

ASIA CAPITAL GROUP PUBLIC COMPANY LIMITED

CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS

31 DECEMBER 2017



Independent Auditor's Report

To the shareholders of ASIA Capital Group 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 2017, 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

The consolidated financial statements and the separate financial statements comprise:

- the consolidated and separate statements of financial position as at 31 December 2017;
- the consolidated and separate statements of comprehensive income for the year then ended;
- the consolidated and separate statements of changes in equity for the year then ended;
- the consolidated and separate statements of cash flows for the year then ended; and
- the notes to the consolidated and separate financial statements, which include 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 matters

Key audit matters are those matters that, in my professional judgment, were of most significance in my audit of the consolidated and separate financial statements of the current period. These matters were addressed in the context of my audit of the consolidated and separate financial statements as a whole, and in forming my opinion thereon, and I do not provide a separate opinion on these matters.



| Key audit matter | How my audit addressed the key audit matter |
|--|---|
| <p>Value of loans to other companies</p> <p>As at 31 December 2017, loans to other companies had a net book value of Baht 3,831 million and Baht 3,583 million, representing 79 percent and 72 percent of the total assets of the Group and the Company, respectively. Refer to note 2.8 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, consisting of bills of exchange and loan agreements. These loans are mainly short-term and are presented as short-term loans in the financial statements.</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 information available at the time the loans are granted.</p> <p>I focused my effort on considering the allowance for doubtful accounts. This is 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 engages appraisers to assess the value of collateral. However, there may be uncertainty about the future value of the assets used as collateral.</p> | <p>I have understood the key controls and tested certain controls relating to the loan granting process.</p> <p>I've examined samples of related loans to other companies by inspecting loan agreements, loan repayments received from borrowers, and collateral agreements.</p> <p>In relation to setting up the allowance for doubtful debts for loans, I considered default loan receivable and asked management about the allowance for doubtful debt estimation criteria used for the above receivables. I checked with the recent collateral asset appraisal reports from the independent appraiser, and assessed that the value based on the appraisal report reasonably covers the loan amounts. I also performed an independence check against the land price which was appraised by the Department of Lands and announced by the Treasury Department. I also selected and visited a construction site which was part of the collateral.</p> <p>From the above procedures, I found that the available evidence of collateral covers the amount of loan to other companies.</p> |

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.

A handwritten signature in black ink, appearing to read 'Boonlert Kamolchanokkul', written in a cursive style.

Boonlert Kamolchanokkul
Certified Public Accountant (Thailand) No. 5339
Bangkok
28 February 2018

ASIA Capital Group Public Company Limited
 Statements of Financial Position
 As at 31 December 2017

| | Notes | Consolidated financial statements | | Separate financial statements | |
|--|---------|--------------------------------------|---------------------|----------------------------------|---------------------|
| | | 31 December 2017 | 31 December 2016 | 31 December 2017 | 31 December 2016 |
| | | Baht'000 | Baht'000 | Baht'000 | Baht'000 |
| Assets | | | | | |
| Current assets | | | | | |
| Cash and cash equivalents | 7 | 107,438 | 72,214 | 81,594 | 65,953 |
| Short-term investments | 9 | 254,535 | 181,887 | 49 | 59 |
| Accounts receivable, net | 10 | 39,614 | 30,934 | - | - |
| Amounts due from related companies | 34 iii) | - | - | 1,070 | 1,756 |
| Factoring receivables, net | 11 | 45,562 | 32,550 | - | - |
| Current portion of loans to employees | 12 | 682 | 929 | - | - |
| Short-term loans to related companies, net | 34 iv) | - | - | 77,000 | 248,000 |
| Short-term loans to other companies, net | 13 | 3,831,001 | 4,116,795 | 3,582,563 | 3,488,123 |
| Other current assets | 15 | 36,738 | 13,351 | 25,745 | 2,934 |
| Total current assets | | 4,315,570 | 4,448,660 | 3,768,021 | 3,806,825 |
| Non-current assets | | | | | |
| Loans to employees, net | 12 | 148 | 431 | - | - |
| Long-term loan to related companies, net | 34 iv) | - | - | - | - |
| Long-term investment | 21 | 220,000 | - | 220,000 | - |
| Investment Property | 17 | 230,793 | - | 230,793 | - |
| Deferred tax asset | 25 | 18,097 | 56,126 | 12,038 | 42,132 |
| Investment in subsidiaries, net | 14 | - | - | 667,842 | 648,789 |
| Leasehold improvements and equipment, net | 16 | 19,812 | 27,973 | 10,246 | 14,881 |
| Intangible assets, net | 18 | 2,033 | 2,442 | 724 | 1,094 |
| Other non-current assets | 19 | 1,681 | 1,584 | 1,127 | 1,130 |
| Total non-current assets | | 492,564 | 88,556 | 1,142,770 | 708,026 |
| Total assets | | 4,808,134 | 4,537,216 | 4,910,791 | 4,514,851 |

Director _____ Director _____

Date _____

The notes to consolidated and the separate financial statements on pages 13 to 57 are an integral part of these financial statements.

ASIA Capital Group Public Company Limited
 Statements of Financial Position (Cont'd)
 As at 31 December 2017

| | Notes | Consolidated financial statements | | Separate financial statements | |
|--|---------|--------------------------------------|---------------------|----------------------------------|---------------------|
| | | 31 December 2017 | 31 December 2016 | 31 December 2017 | 31 December 2016 |
| | | Baht'000 | Baht'000 | Baht'000 | Baht'000 |
| Liabilities and equity | | | | | |
| Current liabilities | | | | | |
| Account payables | | 27,750 | 21,381 | 27,750 | 15,249 |
| Other payables | | 13,596 | 10,116 | 2,819 | 1,536 |
| Amounts due to related companies | 34 iii) | - | 568 | 187 | 687 |
| Short-term borrowings from related companies | 34 v) | - | 450,000 | 297,000 | 575,000 |
| Short-term borrowings from other companies | 21 | 44,901 | 1,093,042 | 44,901 | 1,093,042 |
| Current portion of debentures | 24 | 1,936,371 | - | 1,936,371 | - |
| Current portion of financial lease liabilities | 22 | 1,801 | 1,728 | 1,203 | 1,162 |
| Other current liabilities | 23 | 71,097 | 59,342 | 14,063 | 9,374 |
| Total current liabilities | | 2,095,516 | 1,636,177 | 2,324,294 | 1,696,050 |
| Non-current liabilities | | | | | |
| Financial lease liabilities, net | 22 | 3,279 | 5,019 | 2,807 | 3,949 |
| Debentures | 24 | 1,455,141 | 1,928,579 | 1,455,141 | 1,928,579 |
| Employee benefits obligations | 26 | 5,650 | 4,335 | 3,292 | 2,989 |
| Other non-current liabilities | | 1,052 | 1,052 | 1,052 | 1,052 |
| Total non-current liabilities | | 1,465,122 | 1,938,985 | 1,462,292 | 1,936,569 |
| Total liabilities | | 3,560,638 | 3,575,162 | 3,786,586 | 3,632,619 |
| Equity | | | | | |
| Share capital | 28 | | | | |
| Authorised, issued and paid-up share capital | | | | | |
| 312,500,000 ordinary shares of Baht 0.5 each | | | 156,250 | | 156,250 |
| 390,672,338 ordinary shares of Baht 0.5 each | | 195,336 | | 195,336 | |
| Issued and paid-up share capital | | | | | |
| 304,689,350 ordinary shares of Baht 0.5 each | | - | 152,345 | - | 152,345 |
| 315,806,679 ordinary shares of Baht 0.5 each | | 157,904 | - | 157,904 | - |
| Premium on share capital | | 444,369 | 419,776 | 444,369 | 419,776 |
| Retained earnings | | | | | |
| Appropriated - Legal reserve | 27 | 19,534 | 12,500 | 19,534 | 12,500 |
| Unappropriated | | 625,689 | 377,433 | 502,398 | 297,611 |
| Other components of equity | | - | - | - | - |
| Equity attributable to owners of the parent | | 1,247,496 | 962,054 | 1,124,205 | 882,232 |
| Non-controlling interests | | - | - | - | - |
| Total equity | | 1,247,496 | 962,054 | 1,124,205 | 882,232 |
| Total liabilities and equity | | 4,808,134 | 4,537,216 | 4,910,791 | 4,514,851 |

The notes to consolidated and the separate financial statements on pages 13 to 57 are an integral part of these financial statements.

ASIA Capital Group Public Company Limited
 Statements of Comprehensive Income
 For the year ended 31 December 2017

| | Notes | Consolidated financial statements | | Separate financial statements | |
|--|-----------|--------------------------------------|------------------|----------------------------------|------------------|
| | | 2017 Baht'000 | 2016 Baht'000 | 2017 Baht'000 | 2016 Baht'000 |
| Interest income | | 596,990 | 271,090 | 437,543 | 167,234 |
| Interest expense | | (253,649) | (127,268) | (256,222) | (129,163) |
| Net interest income | | 343,341 | 143,822 | 181,321 | 38,071 |
| Service income | | 160,142 | 146,904 | - | - |
| Cost of services | | (82,584) | (98,751) | - | - |
| Net service income | | 77,558 | 48,153 | - | - |
| Dividend income | | - | - | 104,125 | - |
| Other income | 29, 34 i) | 9,857 | 3,155 | 15,678 | 17,866 |
| Total operating income | | 430,756 | 195,130 | 301,124 | 55,937 |
| Other operating expenses | | | | | |
| Administrative expenses | | 98,856 | 68,858 | 48,602 | 44,785 |
| Management remunerations | 34 ii) | 9,584 | 7,790 | 9,584 | 7,790 |
| Total other operating expenses | | 108,440 | 76,648 | 58,186 | 52,575 |
| Reversal on impairment loss from loans to and investment in subsidiaries | | - | - | 947 | (50,466) |
| Profit before financial costs and income tax | | 322,316 | 118,482 | 241,991 | 53,828 |
| Financial costs | | 243 | 169 | 166 | 61 |
| Profit before income tax | | 322,073 | 118,313 | 241,825 | 53,767 |
| Tax expense (income) | 31 | (66,657) | 56,037 | (30,076) | 43,692 |
| Net profit for the year | | 255,416 | 174,350 | 211,749 | 97,459 |
| Other comprehensive income | | | | | |
| Items that will not be reclassified to profit or loss | | | | | |
| Remeasurements of post-employment benefit obligations | 26 | (158) | 2,320 | 90 | 1,017 |
| Income tax relating to item that will be reclassified subsequently to profit or loss | 25 | 32 | (464) | (18) | (203) |
| Total comprehensive income for the year, net of tax | | (126) | 1,856 | 72 | 814 |
| Total comprehensive income | | 255,290 | 176,206 | 211,821 | 98,273 |

The notes to consolidated and the separate financial statements on pages 13 to 57 are an integral part of these financial statements.

ASIA Capital Group Public Company Limited
 Statements of Comprehensive Income (Cont'd)
 For the year ended 31 December 2017

| | Note | Consolidated | | Separate | |
|---|------|----------------------|----------------|----------------------|---------------|
| | | financial statements | | financial statements | |
| | | 2017 | 2016 | 2017 | 2016 |
| | | Baht'000 | Baht'000 | Baht'000 | Baht'000 |
| Profit attributable to: | | | | | |
| Shareholders of the parent | | 255,416 | 174,327 | 211,749 | 97,459 |
| Non-controlling interests | | - | 23 | - | - |
| | | <u>255,416</u> | <u>174,350</u> | <u>211,749</u> | <u>97,459</u> |
| Total comprehensive income (expense) | | | | | |
| attributable to: | | | | | |
| Shareholders of the parent | | 255,290 | 176,183 | 211,821 | 98,273 |
| Non-controlling interests | | - | 23 | - | - |
| | | <u>255,290</u> | <u>176,206</u> | <u>211,821</u> | <u>98,273</u> |
| Earnings per share | 32 | | | | |
| (expressed in Baht per share) | | | | | |
| Basic earnings per share | | <u>0.83</u> | <u>0.69</u> | <u>0.69</u> | <u>0.39</u> |
| Diluted earnings per share | | <u>0.72</u> | <u>0.67</u> | <u>0.60</u> | <u>0.37</u> |

The notes to consolidated and the separate financial statements on pages 13 to 57 are an integral part of these financial statements.

