Unappropriated	
				- Legal reserve Baht'000	Baht'000	
<b>Opening balance as at 1 January 2016</b>		125,000	337,742	12,500	200,695	675,937
Warrants	26	27,345	82,034	-	-	109,379
Tax credited directly to equity	23	-	-	-	(1,357)	(1,357)
Total comprehensive income		-	-	-	98,273	98,273
<b>Closing balance as at 31 December 2016</b>		<b>152,345</b>	<b>419,776</b>	<b>12,500</b>	<b>297,611</b>	<b>882,232</b>

The notes to Consolidated and the Company's financial statement on pages 13 to 48 are an integral part of these financial statements.

**ASIA Capital Group Public Company Limited (Formerly named as ACAP Advisory Public Company Limited)**

**Statements of Cash Flows**

**For the year ended 31 December 2016**

	Notes	Consolidated		Company	
		2016 Baht'000	2015 Baht'000	2016 Baht'000	2015 Baht'000
<b>Cash flows from operating activities</b>					
Profit (loss) before income tax		165,967	(25,137)	53,767	21,691
Adjustments for:					
Depreciation and amortisation	16, 17	6,663	7,435	1,390	2,070
Interest income		(244,334)	(34,706)	(167,234)	(8,024)
Interest expense		98,646	949	100,541	5,325
Interest expense from finance leases		169	165	61	101
Doubtful debt	10	50	-	-	-
(Reversal) loss on impairment of investment in subsidiaries	14	-	-	(34,466)	7,243
Reversal on loss on impairment of loan and interest to related company	32 iv)	-	-	(16,000)	(69,500)
Loss on impairment withholding tax		6,119	1,329	3,447	442
(Gain) loss on disposal/impairment/write-off assets		(54)	5,982	422	5,981
Loss on written off office rental deposit		-	1,705	-	1,705
Gain on sale of short-term investment		(1,672)	(390)	(1,369)	(3)
Gain on change in fair value	9	(168)	(153)	-	(145)
Gain on sale of investment in subsidiaries		-	(3,769)	-	(1,941)
Loss on reversal of assets, liabilities and non-controlling interests		-	149	-	-
Realised loss on foreign currencies exchange		-	81	-	81
Realised loss on foreign exchange translation		-	2,501	-	-
Employee benefits (reversal)	24	1,061	(3,767)	571	1,357
Reversal on provision on dismantling cost		-	(1,135)	-	(1,135)
Underwriting expense - adventures		2,755	-	2,755	-
(Profit) loss from operating activities before changes in operating assets and liabilities		35,202	(48,761)	(56,115)	(34,752)
(Increase) decrease in operating assets					
Trade accounts receivable		(12,892)	(2,826)	-	-
Factoring receivables	11	(33,628)	-	-	-
Short-term investments		(177,057)	-	1,458	-
Amounts due from related companies		-	-	(131)	(1,288)
Short-term loans to other companies		(3,193,570)	-	(3,223,569)	-
Loan to employees		1,334	-	-	-
Other current assets		1,688	4,602	(2,508)	2,233
Other non-current assets		1,431	90	1,047	18
Increase (decrease) in operating liabilities					
Account payable		6,132	-	-	-
Amounts due to related companies		-	-	(26,257)	7
Other payables		410	(6,660)	(237)	461
Other current liabilities		7,762	26,145	6,898	(62)
Employee benefit paid		(1,478)	-	-	-
Cash used in operation before interest and income tax received (paid)		(3,364,666)	(27,410)	(3,299,414)	(33,383)
Interest income received		360,964	36,412	297,201	7,773
Interest expense paid excluding finance leases		(78,710)	-	(80,676)	(4,665)
Income tax paid		(10,487)	(3,609)	(3,447)	(442)
Net cash (used in) provided by operating activities		(3,092,899)	5,393	(3,086,336)	(30,717)

The notes to Consolidated and the Company's financial statement on pages 13 to 48 are an integral part of these financial statements.

**ASIA Capital Group Public Company Limited (Formerly named as ACAP Advisory Public Company Limited)**

**Statements of Cash Flows (Cont'd)**

**For the year ended 31 December 2016**

	Notes	Consolidated		Company	
		2016 Baht'000	2015 Baht'000	2016 Baht'000	2015 Baht'000
<b>Cash flows from investing activities</b>					
Cash paid for short-term loans to other company	13	-	(1,325,834)	-	(393,075)
Cash received from short-term loans to other companies	13	-	360,000	-	100,000
Cash paid for short-term loans to related parties	32 iv)	-	-	-	(336,000)
Cash received from short-term loans to related parties	32 iv)	-	-	73,200	29,000
Cash paid for short-term loans to related parties	32 iv)	-	-	(14,200)	-
Cash paid for long-term loans to related parties	32 iv)	-	-	-	(1,200)
Cash received from long-term loans to related parties	32 iv)	-	-	16,000	70,700
Cash paid for loans to employees		-	(3,563)	-	-
Cash received from loans to employees		-	1,457	-	-
Cash paid for investment in subsidiaries	14	-	-	(450)	(54,000)
Cash received from disposals of investment in subsidiaries		-	-	-	6,640
Cash paid for short-term investments	9	-	(274,890)	-	(75,000)
Cash received from sale of short-term investments	9	-	272,443	-	75,000
Cash paid for purchase of leasehold improvements, equipment and intangible assets	16, 17	(4,190)	(10,920)	(2,426)	(3,733)
Cash received from disposal of leasehold improvement, equipment and intangible assets		1,500	7,656	733	6,352
Net cash (used in) provided by investing activities		(2,690)	(973,651)	72,857	(575,316)
<b>Cash flows from financing activities</b>					
Cash received from the issuance of debentures	22	1,941,400	-	1,941,400	-
Cash paid for underwriting expense - debentures		(15,576)	-	(15,576)	-
Cash received from short-term borrowings from related companies	32 iv)	821,000	-	821,000	115,000
Cash paid for short-term borrowings from related companies	32 iv)	(371,000)	-	(446,000)	(115,000)
Cash received from short-term borrowings from other companies	19	2,079,500	450,252	2,079,500	450,252
Cash paid for short-term borrowings from other companies	19	(1,439,500)	-	(1,439,500)	-
Cash paid for liabilities under finance lease		(1,037)	(3,440)	(334)	(2,298)
Cash received from warrants	26	109,379	-	109,379	-
Net cash provided by (used in) financing activities		3,124,166	446,812	3,049,869	447,954
<b>Net increase (decrease) in cash and cash equivalents</b>		28,577	(521,446)	36,390	(158,079)
Cash and cash equivalents at beginning of the year		43,637	565,164	29,563	187,723
Exchange gain on cash		-	(81)	-	(81)
<b>Cash and cash equivalents at end of the year</b>		<b>72,214</b>	<b>43,637</b>	<b>65,953</b>	<b>29,563</b>
<b>Non-cash transactions</b>					
Purchase of vehicle under finance lease		5,384	2,300	5,384	-
Purchase of leasehold improvements		-	1,052	-	1,052
Invest in investment in subsidiary		-	-	-	26,263
Remeasurements	24	2,320	3,684	1,017	5,394

The notes to Consolidated and the Company's financial statement on pages 13 to 48 are an integral part of these financial statements.

## **1 General information**

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

349 SJ Infinite I Business Complex, 24th floor, Room no. 2402-2405 Vibhavadi-Rangsit Road, Chompol, Chatuchak, Bangkok 10900.

