

GLOBAL CONNECTIONS PUBLIC COMPANY LIMITED

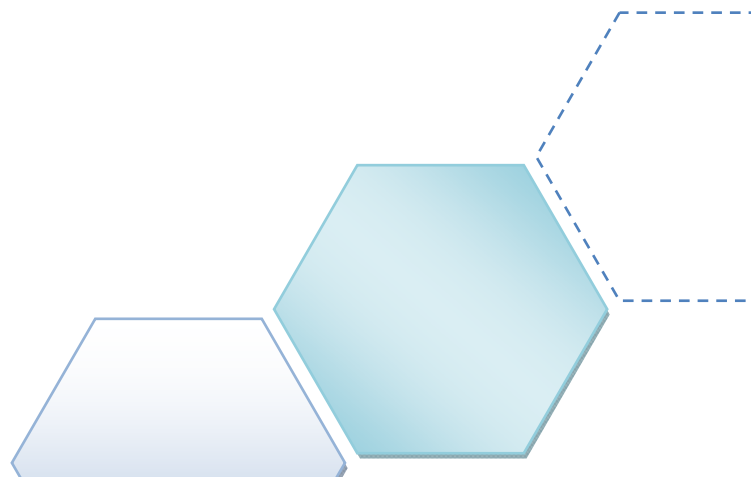
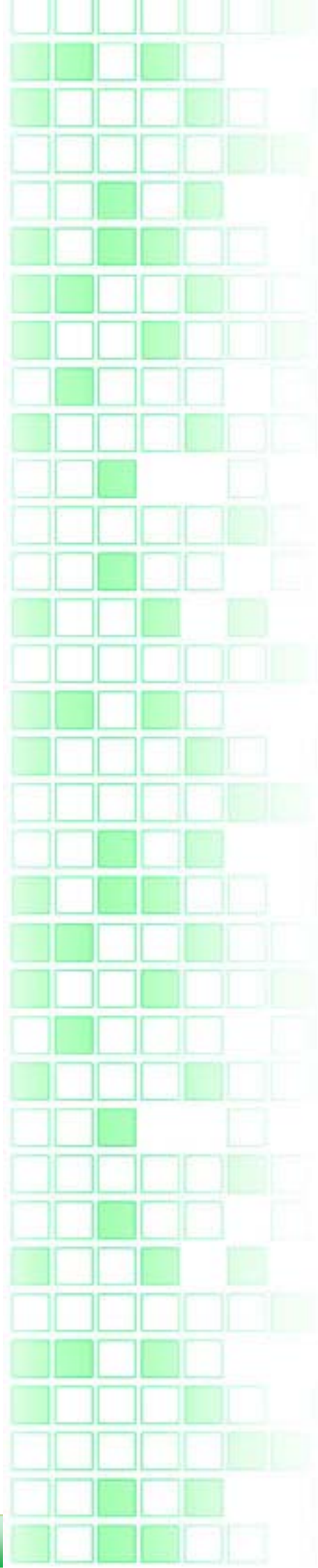


ANNUAL REPORT

2009



GLOBAL
CONNECTIONS
PUBLIC COMPANY LIMITED



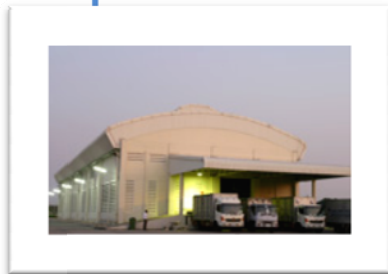
“Your best partner for solution and service in Industrial raw material Supply”

OUR VISION

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LOCATION

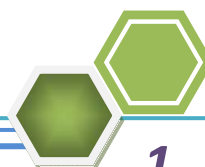


Near Customer Base

No Time Limit

Efficiency Transportation





GENERAL INFORMATION

Corporate Information

Company Name	Global Connections Public Company Limited ("The company" or "GC")
Symbol	GC
Business	Distributing agent of plastic, petrochemical and additive, which are used in petrochemical and plastic transformation process
Head office	13/1 Moo 2 Kingkaew Rd., Rachateva, Bangplee, Samuthprakarn 10540, Thailand
Home Page	http://www.gc.co.th
Telephone	+66 (0)2763-7921, +66 (0)2763-7999, +66 (0)2763-7923-42
Facsimile	+66 (0)2763-7949, +66 (0)2312-4880-1
Investor Relations	+66 (0)2763-7999 ต่อ 201 – 204
Registration Number	0107574800153
Establishment Date	27 th September 1994
Date of registration Public Company	17 th March 2005
Stock Listed Date	6 th December 2005
Juristic person that are being hold more than 10% of their paid-up capital	None
Registered and Up Capital	200,000,000 Baht
Number of Ordinary Shares	200,000,000 Shares

Reference

Registrars	Thailand Securities Depository Co., LTD. Capital Market Academy Building, 2 nd FL 2/7 Moo 4, (North Park Project) Vibhavadi-Rangsit Rd., Tung Song Hong, Laksi, Bangkok, 10210, Thailand Tel. +66 (0)2596-9000 Fax. +66 (0)2832-4994
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Auditor	Ernst & Young Office Limited 33rd Floor, Lake Rajada Office Complex 193/136-137 Rajadapisek Road, Klongtoey, Bangkok 10110, Thailand Tel. +66 (0)2264-0777 Fax. +66 (0)2264-0789
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HUMAN RESOURCE



EFFICIENCY

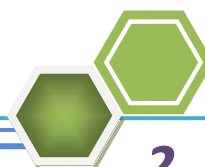


LIFE



HAPPINESS



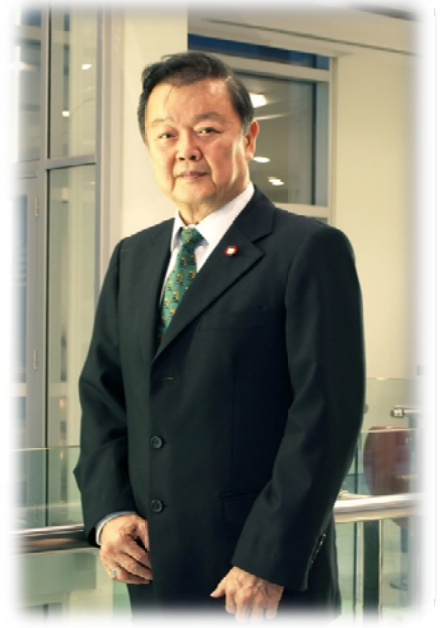


FINANCIAL SUMMARY

	2007	2008	2009
FINANCIAL STATUS (MILLION BAHT)			
Current Asset	784	610	676
Total Asset	946	772	828
Current Liabilities	570	413	429
Total Liabilities	579	421	433
Shareholder's Equity	366	351	395
OPERATING RESULT (MILLION BAHT)			
Sale Revenue	3,456	3,410	2,647
Gross Profit	240	242	188
Operating Profit	159	127	128
Net Profit	108	77	96
FINANCIAL RATIOS			
Return on Asset (%)	12.07	8.91	12.04
Return on Equity (%)	31.81	21.35	25.82
Net Profit Margin (%)	3.14	2.24	3.64
Current Ratio (Times)	1.37	1.48	1.58
Debt to Equity Ratio (Times)	1.58	1.20	1.10
Book Value per Share (Baht)	1.83	1.75	1.98
Net Profit Per share (Baht)	0.54	0.38	0.48

MESSAGE FROM THE CHAIRMAN

On behalf of the Board of Directors, I would like to express my gratitude to our shareholders as well as our customers for their support and trust. Thanks also go to our staffs for their contributions and efforts that result in continuing profit of the company. Though the total sales turnover decreased amid global economic turbulence last year especially the automotive and electronics industries which were severely impacted from 4th Quarter 2008 causing sale drop in business unit 2 and 3. However we have expanded the sale of other products in order to offset the sale drop such as Synthetic Rubber, EPDM and other additive materials. For commodity plastic the competition on price was still the important factor for customers' decision. We continuously create value for our customers in various aspects by focus on improving of services, we work with our customers to solve their production problems in order to show that the real value is not the price competition, hence we can maintain our share amid the market competition.



For the year 2009 our company was rated as "Excellent" (5 STARS) for corporate governance (CG) by the Institute of Directorship (IOD). Furthermore our company was evaluated on quality arrangement for the annual general shareholders meeting (AGM) as "Very Good" by Thai Investors Association (TIA). Our improvement on the CG rating score reflects that our company maintains high level of transparent business operation, fair treatment to all stakeholders by our Board of Directors, management and staffs.



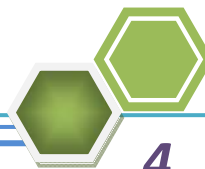
The direction of plastics and petrochemical industry shows tendency of growth. Price trend will be declining as a result of the new AFTA duty structure in 2010 for ASEAN countries from 5 percent to be zero. Consequently there may be stronger competition in the market than the past. We continue to emphasize on total solutions services and improving efficiency in all aspects, such as, providing advice on market situation, new technology and developments from overseas, human resources development, create good relationship and trust from our counterparts.

Lastly, all successes of our business are the result of the cooperation and endeavours of the staffs, vision and capability in management of all members of the Board and Management together with the support and trust from shareholders, customers, financial institutions and suppliers. Your continuing support is the key important drive for the company to be the lead distributor of plastics and petrochemical products in Thailand with good corporate governance.

Yours sincerely

(Mr. Virah Mavichak)

Chairman of the Board



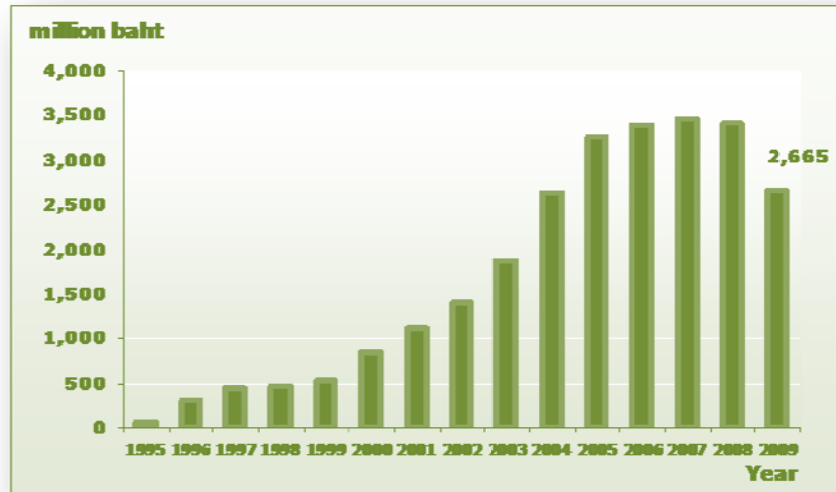
BUSINESS CHARACTER

The Global Connections Public Company Limited (the Company or GC) is the distributing agent of plastic, petrochemical and additive, which are used in petrochemical and plastic transformation process. The company is the distributing agent for 24 companies, which are both domestic and foreign companies leading in petrochemical and plastic in terms of production capacity and technology such as SCG Plastics Co., Ltd. (a subsidiary owned 100 percent by Siam Cement Pcl), Thai Plastic and Chemical Pcl, ExxonMobile Chemical, DuPont Engineering Polymers, Siam Polystyrene Co., Ltd, BASF (Thailand) United, Chi Mei Corporation, and etc. By this reason, the Company is considered to be the Thai distributor who provides the most variety petrochemical and plastic related products for Thailand.

The Company was established on September 27, 1994 by five experienced founders who each has been working in petrochemical industry for more than 20 years with the company initial registered capital of baht 2 million and began fully commercial on April 1, 1995. The knowledge and experience of founders coincided with the rapid emerging petrochemical industry in Thailand created the rapid growth for the Company. The Company's sale growth rate was 10.5 percent annually from the year 2004 to the year 2007, although sale amount in the year 2009 slightly decrease from the year 2008 from 3,410 million baht to 2,647 million baht or 22.4% decrease, both from the slackening global economy and market price down in the second half of the year 2008 to the first half of the year 2009. However, net profit in this year 25.8% increase compared to 2008 (net profit in this year 96 million baht compare with 77 million baht in 2008. On December 31, 2009 the registered capital of the company was raised to baht 200 million.

The vision of the Company is to be the best partner for solutions and service in industrial raw material. The company does not only be distributor for various product in petrochemical and plastic industry not only for supplying the variety products but also be provider for knowledge and technology to customers/end users in order to form long term strategic partnership with the customers as well as the suppliers.

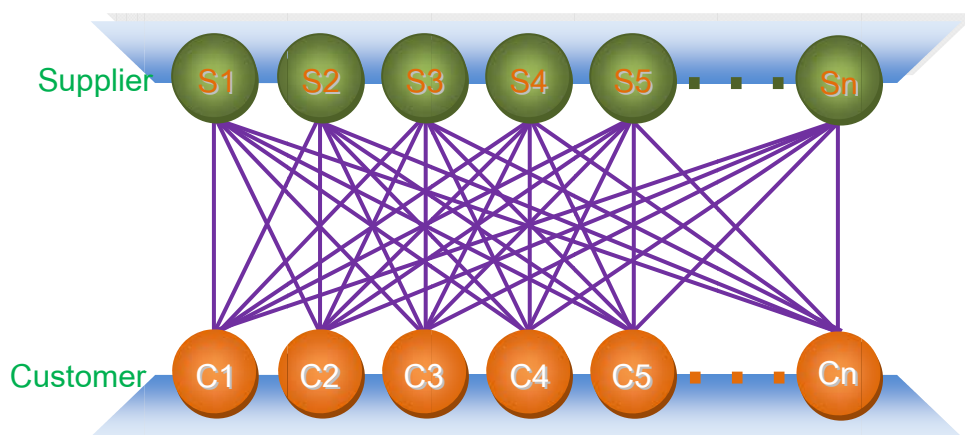
Company's revenue growth from 1995-2009

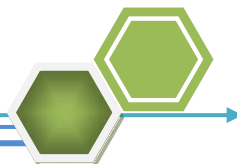


Role of Distributing Agent

In general, large producers such as ExxonMobil, Eastman, BASF, and Chi Mei and others in Petrochemical industry do not distribute their products by themselves because of the scatter location of end-users, high cost of each trade transaction. Furthermore, end-users of plastic mostly use the assortment of plastic raw material in the production process. As end-users perspective, it is too complicated to buy raw materials at a time from many producers. The picture below well illustrates transaction without role of distributing agent.

Trade transaction without distributing agent



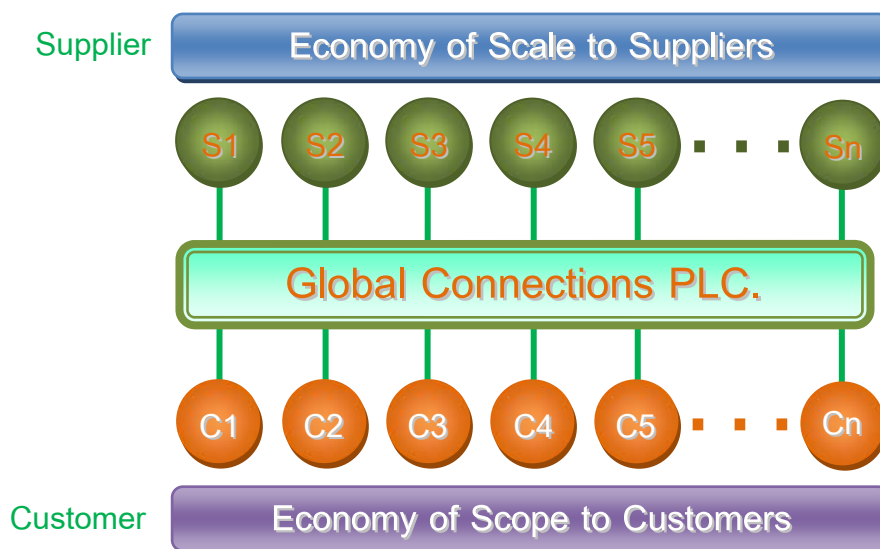


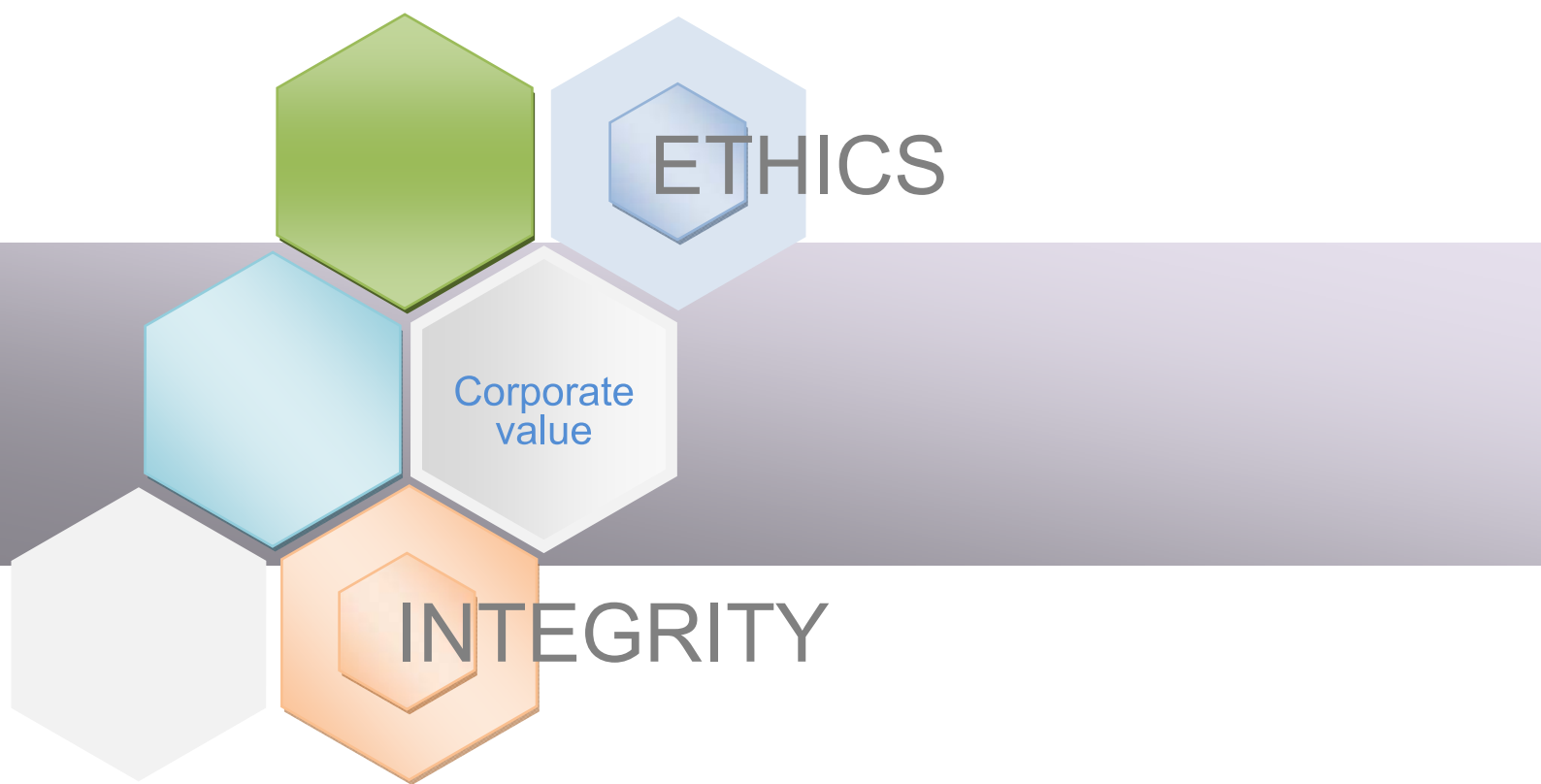
The essential of distributing agents for petrochemical industry is to connect the entire product ranges from the number of large producers to serve the various needs of end-users/ customers, and to lower logistic cost of each transaction. The company can delivers value added to both suppliers and customers by satisfy economy of scope to the number of customers/ end-users and satisfy economy of scale to large producers simultaneously