ASIA Capital Group Public Company Limited
 Statements of Changes in Equity
 For the year ended 31 December 2017

| Consolidated financial statements | | | | | | | | | |
|--|---|-----------------------------------|-----------------------|-------------------------|---|------------------------------------|-----------------------|--|--|
| Attributable to owners of the parent. | | | | | | | | | |
| Note | Issued and paid-up share capital Baht'000 | Premium on share capital Baht'000 | Retained earnings | | Total shareholders of the parent Baht'000 | Non-controlling interests Baht'000 | Total equity Baht'000 | | |
| | | | Appropriated Baht'000 | Unappropriated Baht'000 | | | | | |
| | 125,000 | 337,742 | 12,500 | 202,488 | 677,730 | (23) | 677,707 | | |
| | 27,345 | 82,034 | - | - | 109,379 | - | 109,379 | | |
| 25 | - | - | - | (1,238) | (1,238) | - | (1,238) | | |
| | - | - | - | 176,183 | 176,183 | 23 | 176,206 | | |
| Opening balance as at 1 January 2016 | | | | | | | | | |
| Warrants | | | | | | | | | |
| Tax credited directly to equity | | | | | | | | | |
| Total comprehensive income | | | | | | | | | |
| | 152,345 | 419,776 | 12,500 | 377,433 | 962,054 | - | 962,054 | | |
| Ending balance as at 31 December 2016 | | | | | | | | | |

| Consolidated financial statements | | | | | | | | | |
|--|---|-----------------------------------|-----------------------|-------------------------|---|------------------------------------|-----------------------|--|--|
| Attributable to owners of the parent | | | | | | | | | |
| Note | Issued and paid-up share capital Baht'000 | Premium on share capital Baht'000 | Retained earnings | | Total shareholders of the parent Baht'000 | Non-controlling interests Baht'000 | Total equity Baht'000 | | |
| | | | Appropriated Baht'000 | Unappropriated Baht'000 | | | | | |
| | 152,345 | 419,776 | 12,500 | 377,433 | 962,054 | - | 962,054 | | |
| | 5,559 | 24,593 | - | - | 30,152 | - | 30,152 | | |
| 28 | - | - | 7,034 | 248,256 | 255,290 | - | 255,290 | | |
| Opening balance as at 1 January 2017 | | | | | | | | | |
| Warrants | | | | | | | | | |
| Total comprehensive income | | | | | | | | | |
| | 157,904 | 444,369 | 19,534 | 625,689 | 1,247,496 | - | 1,247,496 | | |
| Ending balance as at 31 December 2017 | | | | | | | | | |

The notes to consolidated and the separate financial statements on pages 13 to 57 are an integral part of these financial statements.

ASIA Capital Group Public Company Limited
 Statements of Changes in Equity (Cont'd)
 For the year ended 31 December 2017

| | Separate financial statements | | | | | |
|---|--|---|---|----------------------------|--------------------------|--|
| | Issued and paid-up share capital Baht'000 | Premium on share capital Baht'000 | Retained earnings | | 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 | 200,695 | 675,937 | |
| Warrants | 27,345 | 82,034 | - | - | 109,379 | |
| Tax credited directly to equity | - | - | - | (1,357) | (1,357) | |
| Total comprehensive income | - | - | - | 98,273 | 98,273 | |
| | | | | | | |
| Closing balance as at 31 December 2016 | 152,345 | 419,776 | 12,500 | 297,611 | 882,232 | |

| | Separate financial statements | | | | | |
|---|--|---|---|----------------------------|--------------------------|--|
| | Issued and paid-up share capital Baht'000 | Premium on share capital Baht'000 | Retained earnings | | Total equity Baht'000 | |
| | | | Appropriated - Legal reserve Baht'000 | Unappropriated Baht'000 | | |
| | | | | | | |
| Opening balance as at 1 January 2017 | 152,345 | 419,776 | 12,500 | 297,611 | 882,232 | |
| Warrants | 5,559 | 24,593 | - | - | 30,152 | |
| Total comprehensive income | - | - | 7,034 | 204,787 | 211,821 | |
| | | | | | | |
| Closing balance as at 31 December 2017 | 157,904 | 444,369 | 19,534 | 502,398 | 1,124,205 | |

The notes to consolidated and the separate financial statements on pages 13 to 57 are an integral part of these financial statements.

ASIA Capital Group Public Company Limited
 Statements of Cash Flows
 For the year ended 31 December 2017

| | Notes | Consolidated financial statements | | Separate financial statements | |
|--|--------|--------------------------------------|--------------------|----------------------------------|--------------------|
| | | 2017 Baht'000 | 2016 Baht'000 | 2017 Baht'000 | 2016 Baht'000 |
| Cash flows from operating activities | | | | | |
| Profit before income tax | | 322,073 | 118,313 | 241,825 | 53,767 |
| Adjustments for: | | | | | |
| Depreciation and amortisation | 16, 18 | 7,666 | 6,663 | 2,006 | 1,390 |
| Interest income | | (596,990) | (271,090) | (437,543) | (167,234) |
| Interest expense | | 253,649 | 127,268 | 256,222 | 129,163 |
| Interest expense from finance leases | | 243 | 169 | 166 | 61 |
| Dividend income | | - | - | (104,125) | - |
| Doubtful debt | 10 | - | 50 | - | - |
| Bad debt expense | | 431 | - | - | - |
| Reversal on impairment loss on investment in subsidiaries | 14 | - | - | 947 | (34,466) |
| Reversal on loss on impairment of loan and interest to related company | 34 iv) | - | - | 400 | (16,000) |
| Loss on impairment withholding tax | | (2,698) | 6,119 | 2,698 | 3,447 |
| (Gain) loss on disposal/impairment/write-off assets | 16, 18 | 1,590 | (54) | 1,695 | 422 |
| Gain on sale of short-term investment | | (3,040) | (1,672) | (1,558) | (1,369) |
| Gain on change in fair value | 9 | (14) | (168) | - | - |
| Employee benefits | | 1,157 | 1,061 | 392 | 571 |
| Loss from operating activities before changes in operating assets and liabilities | | (15,933) | (13,341) | (36,875) | (30,248) |
| (Increase) decrease in operating assets | | | | | |
| Accounts receivable | 10 | (9,111) | (12,892) | - | - |
| Factoring receivables | 9 | (12,854) | (33,628) | - | - |
| Short-term investments | | (69,594) | (177,057) | 1,568 | 1,458 |
| Amounts due from related companies | | - | - | 523 | (131) |
| Short-term loans to other companies | 13 | 280,685 | (3,193,570) | (46,181) | (3,223,569) |
| Loan to employees | | 678 | 1,334 | - | - |
| Other current assets | | 471 | 1,688 | (4,350) | (2,508) |
| Other non-current assets | | (97) | 1,431 | 3 | 1,047 |
| Investment property | 17 | (15,793) | - | (15,793) | - |
| Increase (decrease) in operating liabilities | | | | | |
| Account payable | | (6,133) | 6,132 | - | - |
| Amounts due to related companies | | - | - | - | (26,257) |
| Other payables | | 3,479 | 410 | 1,283 | (237) |
| Other current liabilities | | (11,475) | 55,416 | (22,180) | 6,898 |
| Employee benefit paid | | - | (1,478) | - | - |
| Cash used in operation before interest and income tax received (paid) | | 144,323 | (3,365,555) | (122,002) | (3,273,547) |
| Interest income received | | 365,296 | 387,720 | 242,447 | 297,201 |
| Dividend income received | | - | - | 104,125 | - |
| Interest expense paid excluding finance leases | | (216,290) | (104,577) | (218,796) | (106,543) |
| Income tax paid | | (13,436) | (10,487) | (2,698) | (3,447) |
| Net cash (used in) provided by operating activities | | 279,893 | (3,092,899) | 3,076 | (3,086,336) |

The notes to consolidated and the separate financial statements on pages 13 to 57 are an integral part of these financial statements.

ASIA Capital Group Public Company Limited
 Statements of Cash Flows (Cont'd)
 For the year ended 31 December 2017

| | Notes | Consolidated financial statements | | Separate financial statements | |
|--|--------|--------------------------------------|------------------|----------------------------------|------------------|
| | | 2017 Baht'000 | 2016 Baht'000 | 2017 Baht'000 | 2016 Baht'000 |
| Cash flows from investing activities | | | | | |
| Cash paid for short-term loans to related parties | 34 iv) | - | - | (2,000) | (14,200) |
| Cash received from short-term loans to related parties | 34 iv) | - | - | 105,000 | 73,200 |
| Cash paid for long-term loans to related parties | 34 iv) | - | - | (900) | - |
| Cash received from long-term loans to related parties | 34 iv) | - | - | 500 | 16,000 |
| Cash paid for investment in subsidiaries | 14 | - | - | (20,000) | (450) |
| Cash paid for long-term investment | | (220,000) | - | (220,000) | - |
| Cash paid for purchase of leasehold improvements, equipment and intangible assets | 16, 18 | (2,896) | (4,190) | (64) | (2,426) |
| Cash received from disposal of leasehold improvement, equipment and intangible assets | 16, 18 | 2,209 | 1,500 | 1,368 | 733 |
| Net cash (used in) provided by investing activities | | (220,687) | (2,690) | (136,096) | 72,857 |
| Cash flows from financing activities | | | | | |
| Cash received from the issuance of debentures | 24 | - | 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 | 34 iv) | 30,000 | 821,000 | 1,037,000 | 821,000 |
| Cash paid for short-term borrowings from related companies | 34 iv) | (480,000) | (371,000) | (1,315,000) | (446,000) |
| Cash received from short-term borrowings from other companies | 21 | 755,000 | 2,079,500 | 755,000 | 2,079,500 |
| Cash paid for short-term borrowings from other companies | 21 | (1,810,000) | (1,439,500) | (1,810,000) | (1,439,500) |
| Cash received from debenture | | 1,463,300 | - | 1,463,300 | - |
| Cash paid for debenture underwriting fee | | (10,524) | - | (10,524) | - |
| Cash paid for liabilities under finance lease | | (1,910) | (1,037) | (1,267) | (334) |
| Cash received from warrants | 28 | 30,152 | 109,379 | 30,152 | 109,379 |
| Net cash provided by (used in) financing activities | | (23,982) | 3,124,166 | 148,661 | 3,049,869 |
| Net increase (decrease) in cash and cash equivalents | | 35,224 | 28,577 | 15,641 | 36,390 |
| Cash and cash equivalents at beginning of the year | | 72,214 | 43,637 | 65,953 | 29,563 |
| Cash and cash equivalents at end of the year | | <u>107,438</u> | <u>72,214</u> | <u>81,594</u> | <u>65,953</u> |
| Non-cash transactions | | | | | |
| Purchase of vehicle under finance lease | | - | 5,384 | - | 5,384 |
| Remeasurements | 26 | (158) | 2,320 | - | 1,017 |
| ST loan to related - OK Cash | | - | - | 68,000 | - |
| Transfer of collateral for debt settlement | | 215,000 | - | 215,000 | - |

The notes to consolidated and the separate financial statements on pages 13 to 57 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. 2401 - 2405, Vibhavadi-Rangsit Road, Chompol, Chatuchak, Bangkok 10900.

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, call center services and factoring business.

The consolidated and separated financial statements were authorised for issue by the Board of Directors on 28 February 2018.

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 consolidated 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 Financial reporting standards, and related interpretations

2.2.1 Revised financial reporting standards and interpretations are effective on 1 January 2017 which are relevant and have significant impact to the Group:

| | |
|------------------------|--------------------------------------|
| TAS 1 (revised 2016) | Presentation of financial statements |
| TAS 19 (revised 2016) | Employee benefits |
| TFRS 10 (revised 2016) | Consolidated financial statements |

TAS 1 (revised 2016), the amendments provide clarifications on a number of issues, including:

- Materiality - an entity should not aggregate or disaggregate information in a manner that obscures useful information. Where items are material, sufficient information must be provided to explain the impact on the financial position or performance.
- Disaggregation and subtotals - line items specified in TAS 1 may need to be disaggregated where this is relevant to an understanding of the entity's financial position or performance. There is also new guidance on the use of subtotals.
- Notes - confirmation that the notes do not need to be presented in a particular order.
- OCI arising from investments accounted for under the equity method - the share of OCI arising from equity-accounted investments is grouped based on whether the items will or will not subsequently be reclassified to profit or loss. Each group should then be presented as a single line item in the statement of other comprehensive income.

TAS 19 (revised 2016), the amendments clarify that when determining the discount rate for post-employment benefit obligations, it is the currency that the liabilities are denominated in that is important and not the country where they arise.

TFRS 10 (revised 2016), the amendments clarify that: 1) the exception from preparing consolidated financial statements is also available to intermediate parent entities which are subsidiaries of investment entities and 2) an investment entity should consolidate a subsidiary which is not an investment entity and whose main purpose and activity is to provide services in support of the investment entity's investment activities.

2.2.2 Revised financial reporting standards are effective for annual periods beginning on or after 1 January 2018 which have significant changes and are relevant to the Group. The Group has not yet early adopted these revised standards.

| | |
|------------------------|---|
| TAS 7 (revised 2017) | Statement of cash flows |
| TAS 12 (revised 2017) | Income taxes |
| TFRS 12 (revised 2017) | Disclosure of interests in other entities |

TAS 7 (revised 2017), the amendments require additional disclosure of changes in liabilities arising from financing activities. This includes changes arising from cash and non-cash.

TAS 12 (revised 2017), the amendments clarify the accounting for deferred tax where an asset is measured at fair value and that fair value is below the asset's tax base. Specifically, the amendments confirm that:

- A temporary difference exists whenever the carrying amount of an asset is less than its tax base at the end of the reporting period.
- An entity can assume that it will recover an amount higher than the carrying amount of an asset to estimate its future taxable profit.
- Where the tax law restricts the source of taxable profits against which particular types of deferred tax assets can be recovered, the recoverability of the deferred tax assets can only be assessed in combination with other deferred tax assets of the same type.
- Tax deductions resulting from the reversal of deferred tax assets are excluded from the estimated future taxable.

TFRS 12 (revised 2017), the amendments clarify that the disclosure requirements of IFRS 12 apply to interests in entities that are classified as held for sale according to TFRS 5 (revised 2017), except for the summarised financial information.

The Group's management assessed and considered that the above revised standards will not have a material impact on the Group except for disclosure.

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, except business combination under common control. The consideration transferred for the acquisition of a subsidiary is the fair value of the assets transferred, the liabilities incurred to the former owners of 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-measurement 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.

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, it shall cease to consolidate its subsidiaries 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 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.

2.5 Investments

Investments other than investments in subsidiaries, are classified into the following four categories: (1) trading investments; (2) general investments. The 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.

- 1 Investments that are acquired principally for the purpose of generating a profit from short-term fluctuations in price are classified as trading investments and included in current assets.
- 2 Investments in non-marketable equity securities are classified as general investments.