On 26 February 2016, the Company had changed its registered name to ASIA Capital Group Public Company Limited.

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 Group are corporate and retail lending, non - performing assets management and call center services.

During the year 2016, the Group commenced its factoring business.

The consolidated and separated financial statements were authorised for issue by the Board of Directors on 14 February 2017

## **2 Accounting policies**

The principal accounting policies adopted in preparation of these consolidated and separate 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 separate 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 financial statements are disclosed in Note 5 to the financial statements.

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

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

**2.2 New/revised financial reporting standards, and related interpretations**

2.2.1 New/revised financial reporting standards and interpretations are effective on 1 January 2016.

- a) New/revised financial reporting standards and interpretation which are relevant and have significant impact to the Group:

TAS 24 (Revised 2015)	Related party disclosures
TFRS 8 (revised 2015)	Operating segments
TFRS 13 (Revised 2015)	Fair value measurement

TAS 24 (revised 2015), 'Related party disclosures' includes as a related party an entity that provides key management personnel services to the reporting entity or to the parent of the reporting entity (the 'management entity'). Disclosure of the amounts charged to the reporting entity is required. The significant impact to the Group is described in note 32.

TFRS 8 (revised 2015), 'Operating segments' requires disclosure of the judgements made by management in aggregating operating segments. It is also amended to require a reconciliation of segment assets to the entity's assets when segment assets are reported to chief operating decision maker. This standard has no impact to the Group, except for disclosures.

TFRS 13 (revised 2015), 'Fair value measurement' is amended to clarify that the portfolio exception in TFRS 13 applies to all contracts (including non-financial contracts) within the scope of TAS 39 (when announced) or TFRS 9 (when announced). The significant impact to the Group is described in note 3.2.

- b) Revised financial reporting standards and interpretation with minor changes and do not have impact to the Group are as follows:

TAS 1 (Revised 2015)	Presentation of financial statements
TAS 7 (Revised 2015)	Statement of cash flows
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 26 (Revised 2015)	Accounting and reporting by retirement benefit plans
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 15 (Revised 2015)	Operating leases - Incentives
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 10 (Revised 2015)	Interim financial reporting and impairment
TFRIC 14 (Revised 2015)	TAS 19 - The limit on a defined benefit asset, minimum funding requirements and their interaction

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

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

2.2.2 Revised financial reporting standards are effective for annual periods beginning on or after 1 January 2017. The Group has not yet early adopted these revised standards.

a) Financial reporting standards, which have a significant changes and are relevant to the Group:

TAS 1 (Revised 2016)	Presentation of financial statements
TAS 16 (Revised 2016)	Property, plant and equipment
TAS 19 (Revised 2016)	Employee benefits
TAS 27 (Revised 2016)	Separate financial statements
TAS 28 (Revised 2016)	Investments in associates and joint ventures
TAS 34 (Revised 2016)	Interim financial reporting
TAS 38 (Revised 2016)	Intangible assets
TFRS 10 (Revised 2016)	Consolidated financial statements
TFRS 11 (Revised 2016)	Joint arrangements
TFRS 12 (Revised 2016)	Disclosure of interest in other entities

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

TAS 7 (Revised 2016)	Statement of cash flow
TAS 8 (Revised 2016)	Accounting policies, changes in accounting estimates and errors
TAS 10 (Revised 2016)	Events after the reporting period
TAS 12 (Revised 2016)	Income taxes
TAS 17 (Revised 2016)	Leases
TAS 18 (Revised 2016)	Revenue
TAS 21 (Revised 2016)	The effects of changes in foreign exchange rates
TAS 24 (Revised 2016)	Related party disclosures
TAS 26 (Revised 2016)	Accounting and reporting by retirement benefit plans
TAS 33 (Revised 2016)	Earnings per share
TAS 36 (Revised 2016)	Impairment of assets
TAS 37 (Revised 2016)	Provisions, contingent liabilities and contingent assets
TFRS 3 (Revised 2016)	Business combinations
TFRS 8 (Revised 2016)	Operating segments
TFRS 13 (Revised 2016)	Fair value measurement
TSIC 15 (Revised 2016)	Operating leases - Incentives
TSIC 27 (Revised 2016)	Evaluating the substance of transactions involving the legal form of a lease
TFRIC 1 (Revised 2016)	Changes in existing decommissioning, restoration and similar liabilities
TFRIC 4 (Revised 2016)	Determining whether an arrangement contains a lease
TFRIC 5 (Revised 2016)	Rights to interests arising from decommissioning, restoration and environmental rehabilitation funds
TFRIC 10 (Revised 2016)	Interim financial reporting and impairment
TFRIC 14 (Revised 2016)	TAS 19 - The limit on a defined benefit asset, minimum funding requirements and their interaction
TAS 105 (Revised 2016)	Accounting for Investments in Debt and Equity Securities
TAS 107 (Revised 2016)	Financial Instruments: Disclosure and Presentation



## **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 for the former owners of 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 on transactions between group companies are eliminated. Unrealised losses are also eliminated unless the transaction provides evidence of an impairment of the transferred asset. Accounting policies of subsidiaries have been changed when necessary to ensure consistency with the policies adopted by the Group.

In the separate 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 14 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.

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

### **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 Group functional and 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 in other comprehensive income.

### **2.5 Cash and cash equivalents**

In the statements 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 the date of acquisition and bank overdrafts.

### **2.6 Investments**

The Company classified investment into trading investments which classification is dependent on the purpose for which the investments were acquired. Management determines the appropriate classification of its investments at the time of the purchase and re-evaluates such designation on a regular basis.

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. The investments are initially recognised at cost, which is equal to the fair value of consideration paid plus transaction cost.

Trading investments is 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 and the Thai Bond Dealing Centre. The unrealised gains and losses of trading investments are recognised in 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 income. When disposing of part of the Company's holding of a particular investment in equity securities, the carrying amount of the disposed part is determined by the weighted average carrying amount of the total holding of the investment.

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

**2.7 Trade accounts receivable**

Trade 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 identified and recognised in profit or loss within administrative expenses.

**2.8 Factoring receivable**

Factoring receivables are recognised on the transaction date.

Factoring receivables is initially recognised at the amount equal to e.g. 70%, 90% or 100% of bills and stated at the outstanding contract amount, net of unearned interest income less allowance for doubtful accounts. Unearned interest income is recognised over a period of contract using the effective interest method and is presented as interest income in statements of comprehensive income.

**2.9 Loan receivables**

Loan receivables are comprised of receivables from promissory notes and bills of exchange. Loan receivables are recognised on the transaction date.

Loan receivables is generally stated at principal amounts outstanding after deducting unearned interest income, deferred fee income and allowance for doubtful accounts.

**2.10 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 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.

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

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 Company regularly reviews the carrying amount of intangible assets and adjusted if impairment is identified.

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 in which a significant portion of the risks and rewards of ownership are retained by the lessor 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, net of transaction costs incurred. Borrowings are subsequently stated at amortised cost using the effective yield method.

Borrowings are classified as current liabilities unless the Company has an unconditional right to defer settlement of the liability for at least 12 months after the end of reporting date or it does not have an unconditional right to defer settlement of the liability for at least 12 months after the reporting period. If the borrowings do not meet the criteria as aforementioned, the borrowings are classified as non-current liabilities.