The next picture demonstrates role and benefit of distributing agent in petrochemical industry similar to role of distribution channel for consumer products which regularly generate trade transaction at the supermarket or hyperstore such as TescoLotus, Makro, and BigC.

In addition, the barrier for new entry in petrochemical distributing agent is that the petrochemical producers usually appoint only one or two distributing agents for each country as general practice.

Role and benefit of distributing agent



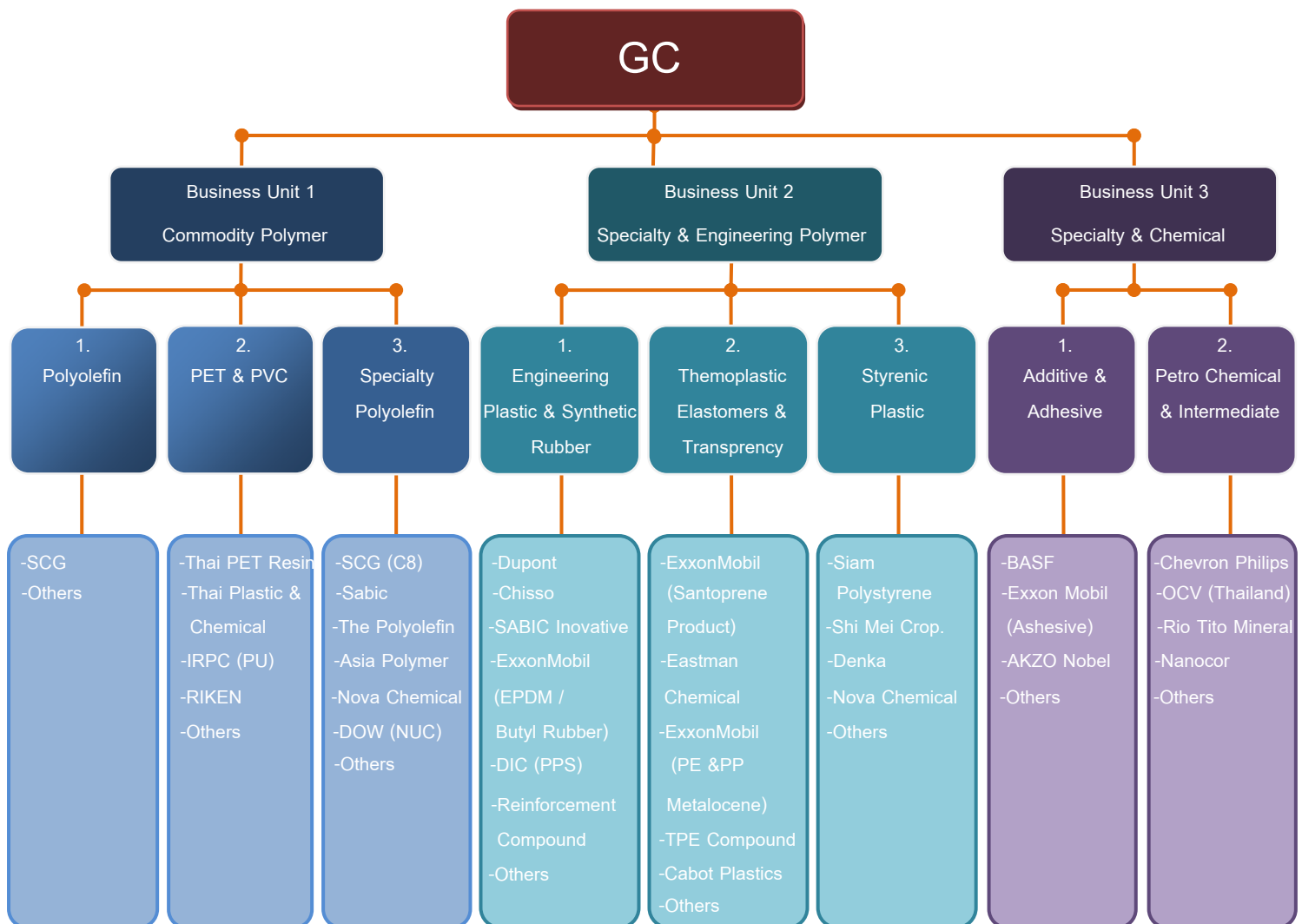


REVENUE STRUCTURE

The Company's main business can be categorized into three business-units.

1. Business Unit 1: Commodity Polymer Business Unit
2. Business Unit 2: Specialty and Engineering Polymer Business Unit
3. Business Unit 3: Specialty Chemical Business Unit

Organizational Structure by Business Units



The Company's product selections ranging from commodity polymer to special additive chemical which contribute high profit margin, Global Connections PCL is one of the only two Thai distributors offering product selections from common commodity grade polymers to special grade polymers. The Company's revenue baht 2,665 million in 2009 derived from Commodity Polymer (B.U.1) 66.7% (or baht 1,779 million), Specialty & Engineering Polymer (B.U.2) 27.4% (or baht 730 million), Specialty Chemical (B.U.3) 5.2% (or baht 138 million) and from other income 0.7% (or baht 18 million)

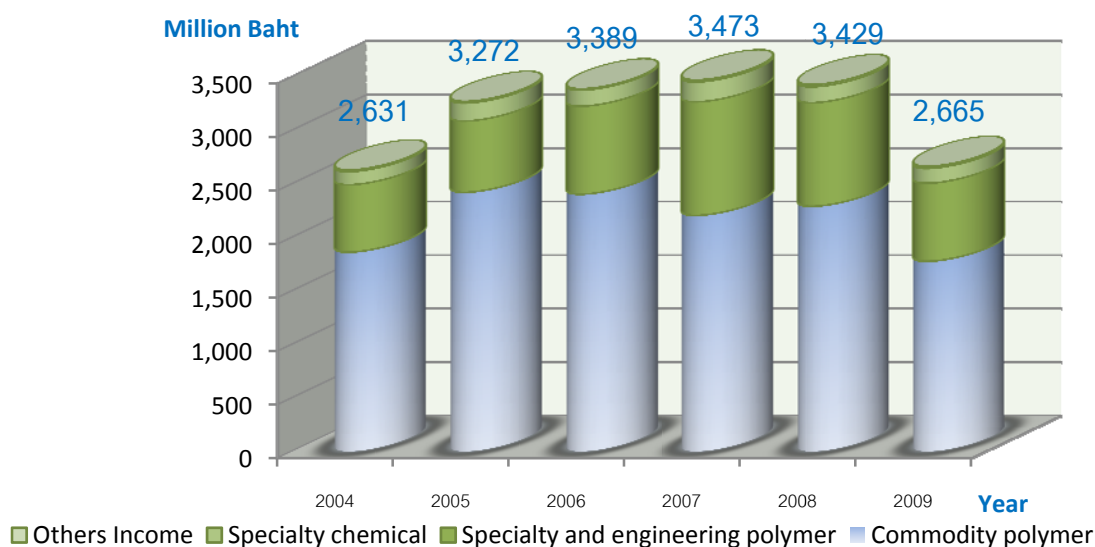


Due to global economic turbulence in 2009 especially the automotive and electronics industries which were severely impact. So we back to focus on commodity plastic which less impact. However the company still intends to expand market in Specialty Product units which contribute better profit margin and depended largely on technical support when economic recovery, Specialty product growth from baht 391 million in the year 2002 to baht 868 million in the year 2009.

COMPANY REVENUES STRUCTURE 2007 -2009: BREAK DOWN BY BUSINESS UNITS

REVENUE STRUCTURE	2007		2008		2009	
	Amount (Mil THB)	%	Amount (Mil THB)	%	Amount (Mil THB)	%
Commodity polymer	2,286.9	65.9	2,293.1	66.9	1,778.9	66.7
Specialty and engineering polymer	982.7	28.3	968.2	28.2	730.4	27.4
Specialty chemical	186.1	5.3	148.7	4.3	138.1	5.2
Total Sale Revenue	3,455.7	99.5	3,410.0	99.4	2,647.4	99.3
Other income ¹	17.1	0.5	18.8	0.6	17.5	0.7
Total Revenue	3,472.8	100.0	3,428.8	100.0	2,664.9	100.0
Growth rate	2.45%		-1.27%		-22.3 %	

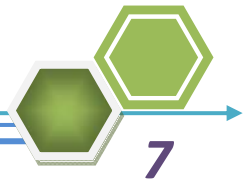
Remark: ¹Other income included commission income from oversea suppliers and interest income.



COMPANY BACKGROUND

- 1994 GC was established with initial registered capital of Baht 2 million on September 27, 1994.
- 1995 GC was appointed to be HDPE distributing agent of Bangkok Polyethylene Pcl. and increased its registered and paid-up capital to Baht 5 million.
- 1996 GC was appointed to be distributing agent of SCG Plastics Co., Ltd. (former CCC Chemical Commerce Co., Ltd., a subsidiary owned 100 percent by Siam Cement Pcl.) by beginning as a 17th company sale ranking. Moreover GC was appointed to be distributing agent of Eastman Chemical, which was the start of specialty product trading. GC increased its registered and paid-up capital to Baht 10 million.
- 1997 GC increased its paid-up capital to Baht 20 million to support the company expansion. GC was appointed to be distributing agent of DuPont Engineering Polymers which is the world's largest producer of Polyamide66 or Nylon 66. As well as appointed to be distributing agent for Chi Mei Corporation which is the world's largest manufacturer of the ABS.
- 1998 GC was appointed to be distributing agent of Ciba (Singapore) Pte Ltd. (In 2009, acquired by BASF (Thailand) Co., Ltd.), the world's class producer of additives chemical for plastic. (The world's class producer of additives chemical for plastic industry, and was appointed to be agent of Owen Corning Australia PTY (In 2009 Owen merge with Gobain's Reinforcement and change its name to OCV Reinforcement Co., Ltd) , producer of glass fiber. GC also increased its paid-up capital to Baht 30 million.
- 1999 GC was appointed to be distributing agent of Siam Polystyrene (Thailand) Co., Ltd. (Dow Chemical Thailand), and was appointed to be distributing agent for Cabot Plastic Hong Kong Ltd., which is the world's largest manufacturer of master batch and Carbon Black. GC increased its paid up capital to Baht 50 million and sale revenue over Million 500 Baht
- 2000 GC was appointed to be distributing agent of Advanced Elastomer Systems (AES), presently acquainted by ExxonMobil, which is the world's largest manufacturer of rubber mixed PP. GC was expand financial resource from 3 to 6 commercial banks which be able to increase large amount of customers with the total sale from million 542 Baht in year 1999 to million 849 Baht in year 2000 or increased by 57%

- 2001 GC increased its paid-up capital to Baht 80 million to support the company expansion with the total sale revenue million 1,116 Baht. GC increased its paid up capital to Baht 100 million and moved its warehouse to Kingkaew road. GC was appointed to be distributing agent of Thai Plastic and Chemical Pcl.
- 2004 GC was appointed to be distributing agent of ExxonMobil and Rio Tinto Mineral Asia Pte., Ltd., the company moved the headquarters to Kingkaew road to facilitate the operation. The company paid dividends Baht 78 million and increased its paid-up capital to Baht 155 million.
- 2005 In March, GC transformed into public company limited, increased its paid-up capital to Baht 200 million and changed its par value to Baht 1 per share with the intention to implement an IPO of 45 million shares. (1.1 million shares for ESOP at baht 1.03 per share and the remain 43.9 million shares for IPO) GC common stock was IPO and listed in The Stock Exchange of Thailand since 6 December 2005
- 2006 GC was appointed to be distributing agent of Nanocor Inc. which is a producer of additive chemical.
- 2007 GC signed a contract which is a financial support for dealer contract with Kasikorn Thai Bank in K > Dealer Financing Project on June 6, 2007. As well as financing supported will be given to GC's supplier for current credit line which help increase efficiency for financial management GC celebrated 10th Anniversary Strategic Partnership with DuPont on September 13, 2007 at Sukhothai Hotel.
- 2008 GC was connected to be distributing agent of DIC International Chemicals PTE LTD. for PPS (Polyphenylene Sulfide) which it was replaced metal in Automotive industries and E/E industries.
- 2009 GC was appointed to be distributing agent for additive chemical of AKZO NOBEL POLYMER CHEMICALS BV. which is AKZO NOBEL group of companies in the Netherlands.



INDUSTRY OVERVIEWS

According to Global Connections Public Company Limited business characteristic as a distributing agent of plastics and petrochemical products, the company's performance is directly related to plastic product and petrochemical industry. The Office of Industrial Economics reports situations of both industries as the followings. (Access on January 18, 2010)

Plastics Industry

Overall Situation of plastic industry

The important plastic products manufactured in Thailand are plastic bags and sacks, films, foils, etc. There are 3,500 plastic factories nationwide (from the latest survey in 2009), most of which are small factories; only 10% are considered large factories. Industries that use plastics as a major production input are packaging, textiles, shoes, construction materials, parts for electrical and electronic appliances, and automotive parts. The cost structure of plastic production is: raw materials (plastic pellets) 70%, labor 10-15%, energy 8% and other expenses 7-12%.

Markets

Export

The total export value of plastic products was US\$2,154.6 million in 2009, an decrease of 14.4% over last year. The primary export markets were Japan, USA, Indonesia, and Australia. The top three exports in terms of value were film, foil, and strips (US\$691 million), plastic bags and sacks (US\$490 million), and plastic table ware (US\$98 million), representing decline rates of 7.55%, 18.23%, and 18.72%, respectively.



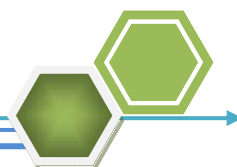
Product Categories	Export Value (Million US dollar)						2009* compare to 2008
	2004	2005	2006	2007	2008	2009*	
							(%)
Bag and Plastic Sack	372.9	518.8	530.4	554.0	599.5	490.2	-18.23
Film, Foil and Strip	466.1	536.7	558.7	714.0	747.7	691.2	-7.55
Ornaments and Accessories	25.8	22.6	17.9	21.3	21.1	15.2	+27.96
Plastic Boxes	26.3	30.9	30.0	51.9	74.1	61.1	-17.54
Plastic Office Supplies	21.8	22.6	20.2	21.6	18.9	10.6	-43.91
Tube and Plastic Pipes	32.7	41.5	46.0	51.3	63.9	42.3	-33.80
Plastic Floor and Ceiling Tiles	40.1	50.6	59.1	77.7	77.8	65.4	-15.93
Plastic Table Ware	68.9	84.0	98.9	113.7	121.2	98.5	-18.72
Other Plastic Products	493.2	551.1	624.2	781.5	794.1	680.1	-14.35
Total	1,547.8	1,858.8	1,985.4	2,387.0	2,518.3	2154.6	-14.44

Source: Information Technology and Communication Center, Ministry of Commerce, in collaboration with the Customs Department

* 2009 figures are estimates

Import

In 2009, the total import value of plastic products was US\$2,142.9 million, an decrease of 15.07% over last year. Imports of plastic tubes and pipes (US\$90 million), plastic films, foils, and strips (US\$805 million), and other plastic products (US\$1,247 million), decline at rates of 14.04%, 9.36%, and 18.46%, respectively. Important import sources were Japan, China, Malaysia, and the US.