All categories of investment 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 unrealised gains and losses of trading investments are recognised in profit or loss.

General investments are carried at cost less impairment loss.

A test for impairment is carried out when there is a factor indicating that an investment might be impaired. If the carrying value of the investment is higher than its recoverable amount, impairment loss is charged to profit or loss.

On disposal of an investment, the difference between the net disposal proceeds and the carrying amount is charged or credited to the profit or loss. When disposing of part of the Company's holding of a particular investment in debt or equity securities, the carrying amount of the disposed part is determined by the weighted average carrying amount of the total holding of the investment.

2.6 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.

2.7 Factoring receivable

Factoring receivables are recognised on the transaction date.

Factoring receivables is initially recognised at the amount equal to e.g. 70% or 90% 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.

2.8 Loan receivables

Loan receivables are comprised of receivables from loan agreement 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 Accounting policies (Cont'd)

2.9 Investment property

Property that is held for long-term rental yields or for capital appreciation or both, and that is not occupied by the companies, is classified as investment property. Investment property also includes property that is being constructed or developed for future use as investment property.

Initial recognition of investment property is measured at its cost, including related transaction costs and borrowing costs.

Subsequent expenditure is capitalised to the asset's carrying amount only when it is probable that future economic benefits associated with the expenditure will flow to the Group and the cost of the item can be measured reliably.

After initial recognition, investment property is carried at cost less any accumulated depreciation and any accumulated impairment losses. Land is not depreciated.

2.10 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.

2.11 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 Accounting policies (Cont'd)

2.12 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.

2.13 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.

2.14 Borrowings

Borrowings are recognised initially at the fair value, net of transaction costs incurred. Borrowings are subsequently stated at amortised cost using the effective interest 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)

2.15 Employee benefits

The Group operate various post-employment benefits schemes. The Group has both defined contribution and defined benefit plans.

A defined contribution plan is a plan under which the Group pays fixed contributions into a separate entity. The Group has no legal or constructive obligations to pay further contributions once the contributions have been paid even 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 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.

2.16 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)

2.17 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.

2.18 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 is recognised using effective interest method.

Placement fee income is recognised using effective interest method over the period of loan agreement which the Group is a lender.

Other incomes and expenses are recognised on accrual basis.

2.19 Dividend distribution

Dividend distribution to the Company's shareholders is recognised as a liability in the Group's financial statements in the period in which the dividends are approved by the Company's shareholders, and interim dividend are approved by the Board of Directors.

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 minimise potential adverse effects on the Group's financial performance.

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

3.1.1 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 following table presents the Group's financial assets and liabilities that are measured at fair value as at 31 December 2017 and 2016.

| | Consolidated financial statements | | | |
|--|-----------------------------------|---------------------|---------------------|-------------------|
| | 2017 | | | |
| | Level 1 Baht'000 | Level 2 Baht'000 | Level 3 Baht'000 | Total Baht'000 |
| Assets | | | | |
| Financial assets at fair value through profit or loss | | | | |
| Trading securities - Open fund | - | 254,235 | - | 254,235 |
| | | | | |
| | Consolidated financial statements | | | |
| | 2016 | | | |
| | Level 1 Baht'000 | Level 2 Baht'000 | Level 3 Baht'000 | Total Baht'000 |
| Assets | | | | |
| Financial assets at fair value through profit or loss | | | | |
| Trading securities - Open fund | - | 181,887 | - | 181,887 |
| | | | | |
| | Separate financial statements | | | |
| | 2017 | | | |
| | Level 1 Baht'000 | Level 2 Baht'000 | Level 3 Baht'000 | Total Baht'000 |
| Assets | | | | |
| Financial assets at fair value through profit or loss | | | | |
| Trading securities - Open fund | - | 49 | - | 49 |
| | | | | |
| | Separate financial statements | | | |
| | 2016 | | | |
| | Level 1 Baht'000 | Level 2 Baht'000 | Level 3 Baht'000 | Total Baht'000 |
| Assets | | | | |
| Financial assets at fair value through profit or loss | | | | |
| Trading securities - Open fund | - | 59 | - | 59 |

3 Financial risk management

3.2 Fair value estimation

The following tables present the Group's financial assets and liabilities that are not measured at fair value at 31 December 2017 and 2016.

| | Consolidated financial statements | | | |
|--|-----------------------------------|---------------------|---------------------|-------------------|
| | 2017 | | | |
| | Level 1 Baht'000 | Level 2 Baht'000 | Level 3 Baht'000 | Total Baht'000 |
| Assets | | | | |
| Financial assets at fair value through profit or loss | | | | |
| General investment - equity securities | - | - | 220,000 | 220,000 |

| | Consolidated financial statements | | | |
|--|-----------------------------------|---------------------|---------------------|-------------------|
| | 2016 | | | |
| | Level 1 Baht'000 | Level 2 Baht'000 | Level 3 Baht'000 | Total Baht'000 |
| Assets | | | | |
| Financial assets at fair value through profit or loss | | | | |
| General investment - equity securities | - | - | - | - |

| | Separate financial statements | | | |
|--|-------------------------------|---------------------|---------------------|-------------------|
| | 2017 | | | |
| | Level 1 Baht'000 | Level 2 Baht'000 | Level 3 Baht'000 | Total Baht'000 |
| Assets | | | | |
| Financial assets at fair value through profit or loss | | | | |
| General investment - equity securities | - | - | 220,000 | 220,000 |

| | Separate financial statements | | | |
|--|-------------------------------|---------------------|---------------------|-------------------|
| | 2016 | | | |
| | Level 1 Baht'000 | Level 2 Baht'000 | Level 3 Baht'000 | Total Baht'000 |
| Assets | | | | |
| Financial assets at fair value through profit or loss | | | | |
| General investment - equity securities | - | - | - | - |

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. The quoted market price used for financial assets held by the Group is the closing price by reference to the Stock Exchange of Thailand. 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 (over-the-counter) is determined using valuation techniques which maximise the use of observable market data 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.

3 Financial risk management (Cont'd)

3.2 Fair value estimation (Cont'd)

(c) Financial instruments in level 3

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

Specific valuation techniques used to value financial instruments include:

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

4 Critical accounting estimates, assumptions and judgements

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

4.1 Impairment on loans to other companies

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

4.2 Leasehold improvements, equipment and intangible assets

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

4.3 Retirement benefits

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

5 Capital risk management

The 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.

6 Segment information

The Group divides its business into three business lines which consist of lending, and call center and 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.

| Consolidated financial statements | | | | | |
|--|-----------------------------|---|----------------------------|---------------------------------|---------------------------|
| | Lending Baht'000 | Call center services and financial businesses Baht'000 | Others Baht'000 | Elimination Baht'000 | Total Baht'000 |
| For the year ended 31 December 2017 | | | | | |
| Net interest income | | | | | |
| Third party revenue | 343,334 | 7 | - | - | 343,341 |
| Inter-segment revenue | (149) | (75) | 224 | - | - |
| Net service income | (342) | 77,900 | - | - | 77,558 |
| Other operating income | 123,522 | 313 | 36 | (114,014) | 9,857 |
| Other operating expenses | (59,006) | (43,553) | (190) | (5,691) | (108,440) |
| Operating profit (loss) | 407,359 | 34,592 | 70 | (119,705) | 322,316 |
| Financial costs | (166) | (77) | - | - | (243) |
| Profit (loss) before tax | 407,193 | 34,515 | 70 | (119,705) | 322,073 |
| Tax (expense) income | (59,938) | (6,704) | (15) | - | (66,657) |
| Net profit (loss) for the year | 347,255 | 27,811 | 55 | (119,705) | 255,416 |
| Segment assets | 5,719,373 | 108,858 | 25,433 | (1,045,530) | 4,808,134 |
| Segment liabilities | 3,899,037 | 20,831 | 117 | (359,347) | 3,560,638 |
| Capital expenditure | 11,374 | 10,555 | - | (84) | 21,845 |
| Depreciation and amortisation | 3,345 | 3,708 | - | 613 | 7,666 |

| Consolidated financial statements | | | | | |
|--|-----------------------------|---|----------------------------|---------------------------------|---------------------------|
| | Lending Baht'000 | Call center services and financial businesses Baht'000 | Others Baht'000 | Elimination Baht'000 | Total Baht'000 |
| For the year ended 31 December 2016 | | | | | |
| Net interest income | | | | | |
| Third party revenue | 143,816 | 6 | - | - | 143,822 |
| Inter-segment revenue | (66) | (184) | 250 | - | - |
| Net service income | (4,006) | 52,159 | - | - | 48,153 |
| Other operating income | 18,396 | 272 | 15 | (15,528) | 3,155 |
| Other operating expenses | (17,080) | (24,391) | (240) | (34,937) | (76,648) |
| Operating profit (loss) | 141,060 | 27,862 | 25 | (50,465) | 118,482 |
| Financial costs | (61) | (108) | - | - | (169) |
| Profit (loss) before tax | 140,999 | 27,754 | 25 | (50,465) | 118,313 |
| Tax income (expense) | 54,130 | 1,912 | (5) | - | 56,037 |
| Net profit (loss) for the year | 195,129 | 29,666 | 20 | (50,465) | 174,350 |
| Segment assets | 5,501,390 | 57,705 | 1,364 | (1,023,243) | 4,537,216 |
| Segment liabilities | 3,940,245 | 17,831 | 105 | (382,482) | 3,575,699 |
| Capital expenditure | 18,455 | 11,432 | - | 528 | 30,415 |
| Depreciation and amortisation | 3,041 | 3,622 | - | - | 6,663 |

7 Cash and cash equivalents

| | Consolidated financial statements | | Separate financial statements | |
|--|--------------------------------------|------------------|----------------------------------|------------------|
| | 2017 Baht'000 | 2016 Baht'000 | 2017 Baht'000 | 2016 Baht'000 |
| Cash on hand | 25 | 15 | 6 | 3 |
| Deposit held at call with banks | 107,806 | 72,491 | 81,588 | 65,950 |
| Total cash, and deposit with bank | 107,831 | 72,506 | 81,594 | 65,953 |
| <u>Less</u> Deposit at banks which subject to restrictions (Note 8) | (393) | (292) | - | - |
| Cash and cash equivalents | 107,438 | 72,214 | 81,594 | 65,953 |

The interest rate of deposit held at call with banks is 0.25% per annum (2016: 0.29% per annum).

8 Restricted deposit at bank

The group has pledged deposit at bank totaling Baht 0.39 million (2016: Baht 0.29 million) as security against related office service agreements and rental agreements.

9 Short-term investments

| | Consolidated financial statements | | Separate financial statements | |
|--------------------------------|---|---|---|---|
| | 2017 Cost/ book value Baht'000 | 2016 Cost/ book value Baht'000 | 2017 Cost/ book value Baht'000 | 2016 Cost/ book value Baht'000 |
| Trading investment - open fund | 254,535 | 181,887 | 49 | 59 |

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

| | Consolidated financial statements | | Separate financial statements | |
|----------------------|--------------------------------------|------------------|----------------------------------|------------------|
| | 2017 Baht'000 | 2016 Baht'000 | 2017 Baht'000 | 2016 Baht'000 |
| Opening balance | 181,887 | 2,990 | 59 | 148 |
| Additions | 4,414,549 | 2,557,185 | 3,058,909 | 2,227,070 |
| Disposals | (4,341,915) | (2,378,456) | (3,058,919) | (2,227,159) |
| Change in fair value | 14 | 168 | - | - |
| Ending balance | 254,535 | 181,887 | 49 | 59 |

As at 31 December 2017, short-term investments in the consolidated and separate financial statements represented trading investments in open fund with financial institutions.

10 Account receivables, net

| | Consolidated financial statements | | Separate financial statements | |
|---|--------------------------------------|------------------|----------------------------------|------------------|
| | 2017 Baht'000 | 2016 Baht'000 | 2017 Baht'000 | 2016 Baht'000 |
| Undue and up to 30 days | 34,482 | 29,619 | - | - |
| Overdue 30 days but not over 180 days | 599 | 1,765 | - | - |
| Overdue 180 days but not over 1 year | 1,712 | - | - | - |
| Overdue more than 1 year | 2,871 | 50 | - | - |
| Total | 39,664 | 13,614 | - | - |
| <u>Less</u> Allowance for doubtful accounts | (50) | (50) | - | - |
| Account receivables, net | 39,614 | 30,934 | - | - |

11 Factoring receivables, net

As at 31 December 2017 and 2016, factoring receivables have average period of less than 1 year to due date. The detail is as below:

| | Consolidated financial statements | | Separate financial statements | |
|-------------------------------|--------------------------------------|------------------|----------------------------------|------------------|
| | 2017 Baht'000 | 2016 Baht'000 | 2017 Baht'000 | 2016 Baht'000 |
| Factoring receivables | 46,482 | 33,628 | - | - |
| <u>Less</u> Deferred interest | (920) | (1,078) | - | - |
| | 45,562 | 32,550 | - | - |

12 Loans to employees, net

| | Consolidated financial statements | | Separate financial statements | |
|---|--------------------------------------|------------------|----------------------------------|------------------|
| | 2017 Baht'000 | 2016 Baht'000 | 2017 Baht'000 | 2016 Baht'000 |
| Minimum repayment under loans to employees | 883 | 1,496 | - | - |
| <u>Less</u> Deferred interest | (53) | (136) | - | - |
| | 830 | 1,360 | - | - |
| Current portion due within one year | 682 | 929 | - | - |
| Non-current portion due after one year | 148 | 431 | - | - |
| | 830 | 1,360 | - | - |

13 Short-term loans to other companies, net

| | Consolidated financial statements | | Separate financial statements | |
|-------------------------------------|--------------------------------------|------------------|----------------------------------|------------------|
| | 2017 Baht'000 | 2016 Baht'000 | 2017 Baht'000 | 2016 Baht'000 |
| Bills of exchange | 516,886 | 2,006,846 | 516,886 | 1,751,326 |
| Short-term loans to other companies | 3,314,115 | 2,109,949 | 3,065,677 | 1,736,797 |
| Total | 3,831,001 | 4,116,795 | 3,582,563 | 3,488,123 |

The interest rates on bills of exchange and short-term loans to other companies are 6% - 7% and 12% - 15% per annum respectively (31 December 2016: 6% - 12% per annum and 12% - 15% per annum respectively).