Fees paid on the establishment of loan facilities are recognised as transaction costs of the loan to the extent that it is probable that some or all of the facility will be drawn down. In this case, the fee is deferred until the draw-down occurs. To the extent that there is no evidence that it is probable that some or all of the facility will be drawn down, the fee is capitalised as a pre-payment for liquidity services and amortised over the period of the facility to which it relates.

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

### **2.16 Employee benefits**

The Group operate various retirement benefits schemes. The Group has both defined contribution plans and defined benefit contribution plans.

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 pension 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 a retirement plan that 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.

Remeasurement 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.

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.

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

**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 Group 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.

**2.19 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.

Interest income and fee income is recognised using effective interest method.

Other incomes and expenses are recognised on accrual basis.

**2.20 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 unpredictability of financial markets and seeks to minimize 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.

##### 3.1.1 Credit risk

The Group has no significant concentrations of credit risk. The Group has policies in place to ensure that services are made to customers with an appropriate credit history.

##### 3.1.2 Liquidity risk

Prudent liquidity risk management implies maintaining sufficient cash and marketable securities, the availability of funding through an adequate amount of committed credit facilities, and the ability to close out market positions. Due to the dynamic nature of the underlying business, the Group treasury aims at maintaining flexibility in funding by keeping committed credit lines available.

#### 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:

- Level 1: Quoted prices (unadjusted) in active markets for identical assets or liabilities.
- Level 2: 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 3: Inputs for the asset or liability that are not based on observable market data (that is, unobservable inputs).

The following table presents the Group's financial assets and liabilities that are measured at fair value at 31 December 2016.

	Consolidated			
	Level 1 Baht'000	Level 2 Baht'000	Level 3 Baht'000	Total Baht'000
<b>Assets</b>				
<b>Financial assets at fair value through profit or loss</b>				
Trading securities				
Open fund	-	181,887	-	181,887
	Company			
	Level 1 Baht'000	Level 2 Baht'000	Level 3 Baht'000	Total Baht'000
<b>Assets</b>				
<b>Financial assets at fair value through profit or loss</b>				
Trading securities				
Open fund	-	59	-	59



**3 Financial risk management (Cont'd)**

**3.2 Fair value estimation (Cont'd)**

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

	<b>Consolidated</b>			
	<b>Level 1 Baht'000</b>	<b>Level 2 Baht'000</b>	<b>Level 3 Baht'000</b>	<b>Total Baht'000</b>
<b>Assets</b>				
<b>Financial assets at fair value through profit or loss</b>				
Trading securities				
Open fund	-	2,990	-	2,990
<b>Company</b>				
	<b>Level 1 Baht'000</b>	<b>Level 2 Baht'000</b>	<b>Level 3 Baht'000</b>	<b>Total Baht'000</b>
<b>Assets</b>				
<b>Financial assets at fair value through profit or loss</b>				
Trading securities				
Open fund	-	148	-	148

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

(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.

(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 Changes in presentation**

The Group made change in presentation of short-term loans to other companies to present amount expected to be collectible. So short-term loans to other companies are presented at the remaining amount less deferred interest income. Comparative figures have been reclassified to conform to the current year presentation. As a result, the effects of the above to the consolidated statement of financial position at 1 January and 31 December 2015 are as follows;

	1 January 2015			31 December 2015		
	Originally stated Baht	Reclassification	Restated Baht	Originally stated Baht	Reclassification	Restated Baht
Short-term loans to other companies	100,000	-	100,000	1,068,485	(29,406)	1,039,079
Other current liabilities	3,712	-	3,712	29,898	(29,406)	492

Furthermore, the Group made change in presentation of segment information to conform with the current Group's business operations because the Management has decided to operate corporate and consumer lending business as its core business instead of non-performing asset management which couldn't generate income to the Group for many years. Comparative figures have been reclassified to conform to the current year presentation. As a result, the effects of the above are described in note 7.

#### **5 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.

##### **5.1 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.

##### **5.2 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.

##### **5.3 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.

#### **6 Capital risk management**

The Group'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.

**7 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.

- Lending service - to provide personal loans and loans for business and factoring.
- Call center services and financial services - to provide telecommunication service, 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.

	<b>Consolidated</b>				<b>Total Baht'000</b>
	<b>Lending Baht'000</b>	<b>Call center services and financial businesses Baht'000</b>	<b>Others Baht'000</b>	<b>Elimination Baht'000</b>	
<b>For the year ended 31 December 2016</b>					
Net interest income					
Third party revenue	145,682	6	-	-	145,688
Inter-segment revenue	(66)	(184)	250	-	-
Other operating income	94,174	145,807	16	(15,528)	224,469
Other operating expenses	(51,076)	(117,767)	(240)	(34,938)	(204,021)
Operating profit (loss)	188,714	(105,138)	26	(50,466)	166,136
Financial costs	(61)	(108)	-	-	(169)
Profit (loss) before tax	188,653	27,862	26	(50,466)	165,967
Tax income (expense)	44,599	1,912	(5)	-	46,506
Net profit (loss) for the year	233,252	29,666	21	(50,466)	212,473
Segment assets	5,491,859	57,705	1,364	(1,023,243)	4,527,685
Segment liabilities	3,892,591	17,294	105	(382,482)	3,527,508
Capital expenditure	18,455	11,432	-	528	30,415
Depreciation and amortisation	3,041	3,622	-	-	6,663

7 Segment information (Cont'd)

	Consolidated				Total Baht'000
	Lending Baht'000	Call center services and financial businesses Baht'000	Others Baht'000	Elimination Baht'000	
<b>For the year ended 31 December 2015</b>					
Net interest income					
Third party revenue	33,688	69	-	-	33,757
Inter-segment revenue	1,881	(1,881)	-	-	-
Other operating income	18,362	112,599	91	(11,642)	119,410
Other operating expenses	(19,777)	(106,057)	(286)	(52,019)	(178,139)
Operating profit (loss)	34,154	4,730	(195)	(63,661)	(24,972)
Financial costs	101	64	-	-	165
Profit (loss) before tax	34,053	4,666	(195)	(63,661)	(25,137)
Tax expense	5	-	-	-	5
Net profit (loss) for the year	34,048	4,666	(195)	(63,661)	(25,142)
Segment assets	2,228,167	43,983	-	(1,122,689)	1,149,461
Segment liabilities	996,011	50,585	-	(574,842)	471,754
Capital expenditure	14,841	13,598	-	511	28,950
Depreciation and amortisation	3,699	4,055	-	(319)	7,435

8 Cash and cash equivalents

	Consolidated		Company	
	2016 Baht'000	2015 Baht'000	2016 Baht'000	2015 Baht'000
Cash on hand	15	10	3	3
Deposit held at call with banks	72,491	44,130	65,950	29,560
Total cash, and deposit with bank	72,506	44,140	65,953	29,563
<u>Less</u> Deposit at banks which subject to restrictions	(292)	(503)	-	-
Cash and cash equivalents	72,214	43,637	65,953	29,563

The interest rate of deposit held at call with banks is 0.29% per annum (2015: 0.50% per annum).

As at 31 December 2016, the Group had pledged deposit at bank totaling Baht 0.29 million (2015: Baht 0.50 million) as security against related office service agreements and rental agreements.