Product Category	Import Value (million US dollars)						2009 compare to 2008
	2004	2005	2006	2007	2008	2009*	
							(%)
Plastic Tubes and Pips	80.5	79.7	88.2	99.4	105.4	90.6	-14.04
Plastic Films, Foils and Strips	668.9	742.4	767.5	859.2	888.3	805.1	-9.36
Other Plastic Products	1,174.0	1,224.0	1,366.9	1,418.7	1,529.6	1,247.2	-18.46
Total	1,923.4	2,046.1	2,222.6	2,377.4	2,523.3	2,142.9	-15.07

Source: Information Technology and Communication Center, Ministry of Commerce, in collaboration with the Customs Department

* 2009 figures are estimates

Summary of plastic products industry for the year 2009

During the last quarter of 2008 the hamburger economic crisis started in the United States of America resulted in global economic stall which also included Thailand as well. The effect continued into the first and second quarter of 2009. Thai economy decelerated drastically in all aspects, such as, production, sale, export and import. However plastics industry began to recover in the third quarter and forecasted that in the fourth quarter situation overall would be better as a result of the stimulus package both from domestic and overseas. The U.S. announced financial measures to stimulate the economy constantly. China adjusted the fees for export down in order to support the economy of the country. Thailand also maintained measures on free tap water, electricity bill, bus fare and give away Baht 2,000.00 cheque for the poor and the Thai Khem Khaeng Projects. All of these measures generate money circulations in the economic system and push for the production and more investment which resulted in the expansion of plastics industry.

Outlook of plastic product in 2010

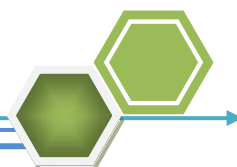
For the year 2010, the plastic industry outlook seems to be improving from the year 2009 as a consequence of the measures from both domestic and overseas which constantly flowing into the economic system. All economic indicators show an improvement which will lead to recovery of various industries such as automotive, electrical appliance, electronics, packaging and construction industries. Thus plastic industry which is a supporting industry will also benefit from the expansion of those industries on the same direction.

The government and The office of Industrial Economics with measures and policy to cater the situation and support the entrepreneur.

The government joined with private sector to prepare development strategy for plastic industry by dividing into 3 main strategies.

- Development of Technology and Management
- Improvement of Marketing Capability
- Creation of Information Data base on plastic industry

The office has prepared "Plastic Intelligent Unit" (PIU) via website as a tool for the operator and government to plan the policy to develop plastic industry. In addition, in the year 2010 the office obtain budget to develop compounded resin and develop personnel in the plastic industry under the project of productivity improvement. All of these projects are under the strategic plan to enhance sustainability of plastic industry.



Year	Upstream Petrochemical (Million Baht)		Intermediate Petrochemical (Million Baht)		Downstream Petrochemical (Million Baht)	
	Import	Export	Import	Export	Import	Export
2005	9,724.15	36,639.37	47,766.15	21,681.55	64,510.56	151,315.07
2006	18,896.59	28,109.87	38,052.68	50,435.04	64,853.26	154,147.75
2007	25,896.13	18,870.75	29,790.44	54,592.78	74,319.77	167,531.50
2008	22,814.76	20,349.16	30,894.10	44,227.06	90,253.86	171,675.33
2009*	9,915.54	27,230.24	20,386.41	44,977.90	70,007.13	144,427.05
Growth rate 2009*/2008 (%)	-56.53	33.81	-34.01	1.70	-22.43	-15.87

Remark : * Estimate number

Petrochemical Industry in 2009

Petrochemical industry in the second half of 2009 had improved from the first half as a result of government short term economic stimulus policy by creating domestic demand. However petrochemical industry is still under pressure from crude oil price fluctuation, world economy, new capacity, cheap price products from China and Middle East which entering Asia during second half of 2009. These new capacities will have price effect in the region.

Petrochemical Trend in 2010

Petrochemical industry in Thailand in the year 2010 is still in the period of hardship as a result of new capacity in the world starts to enter the market, especially new capacity from Middle East and China which projected to be in the market starting from second half of 2009. The uncertainty of world economy after the crisis in 2008 through 2009 is still unpredictable.

Government Policy / The office of Industrial economics.

The office of Industrial economics prepares comparative information on industry to improve competitiveness. Competitive benchmarking for petrochemical industry in the second phase summaries that competitive level of petrochemical industry in Thailand is still at the level that can compete especially on the production aspect is quite strong.

Government by the Ministry of Industry raise important on environmental issue by announcing projects or activities involving with industry which might cause severe impact on community on quality of environment, natural resources, and health on September 14, 2009. Petrochemical industry is included into the list of projects or activities which might cause impact.

RICK FACTORS

8.1 Risk associated with the reliability on major suppliers or manufacturers.

The highest supplier proportion is SCG Plastics Co., Ltd. (a subsidiary of Siam Cement Pcl.), which is 56.03 percent of total purchase in 2009. However gross profit margin from SCG is only 26 percent of total gross profit margin of the Company. SCG Plastics Co., Ltd. Is a supplier of polyolefin in Thailand and ASEAN.

However, this purchasing proportion declines continuously. In 2004, this proportion was 63 percent of total purchase; in 2009 it was declined to 56.03 percent of total purchase, even though the Company's purchase amount from SCG Plastics Co., Ltd. decrease from Baht 1,619 Million in year 2008 to 1,267 in year 2009 or 21.74% decrease due to the correlation of our product and oil price which decreased compare with the year 2008, but the purchase volume in 2009 slightly increase from tons 30,723 in 2008 to tons 30,788 in 2009 or 0.2% increase, resulting from the economic crisis and shrink down in demand of special grade product especially automotive and electronic. Hence the company just come back to focus on commodity product which less impact from economic slowdown. However, when recession period end or recover, the company strategy still intend to expand specialty product market, supporting by more than 20 suppliers, which contribute more gross profit margin while lower risk from price fluctuated and bad debt. The Company target to increase proportion of these products, Specialty and engineering polymer, and Specialty chemical business unit, within the next three years to increase from the 30-40% in this year, to 40-50%.

8.2 Risk associated with the reliability on the officers.

Because GC sells the goods by sell officers mostly. Hence, GC has the risk associated with the reliability on the officers. If the selling officers leave GC, the clients may move their selling especially Commodity Polymer. Moreover, selling specialty products needs special knowledge of selling officers and technical support from supplier. If these selling officers leave GC, GC may face the officer replacement problem.

However, few officers quitted and the management has sold the product to the clients for a long time. Thus, it reduces this risk. Moreover, the management has the knowledge of every product and GC has the policy to train the officer continuously. Hence, GC should replace the officer shortly. Moreover, for specialty products, when the buyers of clients assure the quality of the products, the clients will not change the products without really necessary reasons.

8.3 Risk associated with the Accounts Receivable.

Now GC sells the goods in credit term mostly. Thus, if account receivable turns to be bad debt significantly, GC may encounter a delinquency risk and affect the company's profitability. However, GC had the policy to verify the clients' credit before provide credit to customers and closely follow up financial behavior as well as payment capacity of GC's customers. Now GC sets the team to consider the credit of the clients, both new and old one and also set the credit approval system, which separate from sale department to control the unsafe sale. Moreover, GC has insurance, which covers the damage from account receivable. It insures against the bad debt of customers, which the outstanding is more than Baht 3 hundred thousand and covers 90 percent of total bad debt value. The minimum insurance premium is Baht 1.98 million per year and the maximum protection is 50 times of paid insurance premium. The insurance company set insurance coverage of each client. GC sets the doubtful debt allowance according to the risk of accounts receivable, the past experience and the present status of the clients. Then GC compares with the allowance for doubtful debt and insurance to verify if GC needs to reserve more doubtful debt allowance.

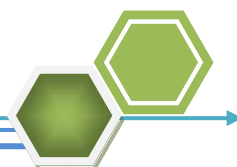
8.4 Risk associated with exchange rate.

Nearly all of the goods bought from foreign suppliers are in US Dollar term. In 2009, GC imports the goods in foreign currency accounts for 24.52 percent of total purchase. From the foreign currency accounts, 99% are in US Dollar account. If the exchange rate of Thai Baht against US Dollar fluctuates, it may affect the GC's profitability. However, to protect the exchange rate risk, GC follows the movement of the exchange rate of Thai Baht against US Dollar closely by asking the advice of the bank to determine whether GC should buy the forward contacts. GC has the policy that there is not speculate. GC must not buy the forward contacts without the trading obligations.

Moreover, GC uses the cost plus policy to set the price for imported goods and GC will not sell the goods in advance without agree the exchange rate with the clients or buy the forward contacts. By these reason, The Company can prevent a certain level of risk from foreign exchange rate.

8.5 Risk associate with working capital

Because GC has to reserve the inventory for deliver to the clients in a short time and credit term of clients is about 89 days, which is longer than the credit term of suppliers, which is about 20 days. This causes GC have to maintain the working capital for operation. Cash cycle is about 69 days. If sale of the company increases significantly, GC may need to find more capital source, which is more costly than the financial cost in the present.



GC currently can purchase goods from vendors such as SCG Plastics Co., Ltd and Thai Plastic and Chemical for the credit period of 60 days, however The Company has lower financial cost from many financial institutions which offer lower interest rate. The Company purchase goods by financing from financial institutions instead of vender's credit and take trade discount from vender, as a result The Company has better gross profit margin. By the way, The Company still can utilize trade credit from vendors when needed to increase working capital.

Currently, as at December 31, 2009, GC has the credit facilities from many financial institutions and still have available amount for more than 80% of the total credit amount. This makes GC has the stronger working capital status and improves the debt to equity ratio to be 1.10 times as at December 31, 2008. Moreover, GC is likely to get the better conditions from bank due to GC's good performance.

8.6 Risk associated with the fluctuations in the price of goods in the world market

Although GC sells the goods to the domestic customers mostly, product price fluctuates with the world market because the petrochemical goods is commodity produce, which depends on uncertain demand and supply in the world market. GC's profitability changes according to the world market price as the cycle. There is the risk in the case that GC buys the goods in the high price and the price declines. This may lead GC to sell inventory to the clients cheaper or lower than buying price, which cause GC's profitability's lower or loss in some cases. However, GC tries lower this risk by keeping inventory in the optimal level of the goods, which has high fluctuation price, and follows the changing price from the global supplier data all the time. Moreover, for the customers, who order the big amount in advance, GC is supported about the quantity and price directly from manufacturers and/or suppliers. This can lower the risk. Furthermore, specialty products are affected by this risk only little because GC sets the price according to cost plus policy.

As a result of global economic recession, there was a substantial jump down in product price during 2nd half year. Therefore, the company faced a loss from diminishing in products value for Baht 23 million, which it was above control when the situation returned to normal the company can continue usually. In 2009, the company had got reversal of diminution in value of inventories for 21 million Baht.

8.7 Risk associated with low profit margin

Profit margin of GC is relatively low, which 60% of total sale is Commodity polymer. Thus, factors i.e. the fluctuation of interest rate, foreign exchange, quality of account receivable and inventory management could affect net profit margin. However, the continually improvement of the Company's performance make better the working capital and D/E ratio consequently allow the Company to have better offer and condition from commercial banks. Furthermore, GC follows the exchange rate policy, customer credit policy and inventory management policy closely including cost development policy, which should lower the risk of low profit margin.

Moreover, GC has the comparative advantage in terms of product selections and accepted quality from the first to the third ranking of the world manufacturers in capacity and technology, hence GC can expand market of the specialty products with the high growth rate in every year. This leads profit margin of GC better and higher than common competitors, who focus on commodity products, lower profit margin. However, specialty products were impact more than commodity products. So in 2009 the company could not expand specialty market as expectation, due to global economic turbulent and decreasing demand in automotive and electronic industry. The Company improve gross profit margin from 6.94% in 2007 to 7.08% in 2008 and 7.09% in 2009 increasingly.

8.8 Risk associated with terminates the distributing agent contact.

The period of distributing agent contacts are either yearly basis or 2 years basis which is normal practice in the petrochemical industry. Thus, GC will face the risk from contact termination from the manufacturers if GC could not perform status as the conditions require in the contact i.e. can not achieve the sale target or can not maintain the required infrastructure.

However, GC has good performance continuously and also has many repeat clients, which impress the manufacturers. Moreover, GC contacts with the manufacturers closely to explain the domestic sale progression. Thus, the manufacturers remain renew the contacts even GC cannot achieve the sale target because they understand the reasons. In the past GC has never been terminated the contact by any manufacturers

Due to The global merger and acquisition trend in order to create firm value added. So when our supplier was acquired by other company may be affecting us to loss those supplier product, but in the opposite site we may have a chance to expand product or market when our supplier take over on other business.

However, due to our closed relation with supplier, we will get early information and make a well plan to manage this risk and also search new substitute supplier.

SHAREHOLDER STRUCTURE & DIVIDEND POLICY

Shareholder Structure

Name	As of December 31, 2009	
	No. of shares	% of paid-up capital
1. Mr. Somchai Kulimakin *	46,499,900	23.25
2. Mr. Aikachai Sirijantanant**	28,420,730	14.21
3. Mr. Sumruay Tichachol	27,125,000	13.56
4. Mr. Bhiya Jriyasetapong	26,125,000	13.06
5. Mr. Siri Thirawattanawong	15,426,000	7.71
6. Mr. Somkiat Terdtultaveedey	7,565,800	3.78
7. Miss Tharnpetch Jinwattanaporn	3,660,000	1.83
8. Miss Isaraporn Udompormmongkol	2,700,000	1.35
9. Mr. Chalit Limpanavet	2,333,000	1.17
10. Mr. Monthon Kurasuwan	2,150,000	1.08
11. Others	37,994,570	19.00
Total	200,000,000	100.00

Remark: included related person,

** Mrs. Boonsri Kulimakin which hold 100 shares.

** Mrs. Nisaporn Sirijantanant which hold 1,295,730 shares.

Foreign Shareholders as of December 31, 2009

The number of foreign shareholder was 4 shareholders which held 550,000 shares or 0.28% of paid-up capital

Note: The company has a limitation on the percentage of equity shares held by foreign shareholders stated in the article of association no. 7 that The company equity shares are fully transferable unless those transferring will cause share of the company held by the foreign shareholders exceed the 49% of the company total shares, the company have the rights to reject those transactions.

Dividend Policy

Company's dividend policy is to distribute to shareholders all funds surplus to the investment and operation requirements of the company as determined by the board and approved by shareholder meeting, Our target dividend payout ration is respect of each financial year is 40% of the company's net profit remained after taxation, and the appropriation of all kinds of reserve fund stipulated by the company.



MANAGEMENT AND DIRECTOR



MANAGEMENT STRUCTURE & DIRECTORS

CHAIRMAN OF THE BOARD AND INDEPENDENT DIRECTOR



Mr. Virah Mavichak

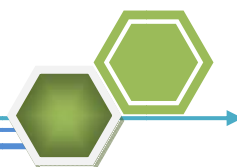
AGE 66		Percent of Share holding (%) 0.05
Present	The senator	Senate
2008 - Present	Chairman of The Board	Global Connections PCL
2004 – 2008	Chairman of Audit Committee	Global Connections PCL
2009 - Present	Independent Director	B.S. Metal co.,Ltd
2009 - Present	Independent Director and Audit Committee	Srivichai Vejvivat co., Ltd
2548 - Present	Director and Environmental Advisor	Refine Tech Co.,Ltd.
2008 - 2009	Chairman of The Board	TPT Petrochemical PCL
2001 - 2003	Director general	Department of Industrial works
1999 - 2000	Deputy undersecretary	The permanent secretary Office of Ministry of Industry
1997 - 1998	General inspector	The permanent secretary Office of Ministry of Industry
M.S. Chemical Engineering, University of Texas, USA		
B.S. Engineering, Chulalongkorn University		
Directors Certification Program (DCP) class 26/2003 Thai Institute of Directors (Thai-IOD)		
Role of the Chairman Program (RCP) class 17/2007 Thai Institute of Directors (Thai-IOD)		



CHAIRMAN OF THE AUDIT COMMITTEE AND INDEPENDENT DIRECTOR

Dr. Pisit Leeahtam

AGE 59		Percent of Share holding (%) 0.08
2008 - Present	Chairman of Audit Committee	Global Connections PCL
2004 - 2008	Chairman of the Board	Global Connections PCL
2001 - Present	Vice Chairman and Chairman of Audit Committee	KGI Securities (Thailand) PCL
2004 - Present	Chairman	Prueksa Real Estate PCL
2005 - Present	Director and Chairman of Audit Committee	Tira Thai PCL
2001 - Present	Vice Chairman and Chairman of Audit Committee	TPT Petrochemical PCL.
2004 - Present	Director and Chairman of Audit Committee	Quality Minerals PCL.
2007 - Present	Director	The Oriental Hotel (Thailand) PCL.
2006 - Present	Country Chairman, Thailand	Jardines Matheson (Thailand) Ltd.
2002 - Present	President	Provident Fund Association
2007	Member	Constitution Drafting Assembly BE 2550
2001 - 2003	President & CEO	TT&T PCL.
Ph.D, Economics, Erasmus University, Netherlands		
M.S., Economics, Erasmus University, Netherlands		
B.S., Economics, Erasmus University, Netherlands		
Directors Certification Program (DCP) class 18/2002 Thai Institute of Directors (Thai-IOD)		