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

| | Consolidated financial statements | | Separate financial statements | |
|--|--------------------------------------|------------------|----------------------------------|------------------|
| | 2017 Baht'000 | 2016 Baht'000 | 2017 Baht'000 | 2016 Baht'000 |
| Opening balance | 4,116,795 | 1,039,079 | 3,488,123 | 394,455 |
| Additions | 2,905,849 | 4,049,142 | 2,946,565 | 4,088,991 |
| Repayments | (3,619,722) | (1,207,149) | (3,224,721) | (1,152,099) |
| Interest income recognised during the year | 330,657 | 228,761 | 275,174 | 149,814 |
| Interest receivable | 97,422 | 6,962 | 97,422 | 6,962 |
| Ending balance | 3,831,001 | 4,116,795 | 3,582,563 | 3,488,123 |

Bills of exchange

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

| | Consolidated financial statements | | Separate financial statements | |
|--------------|--------------------------------------|------------------|----------------------------------|------------------|
| | 2017 Baht'000 | 2016 Baht'000 | 2017 Baht'000 | 2016 Baht'000 |
| Undue | 55,049 | 786,581 | 55,049 | 786,581 |
| Extensions | 461,837 | 1,220,265 | 461,837 | 946,745 |
| Total | 516,886 | 2,006,846 | 516,886 | 1,751,326 |

The Group had outstanding short-term loans in a form of bills of exchange provided to 5 companies (2016: 12 companies) at face value totalling of Baht 516 million and netted loans of Baht 516.89 million. The short-term loans were given during 2017, which will be matured within one to six months and with the interest rate charge at 6% - 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 shares of those borrowing companies and also guaranteed by some directors and shareholders of the borrowers.

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

Loan agreements

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

| | Consolidated financial statements | | Separate financial statements | |
|------------|--------------------------------------|------------------|----------------------------------|------------------|
| | 2017 Baht'000 | 2016 Baht'000 | 2017 Baht'000 | 2016 Baht'000 |
| Undue | 680,171 | 1,612,765 | 680,171 | 1,612,765 |
| Extensions | 2,633,944 | 497,184 | 2,385,506 | 124,032 |
| Total | 3,314,115 | 2,109,949 | 3,065,677 | 1,736,797 |

The Group had outstanding short-term loans in form of loan agreements at face value provided to 11 companies and 2 persons totaling face value of Baht 3,369 million and net loan of Baht 3,314 million. The short-term loans were given since December 2016 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 2017, 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 follows:

| Company's name | Country of establishment | Type of business | Nature of relationship | Percentage of investment | |
|---|-----------------------------|-------------------------------------|---------------------------|--------------------------------|-------|
| | | | | 2017 | 2016 |
| Subsidiaries | | | | | |
| 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 |

14 Investment in subsidiaries, net (Cont'd)

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

| | 2017 | | | | | |
|----------------------------------|-------------------------------|---|------------------------------|-----------------|--------------------------|-------|
| | Separate financial statements | | | | | |
| | Paid-up capital Baht'000 | Cost method | | Net Baht'000 | Investment proportion | |
| Cost Baht'000 | | Allowance for impairment Baht'000 | Amount at par Baht'000 | | Percentage of holding | |
| Global Service Center Co., Ltd. | 80,000 | 80,000 | (10,000) | 70,000 | 80,000 | 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 | (1,549) | 25,314 | 25,000 | 99.99 |
| Aurum Capital Advisory Pte, Ltd. | 14,274 | 10,892 | (10,892) | - | - | 63.97 |
| | | <u>691,283</u> | <u>(23,441)</u> | <u>667,842</u> | <u>589,550</u> | |
| | 2016 | | | | | |
| | Separate financial statements | | | | | |
| | Paid-up capital Baht'000 | Cost method | | Net Baht'000 | Investment proportion | |
| Cost Baht'000 | | Allowance for impairment 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> | |

The movement in investment in subsidiaries are as follows:

| | Separate financial statements Baht'000 |
|--|---|
| For the year ended 31 December 2017 | |
| Beginning net book balance | 648,789 |
| Addition paid-up capital on investment in Global Service Center Co., Ltd. during the year | 20,000 |
| Additional allowance for impairment on investment in ACAP (ASIA) Asset Management Co., Ltd. during the year | (947) |
| Closing net book balance | <u>667,842</u> |

On 29 November 2017, ACAP (Asia) Asset Management Co., Ltd., a 99.99% owned subsidiary, registered for liquidation with the Ministry of Commerce. The company recognised loss from liquidation of Baht 0.95 million.

15 Other current assets

| | Consolidated financial statements | | Separate financial statements | |
|-------------------------------|--------------------------------------|------------------|----------------------------------|------------------|
| | 2017 Baht'000 | 2016 Baht'000 | 2017 Baht'000 | 2016 Baht'000 |
| Revenue department receivable | 13,689 | 9,496 | 6,566 | 1,931 |
| Prepaid expenses | 21,828 | 3,621 | 19,158 | 1,003 |
| Others | 1,221 | 234 | 21 | - |
| | <u>36,738</u> | <u>13,351</u> | <u>25,745</u> | <u>2,934</u> |

16 Leasehold improvements and equipment, net

| | Consolidated financial statements | | | | | Total Baht'000 |
|--|---------------------------------------|-----------------------|--------------------------------------|-----------------------|----------------------|-------------------|
| | Leasehold improvements Baht'000 | Computers Baht'000 | Furniture and fixture Baht'000 | Equipment Baht'000 | Vehicles Baht'000 | |
| At 1 January 2016 | | | | | | |
| 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>25,972</u> |
| For the year ended 31 December 2016 | | | | | | |
| 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>27,973</u> |
| At 31 December 2016 | | | | | | |
| 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>27,973</u> |
| For the year ended 31 December 2017 | | | | | | |
| Opening net book amount | 5,493 | 3,073 | 3,878 | 1,619 | 13,910 | 27,973 |
| Additions | - | 1,941 | 46 | 279 | - | 2,266 |
| Disposals/write offs, net | - | (591) | - | (65) | (3,060) | (3,716) |
| Depreciation charge | (1,724) | (1,717) | (738) | (899) | (1,633) | (6,711) |
| Closing net book amount | <u>3,769</u> | <u>2,706</u> | <u>3,186</u> | <u>934</u> | <u>9,217</u> | <u>19,812</u> |
| At 31 December 2017 | | | | | | |
| Cost | 9,693 | 77,086 | 12,060 | 16,418 | 11,460 | 126,717 |
| <u>Less</u> Accumulated depreciation | (5,924) | (74,380) | (8,874) | (15,484) | (2,243) | (106,905) |
| Net book amount | <u>3,769</u> | <u>2,706</u> | <u>3,186</u> | <u>934</u> | <u>9,217</u> | <u>19,812</u> |

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

| | Separate financial statements | | | | | Total Baht'000 |
|--|---------------------------------------|-----------------------|--------------------------------------|-----------------------|----------------------|-------------------|
| | Leasehold improvements Baht'000 | Computers Baht'000 | Furniture and fixture Baht'000 | Equipment Baht'000 | Vehicles Baht'000 | |
| At 1 January 2016 | | | | | | |
| 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> |
| For the year ended 31 December 2016 | | | | | | |
| 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> |
| At 31 December 2016 | | | | | | |
| 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> |
| For the year ended 31 December 2017 | | | | | | |
| Opening net book amount | 926 | 111 | 3,568 | 156 | 10,120 | 14,881 |
| Additions | - | - | 22 | 39 | - | 61 |
| Disposals | - | - | - | - | (3,060) | (3,060) |
| Depreciation charge | (107) | (29) | (571) | (51) | (878) | (1,636) |
| Closing net book amount | <u>819</u> | <u>82</u> | <u>3,019</u> | <u>144</u> | <u>6,182</u> | <u>10,246</u> |
| At 31 December 2017 | | | | | | |
| Cost | 1,052 | 9,016 | 6,001 | 3,305 | 7,319 | 26,693 |
| <u>Less</u> Accumulated depreciation | (233) | (8,934) | (2,982) | (3,161) | (1,137) | (16,447) |
| Net book amount | <u>819</u> | <u>82</u> | <u>3,019</u> | <u>144</u> | <u>6,182</u> | <u>10,246</u> |

17 Investment property

| | Consolidated financial statements | | Separate financial statements | |
|--|--------------------------------------|-------------------|----------------------------------|-------------------|
| | Land Baht'000 | Total Baht'000 | Land Baht'000 | Total Baht'000 |
| For the period ended 31 December 2017 | | | | |
| Opening net book amount | - | - | - | - |
| Subsequent expenditure recognised as an asset Transferred in | 15,793 215,000 | 15,793 215,000 | 15,793 215,000 | 15,793 215,000 |
| Closing net book amount | <u>230,793</u> | <u>230,793</u> | <u>230,793</u> | <u>230,793</u> |
| As at 31 December 2017 | | | | |
| Cost | <u>230,793</u> | <u>230,793</u> | <u>230,793</u> | <u>230,793</u> |
| Net book amount | <u>230,793</u> | <u>230,793</u> | <u>230,793</u> | <u>230,793</u> |
| Fair value | <u>356,596</u> | <u>356,596</u> | <u>356,596</u> | <u>356,596</u> |

The fair value of investment properties are based on Market approach using selling price obtained from an appraiser of the asset with similar physical characteristic. The fair values are within level 2 of the fair value hierarchy.

The Group received the investment property from transfer of collateral for debt settlement by a short-term loan borrower during period ended 31 December 2017 to settle the loan amounting to Baht 215 million.

18 Intangible assets, net

| | Consolidated financial statements | Separate financial statements |
|--|---|-------------------------------------|
| | Computer software Baht'000 | Computer software Baht'000 |
| At 31 December 2015 | | |
| Cost | 243,586 | 5,921 |
| <u>Less</u> Accumulated amortisation | (240,608) | (4,457) |
| Net book amount | <u>2,978</u> | <u>1,464</u> |
| For the year ended 31 December 2016 | | |
| Opening net book amount | 2,978 | 1,464 |
| Additions | 380 | - |
| Amortisation charge | (916) | (370) |
| Closing net book amount | <u>2,442</u> | <u>1,094</u> |
| At 31 December 2016 | | |
| Cost | 243,966 | 5,921 |
| <u>Less</u> Accumulated amortisation | (241,524) | (4,827) |
| Net book amount | <u>2,442</u> | <u>1,094</u> |
| For the year ended 31 December 2017 | | |
| Opening net book amount | 2,442 | 1,094 |
| Additions | 628 | - |
| Disposals | (82) | - |
| Amortisation charge | (955) | (370) |
| Closing net book amount | <u>2,033</u> | <u>724</u> |
| At 31 December 2017 | | |
| Cost | 223,075 | 1,094 |
| <u>Less</u> Accumulated amortisation | (221,042) | (370) |
| Net book amount | <u>2,033</u> | <u>724</u> |

19 Other non-current assets

| | Consolidated financial statements | | Separate financial statements | |
|--|--------------------------------------|------------------|----------------------------------|------------------|
| | 2017 Baht'000 | 2016 Baht'000 | 2017 Baht'000 | 2016 Baht'000 |
| Deposits from office lease | 1,280 | 1,284 | 1,127 | 1,130 |
| Deposit at banks which subject to restrictions (Note 8) | 393 | 292 | - | - |
| Others | 8 | 8 | - | - |
| | <u>1,681</u> | <u>1,584</u> | <u>1,127</u> | <u>1,130</u> |

20 Long-term investments

| | Consolidated financial statements | | Separate financial statements | |
|--|-----------------------------------|------------------|-------------------------------|------------------|
| | 2017 Baht'000 | 2016 Baht'000 | 2017 Baht'000 | 2016 Baht'000 |
| Opening net book amount | - | - | - | - |
| General investment - equity securities | 220,000 | - | 220,000 | - |
| Ending net book amount | 220,000 | - | 220,000 | - |

21 Short-term borrowing from other companies

| | Consolidated financial statements and Separate financial statements | | | |
|---------------------------------|---|------------------------------|--------|------------|
| | 31 December 2017 | | | |
| | Interest rate per annum (percent) | Remaining period to maturity | | Total Baht |
| At call Baht | | Within 1 year Baht | | |
| Debt issued - bills of exchange | 5 - 6 | - | 44,901 | 44,901 |

The Group have unsecured short-term borrowings in form of bills of exchange borrowed from 4 persons totalling face value of Baht 45 million and net borrowing of Baht 44.9 million. The short-term loans were given during May to July 2017, which will be matured within 6 to 9 months and with the interest rate charge at 5% - 6% 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:

| | Consolidated financial statements and Separate financial statements | |
|---------------------------|---|------------------|
| | 2017 Baht'000 | 2016 Baht'000 |
| Opening balance | 1,093,042 | 451,201 |
| Additions | 755,000 | 2,079,500 |
| Prepaid interest | (15,700) | (31,748) |
| Repayments | (1,810,000) | (1,439,500) |
| Financial cost recognised | 22,559 | 33,589 |
| Ending balance | 44,901 | 1,093,042 |

