

G Cap 006/2561

27th February 2018

Subject: Clarification on performance for the year ending December 31,2017

Attention : The President

The Stock Exchange of Thailand

G Capital Public Company Limited (the "Company") would like to explain the Company's performance on January – December 2017 comparing with the same period of the year 2016 as described below:

1. The Company achieved total new loan booking of 1,120 MB, increasing 215% from the year 2016 from higher new booking of both hire purchase and personal loan. This was due to new campaigns launched into the market to better serve our potential customers and also new products offered to the market.

	2014	2015	2016	2017
Total New Booking in Jan- December (MB)	429	270	355	1,120
Growth	-11%	-37%	31%	215%

2. The Company posted total revenues of 198.60 MB, increasing 45.97 MB accounting for 30.12% growth from the year 2016. The main contributors to such revenue growth were the increase of interest revenues from personal loans of 18.13 MB, the increase of Income from hire-purchase contracts of 16.91 MB and the increase of interest revenues from corporation loans of 7.46 MB.
3. As for the net income, the Company achieved 27.02 MB, decreasing by 14.26 MB or 34.53% from the same period of last year. Such decrease of net income was mainly from increases of SG&A and also Bad Debt and Doubtful Accounts (which is the allowances for doubtful accounts).
 - An increase of SG&A was majorly from higher salary expenses, due to more recruited personals in order to support future business growth, and also from higher legal lawsuit fees and expenses, resulted from serious enforcement and higher efficiency of legal actions taken with NPLs.
 - An increase of Bad Debt and Doubtful Accounts was in accordance with the Company's policy. For example, as for the hire purchase, the Company reserves 2.5% of net hire purchase receivables immediately when there is new booking. Therefore, when there is new booking, the Bad Debt and Doubtful Accounts would increase automatically which shows the quality of our reserve for possible doubtful accounts in the future.

Please be informed accordingly.

Yours sincerely,



(Mr. Spain Jingkaojai)

Managing Director