AUDIT COMMITTEE AND INDEPENDENT DIRECTOR



Assoc.Prof.Chawalee Pongpatirochana

AGE 74	Percent of Share holding (%) 0.05	
Present	Executive Director	Research and Development for Industry Unit, Institute of Biotechnology and Genetic Engineering, Chulalongkorn University
2004 - Present	Audit Committee	Global Connections PCL
1999 - Present	Chairman of Audit Committee	Phatra Leasing PCL
1997 - Present	Director	Phatra Leasing PCL
1995 - 2008	Executive Director	Chula Unisearch, Chulalongkorn University
2004 - 2007	Executive Director	The Continuing Education Center, Chulalongkorn University
1996 - 2003	Managing Director	Intellectual Property Institute , Chulalongkorn University
Equivalence to Master degree, Business Administration, The School of Economics and Business Administration in Gothenburg , Sweden		
Bachelor Degree in Accounting, Chulalongkorn University		
Director Accreditation Program (DAP) class32/2005 Thai Institute of Directors (Thai-IOD)		

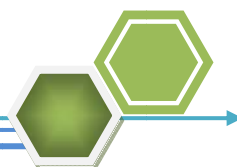


AUDIT COMMITTEE

CHAIRMAN OF THE NOMINATION AND REMUNERATION COMMITTEE

Mr. Suchart Suphayak

AGE 52		Percent of Share holding (%) 0.00
Present	Chairman of the Nomination and remuneration Committee	Global Connections PCL
2006 - Present	Audit Committee	Global Connections PCL
2007 - Present	Financial Advisor	Rerm Udom Sugar Factory Co., Ltd
2004 - 2006	Audit Committee	ADDA (Thailand) PCL
2004 - 2006	Audit Committee	Repax Construction Co., Ltd.
2003 - 2004	CFO	Sammitr Motor Group Ltd.
1998 - 2003	Vice President	Kad Suan Kaew Co., Ltd
Master Degree in Business Administration, Chulalongkorn University		
Bachelor Degree in Accounting , Assumption University		
Directors Certification Program (DCP) Class 72/2006 Thai Institute of Directors (Thai-IOD)		
Audit Committees Program (ACP) Class 14/2004 Thai Institute of Directors (Thai-IOD)		
Directors Diploma Examination Class 20/2006 Thai Institute of Directors (Thai-IOD)		



VICE CHAIRMAN AND PRESIDENT



Mr. Somchai Kulimakin

AGE 52		Percent of Share holding (%) 23.25
1995 - Present	Vice Chairman and President	Global Connections PCL
1988 - 1995	Executive Vice President	Liack Seng Trading Co., Ltd.
1985 - 1988	Assistant Manager	Central Pacific (EX-IM) GmbH, Germany
1979 - 1985	Sale Dept. Manager	Metro Co., Ltd.
Bachelor Degree in Business Administration, Assumption University		
Directors Certification Program (DCP) Class 62/2005 Thai Institute of Directors (Thai-IOD)		
Finance for Non-Finance Director (FND) Class 2/2003 Thai Institute of Directors (Thai-IOD)		
Leadership and CEO Succession Planning 4/2006 Thai Institute of Directors (Thai-IOD)		



EXECUTIVE VICE PRESIDENT :
DEPARTMENT OF MARKETING 1

Mr. Sumruay Tichachol

AGE 52

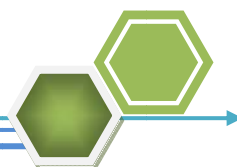
Percent of Share holding (%) 13.56

1996 - Present	Executive Vice President	Global Connections PCL
	: Department of	
	Marketing 1	
1994 - 1996	Sale Dept. Manager	Siam brother Import-Export Co.,Ltd.,
1989 - 1994	Direct Sale Manager	Thai Polyethylene Co., Ltd.
1986 - 1988	Sale Representative	Siam Cement Trading Co.,Ltd.
1981 - 1986	Sale Dept. Manager	Metro Co., Ltd.
1980 - 1981	Technical officer	Bangkok Steel Industry PCL

Bachelor Degree in Economics, Thammasat University

Directors Certification Program (DCP) Class 72/2006 Thai Institute of Directors (Thai-IOD)

Finance for Non-finance Director (FND) Class 15/2005 Thai Institute of Directors (Thai-IOD)



EXECUTIVE VICE PRESIDENT :
DEPARTMENT OF MARKETING 2



Mr. Aikachai Sirijuntanan

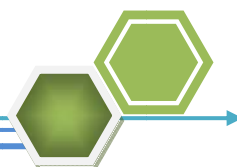
AGE 45		Percent of Share holding (%) 13.56
1995 - Present	Executive Vice President : Department of Marketing 2	Global Connections PCL
1986 - 1995	Sale Dept. Manager	Liack Seng Trading Co., Ltd.
1986 - 1988	Instructor of Polymer Engineering Faculty	Rajamangala Institute of Technology
Master Degree in Business Administration, Chulalongkorn University		
Bachelor of Science in Industrial Chemistry, King Mongkut's Institute of Technology North Bangkok.		
Bachelor Degree in Polymer Engineering, Rajamangala Institute of Technology		
Certificate Chemical Engineering, Rajamangala Institute of Technology		
Directors Certification Program (DCP) Class 69/2006 Thai Institute of Directors (Thai-IOD)		
Finance for Non-Finance Director (FND) Class 15/2005 Thai Institute of Directors (Thai-IOD)		



EXECUTIVE VICE PRESIDENT :
DEPARTMENT OF MARKETING 3

Mr. Bhija Jriyasetapong

AGE 49		Percent of Share holding (%) 13.06
Present	Director, Nomination and remuneration Committee Executive Vice President	Global Connections PCL
1995 - Present	: Department of Marketing 3 Sale Dept. Manager	Global Connections PCL
1989 - 1995	Sale Dept. Manager	Liack Seng Trading Co., Ltd.
1983 - 1989		Metro Co., Ltd.
Bachelor Degree in Business Administration, Assumption University		
Directors Certification Program (DCP) Class 69/2006 Thai Institute of Directors (Thai-IOD)		
Finance for Non-Finance Director (FND) Class 15/2005 Thai Institute of Directors (Thai-IOD)		
Director Accreditation Program (DAP) class 30/2004 Thai Institute of Directors (Thai-IOD)		



EXECUTIVE VICE PRESIDENT :
DEPARTMENT OF ADMINISTRATION & OPERATION



Mr. Siri Thirawattanawong

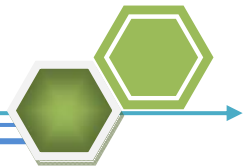
AGE 46	Percent of Share holding (%) 7.71	
Present	Director, Nomination and remuneration Committee	Global Connections PCL
1995 - Present	Executive Vice President Department of Administration and Operation	Global Connections PCL
1992 - 1994	Sale Dept. Manager	Liack Seng Trading Co., Ltd.
1990 - 1992	Sale Dept. Manager	Talomsin Plastic Co.,Ltd.
1987 - 1990	Sale Representative	MC Plastic Co.,Ltd
Bachelor Degree in Business Administration, Assumption University		
Directors Certification Program (DCP) Class 72/2006 Thai Institute of Directors (Thai-IOD)		
Finance for Non-Finance Director (FND) Class 15/2005 Thai Institute of Directors (Thai-IOD)		
Director Accreditation Program (DAP) class 30/2004 Thai Institute of Directors (Thai-IOD)		



EXECUTIVE VICE PRESIDENT - FINANCE & ACCOUNTING

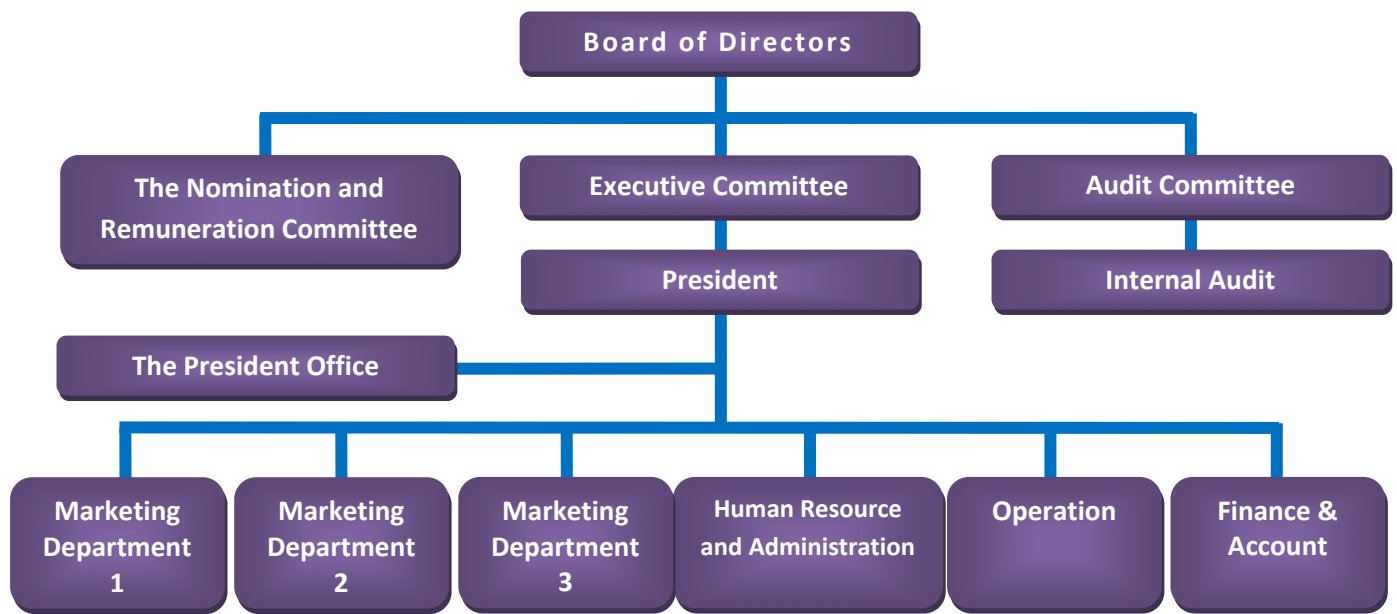
Mrs. Pravishya Hansakui

AGE 46		Percent of Share holding (%) 0.05
2002 - Present	Vice President Finance and Accounting	Global Connections PCL
2001 - 2001	Finance Planning & Accounting Manager	GlaxoSmithKline (Thailand) Limited
1998 - 2001	Accounting & Financial Controller	Block Drug Company (Thailand) Limited
1991 -1997	Finance & Accounting Manager	C. Melchers & Co., (Thailand) Ltd.
1998 -1990	Senior Auditor	PricewaterhouseCoopers ABAS Ltd.
Bachelor Degree in Business Administration, Assumption University		
Graduate Diploma in Auditing, Thammasat University		
Directors Certification Program (DCP) Class 87/2007 Thai Institute of Directors (Thai-IOD)		
Executive Development Program (EDP) class 2/2008 Thai Listed Companies Association		



MANAGEMENT STRUCTURE

Management structure comprises with three committees which are the Board of Directors, the Executive Committee, and the Audit Committee detail as the followings;



The Board of Directors

Members of the Board of Directors as of 31 December 2009

- | | |
|---|--|
| 1. Mr. Virah Mavichak * | Chairman of the Board and Independence Director |
| 2. Mr. Somchai Kulimakin | Vice-Chairman and Director |
| 3. Mr. Siri Thirawattanawong | Director |
| 4. Mr. Bhija Jriyasetapong | Director |
| 5. Mr. Sumruay Tichachol | Director |
| 6. Mr. Aikachai Sirijuntanan | Director |
| 7. Dr. Pisit Leeahtam * | Independent Director and Chairman of Audit Committee |
| 8. Assoc. Prof. Chawalee Pongpatirochna | Independent Director and Member of Audit Committee |
| 9. Mr. Suchart Suphayak | Independent Director and Member of Audit Committee |

Secretary to the Board is Ms.Pornpimol Torpaiboon

Remark: The Board of Directors' resolution held on August 13, 2008 had appointed Mr. Virah Mavichak to be a Chairman of the Board to replace Dr. Pisit Leeahtam who had changed to Chairman of Audit Committee



The name(s) of authorized directors to sign on behalf of the Company

Mr.Somchai Kulimakin Mr.Siri Thirawattanawong Mr.Phiya Jriyasetapong Mr.Samruay Tichachol Mr.Aikachai Sirijuntanan , two of five of these directors have the power of Attorney signed with Company stamp

Scope, Authorities and Duties of the Board of Directors

The Board of Directors has authority in management and operation of the Company's business in accordance with the laws, objectives, the Articles of Association, and the resolution of shareholders' meetings, has authority to formulate the policies and directions, the financial management, the risk management, to supervise and control the Management to compliance with the assigned policies efficiency and effectively, to be responsible to the shareholders, has to preserve the shareholders' interest, and disclose the information accurately and completely with the standard and the transparency. In addition, the Board of Directors is authorized to appoint the directors, and/or the executives to act under the scope of authority and duties of the Board of Directors, unless the acts of the following matters which shall be approved in advance by the shareholders' meeting:

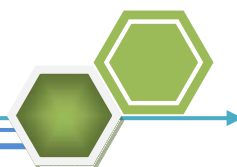
- (a) Any issues stipulated by law that resolutions of shareholders must be sought.
- (b) Any transaction in which the directors have the interest and there is a law or provision of the Stock Exchange of Thailand prescribes that there must be the approval of the shareholders' meeting for such transaction.

In this connection, the director who has the interest or has the conflict of interest in any matter is not entitled to cast the vote for such matter.

The Executive Committee

Members of the Executive Committee as of December 31, 2009

1. Mr. Somchai Kulimakin	Chairman of the Executive Committee
2. Mr. Siri Thirawattanawong	Executive Committee
3. Mr. Bhija Jriyasetapong	Executive Committee
4. Mr. Sumruay Tichachol	Executive Committee
5. Mr. Aikachai Sirijuntanan	Executive Committee



Scope, Authorities and Duties of the Executive Committee

1. To plan and formulate the Company's policies, directions, strategies, work plans, organization structure, management structure, and business discipline to proper with the circumstances of the economy and the market's competition for proposing to the Board of Directors' approval.
2. To plan and formulate the Company's business plan, annual budget, line of authority for proposing to the Board of Directors' approval.
3. To audit and follow the implementation of the Company's assigned policies and management directions efficiently and support the Company's business performance.
4. To take consideration for approval of auctions or hire of works with company or person with the budget scope not exceed 150 million Baht.
5. To recruit or dismiss the Company's staff in management level excluding Managing Director and the Company's directors positions.
6. To supervise and checks the outcome of the Company's daily operation in accordance with the Company's business plan approved by the Board of Directors.
7. To sign on any documents which related to withdrawal document from the Company's bank account under the conditions and limitations which approved by the Board of Directors.
8. To permit the Company's expenditures on the approved annual budget without any limitation.
9. To sign on contract which binding the Company for the period from 1-3 years and not exceed 150 million Baht.
10. To invest or invest in capital expenditure (not exceed 150 million Baht) or the transaction fixed on the annual budget approved by the Board of Directors.
11. To finds out the financing for investment or invest in capital expenditure which was approved by the Board of Directors, or refinance the outstanding liabilities under the better terms and conditions.
12. To approve extra compensation for staff (Bonus) in accordance with the approved budget by the Board of Directors.
13. To approve the rising of staff's compensation in accordance with the approved budget by the Board of Directors.
14. To act as appropriates for any duties which shall be assigned from the Board of Directors.



However, the Executive Committee shall delegate its powers to the Management of the Company as appropriates for approving of one or more financial issues under the authorized scope of power.

Nevertheless, the above delegation of authority shall be in accordance with Thailand legislations and the Company's the articles of association. Moreover, where the conflicts of interest of the Executive Director(s) occurred of the prohibited person under the provision of SEC, the Executive Committee shall present that issue to the Board of Directors for taking the consideration, and the Executive Director(s) who has the conflict of interest is not entitled to cast the vote for such matter.

Nonetheless, any transactions which were in relation or related with the receiving or selling the Company or affiliate Company's assets under provision of SET, shall be approved by the shareholder's meeting and/or acted as stated in that provision.

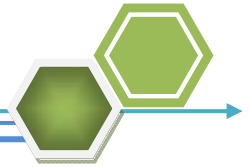
The Management

Members of the Management as of December 31, 2009

- | | |
|------------------------------|---|
| 1. Mr. Somchai Kulimakin | President |
| 2. Mr. Sumruay Tichachol | Executive Vice President Department of Marketing 1 |
| 3. Mr. Aikachai Sirijuntanan | Executive Vice President Department of Marketing 2 |
| 4. Mr. Siri Thirawattanawong | Executive Vice President Department of Administration And Operation |
| 5. Mr. Bhija Jriyasetapong | Executive Vice President Department of Marketing 3 |
| 6. Mrs. Pravishya Hansakul | Vice President Department of Accounting and Finance |

Scope, Authorities and Duties of the Managing Director

1. To manages and operates Company's normal business in accordance with business policies, plans and strategies approved by the board of Directors.
2. To permits any normal transaction of the Company including offering, contracting, purchasing, and hiring within the amount of Baht 30 Million or in accordance with the authority assigned by the Board of Directors.
3. To assigns any responsibilities of the Company's management and operation to the Management or to the staff according to organization structure approved by the Board of Directors in line with the Laws and the Company's articles of association.