22 Finance lease liabilities, net

| | Consolidated financial statements | | Separate financial statements | |
|---|-----------------------------------|------------------|-------------------------------|------------------|
| | 2017 Baht'000 | 2016 Baht'000 | 2017 Baht'000 | 2016 Baht'000 |
| Minimum lease payments obligation under long-term lease liabilities (lease of vehicles) | 5,392 | 7,302 | 4,267 | 5,534 |
| Less Deferred interest | (312) | (555) | (257) | (423) |
| | 5,080 | 6,747 | 4,010 | (5,111) |
| Current portion due within one year | 1,801 | 1,728 | 1,203 | 1,162 |
| Non-current portion due after one year | 3,279 | 5,019 | 2,807 | 3,949 |
| | 5,080 | 6,747 | 4,010 | 5,111 |

23 Other current liabilities

| | Consolidated financial statements | | Separate financial statements | |
|--------------------------------------|--------------------------------------|------------------|----------------------------------|------------------|
| | 2017 Baht'000 | 2016 Baht'000 | 2017 Baht'000 | 2016 Baht'000 |
| Interest payable | 633 | 2,278 | 633 | 2,278 |
| Provision for contingent liabilities | - | 3,610 | - | 3,610 |
| Unearned commission income | 26,158 | 47,654 | - | - |
| Others | 44,306 | 5,800 | 13,430 | 3,486 |
| Total | 71,097 | 59,342 | 14,063 | 9,374 |

24 Debentures

| Series | Maturity date | No. of units | Par value | Interest rate | Consolidated and Separate financial information Carrying amount | |
|--|--|--------------|-----------|--|---|----------------------------------|
| | | | | | 31 December 2017 Baht '000 | 31 December 2016 Baht '000 |
| 1/2016 (ACAP184A) | Redeemed on 1 April 2018 (2 years) | 157,000 | 1,000 | 5.4% (1 April 2016 - 30 June 2016) and 5.6% (1 July 2016 - 1 April 2016) | 157,000 | 157,000 |
| 2/2016 (ACAP186A) | Redeemed on 29 June 2018 (2 years) | 547,100 | 1,000 | 5.60% | 547,100 | 547,100 |
| 3/2016 (ACAP180A) | Redeemed on 14 October 2018 (2 years) | 1,237,300 | 1,000 | 5.60% | 1,237,300 | 1,237,300 |
| 1/2017 (ACAP193A) | Redeemed on 10 March 2019 (2 years) | 454,200 | 1,000 | 5.50% | 454,200 | - |
| 2/2017 (ACAP196A) | Redeemed on 30 June 2019 (2years) | 240,500 | 1,000 | 5.50% | 240,500 | - |
| 3/2017 (ACAP190A) | Redeemed on 6 October 2019 (2years) | 768,600 | 1,000 | 6.00% | 768,600 | - |
| Total | | | | | 3,404,700 | 1,941,400 |
| Less: Deferred debenture issuing costs | | | | | (13,188) | (12,821) |
| Debentures, net | | | | | <u>3,391,512</u> | <u>1,928,579</u> |

| | Consolidated and Separate financial information Carrying amount | |
|-------------------------------|---|---------------------------------|
| | 31 December 2017 Baht'000 | 31 December 2016 Baht'000 |
| Current | | |
| Not later than one year - net | <u>1,936,371</u> | - |
| Non-current | | |
| Later than one year - net | <u>1,455,141</u> | <u>1,928,579</u> |
| Total | <u>3,391,512</u> | <u>1,928,579</u> |

The Company is required to comply with the specific covenants which are to maintain debt to equity ratio not over 6:1 and EBITDA to interest ratio not less than 2:1 on the date on consolidated financial information. On 31 December 2017, The Company maintains debt to equity ratio at 2.97 (30 December 2016: 3.72) and EBITDA to interest at 2.91 (30 December 2016: 2.26).

Distribution of Company's debenture is offered to institutions and/or major investors.

25 Deferred income taxes

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

| | Consolidated financial statements | | Separate financial statements | |
|---|--------------------------------------|------------------|----------------------------------|------------------|
| | 2017 Baht'000 | 2016 Baht'000 | 2017 Baht'000 | 2016 Baht'000 |
| Deferred tax assets: | | | | |
| Deferred tax assets to be recovered within 12 months | 16,594 | 23,080 | 11,333 | 15,604 |
| Deferred tax assets to be recovered after more than 12 months | 1,503 | 33,079 | 705 | 26,528 |
| | <u>18,097</u> | <u>56,159</u> | <u>12,038</u> | <u>42,132</u> |
| Deferred tax liability: | | | | |
| Deferred tax liability to be recovered within 12 months | - | (33) | - | - |
| Deferred tax liability to be recovered after more than 12 months | - | - | - | - |
| | <u>-</u> | <u>(33)</u> | <u>-</u> | <u>-</u> |
| Deferred tax assets, net | <u>18,097</u> | <u>56,126</u> | <u>12,038</u> | <u>42,132</u> |

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

| | Consolidated financial statements | | Separate financial statements | |
|--|--------------------------------------|------------------|----------------------------------|------------------|
| | 2017 Baht'000 | 2016 Baht'000 | 2017 Baht'000 | 2016 Baht'000 |
| At 1 January | 56,126 | - | 42,132 | - |
| Charged/(credited) to profit or loss | (38,061) | 57,828 | (30,076) | 43,692 |
| Tax credit relation to components of other comprehensive income | 32 | (464) | (18) | (203) |
| Tax credit relation directly to equity | - | (1,238) | - | (1,357) |
| At 31 December | <u>18,097</u> | <u>56,126</u> | <u>12,038</u> | <u>42,132</u> |

25 Deferred income taxes (Cont'd)

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

| Consolidated financial statements | | | | | | |
|---|---|--|------------------------------|-------------------|-------------------|----------|
| Tax losses Baht'000 | Allowance for Impairment of asset Baht'000 | Provision for Employee benefit Baht'000 | Front-end fee Baht'000 | Other Baht'000 | Total Baht'000 | |
| Deferred tax assets | | | | | | |
| At 1 January 2017 | 39,562 | 6,698 | (835) | 9,531 | 1,203 | 56,159 |
| Charged/(credited) to profit or loss | (33,377) | (2,000) | 1,933 | (4,299) | (351) | (38,094) |
| Credited to other comprehensive income | - | - | 32 | - | - | 32 |
| At 31 December 2017 | 6,185 | 4,698 | 1,130 | 5,232 | 852 | 18,097 |

| Consolidated financial statements | | | | | | |
|---|---|--|------------------------------|-------------------|-------------------|---------|
| Tax losses Baht'000 | Allowance for Impairment of asset Baht'000 | Provision for Employee benefit Baht'000 | Front-end fee Baht'000 | Other Baht'000 | Total Baht'000 | |
| Deferred tax assets | | | | | | |
| At 1 January 2016 | - | - | - | - | - | - |
| Charged to profit or loss | 39,562 | 6,698 | 867 | 9,531 | 1,203 | 57,861 |
| Credited to other comprehensive income | - | - | (464) | - | - | (464) |
| Credited directly to equity | - | - | (1,238) | - | - | (1,238) |
| At 31 December 2016 | 39,562 | 6,698 | (835) | 9,531 | 1,203 | 56,159 |

| Separate financial statements | | | | | | |
|---|---|--|------------------------------|-------------------|-------------------|----------|
| Tax losses Baht'000 | Allowance for Impairment of asset Baht'000 | Provision for Employee benefit Baht'000 | Front-end fee Baht'000 | Other Baht'000 | Total Baht'000 | |
| Deferred tax assets | | | | | | |
| At 1 January 2017 | 35,653 | 6,688 | (962) | - | 753 | 42,132 |
| Charged to profit or loss | (29,468) | (2,000) | 1,638 | - | (246) | (30,076) |
| Credited to other comprehensive income | - | - | (18) | - | - | 18 |
| At 31 December 2017 | 6,185 | 4,688 | 658 | - | 507 | 12,038 |

| Separate financial statements | | | | | |
|---|---|--|-------------------|-------------------|---------|
| Tax losses Baht'000 | Allowance for Impairment of asset Baht'000 | Provision for Employee benefit Baht'000 | Other Baht'000 | Total Baht'000 | |
| Deferred tax assets | | | | | |
| 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 |

25 Deferred income taxes (Cont'd)

The movement in deferred tax assets and liabilities is as follows: (Cont'd)

| | Consolidated financial statements | | Separate financial statements | |
|---------------------------------|--------------------------------------|-------------------|--------------------------------------|-------------------|
| | Short-term investment Baht'000 | Total Baht'000 | Short-term investment Baht'000 | Total Baht'000 |
| Deferred tax liabilities | | | | |
| At 1 January 2017 | (33) | (33) | - | - |
| Charged to profit or loss | 33 | 33 | - | - |
| At 31 December 2017 | - | - | - | - |

26 Employee benefits obligations

| | Consolidated financial statements | | Separate financial statements | |
|--|--------------------------------------|------------------|----------------------------------|------------------|
| | 2017 Baht'000 | 2016 Baht'000 | 2017 Baht'000 | 2016 Baht'000 |
| <u>Statement of financial position</u> | | | | |
| Employee benefits | 5,650 | 4,335 | 3,292 | 2,989 |
| | <u>5,650</u> | <u>4,335</u> | <u>3,292</u> | <u>2,989</u> |
| <u>Profit or loss</u> | | | | |
| Employee benefits | 1,157 | 1,061 | 392 | 571 |
| | <u>1,157</u> | <u>1,061</u> | <u>392</u> | <u>571</u> |

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

| | Consolidated financial statements | | Separate financial statements | |
|---------------------------|--------------------------------------|------------------|----------------------------------|------------------|
| | 2017 Baht'000 | 2016 Baht'000 | 2017 Baht'000 | 2016 Baht'000 |
| At 1 January | 4,335 | 7,072 | 2,989 | 3,435 |
| Current service cost | 995 | 892 | 292 | 453 |
| Interest cost | 162 | 243 | 101 | 118 |
| Remeasurements | 158 | (2,320) | (90) | (1,017) |
| | 5,650 | 5,887 | 3,292 | 2,989 |
| <u>Less</u> Benefits paid | - | (1,478) | - | - |
| Reversals from employees | - | (74) | - | - |
| At 31 December | <u>5,650</u> | <u>4,335</u> | <u>3,292</u> | <u>2,989</u> |

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

| | Consolidated financial statements | | Separate financial statements | |
|--------------------------------------|--------------------------------------|------------------|----------------------------------|------------------|
| | 2017 Baht'000 | 2016 Baht'000 | 2017 Baht'000 | 2016 Baht'000 |
| Current service cost | 995 | 892 | 291 | 453 |
| Interest cost | 162 | 243 | 101 | 118 |
| Reversals from employees resignation | - | (74) | - | - |
| Total | <u>1,157</u> | <u>1,061</u> | <u>392</u> | <u>571</u> |

26 Employee benefits obligations (Cont'd)

The principal actuarial assumptions used are as follows:

| | Consolidated financial statements and Separate financial statements | |
|-------------------------------|--|------------------------------------|
| | 2017 | 2016 |
| Discount rate | 3.36% | 3.58% |
| Salary increase rate | 5% | 5% |
| Average turnover rate | 0% - 30% | 0% - 10% |
| Pre-retirement mortality rate | 100% of mortality rate Year 2017 | 80% of mortality rate Year 2008 |
| Retirement age | 60 years old | 60 years old |

Sensitivity analysis

| | Increase (decrease) in provision on employee benefit | | | |
|--------------------|--|------------------|----------------------------------|------------------|
| | Consolidated financial statements | | Separate financial statements | |
| | 2017 Baht'000 | 2016 Baht'000 | 2017 Baht'000 | 2016 Baht'000 |
| Discount rate | | | | |
| Increase 1% | (520) | (380) | (197) | (197) |
| Decrease 1% | 608 | 440 | 221 | 222 |
| Salary income rate | | | | |
| Increase 1% | 592 | 426 | 216 | 215 |
| Decrease 1% | (518) | (376) | (195) | (195) |
| Resignation rate | | | | |
| Increase 1% | (364) | (243) | (105) | (96) |
| Decrease 1% | 414 | 275 | 117 | 107 |

Maturity profile of defined benefit obligation

| | Consolidated financial statements | | Separate financial statements | |
|--|--------------------------------------|---------------|----------------------------------|---------------|
| | 2017 Years | 2016 Years | 2017 Years | 2016 Years |
| Duration of the defined benefit obligation | 15 | 15 | 12 | 12 |

| | Consolidated financial statements | | Separate financial statements | |
|---|--------------------------------------|------------------|----------------------------------|------------------|
| | 2017 Baht'000 | 2016 Baht'000 | 2017 Baht'000 | 2016 Baht'000 |
| Maturity analysis of benefits expected to be paid | | | | |
| Benefits expected to be paid more than 12 months | 26,281 | 19,962 | 9,373 | 9,369 |

27 Legal reserve

| | Consolidated financial statements | | Separate financial statements | |
|-------------------------------|--------------------------------------|------------------|----------------------------------|------------------|
| | 2017 Baht'000 | 2016 Baht'000 | 2017 Baht'000 | 2016 Baht'000 |
| At 1 January | 12,500 | 12,500 | 12,500 | 12,500 |
| Appropriation during the year | 7,034 | - | 7,034 | - |
| At 31 December | 19,534 | 12,500 | 19,534 | 12,500 |

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.