9 Short-term investments

	Consolidated		Company	
	2016 Cost/ book value Baht'000	2015 Cost/ book value Baht'000	2016 Cost/ book value Baht'000	2015 Cost/ book value Baht'000
Trading investment - open fund	181,887	2,990	59	148

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

	Consolidated		Company	
	2016 Baht'000	2015 Baht'000	2016 Baht'000	2015 Baht'000
Opening balance	2,990	-	148	-
Additions	2,557,185	274,890	2,227,070	75,000
Disposals	(2,378,456)	(272,053)	(2,227,159)	(74,997)
Change in fair value	168	153	-	145
Ending balance	181,887	2,990	59	148

As at 31 December 2016, short-term investments in the Consolidated and Company financial statements represented trading investments in open fund with financial institutions.

10 Trade accounts receivables, net

	Consolidated		Company	
	2016 Baht'000	2015 Baht'000	2016 Baht'000	2015 Baht'000
Undue and up to 30 days	11,799	902	-	-
Overdue 30 days but not over 180 days	1,765	47	-	-
Overdue 180 days but not over 1 year	-	-	-	-
Overdue more than 1 year	50	11,646	-	11,646
Total	13,614	12,595	-	11,646
<u>Less</u> Allowance for doubtful accounts	(50)	(11,646)	-	(11,646)
Trade account receivables, net	13,564	949	-	-
Accrued service income	17,370	17,143	-	-
	30,394	18,092	-	-

11 Factoring receivables, net

Factoring receivables have average period of less than 1 year to due date. The detail is as below:

	Consolidated		Company	
	2016 Baht'000	2015 Baht'000	2016 Baht'000	2015 Baht'000
Factoring receivables	33,628	-	-	-
<u>Less</u> Deferred interest	(1,078)	-	-	-
	32,550	-	-	-

**12 Loans to employees, net**

	<b>Consolidated</b>		<b>Company</b>	
	<b>2016</b>	<b>2015</b>	<b>2016</b>	<b>2015</b>
	<b>Baht'000</b>	<b>Baht'000</b>	<b>Baht'000</b>	<b>Baht'000</b>
Minimum repayment under loans to employees	1,496	2,802	-	-
<u>Less</u> Deferred interest	(136)	(409)	-	-
	<u>1,360</u>	<u>2,393</u>	<u>-</u>	<u>-</u>
Current portion due within one year	929	1,185	-	-
Non-current portion due after one year	431	1,208	-	-
	<u>1,360</u>	<u>2,393</u>	<u>-</u>	<u>-</u>

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

	<b>Consolidated</b>		<b>Company</b>	
	<b>2016</b>	<b>2015</b>	<b>2016</b>	<b>2015</b>
	<b>Baht'000</b>	<b>Baht'000</b>	<b>Baht'000</b>	<b>Baht'000</b>
Bills of exchange	2,000,875	653,485	1,745,355	394,455
Short-term loans to other companies	2,108,958	385,594	1,735,806	-
Total	<u>4,109,833</u>	<u>1,039,079</u>	<u>3,481,161</u>	<u>394,455</u>

The interest rates on bills of exchange and short-term loans to other companies are 6% - 12% per annum and 12% - 15% per annum respectively (31 December 2015: 6.0% - 10.0% per annum and 12.0% - 14.0% per annum).

The movement in short-term loans to other companies can be analysed as follows:

	<b>Consolidated</b>		<b>Company</b>	
	<b>2016</b>	<b>2015</b>	<b>2016</b>	<b>2015</b>
	<b>Baht'000</b>	<b>Baht'000</b>	<b>Baht'000</b>	<b>Baht'000</b>
Opening balance	1,039,079	100,000	394,455	100,000
Additions	4,049,142	1,270,894	4,088,991	393,074
Repayments	(1,207,149)	(360,000)	(1,152,099)	(100,000)
Interest income recognised during the year	228,761	28,185	149,814	1,381
Ending balance	<u>4,109,833</u>	<u>1,039,079</u>	<u>3,481,161</u>	<u>394,455</u>

**13 Short-term loans to other companies, net (Cont'd)**

**Bills of exchange**

The bills of exchange with extended repayment can be analysed as follows:

	<b>Consolidated</b>		<b>Company</b>	
	<b>2016</b>	<b>2015</b>	<b>2016</b>	<b>2015</b>
	<b>Baht'000</b>	<b>Baht'000</b>	<b>Baht'000</b>	<b>Baht'000</b>
Undue	786,581	653,485	786,581	394,455
Extensions	1,214,294	-	958,774	-
<b>Total</b>	<b>2,000,875</b>	<b>653,485</b>	<b>1,745,355</b>	<b>-</b>

The Group had outstanding short-term loans in form of bills of exchange provided to 12 companies at face value totalling of Baht 2,016 million and netted loans of Baht 2,001 million. The short-term loans were given during 2016, which will be matured within one to six months and with the interest rate charge at 6% - 12% per annum. The Group have received some interest at the first drawn down date and will receive some parts at the repayment date. The short-term loans are secured by certain plots of land, shares of those borrowing companies and also guaranteed by some directors and shareholders of the borrowers.

During 2016, major parts of bills of exchange were agreed for repayment extensions for another 1-6 months.

**Loan agreements**

The loan agreements with extended repayment can be analysed as follows:

	<b>Consolidated</b>		<b>Company</b>	
	<b>2016</b>	<b>2015</b>	<b>2016</b>	<b>2015</b>
	<b>Baht'000</b>	<b>Baht'000</b>	<b>Baht'000</b>	<b>Baht'000</b>
Undue	1,611,774	385,594	1,611,774	-
Extensions	497,184	-	124,032	-
<b>Total</b>	<b>2,108,958</b>	<b>385,594</b>	<b>1,735,806</b>	<b>-</b>

The Group had outstanding short-term loans in form of loan agreements at face value provided to 11 companies and 3 persons totalling of Baht 2,264 million and net loan of Baht 2,109 million. The short-term loans were given since December 2015 which will be matured within 3 months until 1 year and with the interest rate charge at 12% - 15% per annum. The Group have received some interest at the first drawn down date and will receive some parts at the repayment date. The short-term loans are secured by certain plots of land, shares of those borrowing companies and also guaranteed by some directors and shareholders of the borrowers.

During 2016, some parts of loans were agreed for repayment extensions for another 3 to 6 months. This is permitted under related conditions in the loan agreements in which the lenders have their right to request for the loan extension for another 1 time.

14 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	
				2016	2015
<b>Subsidiaries</b>					
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.	Thailand	Collection services	Shareholder	99.99	99.99
ACAP (Asia) Asset Management Co., Ltd.	Thailand	Non-performing assets management	Shareholder	99.99	99.99
Aurum Capital Advisory Pte. Ltd.	Singapore	Investment Banking	Shareholder	63.97	63.97

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

	2016					
	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.	60,000	60,000	(10,000)	50,000	60,000	99.99
ACAP Consulting Co., Ltd.	1,000	1,000	(1,000)	-	1,000	99.99
Capital OK Co., Ltd.	412,500	509,926	-	509,926	412,500	99.99
OK Cash Co., Ltd.	62,050	62,602	-	62,602	62,050	99.99
ACAP (Asia) Asset Management Co., Ltd.	25,000	26,863	(602)	26,261	25,000	99.99
Aurum Capital Advisory Pte. Ltd.	14,274	10,892	(10,892)	-	-	63.97
		<u>671,283</u>	<u>(22,494)</u>	<u>648,789</u>	<u>560,550</u>	

	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.	60,000	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
OK Cash Co., Ltd.	62,050	62,602	-	62,602	62,050	99.99
ACAP (Asia) Asset Management Co., Ltd.	25,000	26,863	-	26,863	25,000	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>	