4. To recruits, appoints, transfers, dismiss, lay-off, assigns wages of all Company's staffs below the management level including appointing employer's representative for the Company's provident fund committee.
5. To issues any orders, practices, declarations, and memorandums involving operation in accordance with the policies and for preserve interest of the Company and for keeping the Company's discipline.
6. To acts as appropriates for any duties which shall be assigned by the Board of Directors.

The Managing Director shall be under direct supervising of the Board of Directors and shall directly report to the Board of Directors. Thus, the Management Director shall perform in the directions and policies assigned by the Board of Directors.

Nevertheless, the above delegation of power shall be in accordance with Thailand legislations and the Company's articles of association. Moreover, where the conflicts of interests of the Managing Director occurred or the prohibited person under the SEC's provision appeared, the Managing Director do not have power for approval that matter and shall present that issue to the Board of Directors for taking the consideration.

Nonetheless, any transactions, which were in relation or related with the receiving or selling the Company of affiliated Company's assets under the SET provision, shall be approved by the shareholder's meeting and/or acts as stated in that provision.

The Audit Committee

Members of the Audit Committee as of 31 December 2009

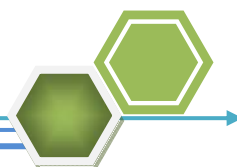
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|--|-----------------------------|
| 1. Dr. Pisit Leeahtam* | Chairman of Audit Committee |
| 2. Assoc. Prof. Chawalee Pongpatirochana | Audit Committee |
| 3. Mr. Suchart Suphayak | Audit Committee |

All of them have adequate expertise and experience to review creditability of the financial reports

Secretary to the Audit Committee is Ms Chayanit Pimonrapee

Scope, Authorities and Duties of the Audit Committee

1. To review the sufficiency, credibility and objectivity of the financial reporting by coordinating with the external auditors and management responsible for preparing the quarterly and yearly financial reports. The audit committee may suggest issues or matters to be included for review or audit by the external auditors during its audit of the company.
2. To review the adequacy and effectiveness of the internal control systems and internal audit functions by coordinating with the external auditors and internal auditors, and to determine an internal audit unit's independence, as well as to approve the appointment, transfer and dismissal of the chief of an internal audit unit or any other unit in charge of an internal audit.
3. To review compliance with the Securities and Exchange Acts, Regulations of the SET, and any other relevant laws.
4. To consider and advise the appointment of the external auditors including the audit fee by considering the independence, creditability, the adequacy of its resources, the firm's audit engagements, and the experience of its supervisory and professional staff, as well as to attend a non-management meeting with an auditor at least once a year.
5. To consider compliance with all connected transaction disclosures or the conflict-of-interests disclosures, to ensure that they are in compliance with the laws and the Exchange's regulations.
6. To take care of any other matters assigned to it by the board of directors, such as reviewing the company's financial and risk management policies, reviewing compliance with the Code of Corporate Conduct of the management, and reviewing with the company's management, all important reports which must be disclosed to the public according to the law (e.g. Management Discussion and Analysis (MD&A), etc.).



7. To report the activities of the audit committee in the company's annual report, which must be signed by the chairman of the audit committee. The following information should be included in the report.

7.1 Comments on the company's financial reporting process and the disclosure of its financial information, which must be correct, sufficient, and credible.

7.2 Comments on the adequacy of the company's internal control systems.

7.3 Statements on whether the company's auditor is suitable for re-appointment.

7.4 Comments on compliance with the Securities and Exchange Acts, Regulations of the SET, and any other relevant laws.

7.5 Comments on the transactions that may lead to conflicts of interests.

7.6 The number of the audit committee meetings, and the attendance of such meetings by each committee member.

7.7 An opinion or overview comment received by the audit committee from its performance of duties in accordance with the charter.

7.8 Other statements that shareholders and general investors deem to be considered under the scope of the functions and responsibilities assigned to them by the board.

Term of service: 2 Years

The Nomination and Remuneration Committee

Members of the Nomination and Remuneration Committee as of December 31,2009

1. Mr. Suchart Suphayak	Chairman of Committee
2. Mr. Bhiya Jriyasetapong	Committee
3. Mr. Siri Thirawattanawong	Committee

Scope of duties and responsibilities of the Nomination and Remuneration Committee

1. To elect individuals or consider candidates who are qualified to become Board of Director members or member for the committees, according to the Board of Director membership criteria for recommendation to the Board of Director.
2. Review and advice that the number of directors is sufficient and appropriate for the company, paying special attention to the qualification of members of the Board of Directors who must have diversified knowledge, ability and experience.
3. Propose and elect for the succession of the company's president to propose the Board.

4. The Nomination and Remuneration Committee regularly reports performance and submit it to the Board of Directors.
5. Regularly review the appropriateness of principle to considerate remuneration to align them with the company's goals and the interests of the shareholders.
6. Considerate appropriate remuneration or other benefits of Board of Director and President and propose to shareholders' Meeting for approval that considerate factor as follows
 - Best practice in industry for considerate remuneration.
 - Performance and size of company.
 - Responsibility, knowledge and experience of director.
7. Disclose the remuneration policy and available options and comments from the Nomination and Remuneration Committee in the Annual Report
8. Considerate appropriate remuneration to attract executive for a long time in line with the company's performance and shareholder's benefit.
9. Perform other duties as assigned by the Board of Directors.

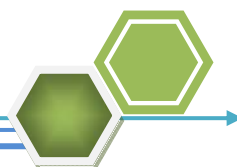
The Remuneration Committee is directly responsible to the Board of Directors. In addition, the Chairman and members of the Remuneration Committee have a term of three years. However, the Chairman and members of the Remuneration Committee may be re-appointed to their positions after the expiration of their terms.

The authority of the Remuneration Committee shall not include the authority to approve transactions which may cause a conflict of interest with the Company or any transaction in which members of the Remuneration Committee or their connected persons have an interest or benefit that causes a conflict of interest according to the SET's regulations. The approval of said transactions is required to be proposed to the Board of Directors and/or Shareholders of the Company for their consideration and approval in accordance with the Company's Articles of Association or relevant laws, except for the approval of transactions in the normal course of business which are already covered by existing guidelines approved by the Board.

The finding for the Board of Directors

According to the Company's regulations, The Nomination and Remuneration Committee shall select qualified persons to become directors. The Board of Directors consists of at least 5 Directors who appointed by the Shareholder Meeting with Majority decision in respect to the rules and measures as follows:

1. Individual election by the shareholders
2. Under 1., there is an one vote per one share



3. The sequence of persons who being appointed started from the highest votes shall be appointed respectively as the Director(s) as equal as the total number of the directors which will be appointed or elected in that period. However, when there are two or more persons getting the same amount of votes which caused to exceed the sum of appointing or electing of the Directors in that period, the decision of the Chairman of election shall prevail.

There is a number of one-third of the Board of Directors shall retire in each annual general meeting. Where the number of the Board of Directors cannot exactly divide by three, the total number of retiring Director(s) shall be the closet number of one-third. The retiring Director(s) in the first and second years after Company's transforming shall be selected by the lucky draw. Otherwise, the longer Directors shall be retired. However, the retiring Director(s) under this clause may be re-elected.

Except for the number of the Board of Directors is not enough for the completion of its meeting, Where there is the unoccupied Director(s) caused by any reasons other than from the duration expired, the Board of Directors shall appoint the person(s), who qualified, and not prohibited by laws, to be the replaced Director(s) in the next Board of Directors' meeting. In case of the duration of the replaced Director(s) is less than 2 months left, the replacing Directors(s) shall be on that position as long as the left duration of the replaced Director(s).

Where the number of the Board of Directors is not enough of the completion of its meeting, the rests of the Board of Directors shall manage, on behalf of the Board of Directors, merely for setting up the Shareholder's meeting for election of the entire unoccupied Director(s).

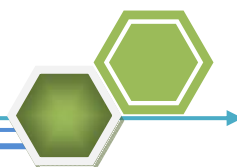
The rules of Nomitation of Independent Directors

The proceeding of finding the independent Directors

Firstly, the Nomination and Remuneration Committee shall consider the persons who have the qualifications as defined by the regulation of SEC, and intently support the Company's businesses with their appropriate potentials. Then, the Shareholder's Meeting shall consider for approval on the final step. In case of any vacancy occurs in independent directors other than by rotation, the Board of Directors shall elects a person who has the qualifications to be independent directors as replacement for the remaining term of the independent directors whom they replace and then inform in next shareholder meeting.

Qualificaton of Independent Directors

1. Holding shares in total not more than one percent of total shares with voting rights of the Company, its Parent Company, its Subsidiary, its Affiliate or other juristic person which may have Conflicts of Interest provided that the share held by related person of independent directors shall be inclusive;.
2. Not being a director having participation in the management, an employee, staff, advisor who receives a regular salary, or Controlling Person of the Company, its Parent Company, its Subsidiary, a subsidiary in the same level, its Affiliate or other juristic person which may have Conflicts of Interest, except for having passed from such the position for not less than two years before appointment;
3. Not being a related person by blood or registration under laws, such as father, mother, spouse, sibling or children including spouses of children of Executives, Major Shareholders, Controlling Person, or such other person who will be nominated to take up the position of Executives or Controlling Person of the Company or its Subsidiary;
4. Having no business relationship with the Company, its Parent Company, its Subsidiary, its Affiliate or other juristic person which may have Conflicts of Interest in the manner which may interfere his or her use of independent judgment as well as not being Major Shareholder, a director who is not an independent director, or an Executive of a person who have business relationship with the Company, its Parent Company, its Subsidiary, its Affiliate or other juristic person which may have Conflicts of Interest, except for having passed from such the position for not less than two years before appointment;
5. Not being an auditor of the Company, its Parent Company, its Subsidiary, its Affiliate or other juristic person which may have Conflicts of Interest, and not being a major shareholder, a non-independent director, an executive or a managing partner of an audit firm for which the auditors of the Company, its Parent Company, its Subsidiary, its Affiliate or other juristic person which may have Conflicts of Interest work; except for having passed from such the position for not less than two years before appointment;
6. Not being a professional service provider, including a legal consultant or financial advisor who receives wages of more than Baht two million per year from the Company, its Parent Company, its Subsidiary, its Affiliate or other juristic person which may have Conflicts of Interest. In case the professional service provider is a juristic person, a major shareholder, a non-independent director, an executive and a managing partner of the professional service provider shall be inclusive, except for having passed from such the position for not less than two years before appointment;



7. Not being a director appointed as a representative of the Company's board of directors, Major Shareholders or shareholders who are related to the Company's Major Shareholder; and
8. Not having other characteristics which result in not capable to provide independent opinion with regard to the Company's businesses.

Remuneration

Monetary Remuneration

- (1) Remuneration for the Board of Directors From Fiscal year end December 31, 2008 and December 31, 2009, the number of meeting and the amount of annual gratuity for the Board of Directors as the followings

Meeting

	Name	Position	Attendance/ Number of Meeting for Board of Direct		Attendance/ Number of Meeting for Audit Committee	
			2008	2009	2008	2009
1	Mr. Virah Mavichak*	Chairman of the Board	4/4	4/4	3/3	4/4
2	Dr. Pisit Leeahtam*	Chairman of Audit Committee	4/4	4/4	1/1	4/4
3	Assoc. Prof. Chawalee	Audit Committee	4/4	4/4	4/4	4/4
4	Mr. Suchart Suphayak*	Audit Committee	4/4	4/4	4/4	4/4
5	Mr. Somchai Kulimakin	Vice Chairman and Director	4/4	4/4		
6	Mr. Siri Thirawattanawong	Director	4/4	4/4		
7	Mr. Bhija Jriyasetapong	Director	4/4	4/4		
8	Mr. Sumruay Tichachol	Director	4/4	4/4		
9	Mr. Aikachai Sirijuntanan	Director	4/4	4/4		

Remark: * The Board of Directors' resolution no 3/2551 held on August 13,2008 had appointed Mr. Virah Mavichak to be a Chairman of the Board and Dr. Pisit Leeatham to be a Chairman of the Audit Committee.

	Name	Position	Attendance/ Number of Meeting for the Nomination and Remuneration Committee	
			2008	2009
1	Mr. Suchart Suphayak*	Chairman of the Nomination and Remuneration Committee	1/1	1/1
2	Mr. Siri Thirawattanawong	the Nomination and Remuneration Committee	1/1	1/1
3	Mr. Bhija Jriyasetapong	the Nomination and Remuneration Committee	1/1	1/1

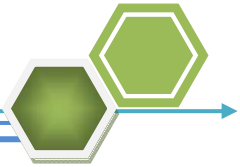
Remark: * The independent director

Remuneration

	Name	Position	2008	2009
1	Mr. Virah Mavichak*	Chairman of the Board	170,000	200,000
2	Dr. Pisit Leehtam*	Chairman of Audit Committee	190,000	160,000
3	Assoc. Prof. Chawalee	Audit Committee	120,000	120,000
4	Mr. Suchart Suphayak*	Audit Committee	120,000	135,000
5	Mr. Somchai Kulimakin	Vice Chairman and Director	80,000	80,000
6	Mr. Siri Thirawattanawong	Director	60,000	70,000
7	Mr. Bhija Jriyasetapong	Director	60,000	70,000
8	Mr. Sumruay Tichachol	Director	60,000	60,000
9	Mr. Aikachai Sirijuntanan	Director	60,000	60,000
	Total		920,000	955,000

Remark: * The independent Director

Besides the meeting allowances per each meeting as showed in the table above, the company had grant monthly compensation to four independent directors as a total of 1,140,000 THB in 2009 and allocate bonus for nine directors as a total of 1,540,000 THB and 1,540,000 THB in 2008 and 2009 respectively. Anyway all remunerations are approved by shareholder meeting in amount which not exceed 4,000,000 THB



- (2) Remuneration for executive directors and management committee For the Fiscal year ended 31 December 2009, remuneration for executive directors and management committee total of six was Baht 24.95 million in form of salary and bonus.

Other forms of remuneration

The company has established provident fund since 2000, the company's contribution to the provident fund for the management executives (The Management committee) totaled Baht 2.95 million in 2008 and Baht 2.95 million in 2009. The Company also provided automobile for the 6 management committee members.



PROFESSIONAL

Corporate
value

FOCUS

THE PRINCIPLES OF CORPORATE GOVERNANCE

The Company emphasize the importance of Corporate Governance (CG) which it is a practice to structure the leadership in line with transparency, responsibility, and generate business competitiveness for sustaining the capital investment of shareholders and enhance the share value back to the long term shareholders in accordance with the ethic, and responsible to both stakeholders and society as a whole.

In order to build the business growth continuously and to create the trust to investors and stakeholders, the company had regulated the company's vision, mission, objective of Corporate Governance, code of conduct, business strategic direction, business plan and budget by appointing management team to propose all issues to the board of directors for consideration to express and debate prior to mutual agreement and approval.

Good corporate governance policy in the year 2009

The Company duly complied with the principles of good corporate governance for listed companies 2006. In 2009, the company was evaluated Corporate Governance by the Thai Institute of Directors Association (IOD) which corporate-governance scores showed "Excellent" (5 STAR) benchmark. This is the first time which the company gets the 5 star CG rating after the second years join evaluated program

In 2009, the Company has continuously observed the good corporate governance policy.

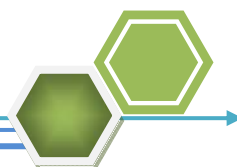
- ❑ **Rights of shareholders:** The Company allowed minor shareholders to propose agendas and name of directors for the Annual General Meeting of Shareholders in advance during January to February 2008. The company established the transparent procedures and criteria and publicized them on the company's website and notified the shareholders through the Stock Exchange of Thailand which shareholders able to propose within 30 days.
- ❑ **Equitable treatment of shareholders:** The company organized the shareholders' meeting on Friday 3 April 2009 at meeting room of the Global Connections Public Company Limited. The company provided a van to facilitate shareholders to join AGM from The Stock Exchange of Thailand.

The company also made available the letters of invitation as well as the agenda items of the meeting on the company's website to enable the shareholders to study all the information for decisions for more than 30 days. The document materials included the directors' opinions for each agenda item and proxy authorization letter, including the details of document required for authorization to facilitate the shareholders

For the shareholders who could not attend the meeting, the company recorded the shareholders' meeting to produced VCD for shareholders' request and released it on the company's website to inform them of the meeting in addition from the minutes of the meeting available to the shareholders through the Stock Exchange of Thailand and the company's website.

- ❑ **Roles of Stakeholders:** The company reviewed and rectified its code of conduct and posted on company's website. The code of conduct was printed and delivered to all employees for compliance. Moreover, the company has set the channels to receive complaints on CG ethical conduct. There was no petition in 2009
- ❑ **Disclosure and Transparency:** The company informs performance of the company to Analysts and investors in Opportunity day of the Stock Exchange of Thailand every quarter. The company discloses its information, financial statements and other notices through the Stock Exchange of Thailand or the company's website. Invertors can reach company's Investor Relations Department at telephone or e-mail.
- ❑ **Responsibilities of the Board of Directors:** The Board of directors resolved to upgrade the good corporate governance standard in accordance with the Good Corporate Governance Standard of the listed companies in 2006. In 2009, Directors always attend for meeting of Board of Directors. The company is also considering for proportion of independent director more than 50 percent with the Good Corporate Governance Policy.

The Board of directors has continued to strengthen its commitment in good corporate governance principles for the sake of the shareholders and stakeholders with an aim to develop the supervision standard to internationally-accepted levels according to the guideline and direction related to The Stock Exchange of Thailand (SET) and Securities and Exchange Commission as the following,



Section 1 Rights and Equitable Treatment of Shareholders

Recognizing the importance of shareholders' equitable rights

- Shareholders shall obtain relevant material of company information on a timely, sufficient and appropriate for decision making.