28 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 |
| Increase in capital | 78,172,338 | 0.5 | 39,086,169 | - | - |
| Warrants | - | - | - | 5,558,664 | 24,593,084 |
| At 31 December 2017 | 390,672,338 | | 195,336,169 | 157,903,339 | 444,369,430 |

On 10 April 2017, the Company issued new ordinary shares of Baht 39,086,169 (78,172,338 shares, of Baht 0.5 par value) from the existing registered capital of Baht 156,250,000 (312,500,000 shares, of Baht 0.5 par value) to Baht 195,336,169 (390,672,338 shares, of Baht 0.5 par value). The Company registered the increased share capital with the Ministry of Commerce on 10 April 2017. On 29 May 2017, the Company allots shares to reserve for the exercise by way of rights to purchase ordinary shares of the Company (ACAP-W2) 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 6 per share. Rights to purchase ordinary shares (ACAP-W2) can be exercised for the first time on 15 December 2017 and shareholders can exercise at 15 June and 15 December throughout the term of warrant.

As at 31 December 2017, the Company has paid - up share capital from warrant (ACAP-W1) exercise on 15 June and 15 December 2017 for 7,676,804 shares and 816,800 shares, respectively and from capital from warrant of Baht 13.02 million which consisted of baht 3.484 million par value (ACAP-W2) exercise on 15 December 2017 for 2,623,725 shares, accounting in total for Baht 30.15 million which consisted of Baht 5.56 million par value and Baht 24.59 million premium on share capital. Therefore, the Company currently has unexercised warrant (ACAP-W1 and ACAP-W2) for 605,906 shares and 73,548,557 shares (of Baht 0.5 par value) which can be exercised by shareholders at 15 June and 15 December throughout the term of warrant (ACAP-W1 and ACAP-W2, respectively).

29 Other income

| | Consolidated financial statements | | Separate financial statements | |
|----------------------------|--------------------------------------|------------------|----------------------------------|------------------|
| | 2017 Baht'000 | 2016 Baht'000 | 2017 Baht'000 | 2016 Baht'000 |
| Gain on sale of investment | 3,040 | 1,672 | 1,558 | 1,369 |
| Management fee income | - | - | 9,805 | 15,527 |
| Other income | 6,817 | 1,483 | 4,315 | 970 |
| Total | 9,857 | 3,155 | 15,678 | 17,866 |

30 Expenses by nature

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

| | Consolidated financial statements | | Separate financial statements | |
|---------------------------------------|--------------------------------------|------------------|----------------------------------|------------------|
| | 2017 Baht'000 | 2016 Baht'000 | 2017 Baht'000 | 2016 Baht'000 |
| Personnel expenses | 54,085 | 25,599 | 24,749 | 22,277 |
| Depreciation and amortisation charges | 6,558 | 5,106 | 2,006 | 1,390 |
| Rental expenses | 7,249 | 7,161 | 4,665 | 4,300 |
| Repair and maintenance expenses | 2,677 | 2,925 | 206 | 409 |
| Tax expense | 10,057 | 12,168 | 8,098 | 9,562 |
| Other operating expenses | 27,814 | 23,689 | 18,462 | 14,637 |
| | 108,440 | 76,648 | 58,186 | 52,575 |

31 Income tax expense

| | Consolidated financial statements | | Separate financial statements | |
|-------------------------------|--------------------------------------|------------------|----------------------------------|------------------|
| | 2017 Baht'000 | 2016 Baht'000 | 2017 Baht'000 | 2016 Baht'000 |
| Current tax | 28,596 | 1,791 | - | - |
| Deferred income tax (Note 23) | 38,061 | (56,126) | 30,076 | (42,132) |
| | 66,657 | (54,335) | 30,076 | (42,132) |

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

| | Consolidated financial statements | | Separate financial statements | |
|--|--------------------------------------|------------------|----------------------------------|------------------|
| | 2017 Baht'000 | 2016 Baht'000 | 2017 Baht'000 | 2016 Baht'000 |
| Profit before tax | 322,073 | 118,313 | 241,825 | 53,767 |
| Tax calculated at a tax rate of 20% (2015: 20%) | 64,415 | 23,663 | 48,365 | 10,753 |
| Tax effect of: | | | | |
| Income not subject to tax | (5,159) | (37) | (20,976) | - |
| Reversal of expenses not deductible for tax purpose | 2,190 | (8,835) | 2,043 | (8,366) |
| Additional deductible expense | 5,211 | (7,033) | 644 | (6,479) |
| Unrealised gain from intercompany transaction | - | 10,355 | - | (38,040) |
| Utilisation of previously unrecognised tax losses | - | (72,448) | - | - |
| Tax charge | 66,657 | (54,335) | 30,076 | (42,132) |

The weighted average applicable tax rate of the Group and the Company was 20% and 12%, respectively (2016: 27% and 78%, respectively).

32 Earnings per share

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

| | Consolidated financial statements | | Separate financial statements | |
|--|--------------------------------------|---------|----------------------------------|---------|
| | 2017 | 2016 | 2017 | 2016 |
| Net profit attributable to ordinary shareholders (Baht'000) | 255,416 | 174,350 | 211,749 | 97,459 |
| Weighted average number of ordinary shares issued during the year (Shares) | 308,212 | 251,943 | 308,212 | 251,943 |
| Basic earnings per share (Baht per shares) | 0.83 | 0.68 | 0.69 | 0.39 |

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 financial statements | | Separate financial statements | |
|--|--------------------------------------|---------|----------------------------------|---------|
| | 2017 | 2016 | 2017 | 2016 |
| Net profit attributable to ordinary shareholders (Baht'000) | 255,416 | 174,350 | 211,749 | 97,459 |
| Weighted average number of ordinary shares issued during the year (Shares) | 308,212 | 251,943 | 308,212 | 251,943 |
| Adjust: warrants | 44,818 | 7,810 | 44,818 | 7,810 |
| Weighted average number of ordinary shares diluted earnings per share | 353,030 | 290,139 | 353,030 | 290,139 |
| Diluted earnings per share (Baht) | 0.72 | 0.60 | 0.60 | 0.34 |

33 Provident fund

The Group and the Company paid to provident fund for the year ended 31 December 2017 in the amount of Baht 0.8 million and Baht 0.5 million, respectively (2016: Baht 0.7 million and Baht 0.5 million, respectively).

34 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 16.92% of total registered share capital.

Pricing policy

Interest income/expense incurred from borrowings, cost of services and administrative expenses are charged at the agreed rates as per 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 |
| Sukjaroenkraisri family | Related person | Important management and major shareholders |

i) Income for the years ended 31 December

| | Consolidated financial statements | | Separate financial statements | |
|--|--------------------------------------|------------------|----------------------------------|------------------|
| | 2017 Baht'000 | 2016 Baht'000 | 2017 Baht'000 | 2016 Baht'000 |
| Other income | | | | |
| Interest income | | | | |
| - ACAP Consulting Co., Ltd. | - | - | 75 | 91 |
| - Global Service Center Co., Ltd. | - | - | - | 94 |
| - OK Cash Co., Ltd. | - | - | 1,567 | 3,504 |
| Management fee income | | | | |
| - ACAP Consulting Co., Ltd. | - | - | 250 | 1,929 |
| - Capital OK Co., Ltd. | - | - | 3,900 | 2,399 |
| - Global Service Center Co., Ltd. | - | - | 2,000 | 7,398 |
| - OK Cash Co., Ltd. | - | - | 3,600 | 3,680 |
| - ACAP (Asia) Asset Management Co., Ltd. | - | - | 55 | 122 |
| | - | - | 11,447 | 19,217 |

Pricing policy for interest income is determined for each loan agreement as disclosed in Note 34 iv).

34 Related party transactions (Cont'd)

ii) Expenses for the year ended 31 December

| | Consolidated financial statements | | Separate financial statements | |
|--|--------------------------------------|------------------|----------------------------------|------------------|
| | 2017 Baht'000 | 2016 Baht'000 | 2017 Baht'000 | 2016 Baht'000 |
| Interest expense | | | | |
| Subsidiaries | | | | |
| - Capital OK Co., Ltd. | - | - | 2,348 | 1,645 |
| - ACAP (Asia) Asset Management Co., Ltd. | - | - | 224 | 250 |
| Related party | | | | |
| - Thai Luxe Enterprises Public Co., Ltd. | 17,697 | 22,017 | 17,697 | 22,017 |
| - Sukjaroenkraisri family | 120 | 160 | 120 | 160 |
| | <u>17,817</u> | <u>22,177</u> | <u>20,389</u> | <u>24,072</u> |

Management remunerations

Management remunerations of the Group and the Company for the year ended 31 December 2017 is amounting to Baht 9.6 million (31 December 2016: Baht 7.5 million). The stated remunerations are short-term remunerations which are salary, bonus, and other benefits.

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

| | Consolidated financial statements | | Separate financial statements | |
|---|--------------------------------------|------------------|----------------------------------|------------------|
| | 2017 Baht'000 | 2016 Baht'000 | 2017 Baht'000 | 2016 Baht'000 |
| Amounts due from related companies | | | | |
| - ACAP Consulting Co., Ltd. | - | - | 7 | 355 |
| - Global Service Center Co., Ltd. | - | - | 337 | 535 |
| - Capital OK Co., Ltd. | - | - | 330 | 321 |
| - OK Cash Co., Ltd. | - | - | 396 | 540 |
| - ACAP (Asia) Asset Management Co., Ltd. | - | - | - | 5 |
| | - | - | <u>1,070</u> | <u>1,756</u> |
| Amounts due to related companies | | | | |
| - Capital Ok Co., Ltd. | - | - | 187 | 98 |
| - ACAP (Asia) Asset Management Co., Ltd. | - | - | - | 21 |
| - Thai Luxe Enterprises Public Co., Ltd. | - | 568 | - | 568 |
| | - | <u>568</u> | <u>187</u> | <u>687</u> |

34 Related party transactions (Cont'd)

iv) Loans to related companies

| | Separate financial statements | | | |
|--|-------------------------------|---|--|----------------------------|
| | Short-term loans | | | |
| | Opening balance Baht'000 | Additions during the period Baht'000 | Repayments during the period Baht'000 | Ending balance Baht'000 |
| For the year ended 31 December 2017 | | | | |
| OK Cash Co., Ltd. | 248,000 | 2,000 | (173,000) | 77,000 |
| Total | 248,000 | 2,000 | (173,000) | 77,000 |

For the year ended 31 December 2017, the Company had entered into an unsecured loan agreement with OK Cash Co., Ltd. by issuing a promissory note due at call, which bear interest rate at 1% per annum and the interest is due every 30 day after the drawn down date.

| | Separate financial statements | | | |
|--|-------------------------------|---|--|----------------------------|
| | Short-term loans | | | |
| | Opening balance Baht'000 | Additions during the period Baht'000 | Repayments during the period Baht'000 | Ending balance Baht'000 |
| For the year ended 31 December 2016 | | | | |
| OK Cash Co., Ltd. | 307,000 | 14,200 | (73,200) | 248,000 |
| Total | 307,000 | 14,200 | (73,200) | 248,000 |

| | Separate financial statements | | | |
|--|-------------------------------|----------------------|------------------------|----------------------------|
| | Long-term | | | |
| | Opening balance Baht'000 | Addition Baht'000 | Repayments Baht'000 | Ending balance Baht'000 |
| For the year ended 31 December 2017 | | | | |
| ACAP Consulting Co., Ltd. | 7,500 | (900) | (500) | 7,900 |
| <u>Less</u> Allowance for impairment | (7,500) | 900 | 500 | (7,900) |
| | - | - | - | - |

| | Separate financial statements | | | |
|--|-------------------------------|------------------------|----------------------------|--|
| | Long-term loans | | | |
| | Opening balance Baht'000 | Repayments Baht'000 | Ending balance Baht'000 | |
| For the year ended 31 December 2016 | | | | |
| 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 | - | - | - | |

During the year 2017, the Company had received the repayment from ACAP Consulting Co., Ltd. amounting to Baht 0.5 million (2016: From ACAP Consulting Co., Ltd. Baht 3.5 million and from Global Service Center Co., Ltd. Baht 12.5 million).