**14 Investment in subsidiaries, net (Cont'd)**

The movement in investment in subsidiaries are as follows:

	<b>Company Baht'000</b>
<b>For the year ended 31 December 2016</b>	
Beginning net book balance	613,873
Addition paid-up capital on investment in ACAP Consulting Co., Ltd. during the year	450
Reversal on allowance for impairment of investment in Capital OK Co., Ltd. during the year	35,518
Additional allowance for impairment on investment in ACAP (ASIA) Asset Management Co., Ltd. during the year	(602)
Additional allowance for impairment of investment in ACAP Consulting Co., Ltd. during the year	(450)
Closing net book balance	<u>648,789</u>

During 2016, the Company's management had taken a conservative approach and provided additional allowance for impairment on investment in ACAP (ASIA) Asset Management Co., Ltd. amounting to Baht 0.6 million and ACAP Consulting Co., Ltd. amounting to Baht 0.45 million which equals to addition paid-up capital on ACAP Consulting Co., Ltd. during the period. But the Company's management made a reversal of allowance for impairment on investment in Capital OK Co., Ltd. amounting to Baht 35.52 million as the subsidiary has improved its financial position.

**15 Other current assets**

	<b>Consolidated</b>		<b>Company</b>	
	<b>2016 Baht'000</b>	<b>2015 Baht'000</b>	<b>2016 Baht'000</b>	<b>2015 Baht'000</b>
VAT receivable	2,643	4,942	1,931	5
Interest receivable	6,962	-	6,962	-
Prepaid expenses	3,621	3,112	1,003	420
Withholding tax receivable	6,853	3,119	-	-
Others	234	132	-	1
	<u>20,313</u>	<u>11,305</u>	<u>9,896</u>	<u>426</u>

16 Leasehold improvements and equipment, net

	Consolidated						Total Baht'000
	Leasehold improvements Baht'000	Computers Baht'000	Furniture and fixture Baht'000	Equipment Baht'000	Vehicles Baht'000	Work in progress Baht'000	
<b>At 31 December 2014</b>							
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>
<b>For the year ended 31 December 2015</b>							
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>
<b>At 31 December 2015</b>							
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>
<b>For the year ended 31 December 2016</b>							
Opening net book amount	7,319	3,540	4,196	2,124	8,793	-	25,972
Additions	-	1,069	400	406	7,319	-	9,194
Disposals/write offs, net	-	-	-	-	(1,446)	-	(1,446)
Depreciation charge	(1,826)	(1,536)	(718)	(911)	(756)	-	(5,747)
Closing net book amount	<u>5,493</u>	<u>3,073</u>	<u>3,878</u>	<u>1,619</u>	<u>13,910</u>	<u>-</u>	<u>27,973</u>
<b>At 31 December 2016</b>							
Cost	9,693	106,454	12,014	22,499	16,692	-	167,352
<u>Less</u> Accumulated depreciation	(4,200)	(103,381)	(8,136)	(20,880)	(2,782)	-	(139,379)
Net book amount	<u>5,493</u>	<u>3,073</u>	<u>3,878</u>	<u>1,619</u>	<u>13,910</u>	<u>-</u>	<u>27,973</u>

16 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	
<b>At 31 December 2014</b>						
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>
<b>For the year ended 31 December 2015</b>						
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>
<b>At 31 December 2015</b>						
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>
<b>For the year ended 31 December 2016</b>						
Opening net book amount	1,031	117	3,753	131	4,214	9,246
Additions	-	25	400	66	7,319	7,810
Disposals	-	-	-	-	(1,155)	(1,155)
Depreciation charge	(105)	(31)	(585)	(41)	(258)	(1,020)
Closing net book amount	<u>926</u>	<u>111</u>	<u>3,568</u>	<u>156</u>	<u>10,120</u>	<u>14,881</u>
<b>At 31 December 2016</b>						
Cost	1,052	9,016	5,979	3,266	14,968	34,281
<u>Less</u> Accumulated depreciation	(126)	(8,905)	(2,411)	(3,110)	(4,848)	(19,400)
Net book amount	<u>926</u>	<u>111</u>	<u>3,568</u>	<u>156</u>	<u>10,120</u>	<u>14,881</u>

17 Intangible assets, net

	<b>Consolidated</b>	<b>Company</b>
	<b>Computer software</b>	<b>Computer software</b>
	<b>Baht'000</b>	<b>Baht'000</b>
<b>At 31 December 2014</b>		
Cost	243,464	5,921
<u>Less</u> Accumulated amortisation	<u>(239,357)</u>	<u>(4,088)</u>
Net book amount	<u>4,107</u>	<u>1,833</u>
<b>For the year ended 31 December 2015</b>		
Opening net book amount	4,107	1,833
Additions	165	-
Amortisation charge	<u>(1,294)</u>	<u>(369)</u>
Closing net book amount	<u>2,978</u>	<u>1,464</u>
<b>At 31 December 2015</b>		
Cost	243,586	5,921
<u>Less</u> Accumulated amortisation	<u>(240,608)</u>	<u>(4,457)</u>
Net book amount	<u>2,978</u>	<u>1,464</u>
<b>For the year ended 31 December 2016</b>		
Opening net book amount	2,978	1,464
Additions	380	-
Amortisation charge	<u>(916)</u>	<u>(370)</u>
Closing net book amount	<u>2,442</u>	<u>1,094</u>
<b>At 31 December 2016</b>		
Cost	243,966	5,921
<u>Less</u> Accumulated amortisation	<u>(241,524)</u>	<u>(4,827)</u>
Net book amount	<u>2,442</u>	<u>1,094</u>

18 Other non-current assets

	<b>Consolidated</b>		<b>Company</b>	
	<b>2016</b>	<b>2015</b>	<b>2016</b>	<b>2015</b>
	<b>Baht'000</b>	<b>Baht'000</b>	<b>Baht'000</b>	<b>Baht'000</b>
Deposits from office lease	1,284	1,401	1,130	1,257
Others	300	1,614	-	920
	<u>1,584</u>	<u>3,015</u>	<u>1,130</u>	<u>2,177</u>

**19 Short-term borrowing from other companies**

	<b>Consolidated and Company</b>			
	<b>31 December 2016</b>			
	<b>Interest rate per annum (percent)</b>	<b>Remaining period to maturity</b>		<b>Total Baht</b>
<b>At call Baht</b>		<b>Within 1 year Baht</b>		
Debt issued - bills of exchange	4.40% - 7.50%	-	1,093,042	1,093,042

The Group have unsecured short-term borrowings in form of bills of exchange borrowed from 6 companies totalling face value of Baht 1,100 million and net borrowing of Baht 1,093 million. The short-term loans were given during August to December 2016, which will be matured within 1 to 6 months and with the interest rate charge at 4.40% - 7.50% per annum. The Group have paid some interest at the first drawn down date and will pay some parts at the maturity date.