The company has policy to send the invitation letter together with the relevant documents and information on each agenda item to the shareholders not less than 14 days prior to the meeting and will record the minutes of the meeting correctly for shareholders inspection, the company realizes the importance of shareholders' right in access to company's information. The company will add details of issues for consideration, reasons and impacts of each agenda.

- Participate and vote in shareholders' meetings

All shareholders possess equal rights to express their opinion and/or concern to acquire explanations and ask additional question in association with the operation of business.

- Right of equitable Treatment

Besides above-mentioned , All shareholders possess equal basic rights such as rights to receive share certificates and rights to transfer shares, rights to elect and remove directors, rights to approve the appointment of auditors and rights to share in profit of the company.

- Shareholders Meeting

Shareholders should receive letter of invitation to the meeting and the letter contains information relating to the location, date, time and agenda. Shareholders may request to directors to add additional agenda of meeting and may pose questions In advance prior to meeting date.

Besides, The Chairman, Executive Directors, Audit Committee, Auditor and legal adviser should participate in the shareholders' meetings to answer questions. The minutes of Shareholders Meeting will be presented in the next Shareholders Meeting for acknowledgement.

After the minute has been approved by the meeting, The Company shall keep it in a safe place for verification by concerned party.



Section 2 Rights of Stakeholders

The company believes in good relationship and well cooperation between the Company and the stakeholders will enable the company to bring sustainable growth. Hence the board of directors assigns the code of conduct that emphasizes the importance of stakeholders' rights. The board of directors announces the code of conduct to the board of directors and all employees as guideline for regular practice.

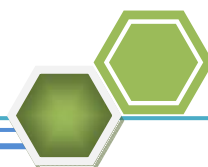
□ Principles and core Values

These thirteen principles have been approved by the Board of Directors. It is expected that all directors and each employee follow these principles in all their activities for the company.

1. Honesty
2. Promise-keeping and Trust Worthiness
3. Keep Confidential Business Information
4. Professionalism
5. Integrity
6. Leadership
7. Compliance to law & Regulations
8. Loyalty
9. Fairness
10. Empathy
11. Respect to others
12. Commitment to Excellence
13. Reputation and Honor

□ Treatment of stakeholder

1. Policies and practices toward shareholders
2. Policies and practices toward staffs
3. Policies and practices toward customers
4. Policies and practices toward trading partners and/or creditors
5. Policies and practices toward competitors
6. Responsibility to the community and Society
7. Environment, Health and Safety in work place



❑ **Conflict of interest**

On the subject of conflict of interest, all staffs have to comply with the policy to avoid any activity, investment or any form of benefit, that result in losses of integrity or reputation of the company and also of staffs.

❑ **Company's right of ownership of Information**

All of us strictly comply with policy, rules and regulations including any guidance set by the company to save its information.

❑ **The gathering of information relevant to the competitors, including productive and technical information**

We comply the policies which concern about finding the information of competitors, including productive and technical information. We will not perform any procedure that is prohibited by law (Theft, Graft) or not authorized by code of conduct in order to obtain the competitor's information

❑ **Political Activity and Participation**

The basic policy of the company specify that the company will not contribute money or any resource of the company for encouraging political action to political parties, candidates except if it is allowed by the law and supports democracy. The company comply with related laws and regulation to ensure that the right of stakeholders are well taken care of.

Section 3 Information Disclosure and Transparency

The Board of directors values the importance of disclosure of accurate, adequate, regular and timely information of the company. Therefore the company has the policies to organize financial statements which display the company's financial status and performance, shareholders structure and the Corporate Governance Policy that is transparent, auditable. Furthermore, the company has established an Investor Relation Division to disseminate information to shareholders and securities analysts to understand the company on equal basis.

The Board of directors is responsible for financial reports of the company and the financial information in its Annual Report. The financial report is prepared in accordance with Generally-Accepted Accounting Principles (GAAP in Thailand by choosing an appropriate policy and practice on regular basis). In addition, all relevant information will be adequately disclosed in the remarks to financial statements.

The company has appointed the audit committee to verify financial report and internal audit system to ensure efficiency & transparency of the operation, including following the company policies and related laws, considering nomination and remuneration of auditor.

Section 4 Responsibilities of the Board

□ Board of Directors composition

The Board of directors shall consist 9 directors, a chairman, a vice chairman and directors, of which 4 of 9 are independent directors as 44% of the entire Board of directors which comply by law and regulation. No less than one-third of directors shall be Independent directors who have no business relationship or any other relationship with the company which may affect the director's independent exercise of discretion

□ Duration of the term of service of director

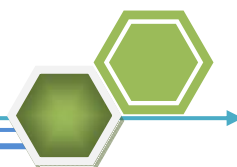
The Board of Directors has set the duration of the term of service of director in accordance with the Articles of Association of the Company. In every AGM, one-third of the board of directors, or if their number is not a multiple of three, then the number nearest to one-third will have to retire from the post. The Company's directors, who must be retired in the first year and in the second year after the Company registration, shall be selected by means of lot drawing whereas, in the subsequent years, the director who has been in the position for the longest period will be retired. The retiring director may be reelected again.

□ Separation of positions

The chairman of the board of directors is an independent director who does not have a management position under the principle of segregation of roles in policy formulation and oversight from those in operations management. Beside, the company has the audit committee that consist 3 independent directors. The function of the audit committee is to balance and review operations management.

□ Sub-committees

The sub- committees comprise of 2 committees, the audit committee and the Nomination and Remuneration Committee. The audit committee consists of 3 independent directors for Corporate Governance. The authority of this audit committee is described under the management structure section. The audit committee holds meetings regularly once in every 3 months and report directly to the Board of directors.



The Nomination and Remuneration Committee consists of three members. The authorities of the Nomination and Remuneration Committee are described under the management structure section.

■ **Board of Directors' meeting**

The Company's policy is to arrange a board of director meeting at least 4 times per year and Executive committee meeting at least once every month for considering short term and long term strategy. There shall be directors attending the meeting not less than half of the total number of directors to complete the quorum. The secretary to the Board will inform and send the notice of the meeting to the Board of Directors. The secretary to the Board will inform and send the notice of the meeting which contains details of date, time and place together with agenda and related documents to the Board of Directors 7 days prior to the meeting for an appropriate consideration. The member of the Board is able to raise more agenda and present idea openly and directly. The Company's secretary will record and take minutes of the meeting.

The Board of Directors appoints a company's secretary to support the function of the Board of Directors. The secretary's duty is prepare agenda, invitation for meeting and arrange meeting, including advising about law, rule and the regulation for the meeting and prepare minutes of the meeting for the chairman's approval prior to submitting for the meeting acknowledgement.

■ **The remuneration of directors and the management**

- **Directors' remuneration:** The Company has specified directors' and management's remuneration clearly and with transparency. The remuneration of directors will be comparable with similar industry and will be appealing enough to attract and retain qualified directors. Moreover the director who is assigned more responsibility will obtain more appropriate remuneration accordingly.
- **The managements' remuneration:** The managements' remuneration is based on the policy that set by The Company's Board of Directors in conjunction with the performance of The Company and each individual director.

The Board of Directors assigns the Nomination and Remuneration Committee to consider compensation of the director. The directors' remuneration should be comparable with similar industry and take into account the performance of The Company as well.

□ **Succession policy**

The Board of Directors assigns the Nomination and Remuneration Committee to prepare a succession plan for the position of CEO to ensure that the company is managed at all the time by CEO with appropriate competency and skills. Managing Director has attended the leadership and CEO Succession Planning Course to inherit the position in the future.

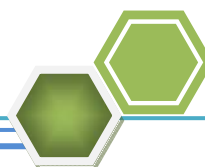
□ **Orientation for New Directors and Enhancement of Business Knowledge**

The Board of Directors assigns the secretary of the Board to prepare information for all new directors so as to inform them of the business of the company, a director's roles, duties and responsibilities and compliance with the company's corporate governance Policy and practices. Simultaneously encourage all directors to have better knowledge and understanding of company's business to enhance their role as an efficient directors.

□ **Assessment of Performance of the Board of Directors**

To ensure that operation is in line with the set goals, the Board of directors requires that the management reports the results of actual operation in comparison with set targets on a regular basis. In the event that operation fails to perform as planned, the Board of Directors shall request the management to propose plans to resolve the situation and shall provide corrective strategic directions.

The Board of Directors has policy to assess the annual performance of the Board themselves. The criteria for such evaluation will be related to the annual business plan in short and long term.



Section 5 Conflict of interest

In the event of the transactions with conflict of interest may possibly occur, the Board of Directors will carefully take into consideration in the interest of the company. Moreover a Policy and Procedure on the approval of related transactions such as purchasing or selling between juristic company and persons involved will be conducted under the rules and conditions which were conducted with the same standard as that of an external vendor. In case of the connected transactions occurred are not normal case, the related department of the Company will gather these information to propose to the Audit Committee for consideration and giving opinion that they have been conducted according to the Company's normal practice with the fair price before they will be perused by the Board of Directors once again. In addition, the Company shall be obliged to comply strictly with securities trading law and related rules and regulations governing the Securities and Exchange. In any transaction in which concerned persons are persons whose personal interest may conflict with the Company's interest, such persons will not be eligible to vote approval of such transactions.

Section 6 Internal Control and Internal Audit systems

- ❑ **Internal Control and Internal Audit systems:** The Board of Directors and The Audit Committees have reviewed the internal control systems of the Company with executives regularly and gave its opinion that the Company has an adequate appropriate internal control systems and sufficient to protect its assets from serious misconduct or other irregularities in management of the Company such as setting authorization and writing operational regulations as well as recognition of the importance of internal control systems. An independent Internal Audit Office is established to ensure that all operation units of the company are in compliance with set operating procedures and to coordinate with external auditor. The Internal Audit Office reports directly to the Audit Committee.

Furthermore, the Company has system to keep important documents for verification of the auditor and legislative authority.

- ❑ **Utilization of Inside Information:** The Company has a policy governing utilization of the Company's inside information by directors and executives for personal gain, disclosure it to other persons including selling or buying securities. As well as all directors and executives must comply strictly with securities trading law of the Office of Securities and Exchange Commission regarding disclosure their trading of securities of the Company as follows



The Company's policy is to uphold ethics and conduct its business with integrity to customers, suppliers and the shareholders of the Company, within its regulations and Code of Conduct. In case of inside information of the Company is utilized by the executives or employees for personal gain or revelation confidential information to outsiders including making transactions that may pose potential conflict of interest, these actions are serious misconduct and disciplinary punishment may be taken.

a) The company will notify the board of directors and executives who perceive inside information that may affect the price of securities. to refrain from trading their shares of the company one week before and 24 hours after financial statement has been revealed to the public and prohibit disclosure of inside information to others.

b) The company has instructed its directors and executives to report any change in their holding of securities of company in accordance with section 59 and provisions on penalties section 275 stipulated of Securities and Exchange Act B.E 2535 and the regulations of the SET including to their spouses and children less than 21 years of age. The directors and Executives must submit one copy of the securities disclosure report to the Company and the Securities and Exchange Commission on the same day.

Section 7 Risk Management

The company gives importance to risk management system by assessing and setting the company's risk constantly relating to business operation risk and financial risk of the company. The company has initiated management meeting consist of management team and all support functions in every month to settle strategies and policies to reduce the company's risk and assign related departments to monitor risk and report to management team.

CORPORATE SOCIAL RESPONSIBILITIES

GC recognizes that its businesses have direct and indirect impact on the communities in which we operate. GC undertakes a wide variety of social contribution activities, to help address the needs of communities in regions where GC conducts business. Several programs in fiscal 2009 are presented below;

- Donated Baht 10,000 to Bantabkwang spital in Saraburi province.
- Donation consumer and necessity things to Bantabkwang spital in Saraburi province in the amount of Baht 11,555.

Moreover the GC employees joined and contributed to these communities through various donations together with the Company.





PARTNERSHIP

Corporate
value

STRIVE FOR BETTER

RELATED TRANSACTION

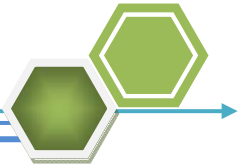
(Unit: Million Baht)

Related Company / person	Description of Relations	Description of Transactions	Size of 2008 transactions	Size of 2009 transactions	Necessaries and reasons of transactions
Integrity Plastics Co., Ltd	Mr. Chanchai Ruckthananon (brother of Mr. Aikachai Sirichantanunt, the major shareholder and director of the GC company) was the major shareholder and director of the Integrity Plastics Company.	Trade the instant petrochemical products, on the date of 31st December 2008 and 2009 has the sum of the debts at 1.06 and 5.50 million Baht respectively	6.79	22.16	There were normal businesses and transactions of the GC Company with its customers. Therefore, the Audit Committee found that they were normal businesses and transactions of GC company and they were in relation with the related market prices
		Purchase the instant petrochemical products, on the date of 31st December 2008 and 2009 has the sum of the debts at 0.00 and 1.50 million Baht respectively	0.00	15.62	For product development and also ensure customer satisfaction. The company engages Integrity Plastic Co., Ltd. (IPC) to blend and keep secretes of product formulation. IPC will buy raw material in market price and sell back to the company with its raw material cost plus blend service fee. The Audit Committee considers that these transactions were normal businesses transaction and related with market price.



(Unit: Million Baht)

Related Company / person	Description of Relations	Description of Transactions	Size of 2008 transactions	Size of 2009 transactions	Necessaries and reasons of transactions
Vector Solution Co.,Ltd	Ms.Patchamon Thirawattanawong, elder sister of Mr. Siri Thirawattanawong (major shareholder and director of GC Company), is the major shareholder and director of Vector Solution Company	Purchase the office supply products	0.01	0.18	There were purchase of computers and parts for the GC Company's business operations. The Audit Committee found that they were normal businesses and transactions of GC company and they were in relation with the market related prices.
New Modern Superpack Co.,Ltd.	Mr. Wichan Nanthananonchai, The major share holder of New modern is an elder brother of Ms. Boonsri Kuleemakin (shareholder of 100 shares) who is a wife of Mr.Somchai Kuleemakin's (major shareholder and director of the GC Company) and also be director of New Modern Company	Trade the instant petrochemical products, on the date of 31st December 2008 and 2009 has the sum of the debts at 0.81 and 0.00. million Baht respectively	16.65	23.33	There were normal businesses and transactions of the GC Company with its customers. Therefore, the Audit Committee found that they were normal businesses and transactions of GC company and they were in relation with the market related prices.



(Unit: Million Baht)

Related Company / person	Description of Relations	Description of Transactions	Size of 2008 transactions	Size of 2009 transactions	Necessaries and reasons of transactions
21 Construction Co.,Ltd	Mr. Hook Tichachol, the elder brother of Mr. Sumruay Tichachol which is the major shareholder and director of the GC Company, is the major and director of 21 Construction Company.	Payment for the building and warehouse's construction	0.11	0.17	Due to 21 Construction Co., Ltd was the constructor of the GC company's warehouse and office. Later, the land surface around warehouse got the problem therefore the GC company was hire the mentioned company to fix the problem. Therefore, the Audit Committee considered and found that they were normal businesses and those transactions were in relation with the contracts and reasonable.
GC company's directors which are: 1. Mr. Sumruay Tichachol 2. Mr.Siri Thirawattanawong 3. Mr.Bhiya Jariyasethapong 4. Mrs. Pravishya Hansakui	Company's directors	Sell car in the position to all directors and executives which had set in rule of the Company since 2005	2.04	0.00	The Audit Committee found that they were normal transactions of GC company and they were in rule of the Company.



PROACTIVE THINKING

Corporate
Culture

UNITY / EFFICIENCY

DISCUSSION & ANALYSIS OF OPERATING RESULTS & FINANCIAL POSITION

Analysis of Overall Performance

The distribution business of the plastic resins, plastic, and petrochemical related products need relatively high working capital. The key success factors of this business depend on the inventory management, the logistic systems that meet the clients' needs in time, cost of capital, receivables management and sales revenue. Due to this business has low gross profit margin, to build up more sales revenue will result in good net profit.

Sales revenue

The Company had total sales revenue of Baht 2,647 million in 2009, decreased Baht 763 million from last year or equivalent to 22.37%. This was due to the shrinking in purchasing power which was the impact of global economic downturn that occurred since Q4/2008 as well as the dropping of selling price in accordance with oil price fluctuation.

Financial Operating Results

In 2009, total cost of sales and operating expenses were Baht 2,537 million, or 23.15% decreased from last year. Our major expenses was costs of goods sold, a decrease of 22.37% from last year which was in line with the decrease of sales revenue. The costs of goods sold compared to sales value was maintained from 92.92% to 92.91% in 2009 due to nearly the same average gross profit margin.

GC incurred Baht 78 million in selling and administrative expenses, a decrease of 41.69% from last year. This was due to the allowance for diminution in value of inventory made in 2008 amounting to Baht 23 million whereas in 2009 there was a reversal of such account amounting to Baht 21 million for the inventory items sold. Additionally, there was an increase in allowance for doubtful accounts of Baht 7 million in 2008 whereas there was no such transaction in 2009.

Interest expenses were Baht 6 million, or 61.55% lower than last year's. This was due the decline in short term loan requirement during the year coupled with the downward trend of interest rate during 2009.

As a result of the discussed factors, our net income rose to Baht 96 million in 2009 versus Baht 77 million in 2008 or equivalent to 25.82% increased.