34 Related party transactions (Cont'd)

v) Loans from related companies

| Consolidated financial statements | | | | |
|--|--------------------------------|-----------------------|------------------------|-------------------------------|
| | Opening balance Baht'000 | Additions Baht'000 | Repayments Baht'000 | Ending balance Baht'000 |
| For the year ended 31 December 2017 | | | | |
| <u>Related party</u> | | | | |
| - Thai Luxe Enterprise PCL. | 450,000 | 30,000 | (480,000) | - |
| <u>Related person</u> | | | | |
| - Sukjaroenkraisri family | - | 30,000 | (30,000) | - |
| | 450,000 | 60,000 | (510,000) | - |
| Separate financial statements | | | | |
| | Opening balance Baht'000 | Additions Baht'000 | Repayments Baht'000 | Ending balance Baht'000 |
| For the year ended 31 December 2017 | | | | |
| <u>Subsidiaries</u> | | | | |
| Capital OK Co., Ltd. | 100,000 | 1,037,000 | (864,000) | 273,000 |
| ACAP (Asia) Asset Management Co., Ltd. | 25,000 | - | (1,000) | 24,000 |
| <u>Related party</u> | | | | |
| Thai Luxe Enterprise PCL. | 450,000 | 30,000 | (480,000) | - |
| <u>Related person</u> | | | | |
| Sukjaroenkraisri family | - | 30,000 | (30,000) | - |
| | 575,000 | 1,097,000 | (1,375,000) | 297,000 |
| Consolidated financial statements | | | | |
| | Opening balance Baht'000 | Additions Baht'000 | Repayments Baht'000 | Ending balance Baht'000 |
| For the year ended 31 December 2016 | | | | |
| <u>Related party</u> | | | | |
| - Thai Luxe Enterprise PCL. | - | 800,000 | (350,000) | 450,000 |
| <u>Related person</u> | | | | |
| - Sukjaroenkraisri family | - | 21,000 | (21,000) | - |
| | - | 821,000 | (371,000) | 450,000 |
| Separate financial statements | | | | |
| | Opening balance Baht'000 | Additions Baht'000 | Repayments Baht'000 | Ending balance Baht'000 |
| For the year ended 31 December 2016 | | | | |
| <u>Subsidiaries</u> | | | | |
| Capital OK Co., Ltd. | 175,000 | - | (75,000) | 100,000 |
| ACAP (Asia) Asset Management Co., Ltd. | 25,000 | - | - | 25,000 |
| <u>Related party</u> | | | | |
| Thai Luxe Enterprise PCL. | - | 800,000 | (350,000) | 450,000 |
| <u>Related person</u> | | | | |
| Sukjaroenkraisri family | - | 21,000 | (21,000) | - |
| | 200,000 | 821,000 | (446,000) | 575,000 |

35 Commitments

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

| | Consolidated financial statements | | Separate financial statements | |
|--|--------------------------------------|------------------|----------------------------------|------------------|
| | 2017 Baht'000 | 2016 Baht'000 | 2017 Baht'000 | 2016 Baht'000 |
| Within 1 year | 8,942 | 9,173 | 4,152 | 4,959 |
| More than 1 year but less than 5 years | 2,912 | 3,148 | - | 2,998 |
| Total | 11,854 | 12,321 | 4,152 | 7,957 |

36 Contingent liabilities

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 but the Court of Appeal ruled in favour of supplier and ordered the Company to pay the claimed amount. However, the Company appealed to the Supreme court on 8 May 2017 in order to call off appeal court's prior lawful order and the case is underway. 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 Company demanded the Court to dismiss the case. The Court will take evidence from plaintiff and defendant on 18 December 2017. Management assesses related facts and believes that the case has no ground and will not result in any liability to the Company. However, on 21 July 2017, the Plaintiffs filed petitions to withdraw the complaint to the Court. The Court granted the withdrawal.

37 Subsequent event

On 9 February 2018, the Company has issued unsubordinated and unsecured debentures with total maximum 1,000,000,000 Baht (1,000,000 maximum unit with 1,000 Baht per unit). The interest rate is 6.0% and matured period is next two years on 7 February 2020. Distribution of debenture is offered to institution and/or major investor defined by the Securities and Exchange Commission, Thailand. There are required financial ratio which is debt to equity ratio not over than 6:1 and EBITDA to interest not less than 2:1 as at the end of each accounting period of consolidated financial statement.

38 Financial instruments

The Group's financial instruments, as defined under Thai Accounting Standard No.107 "Financial Instruments: Disclosure and Presentation", principally comprise cash and cash equivalents, investments, trade and other receivables, loans, trade and other payables and financial lease liability.

38.1) Market risk

Interest rate risk

As at 31 December, financial assets and liabilities classified by types of interest rate are as follows:

| Descriptions | Consolidated financial statements | | | |
|--|---------------------------------------|------------------------------------|---------------------------------|-------------------|
| | 2017 | | | |
| | Floating interest rate Baht'000 | Fixed interest rate Baht'000 | No interest rate Baht'000 | Total Baht'000 |
| Financial assets | | | | |
| Cash and cash equivalents | 106,908 | - | 530 | 107,438 |
| Short-term investments | - | - | 254,535 | 254,535 |
| Account receivables | - | - | 39,614 | 39,614 |
| Factoring receivables | - | 45,562 | - | 45,562 |
| Loan to employees | - | 830 | - | 830 |
| Short-term loan to related companies | - | - | - | - |
| Short-term loan to other companies | - | 3,831,001 | - | 3,831,001 |
| Long-term investment | - | - | 220,000 | 220,000 |
| Total financial assets | 106,908 | 3,877,393 | 514,679 | 4,498,980 |
| Financial liabilities | | | | |
| Trade and other payables | - | - | 41,346 | 41,346 |
| Short-term borrowing from other companies | - | 44,901 | - | 44,901 |
| Debentures | - | 3,391,512 | - | 3,391,512 |
| Finance lease liabilities | - | 5,080 | - | 5,080 |
| Total financial liabilities | - | 3,441,493 | 41,346 | 3,482,839 |

38 Financial Instruments (Cont'd)

38.1) Market risk (Cont'd)

Interest rate risk (Cont'd)

As at 31 December, financial assets classified by types of interest rate are as follows: (Cont'd)

| Descriptions | Consolidated financial statements | | | |
|--|---------------------------------------|------------------------------------|---------------------------------|-------------------|
| | 2016 | | | |
| | Floating interest rate Baht'000 | Fixed interest rate Baht'000 | No interest rate Baht'000 | Total Baht'000 |
| Financial assets | | | | |
| Cash and cash equivalents | 71,696 | - | 518 | 72,214 |
| Short-term investments | - | - | 181,887 | 181,887 |
| Account receivables | - | - | 30,934 | 30,934 |
| Factoring receivables | - | 32,550 | - | 32,550 |
| Loan to employees | - | 1,360 | - | 1,360 |
| Short-term loan to other companies | - | 4,116,795 | - | 4,116,795 |
| Total financial assets | 71,696 | 4,150,705 | 213,339 | 4,435,740 |
| Financial liabilities | | | | |
| Trade and other payables | - | - | 31,497 | 31,497 |
| Short-term borrowing from other companies | - | 1,093,042 | - | 1,093,042 |
| Debentures | - | 1,928,579 | - | 1,928,579 |
| Finance lease liabilities | - | 6,747 | - | 6,747 |
| Total financial liabilities | - | 3,028,368 | 31,497 | 3,059,865 |

38 Financial instruments (Cont'd)

38.1) Market risk (Cont'd)

Interest rate risk (Cont'd)

As at 31 December, financial assets classified by types of interest rate are as follows: (Cont'd)

| Descriptions | Separate financial statements | | | |
|--|---------------------------------------|------------------------------------|---------------------------------|-------------------|
| | 2017 | | | |
| | Floating interest rate Baht'000 | Fixed interest rate Baht'000 | No interest rate Baht'000 | Total Baht'000 |
| Financial assets | | | | |
| Cash and cash equivalents | 81,594 | - | - | 81,594 |
| Short-term investments | 49 | - | - | 49 |
| Amount due from related companies | - | 1,070 | - | 1,070 |
| Short-term loan to related companies | - | 77,000 | - | 77,000 |
| Short-term loan to other companies | - | 3,582,563 | - | 3,582,563 |
| Long-term investment | - | - | 220,000 | 220,000 |
| Total financial assets | 81,643 | 3,660,633 | 220,000 | 3,962,276 |
| Financial liabilities | | | | |
| Trade and other payables | - | - | 30,569 | 30,569 |
| Amount due to related companies | - | - | 187 | 187 |
| Short-term borrowing from related companies | - | 297,000 | - | 297,000 |
| Short-term borrowing from other companies | - | 44,901 | - | 44,901 |
| Debentures | - | 3,391,512 | - | 3,391,512 |
| Finance lease liabilities | - | 4,010 | - | 4,010 |
| Total financial liabilities | - | 3,737,423 | 30,569 | 3,768,179 |

38 Financial instruments (Cont'd)

38.1) Market risk (Cont'd)

Interest rate risk (Cont'd)

As at 31 December, financial assets classified by types of interest rate are as follows: (Cont'd)

| Descriptions | Separate financial statements | | | Total Baht'000 |
|--|---------------------------------------|------------------------------------|---------------------------------|-------------------|
| | 2016 | | | |
| | Floating interest rate Baht'000 | Fixed interest rate Baht'000 | No interest rate Baht'000 | |
| Financial assets | | | | |
| Cash and cash equivalents | 65,950 | - | 3 | 65,953 |
| Short-term investments | 59 | - | - | 59 |
| Amount due from related companies | - | 1,756 | - | 1,757 |
| Short-term loan to related companies | - | 248,000 | - | 248,000 |
| Short-term loan to other companies | - | 3,488,123 | - | 3,488,123 |
| Total financial assets | 66,009 | 3,737,879 | 3 | 3,803,891 |
| Financial liabilities | | | | |
| Trade and other payables | - | - | 16,785 | 16,785 |
| Amount due to related companies | - | - | 687 | 687 |
| Short-term borrowing from related companies | - | 575,000 | - | 575,000 |
| Short-term borrowing from other companies | - | 1,093,042 | - | 1,093,042 |
| Debentures | - | 1,928,579 | - | 1,928,579 |
| Finance lease liabilities | - | 5,111 | - | 5,111 |
| Total financial liabilities | - | 3,601,732 | 17,472 | 3,619,204 |

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38 Financial instruments (Cont'd)

38.1 Market risk (Cont'd)

Interest rate risk (Cont'd)

As at 31 December, financial assets and liabilities classified by types of interest rate are as follows: (Cont'd)

| Consolidated financial statements | | | | | | | | |
|---|---|-----------------------------|------------------------------|----------------------------|-----------------------------|------------------------------------|------------------------------|-------------------|
| 2017 | | | | | | | | |
| Descriptions | Fixed interest repricing or maturity date | | | | | Floating interest rate Baht'000 | No interest rate Baht'000 | Total Baht'000 |
| | At call Baht'000 | 0 - 3 months Baht'000 | 3 - 12 months Baht'000 | 1 - 5 years Baht'000 | Over 5 years Baht'000 | | | |
| Financial assets | | | | | | | | |
| Cash and cash equivalents | - | - | - | - | - | 106,908 | 530 | 107,438 |
| Short-term investments | - | - | - | - | - | - | 254,535 | 254,535 |
| Account receivables | - | - | - | - | - | - | 39,614 | 39,614 |
| Factoring receivables | - | 45,562 | - | - | - | - | - | 45,562 |
| Loan to employees | - | - | - | 830 | - | - | - | 830 |
| Short-term loan to other companies | - | - | 3,831,001 | - | - | - | - | 3,831,001 |
| Long-term investment | - | - | - | - | - | - | 220,000 | 220,000 |
| Total financial assets | - | 45,562 | 3,831,001 | 830 | - | 106,908 | 514,679 | 4,498,980 |
| Financial liabilities | | | | | | | | |
| Trade and other payables | - | - | - | - | - | - | 41,346 | 41,346 |
| Short-term borrowing from other companies | - | - | 44,901 | - | - | - | - | 44,901 |
| Debentures | - | - | - | 3,391,512 | - | - | - | 3,391,512 |
| Finance lease liabilities | - | - | - | 5,080 | - | - | - | 5,080 |
| Total financial liabilities | - | - | 44,901 | 3,396,592 | - | - | 41,346 | 3,482,839 |
| Consolidated financial statements | | | | | | | | |
| 2016 | | | | | | | | |
| Descriptions | Fixed interest repricing or maturity date | | | | | Floating interest rate Baht'000 | No interest rate Baht'000 | Total Baht'000 |
| | At call Baht'000 | 0 - 3 months Baht'000 | 3 - 12 months Baht'000 | 1 - 5 years Baht'000 | Over 5 years Baht'000 | | | |
| Financial assets | | | | | | | | |
| Cash and cash equivalents | - | - | - | - | - | 71,696 | 518 | 72,214 |
| Short-term investments | - | - | - | - | - | - | 181,887 | 181,887 |
| Account receivables | - | - | - | - | - | - | 30,934 | 30,934 |
| Factoring receivables | - | 32,550 | - | - | - | - | - | 32,550 |
| Loan to employees | - | 1,360 | - | - | - | - | - | 1,360 |
| Short-term loan to other companies | - | 2,000,875 | 373,152 | 1,742,768 | - | - | - | 4,116,795 |
| Long-term investment | - | - | - | - | - | - | - | - |
| Total financial assets | - | 2,034,785 | 373,152 | 1,742,768 | - | 71,696 | 213,339 | 4,435,740 |
| Financial liabilities | | | | | | | | |
| Trade and other payables | - | - | - | - | - | - | 31,497 | 31,497 |
| Short-term borrowing from other companies | - | - | 1,093,042 | - | - | - | - | 1,093,042 |
| Debentures | - | - | - | 1,928,579 | - | - | - | 1,928,579 |
| Finance lease liabilities | - | - | - | 6,747 | - | - | - | 6,747 |
| Total financial liabilities | - | - | 1,093,042 | 1,935,326 | - | - | 31,497 | 3,059,865 |

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38 Financial instruments (Cont'd)

38.1) Market risk (Cont'd)

Interest rate risk (Cont'd)