The movement in bills of exchange can be analysed as follows:

	<b>Consolidated and Company</b>	
	<b>2016 Baht'000</b>	<b>2015 Baht'000</b>
Opening balance	451,201	-
Additions	2,047,752	450,252
Repayments	(1,439,500)	-
Financial cost recognised	33,589	949
Ending balance	<u>1,093,042</u>	<u>451,201</u>

**20 Finance lease liabilities, net**

	<b>Consolidated</b>		<b>Company</b>	
	<b>2016 Baht'000</b>	<b>2015 Baht'000</b>	<b>2016 Baht'000</b>	<b>2015 Baht'000</b>
Minimum lease payments obligation under long-term lease liabilities (lease of vehicles)	7,302	2,472	5,534	-
<u>Less</u> Deferred interest	<u>(555)</u>	<u>(241)</u>	<u>(423)</u>	<u>-</u>
	<u>6,747</u>	<u>2,231</u>	<u>(5,111)</u>	<u>-</u>
Current portion due within one year	1,728	596	1,162	-
Non-current portion due after one year	5,019	1,635	3,949	-
	<u>6,747</u>	<u>2,231</u>	<u>5,111</u>	<u>-</u>

**21 Other current liabilities**

	Consolidated		Company	
	2016 Baht'000	2015 Baht'000	2016 Baht'000	2015 Baht'000
Interest payable	2,278	-	2,278	-
Provision for contingent liabilities may be arisen	3,610	-	3,610	-
Others	5,800	492	3,486	199
<b>Total</b>	<b>11,688</b>	<b>492</b>	<b>9,374</b>	<b>199</b>

**22 Debentures**

	Consolidated and Company	
	2016 thaB'000	2015 thaB'000
Debenture no.1/2559	157,000	-
Debenture no.2/2559	547,100	-
Debenture no.3/2559	1,237,300	-
<b>Total</b>	<b>1,941,400</b>	<b>-</b>
<u>Less</u> Deferred under with expense-calendars	(12,821)	-
	<b>1,928,579</b>	<b>-</b>

On 1 April 2016 the Company issued unsubordinated and unsecured debentures in registered name no.1/2559, (ACAP184A) to public under a term of 2 years, which bear interest at 5.40% per annum from issuance date to 1 July 2016 and 5.60% per annum from 1 July 2016 to the maturity date.

On 29 June 2016 the Company also issued unsubordinated and unsecured debentures in registered name no.2/2559, (ACAP186A) to public under a term of 2 years and, which bear interest at 5.60% per annum.

On 14 October 2016 the Company also issued unsubordinated and unsecured debentures in registered name no.3/2559, (ACAP180A) to public under a term of 2 years and, which bear interest at 5.60% per annum.

The Company is required to comply with the specific covenants which are to maintain debt to equity ratio and EBITDA to interest ratio on the date on each quarterly consolidated financial information and financial statement.

**23 Deferred income taxes**

The analysis of deferred tax assets and deferred tax liability is as follows:

	Consolidated		Company	
	2016 thaB'000	2015 thaB'000	2016 thaB'000	2015 thaB'000
<b>Deferred tax assets:</b>				
Deferred tax assets to be recovered within 12 months	19,108	-	14,642	-
Deferred tax assets to be recovered after more than 12 months	27,490	-	27,490	-
	<b>46,598</b>	<b>-</b>	<b>42,132</b>	<b>-</b>
<b>Deferred tax liability:</b>				
Deferred tax liability to be recovered within 12 months	(3)	-	-	-
Deferred tax liability to be recovered after more than 12 months	-	-	-	-
	<b>(3)</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Deferred tax assets, net</b>	<b>46,595</b>	<b>-</b>	<b>42,132</b>	<b>-</b>

23 Deferred income taxes (Cont'd)

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

	Consolidated		Company	
	2016 Baht'000	2015 Baht'000	2016 Baht'000	2015 Baht'000
At 1 January	-	-	-	-
Charged to profit or loss	48,297	-	43,692	-
Tax credit relation to components of other comprehensive income	(464)	-	(203)	-
Tax credit relation directly to equity	(1,238)	-	(1,357)	-
At 31 December	46,595	-	42,132	-

The movement in deferred tax assets and liabilities is as follows:

	Consolidated				
	Tax losses Baht'000	Allowance for Impairment of asset Baht'000	Provision for Employee benefit Baht'000	Other Baht'000	Total Baht'000
<b>Deferred tax assets</b>					
At 1 January 2016	-	-	-	-	-
Charged to profit or loss	39,563	6,698	867	1,204	48,332
Credited to other comprehensive income	-	-	(464)	-	(464)
Credited directly to equity	-	-	(1,238)	-	(1,238)
At 31 December 2016	39,563	6,698	(835)	1,204	46,630

	Company				
	Tax losses Baht'000	Allowance for Impairment of asset Baht'000	Provision for Employee benefit Baht'000	Other Baht'000	Total Baht'000
<b>Deferred tax assets</b>					
At 1 January 2016	-	-	-	-	-
Charged to profit or loss	35,653	6,688	598	753	43,692
Credited to other comprehensive income	-	-	(203)	-	(203)
Credited directly to equity	-	-	(1,357)	-	(1,357)
At 31 December 2016	35,653	6,688	(962)	753	42,132

	Consolidated		Company	
	Short-term investment Baht'000	Total Baht'000	Short-term investment Baht'000	Total Baht'000
<b>Deferred tax liabilities</b>				
At 1 January 2016	-	-	-	-
Charged to profit or loss	(35)	(35)	-	-
At 31 December 2016	(35)	(35)	-	-

24 Employee benefits obligations

	Consolidated		Company	
	2016 Baht'000	2015 Baht'000	2016 Baht'000	2015 Baht'000
<u>Statement of financial position</u>				
Employee benefits	4,335	7,072	2,989	3,435
	<u>4,335</u>	<u>7,072</u>	<u>2,989</u>	<u>3,435</u>
<u>Profit or loss</u>				
Employee benefits (reversal)	1,061	(3,767)	571	1,357
	<u>1,061</u>	<u>(3,767)</u>	<u>571</u>	<u>1,357</u>

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

	Consolidated		Company	
	2016 Baht'000	2015 Baht'000	2016 Baht'000	2015 Baht'000
At 1 January	7,072	14,685	3,435	7,472
Past service cost	-	3,225	-	2,460
Current service cost	892	2,490	453	1,778
Interest cost	243	710	118	375
Remeasurements	(2,320)	(3,684)	(1,017)	(5,394)
	5,887	17,426	2,989	6,691
<u>Less</u> Benefits paid	(1,478)	-	-	-
Reversals from employees resignation	(74)	(10,192)	-	(3,256)
Reversals from sales of investment in subsidiary	-	(162)	-	-
At 31 December	<u>4,335</u>	<u>7,072</u>	<u>2,989</u>	<u>3,435</u>

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

	Consolidated		Company	
	2016 Baht'000	2015 Baht'000	2016 Baht'000	2015 Baht'000
Past service cost	-	3,225	-	2,460
Current service cost	892	2,490	453	1,778
Interest cost	243	710	118	375
Reversals from employees resignation	(74)	(10,192)	-	(3,256)
Total	<u>1,061</u>	<u>(3,767)</u>	<u>571</u>	<u>1,357</u>

The principal actuarial assumptions used are as follows:

	Consolidated and Company	
	2016	2015
Discount rate	3.58%	3.43%
Salary increase rate	5%	5%
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 years old



**24 Employee benefits obligations (Cont'd)**

Sensitivity analysis

	Increase (decrease) in provision on employee benefit			
	Consolidated		Company	
	2016 Baht'000	2015 Baht'000	2016 Baht'000	2015 Baht'000
Discount rate				
Increase 1%	(380)	(647)	(197)	(307)
Decrease 1%	440	754	222	351
Salary income rate				
Increase 1%	426	734	215	342
Decrease 1%	(376)	(644)	(195)	(306)
Resignation rate				
Increase 1%	(243)	(656)	(96)	(305)
Decrease 1%	275	495	107	196