Comparison of Financial Position (FY2008/2007)

Assets: As of 31 December 2009, GC recorded total assets of Baht 828 million, representing an increase of Baht 57 million from last year. This was mainly due to the increase in trade accounts receivable. The assets with major changed were as follows :

As of 31 December 2009 total current assets showed Baht 676 million, an increase of Baht 66 million or 10.87% increased from last year. This was mainly due to the increase in trade accounts receivable of Baht 102 million from Baht 283 million in 2008 to be Baht 386 million in 2009 resulting from the higher collection period. In addition, the major portion of accounts receivable or equivalent to 70.50% was not yet due resulting from the higher monthly sales revenue since Q3/2009 onward.

While inventories showed Baht 266 million as of 31 December 2009, a decrease of Baht 39 million or 12.88% decreased from last year. This was due to the lower inventory unit costs compared to last year's. In addition, there was high inventory level in ending 2008 resulting from the slow down sales revenue during the last quarter of 2008.

Liabilities : As of 31 December 2009, GC recorded total liabilities of Baht 433 million, an increase of Baht 12 million or 2.92% increased from the previous year. The major liabilities was short-term loans from financial institutions. The ending 2009 balance of short-term loan was Baht 220 million versus 290 million as of 2008 or equivalent to 24.14% decreased as lower inventories. This was also caused the Debts to Equity Ratio reduced to 1.10 times compared to 1.20 times of 2008.

Sources of Funds : The structure of GC's funds in 2009 was not much different from those of 2008 as they were in term of short-term liabilities. The major liabilities were from short-term loans from financial institutions, bank overdrafts, and trade accounts payable.

Shareholders' Equity: As of 31 December 2009, the portion of shareholders' equity amounted to Baht 395 million, an increase of Baht 44 million, or 12.63%, due to a rise in net profit from operations of fiscal year 2009.

Liquidity: In 2009 GC had better liquidity. Since after listed, GC had good fund from the IPO proceeds at the end of 2005 and the working capital from deposits redemption at the beginning of 2006. This caused a better working capital management to reduce the cost of fund.

In 2009 GC had a current ratio at 1.58 times compared to 1.48 times in 2008 which had been increasing since 2002 at 0.86 time. The key factor was the decrease in short term loans as lower inventories while the accounts receivable increased in accordance with sales growth.

AUDIT COMMITTEE'S REPORT YEAR 2009

To: The Shareholders

The Audit Committee of Global Connections Public Company, which was appointed by the resolution of the Board of Director's meeting, consists of three independent Directors as follows:

1. Dr. Pisit Leeahtam	Chairman of Audit Committee
2. Assoc. Prof. Chawalee Pongpatirochna	Audit Committee
3. Mr. Suchart Suphayak	Audit Committee

For the year of 2009, the Audit Committee had independently accomplished their assigned tasks with no limitations in gathering the Company's information in any aspects. The Audit Committee had organized totally 4 meetings with concerned management; these included 4 meetings with the external auditors. The Main important issues can be summarized as follows:

1. The Audit Committee had considered the reviewed quarterly financial statement and the audited financial statement for the year 2009 to confirm that The Company's financial report was made in accordance with Generally Accepted Accounting Principles and the disclosure of information was sufficient, complete and reliable. Moreover, the Committee had intensively considered and discussed the audited report with the external auditor for four times. We believed that Ernst & Young fulfill their duties with suitable and comply with professional accounting standard. And also discussed with internal auditors and provided The Company with valuable notices and suggestions.
2. The Audit Committee had considered internal audit plan for the year 2009 which prepared by the internal audit section of the Company. The Committee agreed that the plan could cover all activities of the Company.
3. The Audit Committee had considered the internal audit report which was planned. Moreover, the Committee also provided its suggestions and had followed up the correction of notable issues as reported in the internal audit report for the appropriate internal control and reducing the risks which may occur.
4. The Audit Committee had provided some suggestions over the internal control system of the Company. The Committee assessed the Company risks which may occur during the Company operation processes such as checking the inventory, evaluation of the stocked products, as well as the risk management incurred by the currency exchange rate.

5. The Audit Committee had considered the GC 's budget for the year 2009 and recommended the Company to set up annual work plan that consist with the planned budget.
6. The Audit Committee had suggested the Company to observe rules and regulations including any policies which the Company has issued or revised in 2009 and keep in well order of those documents.
7. The Audit Committee had overseen to ensure that all rules and regulations are strictly enforced, and no significant abuse was founded.
8. The Audit Committee had reviewed The Company's compliance to all legal aspects and regulations to SET, as well as other business laws in order to ensure the shareholders and all concerned parties of Company's good corporate governance and transparency. The Committee are in the view that The Company had conducted its business consistently with all related laws and find no significant mistake. The Audit Committee also commented on the disclosure of related transactions between the Company and other related companies that those transactions were executed as normal business practice with reasonable market prices. These all are in the line with regulation set up by SET.
9. The Committee has selected the authorized Auditors with fixed remunerations and proposed to the Board of Directors for further requesting the Shareholder's approval for appointing Ernst & Young Office Limited, also recognized either of Khun Tempong Panyawattano, C.P.A. registration number 3315, and/or Khun Suppachai Panyawattano, C.P.A. registration number 3930, and/or Khun Tippawan Nananuwat, , C.P.A registration number 3459, to be the Company's Auditor for another period of the fiscal year end on 31 December 2009



(Dr. Pisit Leeahtam)

Chairman of Audit Committee

Global Connections Public Company



STATEMENT OF BOARD OF DIRECTORS RESPONSIBILITIES FOR THE FINANCIAL STATEMENTS

The Board of Directors has realized the importance of its role and responsibility on implanting the corporate governance principle into the company's management. This also means to ensure that the company's financial statement and financial information in the annual report is accurate, complete and in line with the accounting standard; thus, reflecting the actual financial status and operational results of the company and disclosing adequate important information to stakeholders and investors.

In this regard, the Board of Directors has focused on improving the management structure and internal control systems to boost the creditability of the company's financial statement. Such improvement also helps guarantee that the company is equipped with an effective system to monitor its assets and to prevent serious misconducts and other operational irregularities of the company.

The Board of Directors has appointed the Audit Committee comprising of a number of independent directors, who are fully qualified under the requirements by the Stock Exchange of Thailand. The Audit Committee is mainly responsible for maintaining the quality of the financial report and internal control systems. It is also responsible for any disclosure of connected transactions. The Committee's reviews on such matters will appear in this Annual Report and form 56-1 under the Audit Committee's Report.

The Board of Directors is of the opinion that the overall internal control systems of the company can be regarded as "satisfying". Therefore, the Board is confident that the company's financial statement as of 31st December 2009 reliable and is audited in line with the universally accepted auditing standards by the company's auditor; so it reflects an accurate financial status and operational results of the company as required by most accounting standards that are generally accepted.

(Mr. Virah Mavichak)

Chairman of the Board

(Somchai Kulimakin)

President



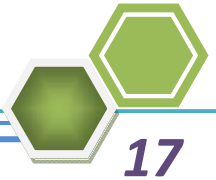
HAPPINESS

Corporate
Culture

ADAPT TO CHANGE



GLOBAL
CONNECTIONS
PUBLIC COMPANY LIMITED



FINANCIAL STATEMENT YEAR 2009



GLOBAL CONNECTIONS PUBLIC COMPANY LIMITED

REPORT AND FINANCIAL STATEMENTS

31 DECEMBER 2009



Report of Independent Auditor

To the Shareholders of Global Connections Public Company Limited

I have audited the balance sheet of Global Connections Public Company Limited as at 31 December 2009, and the related statements of income, changes in shareholders' equity and cash flows for the year then ended. These financial statements are the responsibility of the management of the Company as to their correctness and the completeness of the presentation. My responsibility is to express an opinion on these financial statements based on my audit. The financial statements of Global Connections Public Company Limited as at 31 December 2008 and for the year then ended, as presented herein for comparative purposes, were audit in accordance with generally accepted auditing standards by another auditor in my office who, under her report dated 26 February 2009, expressed an unqualified opinion on those financial statements.

I conducted my audit in accordance with generally accepted auditing standards. Those standards require that I plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. I believe that my audit provides a reasonable basis for my opinion.

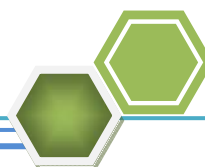
In my opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Global Connections Public Company Limited as at 31 December 2009, the results of its operations, and cash flows for the year then ended, in accordance with generally accepted accounting principles.

Thipawan Nanauwat

Certified Public Accountant (Thailand) No. 3459

Ernst & Young Office Limited

Bangkok: 24 February 2010



Global Connections Public Company Limited

Balance sheets

As at 31 December 2009 and 2008

			(Unit: Baht)
	<u>Note</u>	<u>2009</u>	<u>2008</u>
Assets			
Current assets			
Cash and cash equivalents		20,914,737	18,010,218
Trade accounts receivable - net	6, 7	385,573,444	283,226,696
Inventories - net	8	266,312,614	305,686,089
Other current assets		<u>3,531,923</u>	<u>3,095,422</u>
Total current assets		<u>676,332,718</u>	<u>610,018,425</u>
Non-current assets			
Property, plant and equipment - net	9	145,198,714	154,142,679
Assets awaiting sale - net	10	6,400,000	6,400,000
Other non-current assets		<u>163,000</u>	<u>955,611</u>
Total non-current assets		<u>151,761,714</u>	<u>161,498,290</u>
Total assets		<u>828,094,432</u>	<u>771,516,715</u>

The accompanying notes are an integral part of the financial statements.



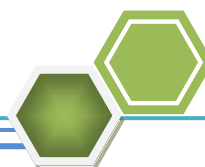
Global Connections Public Company Limited

Balance sheets (continued)

As at 31 December 2009 and 2008

			(Unit: Baht)
	<u>Note</u>	<u>2009</u>	<u>2008</u>
Liabilities and shareholders' equity			
Current liabilities			
Short-term loans from financial institutions	11	220,000,000	290,000,000
Trade accounts payable	6	174,948,367	102,337,686
Current portion of liabilities under finance lease agreements	12	3,799,444	3,880,748
Other current liabilities			
Accrued expenses		6,843,463	4,326,508
Corporate income tax payable		19,168,030	10,401,237
Value added tax payable		2,129,053	-
Withholding tax payable		1,667,414	1,831,257
Others		<u>552,773</u>	<u>253,307</u>
Total current liabilities		<u>429,108,544</u>	<u>413,030,743</u>
Non-current liabilities			
Liabilities under finance lease agreements - net of current portion	12	<u>3,841,065</u>	<u>7,640,509</u>
Total non-current liabilities		<u>3,841,065</u>	<u>7,640,509</u>
Total liabilities		<u>432,949,609</u>	<u>420,671,252</u>

The accompanying notes are an integral part of the financial statements.



Global Connections Public Company Limited

Balance sheets (continued)

As at 31 December 2009 and 2008

			(Unit: Baht)
	<u>Note</u>	<u>2009</u>	<u>2008</u>
Shareholders' equity			
Share capital			
Registered, issued and fully paid-up			
200,000,000 ordinary shares of Baht 1 each		200,000,000	200,000,000
Share premium		56,034,035	56,034,035
Retained earnings			
Appropriated - statutory reserve	13	20,000,000	20,000,000
Unappropriated		119,110,788	74,811,428
Total shareholders' equity		395,144,823	350,845,463
Total liabilities and shareholders' equity		828,094,432	771,516,715
		-	-

The accompanying notes are an integral part of the financial statements.

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Directors

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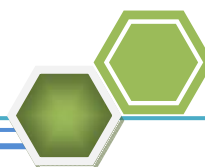
Global Connections Public Company Limited

Income statements

For the years ended 31 December 2009 and 2008

		(Unit: Baht)	
	Note	2009	2008
Revenues			
Sales		2,647,351,430	3,410,033,531
Other income		17,507,878	18,748,262
Total revenues		<u>2,664,859,308</u>	<u>3,428,781,793</u>
Expenses			
Cost of sales		2,459,775,553	3,168,530,334
Loss on diminution in value of inventories (Reversal)		(21,000,000)	23,000,000
		2,438,775,553	3,191,530,334
Selling expenses		17,374,290	18,827,934
Administrative expenses		49,292,582	57,174,722
Management benefit expenses		31,905,014	34,031,596
Total expenses		<u>2,537,347,439</u>	<u>3,301,564,586</u>
Income before finance cost and corporate income tax		127,511,869	127,217,207
Finance cost		(5,820,706)	(15,137,581)
Income before corporate income tax		121,691,163	112,079,626
Corporate income tax		(25,391,803)	(35,541,038)
Net income for the year		<u>96,299,360</u>	<u>76,538,588</u>
Basic earnings per share	15		
Net income		<u>0.48</u>	<u>0.38</u>
Weighted average number of ordinary shares (shares)		<u>200,000,000</u>	<u>200,000,000</u>

The accompanying notes are an integral part of the financial statements.



Global Connections Public Company Limited
Statements of changes in shareholders' equity
For the years ended 31 December 2009 and 2008

(Unit: Baht)

		Issued and fully paid-up	Share premium	Retained earnings		
	Note	ordinary shares		Appropriated - statutory reserve	Unappropriated	Total
Balance as at 31 December 2007		200,000,000	56,034,035	15,100,000	95,172,840	366,306,875
Transfer of retained earnings						
to statutory reserve	13	-	-	4,900,000	(4,900,000)	-
Dividend paid	18	-	-	-	(52,000,000)	(52,000,000)
Interim dividend paid	18	-	-	-	(40,000,000)	(40,000,000)
Net income for the year		-	-	-	76,538,588	76,538,588
Balance as at 31 December 2008		<u>200,000,000</u>	<u>56,034,035</u>	<u>20,000,000</u>	<u>74,811,428</u>	<u>350,845,463</u>
						-
Balance as at 31 December 2008		200,000,000	56,034,035	20,000,000	74,811,428	350,845,463
Dividend paid	18	-	-	-	(24,000,000)	(24,000,000)
Interim dividend paid	18	-	-	-	(28,000,000)	(28,000,000)
Net income for the year		-	-	-	96,299,360	96,299,360
Balance as at 31 December 2009		<u>200,000,000</u>	<u>56,034,035</u>	<u>20,000,000</u>	<u>119,110,788</u>	<u>395,144,823</u>

The accompanying notes are an integral part of the financial statements.

Short-term loans from financial institutions



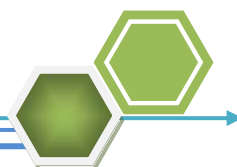
Global Connections Public Company Limited

Cash flow statements

For the years ended 31 December 2009 and 2008

	(Unit: Baht)	
	<u>2009</u>	<u>2008</u>
Cash flows from operating activities		
Net income before tax	121,691,163	112,079,626
Adjustments to reconcile net income before tax to net cash provided by (paid from) operating activities :-		
Depreciation	11,557,186	12,061,201
Bad debts and doubtful accounts	-	7,461,784
Loss on diminution in value of inventories (Reversal)	(21,000,000)	23,000,000
Gain on sales of motor vehicles and equipment	(413,194)	(1,826,193)
Unrealised loss on exchange	69,646	94,991
Interest expenses	<u>5,820,706</u>	<u>15,137,581</u>
Income from operating activities before changes in operating assets and liabilities	117,725,507	168,008,990
Operating assets (increase) decrease		
Trade accounts receivable	(102,346,748)	263,699,642
Inventories	60,373,475	(116,199,250)
Other current assets	341,099	(587,483)
Other non-current assets	15,011	(806,111)
Operating liabilities increase (decrease)		
Trade accounts payable	72,541,035	(87,847,275)
Accrued expenses	3,027,472	(1,066,917)
Other current liabilities	<u>2,264,676</u>	<u>(2,805,591)</u>
Cash flow from operating activities	153,941,527	222,396,005
Cash paid for interest expenses	(5,773,179)	(14,367,840)
Cash paid for corporate income tax	<u>(16,625,010)</u>	<u>(45,385,638)</u>
Net cash flows from operating activities	<u>131,543,338</u>	<u>162,642,527</u>

The accompanying notes are an integral part of the financial statements.



Global Connections Public Company Limited

Cash flow statements (continued)

For the years ended 31 December 2009 and 2008

	(Unit: Baht)	
	<u>2009</u>	<u>2008</u>
Cash flows from investing activities		
Acquisition of equipment	(2,625,260)	(3,536,162)
Proceeds from sales of motor vehicles and equipment	425,233	2,043,810
Net cash flows used in investing activities	<u>(2,200,027)</u>	<u>(1,492,352)</u>
Cash flows from financing activities		
Decrease in short-term loans from financial institutions	(70,000,000)	(40,000,000)
Cash paid for liabilities under finance lease agreements	(4,438,792)	(5,992,070)
Decrease in long-term loan	-	(19,950,000)
Dividend paid	(24,000,000)	(52,000,000)
Interim dividend paid	<u>(28,000,000)</u>	<u>(40,000,000)</u>
Net cash flows used in financing activities	<u>(126,438,792)</u>	<u>(157,942,070)</u>
Net increase in cash and cash equivalents	2,904,519	3,208,105
Cash and cash equivalents at beginning of year	<u>18,010,218</u>	<u>14,802,113</u>
Cash and cash equivalents at end of year	<u><u>20,914,737</u></u>	<u><u>18,010,218</u></u>
	-	-
Supplemental cash flows information :-		
Non-cash transactions		
Motor vehicles purchased under finance lease agreements	-	7,963,009

The accompanying notes are an integral part of the financial statements.

Global Connections Public Company Limited

Notes to financial statements

For the years ended 31 December 2009 and 2008

1. Corporate information

Global Connections Public Company Limited (“the Company”) is a public company incorporated and domiciled in Thailand. The Company is principally engaged in the wholesale of plastic and plastic-related products and its registered address is No. 13/1 Moo 2 King-Kaew Road, Rachateva, Bangplee, Samuthprakarn.