As at 31 December, financial assets and liabilities classified by types of interest rate are as follows: (Cont'd)

| Descriptions | Separate financial statements | | | | | | | |
|---|-------------------------------|---|------------------------------|-----------------------------|-----------------------------|--|------------------------------------|-------------------|
| | 2017 | | | | | | | |
| | At call Baht'000 | Fixed interest repricing or maturity date | | | | Floating interest rate Baht'000 | No Interest rate Baht'000 | Total Baht'000 |
| | 0 - 3 months Baht'000 | 3 - 12 months Baht'000 | 1 - 5 years Baht'000 | Over 5 years Baht'000 | | | | |
| Financial assets | | | | | | | | |
| Cash and cash equivalents | - | - | - | - | - | 81,594 | - | 81,594 |
| Short-term investments | - | - | - | - | - | 49 | - | 49 |
| Amount due from related companies | - | 1,070 | - | - | - | - | - | 1,070 |
| Short-term loan to related companies | 77,000 | - | - | - | - | - | - | 77,000 |
| Short-term loan to other companies | - | - | 3,582,563 | - | - | - | - | 3,582,563 |
| Long-term investment | - | - | - | - | - | - | 220,000 | 220,000 |
| Total financial assets | 77,000 | 1,070 | 3,585,563 | - | - | 81,643 | 220,000 | 3,962,276 |
| Financial liabilities | | | | | | | | |
| Trade and other payables | - | - | - | - | - | - | 30,569 | 30,569 |
| Amount due to related companies | - | - | - | - | - | - | 187 | 187 |
| Short-term borrowing from related companies | 297,000 | - | - | - | - | - | - | 297,000 |
| Short-term borrowing from other companies | - | - | 44,901 | - | - | - | - | 44,901 |
| Debentures | - | - | - | - | 3,391,512 | - | - | 3,391,512 |
| Finance lease liabilities | - | - | - | - | 4,010 | - | - | 4,010 |
| Total financial liabilities | 270,000 | - | 44,901 | - | 3,395,522 | - | 30,756 | 3,768,179 |
| Separate financial statements | | | | | | | | |
| 2016 | | | | | | | | |
| Descriptions | At call Baht'000 | Fixed interest repricing or maturity date | | | | Floating interest rate Baht'000 | No Interest rate Baht'000 | Total Baht'000 |
| | | 0 - 3 months Baht'000 | 3 - 12 months Baht'000 | 1 - 5 years Baht'000 | Over 5 years Baht'000 | | | |
| Financial assets | | | | | | | | |
| Cash and cash equivalents | - | - | - | - | - | 65,950 | 3 | 65,953 |
| Short-term investments | - | - | - | - | - | 59 | - | 59 |
| Amount due from related companies | - | 1,756 | - | - | - | - | - | 1,756 |
| Short-term loan to related companies | 248,000 | - | - | - | - | - | - | 248,000 |
| Short-term loan to other companies | - | 1,745,355 | - | 1,742,768 | - | - | - | 3,488,123 |
| Long-term investment | - | - | - | - | - | - | - | - |
| Total financial assets | 248,000 | 1,747,111 | - | 1,742,768 | - | 66,009 | 3 | 3,803,891 |
| Financial liabilities | | | | | | | | |
| Trade and other payables | - | - | - | - | - | - | 16,785 | 16,785 |
| Amount due to related companies | - | - | - | - | - | - | 687 | 687 |
| Short-term borrowing from related companies | 125,000 | 450,000 | - | - | - | - | - | 575,000 |
| Short-term borrowing from other companies | - | - | 1,093,042 | - | - | - | - | 1,093,042 |
| Debentures | - | - | - | 1,928,579 | - | - | - | 1,928,579 |
| Finance lease liabilities | - | - | - | 5,111 | - | - | - | 5,111 |
| Total financial liabilities | 125,000 | 450,000 | 1,093,042 | 1,933,690 | - | - | 17,472 | 3,619,204 |

38 Financial instruments (Cont'd)

38.1) Market risk (Cont'd)

Interest rate risk (Cont'd)

As at 31 December, financial assets and liabilities classified by types of interest rate are as follows: (Cont'd)

The average balances of the financial assets and liabilities of the Group generating revenues and expenses, calculated based on the average outstanding balances during the year of financial assets and liabilities, and the average interest rate and dividend for the year ended 31 December, can be summarised as follows:

| Descriptions | Consolidated financial statements | | | | | |
|--|--|--|------------------------|--|--|------------------------|
| | 2017 | | | 2016 | | |
| | Average balances Million Baht | Interest and dividend Million Baht | Average rate (%) | Average balances Million Baht | Interest and dividend Million Baht | Average rate (%) |
| Financial assets | | | | | | |
| Cash and cash equivalents | 79.09 | 0.07 | 0.08 | 75.87 | 0.07 | 0.09 |
| Short-term investments | 219.10 | 3.46 | 1.58 | 126.78 | 1.69 | 1.33 |
| Account receivables | 25.77 | - | - | 15.89 | - | - |
| Factoring receivables | 42.78 | 6.45 | 15.09 | 12.28 | 1.53 | 12.44 |
| Loan to employees | 1.08 | 0.15 | 13.69 | 2.03 | 0.30 | 14.84 |
| Short-term loan to other companies | 3,898.04 | 473.68 | 12.15 | 2,173.10 | 217.85 | 10.02 |
| Long-term investment | 18.33 | - | - | - | - | - |
| Total financial assets | <u>4,281.27</u> | <u>483.81</u> | | <u>2,405.68</u> | <u>221.44</u> | |
| Financial liabilities | | | | | | |
| Trade and other payables | 31.14 | - | - | 37.28 | - | - |
| Short-term borrowing from other companies | 663.21 | 35.29 | 5.32 | 1,172.56 | 61.49 | 5.24 |
| Debentures | 2,643.45 | 146.67 | 5.55 | 746.22 | 37.16 | 4.98 |
| Finance lease liabilities | 5.88 | 0.24 | 4.13 | 3.26 | 0.17 | 5.18 |
| Total financial liabilities | <u>3,343.67</u> | <u>182.21</u> | | <u>1,959.31</u> | <u>98.81</u> | |

38 Financial instruments (Cont'd)

38.1) Market risk (Cont'd)

Interest rate risk (Cont'd)

As at 31 December, financial assets and liabilities classified by types of interest rate are as follows: (Cont'd)

| Descriptions | Separate financial statements | | | | | |
|--|--|--|------------------------|--|--|------------------------|
| | 2017 | | | 2016 | | |
| | Average balances Million Baht | Interest and dividend Million Baht | Average rate (%) | Average balances Million Baht | Interest and dividend Million Baht | Average rate (%) |
| Financial assets | | | | | | |
| Cash and cash equivalents | 68.10 | 0.05 | 0.07 | 65.54 | 0.06 | 0.09 |
| Short-term investments | 97.18 | 1.56 | 1.60 | 84.67 | 1.37 | 1.62 |
| Amount due from related companies | 1.54 | - | - | 26.70 | - | - |
| Short-term loan to related companies | 146.96 | 1.64 | 1.12 | 290.75 | 3.69 | 1.27 |
| Short-term loan to other companies | 3,592.89 | 435.85 | 12.13 | 1,778.05 | 163.49 | 9.19 |
| Long-term investment | 18.33 | - | - | - | - | - |
| Total financial assets | <u>3,925.00</u> | <u>439.10</u> | | <u>2,245.71</u> | <u>168.61</u> | |
| Financial liabilities | | | | | | |
| Trade and other payables | 6.23 | - | - | 23.34 | - | - |
| Amount due to related companies | 22.49 | - | - | 22.58 | - | - |
| Short-term borrowing from related companies | 477.86 | 20.27 | 4.24 | 487.50 | 24.07 | 4.94 |
| Short-term borrowing from other companies | 663.21 | 35.29 | 5.32 | 1,172.56 | 61.49 | 5.24 |
| Debentures | 2,643.45 | 146.67 | 5.55 | 746.22 | 37.16 | 4.98 |
| Finance lease liabilities | 4.55 | 0.17 | 3.62 | 1.37 | 0.06 | 4.43 |
| Total financial liabilities | <u>3,817.79</u> | <u>202.40</u> | | <u>2,453.57</u> | <u>122.78</u> | |

38 Financial instruments (Cont'd)

38.2) Liquidity risk

The year to maturity, counting from the statements of financial position date, of financial instruments outstanding as at 31 December 2017 and 2016 are as follows:

| Descriptions | Consolidated financial statements | | | Total Baht'000 |
|---|-----------------------------------|---------------------------------|---------------------------------|-------------------|
| | Counting from 31 December 2017 | | | |
| | At call Baht'000 | Less than 1 year Baht'000 | More than 1 year Baht'000 | |
| Financial assets | | | | |
| Cash and cash equivalents | 107,438 | - | - | 107,438 |
| Short-term investments | 254,535 | - | - | 254,535 |
| Account receivables | - | 33,868 | 5,746 | 39,614 |
| Factoring receivables | - | 45,562 | - | 45,562 |
| Loan to employees | - | 682 | 148 | 830 |
| Short-term loan to other companies | - | 3,831,001 | - | 3,831,001 |
| Long-term investment | - | - | 220,000 | 220,000 |
| Total financial assets | 361,973 | 3,911,113 | 259,614 | 4,498,980 |
| Financial liabilities | | | | |
| Trade and other payables | - | 41,346 | - | 41,346 |
| Short-term borrowing from other companies | - | 44,901 | - | 44,901 |
| Debentures | - | 1,936,371 | 1,455,141 | 3,391,512 |
| Finance lease liabilities | - | 1,801 | 3,279 | 5,080 |
| Total financial liabilities | - | 2,024,419 | 1,458,420 | 3,482,839 |

38 Financial instruments (Cont'd)

38.2 Liquidity risk (Cont'd)

The year to maturity, counting from the statements of financial position date, of financial instruments outstanding as at 31 December 2017 and 2016 are as follows: (Cont'd)

| Descriptions | Consolidated financial statements | | | |
|---|-----------------------------------|---------------------------------|---------------------------------|-------------------|
| | Counting from 31 December 2016 | | | |
| | At call Baht'000 | Less than 1 year Baht'000 | More than 1 year Baht'000 | Total Baht'000 |
| Financial assets | | | | |
| Cash and cash equivalents | 72,214 | - | - | 72,214 |
| Short-term investments | 181,887 | - | - | 181,887 |
| Account receivables | - | 30,934 | - | 30,934 |
| Factoring receivables | - | 32,550 | - | 32,550 |
| Loan to employees | - | 929 | 431 | 1,360 |
| Short-term loan to other companies | - | 4,116,795 | - | 4,116,795 |
| Total financial assets | 254,101 | 4,181,208 | 431 | 4,435,740 |
| Financial liabilities | | | | |
| Trade and other payables | - | 31,497 | - | 31,497 |
| Short-term borrowing from other companies | - | 1,093,042 | - | 1,093,042 |
| Debentures | - | - | 1,928,579 | 1,928,579 |
| Finance lease liabilities | - | 1,728 | 5,019 | 6,747 |
| Total financial liabilities | - | 1,126,267 | 1,933,598 | 3,059,865 |

38 Financial instruments (Cont'd)

38.2) Liquidity risk (Cont'd)

The year to maturity, counting from the statements of financial position date, of financial instruments outstanding as at 31 December 2017 and 2016 are as follows: (Cont'd)

| Descriptions | Separate financial statements | | | Total Baht'000 |
|--------------------------------------|--------------------------------|---------------------------------|---------------------------------|-------------------|
| | Counting from 31 December 2017 | | | |
| | At call Baht'000 | Less than 1 year Baht'000 | More than 1 year Baht'000 | |
| Financial assets | | | | |
| Cash and cash equivalents | 81,594 | - | - | 81,594 |
| Short-term investments | 49 | - | - | 49 |
| Account receivables | - | - | - | - |
| Amount due from related companies | - | 1,070 | - | 1,070 |
| Factoring receivables | - | - | - | - |
| Loan to employees | - | - | - | - |
| Short-term loan to related companies | 77,000 | - | - | 77,000 |
| Short-term loan to other companies | - | 3,582,563 | - | 3,582,563 |
| Long-term investment | - | - | 220,000 | 220,000 |
| Total financial assets | 158,643 | 3,583,633 | 220,000 | 3,962,276 |

Financial liabilities

| | | | | |
|---|----------------|------------------|------------------|------------------|
| Trade and other payables | - | 30,569 | - | 30,569 |
| Amount due to related companies | - | 187 | - | 187 |
| Short-term borrowing from related companies | 297,000 | - | - | 297,000 |
| Short-term borrowing from other companies | - | 44,901 | - | 44,901 |
| Debentures | - | 1,936,371 | 1,455,141 | 3,391,512 |
| Finance lease liabilities | - | 1,203 | 2,807 | 4,010 |
| Total financial liabilities | 297,000 | 2,013,231 | 1,457,948 | 3,768,179 |

| Descriptions | Separate financial statements | | | Total Baht'000 |
|---|--------------------------------|---------------------------------|---------------------------------|-------------------|
| | Counting from 31 December 2017 | | | |
| | At call Baht'000 | Less than 1 year Baht'000 | More than 1 year Baht'000 | |
| Financial assets | | | | |
| Cash and cash equivalents | 65,953 | - | - | 65,953 |
| Short-term investments | 59 | - | - | 59 |
| Amount due from related companies | - | 1,756 | - | 1,756 |
| Short-term loan to related companies | 248,000 | - | - | 248,000 |
| Short-term loan to other companies | - | 3,488,123 | - | 3,488,123 |
| Total financial assets | 314,012 | 3,489,879 | - | 3,803,891 |
| Financial liabilities | | | | |
| Trade and other payables | - | 16,785 | - | 16,785 |
| Amount due to related companies | - | 687 | - | 687 |
| Short-term borrowing from related companies | 575,000 | - | - | 575,000 |
| Short-term borrowing from other companies | - | 1,093,042 | - | 1,093,042 |
| Debentures | - | - | 1,928,579 | 1,928,579 |
| Finance lease liabilities | - | 1,162 | 3,949 | 5,111 |
| Total financial liabilities | 575,000 | 1,111,676 | 1,932,528 | 3,619,204 |