Maturity profile of defined benefit obligation

	Consolidated		Company	
	2016 Years	2015 Years	2016 Years	2015 Years
Duration of the defined benefit obligation	15	16	12	15

	Consolidated		Company	
	2016 Baht'000	2015 Baht'000	2016 Baht'000	2015 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 12 months	19,962	29,655	9,369	14,066

**25 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.

**26 Share capital**

	Authorised shares		Issued and paid-up shares		Premium
	Number of shares Shares	Par value Baht	Baht	Baht	Baht
At 1 January 2016	125,000,000	1	125,000,000	125,000,000	125,000,000
Change in par value	250,000,000	0.5	125,000,000	-	-
Increase in capital	62,500,000	0.5	31,250,000	-	-
Warrants	-	-	-	27,344,675	82,034,025
At 31 December 2016	312,500,000		156,250,000	152,344,675	419,776,346

On 4 May 2016, the Company changed its par value from Baht 1 to Baht 0.5. The Company registered the increased in number of shares with the Ministry of Commerce on 4 May 2016.

On 10 May 2016, the Company issued new ordinary shares of 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). The Company registered the increased share capital with the Ministry of Commerce on 10 May 2016. The Company allots shares to reserve for the exercise by way of rights to purchase 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 the rights issue at the ratio of 1 unit of warrant to 1 new ordinary share at the offering price of Baht 2 per share.

On 31 December 2016, the Company has paid - up share capital from warrant exercise for 55 million shares, accounting for Baht 109 million which consisted of Baht 27 million par value and Baht 82 million premium on share capital. Therefore, the Company currently has unexercised warrant for 7.8 million shares (of Baht 0.5 par value) which can be exercise by shareholders at 15 June and 15 December throughout the term of warrant.

**27 Other income**

	Consolidated		Company	
	2016 Baht'000	2015 Baht'000	2016 Baht'000	2015 Baht'000
Gain on sale of subsidiary	-	3,769	-	1,941
Gain on sale of investment	1,672	390	1,369	3
Management fee income	-	-	15,527	7,673
Other income	1,483	2,544	970	2,242
Total	3,155	6,703	17,866	11,859

**28 Expenses by nature**

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

	Consolidated		Company	
	2016 Baht'000	2015 Baht'000	2016 Baht'000	2015 Baht'000
Personnel expenses	110,356	113,478	22,277	27,367
Depreciation and amortisation charges (Note 16 and 17)	6,663	7,435	1,390	2,070
Rental expenses	7,161	12,191	4,300	7,110
Repair and maintenance expenses	2,925	5,547	409	1,040
Tax expense	12,168	803	9,562	701
Amortisation of underwriting expense - debentures	2,755	-	2,755	-
Other operating expenses	61,993	38,685	40,504	16,735
Total	204,021	178,139	81,197	55,023

**29 Income tax expense**

	<b>Consolidated</b>		<b>Company</b>	
	<b>2016</b>	<b>2015</b>	<b>2016</b>	<b>2015</b>
	<b>Baht'000</b>	<b>Baht'000</b>	<b>Baht'000</b>	<b>Baht'000</b>
Current tax	1,791	5	-	-
Deferred income tax (Note 23)	(46,595)	-	(42,132)	-
	<b>(44,804)</b>	<b>5</b>	<b>(42,132)</b>	<b>-</b>

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:

	<b>Consolidated</b>		<b>Company</b>	
	<b>2016</b>	<b>2015</b>	<b>2016</b>	<b>2015</b>
	<b>Baht'000</b>	<b>Baht'000</b>	<b>Baht'000</b>	<b>Baht'000</b>
(Loss) profit before tax	165,967	(25,137)	53,767	21,691
Tax calculated at a tax rate of 20% (2015: 20%)	33,193	(5,027)	10,753	4,338
Tax effect of:				
Income not subject to tax	(35)	(3,886)	-	(12,378)
Reversal of expenses not deductible for tax purpose	(8,835)	-	(8,366)	-
Additional deductible expense	(7,033)	-	(6,479)	-
Unrealised gain from intercompany transaction	10,354	-	-	-
Utilisation of previously unrecognised tax losses	(72,448)	(4,163)	(38,040)	-
Tax losses for which no deferred income tax asset was recognised	-	13,081	-	8,040
Tax charge	<b>(44,804)</b>	<b>5</b>	<b>(42,132)</b>	<b>-</b>

The weighted average applicable tax rate of the Group and the Company was 27% and 78%, respectively (2015: 0% and 0%, respectively).

**30 Earnings (loss) per share**

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

	<b>Consolidated</b>		<b>Company</b>	
	<b>2016</b>	<b>2015</b>	<b>2016</b>	<b>2015</b>
Net profit (loss) attributable to ordinary shareholders (Baht'000)	212,450	(25,143)	97,459	21,691
Weighted average number of ordinary shares issued during the year (Shares)	251,943	250,000	251,943	250,000
Basic earnings (loss) per share (Baht per shares)	0.84	(0.10)	0.39	0.09

**30 Earnings (loss) per share (Cont'd)**

The diluted earnings per share is calculated adjusting the weighted average number of ordinary shares outstanding to assume conversion of all dilutive potential ordinary shares. The Company has dilutive potential ordinary shares from warrants. The convertible debt is assumed to have been converted from warrants. For the warrants a calculation is made to determine the number of shares that could have been acquired at fair value (determined as the average annual market price of the Company's shares) based on the monetary value of the subscription rights attached to outstanding warrants.

	Consolidated		Company	
	2016	2015	2016	2015
Net profit (loss) attributable to ordinary shareholders (Baht'000)	212,450	(25,143)	97,459	21,691
Weighted average number of ordinary shares issued during the year (Shares)	251,943	250,000	251,943	250,000
Adjust: warrants	7,810	-	7,810	-
Weighted average number of ordinary shares diluted earnings per share	290,139	250,000	290,139	250,000
Diluted earnings per share (Baht)	0.73	(0.10)	0.34	0.09

**31 Provident fund**

The Group and the Company paid to provident fund for the year ended 31 December 2016 in the amount of Baht 0.7 million and Baht 0.5 million, respectively (2015: Baht 1 million and Baht 0.7 million, respectively).

**32 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 18.89% of total registered share capital, and Thai Luxe Enterprise Public Company Limited who hold 14.19% of total redgistered share capital.

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
Capital OK Co., Ltd.	Subsidiary	Shareholder/mutual management
OK Cash Co., Ltd.	Subsidiary	Shareholder/mutual management
ACAP (Asia) Asset Management Co., Ltd.	Subsidiary	Shareholder/mutual management
Aurum Capital Advisory Pte. Ltd.	Subsidiary	Shareholder/mutual management
Thai Luxe Enterprises Public Co., Ltd.	Related party	Shareholder

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. 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.

32 Related party transactions (Cont'd)

i) Income for the years ended 31 December

	Consolidated		Company	
	2016 Baht'000	2015 Baht'000	2016 Baht'000	2015 Baht'000
<b>Other income</b>				
Accounting and financial service income				
- Global Service Center Co., Ltd.	-	-	-	4
- Capital OK Co., Ltd.	-	-	-	33
- OK Cash Co., Ltd.	-	-	-	4
Sharing expense income				
- ACAP Consulting Co., Ltd.	-	-	-	63
- ACAP Corporate Services Co., Ltd.	-	-	-	118
Interest income				
- ACAP Consulting Co., Ltd.	-	-	91	228
- ACAP Corporate Services Co., Ltd.	-	-	-	10
- Global Service Center Co., Ltd.	-	-	94	1,644
- OK Cash Co., Ltd.	-	-	3,504	1,844
Management fee income				
- ACAP Consulting Co., Ltd.	-	-	1,929	815
- ACAP Corporate Services Co., Ltd.	-	-	-	732
- Capital OK Co., Ltd.	-	-	2,399	165
- Global Service Center Co., Ltd.	-	-	7,398	4,163
- OK Cash Co., Ltd.	-	-	3,680	1,634
- ACAP (Asia) Asset Management Co., Ltd.	-	-	122	165
	-	-	19,217	11,622

Pricing policy for interest income is determined for each loan agreement as disclosed in Note 32 iv).

ii) Finance costs for the year ended 31 December

	Consolidated		Company	
	2016 Baht'000	2015 Baht'000	2016 Baht'000	2015 Baht'000
<b>Subsidiaries</b>				
- Capital OK Co., Ltd.	-	-	1,645	4,216
- ACAP (Asia) Asset Management Co., Ltd.	-	-	250	160
<b>Related party</b>				
- Thai Luxe Enterprises Public Co., Ltd.	22,017	-	22,017	-
- Management	160	-	160	-
	22,177	-	24,072	4,376

32 Related party transactions (Cont'd)

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

	Consolidated		Company	
	2016 Baht'000	2015 Baht'000	2016 Baht'000	2015 Baht'000
Amounts due from related companies				
- ACAP Consulting Co., Ltd.	-	-	355	173
- Global Service Center Co., Ltd.	-	-	535	882
- Capital OK Co., Ltd.	-	-	321	33
- OK Cash Co., Ltd.	-	-	540	570
- ACAP (Asia) Asset Management Co., Ltd.	-	-	5	33
	-	-	1,756	1,691
Amounts due to related companies				
- Capital Ok Co., Ltd.	-	-	98	26,424
- ACAP (Asia) Asset Management Co., Ltd.	-	-	21	22
- Thai Luxe Enterprises Public Co., Ltd.	568	-	568	-
	568	-	687	26,446

iv) Loans to related companies

	Company			
	Short-term loans			
	Opening balance Baht'000	Additions during the period Baht'000	Repayments during the period Baht'000	Ending balance Baht'000
<b>For the year ended 31 December 2016</b>				
OK Cash Co., Ltd.	307,000	14,200	(73,200)	248,000
Total	307,000	14,200	(73,200)	248,000
	Company			
	Short-term loans			
	Opening balance Baht'000	Additions during the period Baht'000	Repayments during the period Baht'000	Ending balance Baht'000
<b>For the year ended 31 December 2015</b>				
ACAP Corporate Service Co., Ltd.	-	2,000	(2,000)	-
OK Cash Co., Ltd.	-	334,000	(27,000)	307,000
Total	-	336,000	(29,000)	307,000

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

**iv) Loans to related companies (Cont'd)**

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.) 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.

	<b>Company</b>		
	<b>Long-term loans</b>		
	<b>Opening balance Baht'000</b>	<b>Repayments Baht'000</b>	<b>Ending balance Baht'000</b>
<b>For the year ended 31 December 2016</b>			
ACAP Consulting Co., Ltd.	11,000	(3,500)	7,500
<u>Less</u> Allowance for impairment	(11,000)	3,500	(7,500)
	-	-	-
Global Service Center Co. Ltd.	12,500	(12,500)	-
<u>Less</u> Allowance for impairment	(12,500)	12,500	-
	-	-	-
Total	-	-	-

	<b>Company</b>				
	<b>Long-term loans</b>				
	<b>Opening balance Baht'000</b>	<b>Additions Baht'000</b>	<b>Increase in allowance for impairment Baht'000</b>	<b>Repayments Baht'000</b>	<b>Ending balance Baht'000</b>
<b>For the year ended 31 December 2015</b>					
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)	-	-

32 Related party transactions (Cont'd)

iv) Loans to related companies (Cont'd)

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 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.

During the year 2016, the Company had received the repayment from ACAP Consulting Co., Ltd. and Global Service Center Co., Ltd. amounting to Baht 3.5 million and Baht 12.5 million, respectively (2015 : Baht 0.7 million and Baht 70 million, respectively).

v) Loans from related companies

	Consolidated			
	Opening balance Baht'000	Additions Baht'000	Repayments Baht'000	Ending balance Baht'000
<b>For the year ended 31 December 2016</b>				
<b><u>Related party</u></b>				
- Thai Luxe Enterprise PCL.	-	800,000	(350,000)	450,000
- Management	-	21,000	(21,000)	-
	-	821,000	(371,000)	450,000

	Company			
	Opening balance Baht'000	Additions Baht'000	Repayments Baht'000	Ending balance Baht'000
<b>For the year ended 31 December 2016</b>				
<b><u>Subsidiaries</u></b>				
Capital OK Co., Ltd.	175,000	-	(75,000)	100,000
ACAP (Asia) Asset Management Co., Ltd.	25,000	-	-	25,000
<b><u>Related party</u></b>				
Thai Luxe Enterprise PCL.	-	800,000	(350,000)	450,000
Management	-	21,000	(21,000)	-
	200,000	821,000	(446,000)	575,000

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



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

**v) Loans from related companies (Cont'd)**

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.

Thai Luxe Enterprise Public Company Limited has become the Company's shareholder since December 2015 and currently, it has shares and voting rights of 14.19% in the Company so Thai Luxe Enterprise Public Company Limited is considered as a related party.

On 31 December 2016, Borrowing from Thai Luxe Enterprises Public Company Limited amounting to Baht 450 million in form of unsecured bill of exchange, which bear interest at 5.0% - 6.5% per annum. The interest is due at the maturity date.

**vi) Directors' remuneration**

	Consolidated		Company	
	2016 Baht'000	2015 Baht'000	2016 Baht'000	2015 Baht'000
Salaries and other short-term employee benefits	7,535	12,889	7,535	12,889
Post-employment benefits	255	767	255	767
	<u>7,790</u>	<u>13,656</u>	<u>7,790</u>	<u>13,656</u>

**33 Commitments**

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

	Consolidated		Company	
	2016 Baht'000	2015 Baht'000	2016 Baht'000	2015 Baht'000
Within 1 year	9,173	9,343	4,959	3,787
More than 1 year but less than 5 years	3,148	7,998	2,998	6,785
Total	<u>12,321</u>	<u>17,341</u>	<u>7,957</u>	<u>10,572</u>

**34 Contingent liabilities**

As at 22 November 2007, the Company together with 9 defendants were jointly litigated for default the debt portfolio. The Appeal court instance dismissed the court case at 23 November 2016. The management assesses the fact and believes that the case has no ground and will not result in any liability to the Company.

As at 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. The Court of First Instance dismissed the court case and the Appeal Court set a date to hear the judgement on 15 February 2017. 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 14 November 2016, the Company was litigated for revocation in a legal action about land trading and registration as collateral by a third party who claimed that he/she has committed in land trading agreement before the land was later sold and mortgaged with the Company. The plaintiff claimed for compensation of Baht 322 million. The Court set a date for preliminary hearing and hearing of witness on 20 February 2017. The management assesses related facts and believes that the case has no ground and will not result in any liability to the Company.