2. Basis of preparation

The financial statements have been prepared in accordance with accounting standards enunciated under the Accounting Profession Act B.E. 2547 and their presentation has been made in compliance with the stipulations of the Notification of the Department of Business Development dated 30 January 2009, issued under the Accounting Act B.E. 2543.

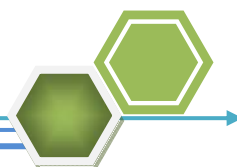
The financial statements in Thai language are the official statutory financial statements of the Company. The financial statements in English language have been translated from such financial statements in Thai language.

The financial statements have been prepared on a historical cost basis except where otherwise disclosed in the accounting policies.

3. Adoption of new accounting standards

In June 2009, the Federation of Accounting Professions has issued Notification No. 12/2552, regarding the renumbering of Thai Accounting Standards to match the corresponding International Accounting Standards. The numbers of Thai Accounting Standards as referred to in these financial statements reflect such change.

The Federation of Accounting Professions has issued Notification No. 86/2551 and 16/2552, mandating the use of new accounting standards, financial reporting standard and accounting treatment guidance as follows.



3.1 Accounting standards, financial reporting standard and accounting treatment guidance which are effective for the current year

Framework for Preparation and Presentation of Financial Statements (revised 2007)

TAS 36 (revised 2007)

Impairment of Assets

TFRS 5 (revised 2007)

Non-current Assets Held for Sale and Discontinued Operations

Accounting Treatment Guidance for Leasehold Right

Accounting Treatment Guidance for Business Combination under Common Control

These accounting standards, financial reporting standard and accounting treatment guidance became effective for the financial statements for fiscal years beginning on or after 1 January 2009. The management has assessed the effect of these standards and believes that Accounting Treatment Guidance for Leasehold Right and Accounting Treatment Guidance for Business Combination under Common Control are not relevant to the business of the Company, while Framework for Preparation and Presentation of Financial Statements (revised 2007), TAS 36 (revised 2007) and TFRS 5 (revised 2007) do not have any significant impact on the financial statements for the current year.

3.2 Accounting standards which are not effective for the current year

		Effective date
TAS 20	Accounting for Government Grants and Disclosure of Government Assistance	1 January 2012
TAS 24 (revised 2007)	Related Party Disclosures	1 January 2011
TAS 40	Investment Property	1 January 2011

However, TAS 24 (revised 2007) and TAS 40 allow early adoption by the entity before the effective date.

The management of the Company has assessed the effect of these standards and believes that TAS 20 and TAS 40 are not relevant to the business of the Company, while TAS 24 (revised 2007) will not have any significant impact on the financial statements for the year in which it is initially applied.



4. Significant accounting policies

4.1 Revenue recognition

Sales of goods

Sales of goods are recognised when the significant risks and rewards of ownership of the goods have passed to the buyer. Sales are the invoiced value, excluding value added tax, of goods supplied after deducting discounts and allowances.

4.2 Cash and cash equivalents

Cash and cash equivalents consist of cash in hand and at banks, and all highly liquid investments with an original maturity of three months or less and not subject to withdrawal restrictions.

4.3 Trade accounts receivable

Trade accounts receivable are stated at the net realisable value. Allowance for doubtful accounts is provided for the estimated losses that may be incurred in collection of receivables. The allowance is generally based on collection experiences and analysis of debt aging.

4.4 Inventories

Inventories are valued at the lower of cost (weighted average method) and net realisable value.

4.5 Property, plant and equipment and depreciation

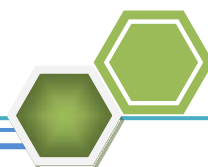
Land is stated at cost. Buildings and equipment are stated at cost less accumulated depreciation and allowance for loss on impairment of assets (if any).

Depreciation of plant and equipment is calculated by reference to their costs on the straight-line basis over the following estimated useful lives:

Buildings	-	20, 30 years
Office equipment	-	3, 5 years
Furniture and fixtures	-	5, 10 years
Tools and equipment	-	5 years
Motor vehicles	-	5 years

Depreciation is included in determining income.

No depreciation is provided on land and land improvements.



4.6 Assets awaiting sale

Assets awaiting sale represent idle property, plant and equipment and are stated at the lower of net book value and net realisable value. Loss on impairment is included in determining income.

4.7 Related party transactions

Related parties comprise enterprises and individuals that control, or are controlled by, the Company, whether directly or indirectly, or which are under common control with the Company.

They also include associated companies and individuals which directly or indirectly own a voting interest in the Company that gives them significant influence over the Company, key management personnel, directors and officers with authority in the planning and direction of the Company's operations.

4.8 Long-term leases

Leases of property, plant and equipment which transfer substantially all the risks and rewards of ownership are classified as finance leases. Finance leases are capitalised at the lower of the fair value of the leased assets and the present value of the minimum lease payments. The outstanding rental obligations, net of finance charges, are included in other long-term payables, while the interest element is charged to the income statements over the lease period. The equipment acquired under finance leases is depreciated over the useful life of the asset.

Leases not transferring a significant portion of the risks and rewards of ownership to the lessee are classified as operating leases. Payments made under operating leases (net of any incentives received from the lessor) are charged to the income statements 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.

4.9 Foreign currencies

Transactions in foreign currencies are translated into Baht at the exchange rate ruling at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies are translated into Baht at the exchange rate ruling at the balance sheet date, with the exception of those covered by forward exchange contracts, which are translated at the contracted rates.

Gains and losses on exchange are included in determining income.

4.10 Impairment of assets

At each reporting date, the Company performs impairment reviews in respect of the properly, plant and equipment whenever events or changes in circumstances indicate that an asset may be impaired. An impairment loss is recognised when the recoverable amount of an asset, which is the higher of the asset's fair value less costs to sell and its value in use, is less than the carrying amount. In determining value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. In determining fair value less costs to sell, an appropriate valuation model is used. These calculations are corroborated by a valuation model that, based on information available, reflects the amount that the Company could obtain from the disposal of the asset in an arm's length transaction between knowledgeable, willing parties, after deducting the costs of disposal.

An impairment loss is recognised in the income statement.

4.11 Employee benefits

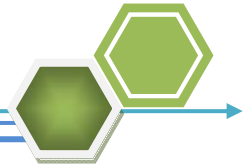
Salaries, wages, bonuses and contributions to the social security fund and provident fund are recognised as expenses when incurred.

4.12 Provisions

Provisions are recognised when the Company has a present obligation as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation.

4.13 Income tax

Income tax is provided in the accounts based on taxable profits determined in accordance with tax legislation.



5. Significant accounting judgements and estimates

The preparation of financial statements in conformity with generally accepted accounting principles at times requires management to make subjective judgements and estimates regarding matters that are inherently uncertain. These judgements and estimates affect reported amounts and disclosures and actual results could differ. Significant accounting judgements and estimates are as follow:

Leases

In determining whether a lease is to be classified as an operating lease or finance lease, the management is required to use judgement regarding whether significant risk and rewards of ownership of the leased asset has been transferred, taking into consideration terms and conditions of the arrangement.

Allowance for doubtful accounts

In determining an allowance for doubtful accounts, the management needs to make judgement and estimates based upon, among other things, debt collection history, aging profile of outstanding debts and the prevailing economic condition.

Allowance for diminution in value of inventories

In determining an allowance for diminution in value of inventories, the management needs to make judgement and estimates based upon, among other things, slow-moving inventories and net realisable value.

Property plant and equipment/Depreciation

In determining depreciation of plant and equipment, the management is required to make estimates of the useful lives and salvage values of the Company's plant and equipment and to review estimate useful lives and salvage values when there are any changes.

In addition, the management is required to review property, plant and equipment for impairment on a periodical basis and record impairment losses in the period when it is determined that their recoverable amount is lower than the carrying amount. This requires judgements regarding forecast of future revenues and expenses relating to the assets subject to the review.



Litigation

The Company has contingent liabilities as a result of litigation. The Company's management has used judgement to assess of the results of the litigation and believes that no loss will result. Therefore no contingent liabilities are recorded as at the balance sheet date.

6. Related party transactions

During the years, the Company had significant business transactions with related parties. Such transactions, which are summarised below, arose in the ordinary course of business and were concluded on commercial terms and bases agreed upon between the Company and those related parties.

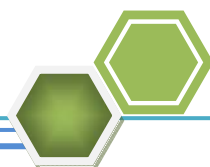
(Unit: Million Baht)

	2009	2008	Transfer pricing policy
Transactions with related companies			
Sales of finished goods	45.5	23.4	Similar to market price
Purchases of finished goods	15.6	-	Cost plus margin
Construction and maintenance of buildings and purchases of equipment	0.4	0.1	Market price
Transactions with management and directors			
Sales of assets	-	2.0	At a rate set in the Company's regulation

The balances of the accounts as at 31 December 2009 and 2008 between the Company and those related companies are shown under the caption of trade accounts receivable and trade accounts payable in the balance sheets. Details are as follows:

(Unit: Million Baht)

	2009	2008
Trade accounts receivable - related companies		
Integrity Plastics Company Limited	5,500,857	1,059,343
New Modern Super Pack Company Limited	-	810,525
Total trade accounts receivable - related companies	5,500,857	1,869,868
Trade accounts payable - related companies		
Integrity Plastics Company Limited	1,500,547	-
Total trade accounts payable - related companies	1,500,547	-



Directors and management's remuneration

In 2009 the Company paid salaries, bonuses, meeting allowances and contributions to the provident fund to the directors and management totaling Baht 31.9 million (2008: Baht 34.0 million).

7. Trade accounts receivable

The balances of trade accounts receivable as at 31 December 2009 and 2008, aged on the basis of due dates, are summarised below.

	(Unit: Baht)	
	2009	2008
Unrelated companies		
Not yet due	266,337,122	170,741,130
Past due		
Up to 1 month	101,877,116	88,327,019
1 - 3 months	8,777,691	18,200,283
3 - 6 months	4,450,987	5,817,558
6 - 12 months	810,434	6,383,976
Over 12 months	10,819,237	4,886,862
Total	393,072,587	294,356,828
Less: Allowance for doubtful debts	(13,000,000)	(13,000,000)
	380,072,587	281,356,828
Related companies		
Not yet due	5,500,857	396,257
Past due		
Up to 1 month	-	1,473,611
Total	5,500,857	1,869,868
Trade accounts receivable, net	385,573,444	283,226,696

8. Inventories

							(Unit: Baht)	
	Cost		Reduction cost to net realisable value				Slow-moving stock Inventory-net	
	2009	2008	Reduction cost to net realisable value		Slow-moving stock		2009	2008
	2009	2008	2009	2008	2009	2008	2009	2008
Finished goods	237,285,614	329,492,915	(1,500,000)	(23,000,000)	(6,500,000)	(6,000,000)	229,285,614	300,492,915
Goods in transit	37,027,000	5,193,174	-	-	-	-	37,027,000	5,193,174
Total	274,312,614	334,686,089	(1,500,000)	(23,000,000)	(6,500,000)	(6,000,000)	266,312,614	305,686,089



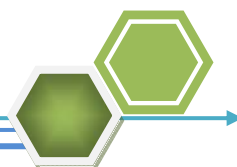
9. Property, plant and equipment

(Unit: Baht)

	Land and land improvements	Buildings	Office equipment, furniture and fixtures	Tools and equipment	Motor vehicles	Total
Cost:						
As at 31 December 2008	52,715,047	93,740,464	11,913,131	6,820,042	32,785,614	197,974,298
Additions	-	-	383,788	237,024	2,004,448	2,625,260
Disposals	-	-	-	-	(1,502,837)	(1,502,837)
As at 31 December 2009	52,715,047	93,740,464	12,296,919	7,057,066	33,287,225	199,096,721
Accumulated depreciation:						
As at 31 December 2008	-	18,730,146	8,779,289	3,712,651	12,609,533	43,831,619
Depreciation for the year	-	3,592,977	1,063,013	1,081,451	5,819,745	11,557,186
Depreciation on disposals	-	-	-	-	(1,490,798)	(1,490,798)
As at 31 December 2009	-	22,323,123	9,842,302	4,794,102	16,938,480	53,898,007
Net book value:						
31 December 2008	52,715,047	75,010,318	3,133,842	3,107,391	20,176,081	154,142,679
31 December 2009	52,715,047	71,417,341	2,454,617	2,262,964	16,348,745	145,198,714
Depreciation for the year						
2008 (included in selling and administrative expenses)						12,061,201
2009 (included in selling and administrative expenses)						11,557,186

As at 31 December 2009, the Company has motor vehicles under finance lease agreements with net book value amounting to approximately Baht 11.5 million (2008: Baht 16.1 million).

As at 31 December 2009, certain equipment items have been fully depreciated but are still in use. The original cost of those assets amounted to approximately Baht 12.5 million (2008: Baht 8.4 million).



10. Assets awaiting sale

During the year 2005, the Company ceased using certain property, plant and equipment located at its former office in its operations. As a result, the Company has presented these assets separately under the caption of assets awaiting sale in the balance sheets. They are stated at net value, after deducting provision for diminution in value set aside on the basis of the assets' appraisal value.

11. Short-term loans from financial institutions

(Unit: Baht)				
	Interest rate		2009	2008
	2009	2008		
	(percent per annum)			
Promissory notes	Market rate	Market rate	220,000,000	290,000,000
Total			220,000,000	290,000,000

As at 31 December 2009, the short-term credit facilities of the Company which have not yet been drawn down amounted to Baht 937 million.

12. Liabilities under finance lease agreements

(Unit: Baht)		
	2009	2008
Liabilities under finance lease agreements	8,224,337	12,663,128
Less: Deferred interest expenses	(583,828)	(1,141,871)
	7,640,509	11,521,257
Less: Portion due within one year	(3,799,444)	(3,880,748)
Liabilities under finance lease agreements - net of current portion	3,841,065	7,640,509

The Company has entered into the finance lease agreements with leasing companies for rental of motor vehicles for use in its operation, whereby it is committed to pay rental on a monthly basis. The terms of the agreements are generally between 3 and 5 years.

As at 31 December 2009, future minimum lease payments required under the finance lease agreements were as follows:-



(Unit: Million Baht)

	Less than 1 year	1-5 years	Total
Future minimum lease payments	4.1	4.1	8.2
Deferred interest expenses	(0.3)	(0.3)	(0.6)
Present value of future minimum lease payments	3.8	3.8	7.6

13. Statutory reserve

Pursuant to Section 116 of the Public Limited Companies Act B.E. 2535, the Company is required to set aside to a statutory reserve at least 5 percent of its net income after deducting accumulated deficit brought forward (if any), until the reserve reaches 10 percent of the registered capital. The statutory reserve is not available for dividend distribution. At present, the Company's statutory reserve reaches 10 percent of the registered share capital.

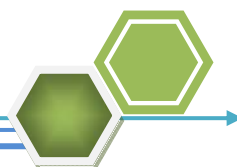
14. Expenses by nature

Significant expenses by nature are as follow:

	2009	2008
Salary and wages and other employee benefits	58,633,241	61,854,253
Depreciation	11,557,186	12,061,201
Loss on diminution in value of inventories (Reversal)	(21,000,000)	23,000,000
Bad debts and doubtful accounts	-	7,461,784
Rental expenses	3,880,674	4,424,483
Purchase of inventories	2,319,761,507	3,222,033,020
Custom duty and clearing expenses	33,847,289	42,780,525
Changes in inventories of finished goods	92,207,301	(113,954,204)

15. Earnings per share

Basic earnings per share is calculated by dividing the net income for the year by the weighted average number of ordinary shares in issue during the year.



16. Segment information

The Company's operations comprise the wholesale of plastic and plastic-related products to both domestic and export markets. The domestic sales represented more than 98 percent of total sales. The Company's operations involve a single industry segment and are carried out from the single geographic area of Thailand. As a result, all of the revenues, operating profits and assets reflected in these financial statements pertain to the aforementioned industry segment and geographic area.

17. Provident fund

The Company and its employees have jointly established a provident fund in accordance with the Provident Fund Act B.E. 2530. Both employees and the Company contributed to the fund monthly at the rate of 4 to 15 percent of basic salary. The fund, which is managed by American International Assurance Company Limited, will be paid to employees upon termination in accordance with the fund rules. During the year 2009, the Company contributed Baht 4.0 million (2008: Baht 3.9 million) to the fund.

18. Dividend paid

Dividend declared in 2009 and 2008 and already recorded consist of the followings:

		(Unit: Baht)	
	Approved by	Total dividends	Dividend per share
Dividends for 2008	Annual General Meeting of the shareholders on 3 April 2009	24,000,000	0.12
Interim dividends for 2009	A Meeting of the Company's Board of Directors on 13 August 2009	28,000,000	0.14
Total for 2009		52,000,000	0.26
Dividends for 2007	Annual General Meeting of the shareholders on 9 April 2008	52,000,000	0.26
Interim dividends for 2008	A Meeting of the Company's Board of Directors on 13 August 2008	40,000,000	0.20
Total for 2008		92,000,000	0.46

19. Commitments and contingent liabilities

19.1 Operating lease commitments

The Company has entered into several lease agreements in respect of the lease of warehouse, motor vehicles and equipment. The terms of the agreements are generally between 1 and 3 years.

As at 31 December 2009, future minimum lease payments required under these operating leases contracts were as follows.

Payable within:	Million Baht
Less than 1 year	3.9
1 to 5 years	0.3

19.2 A commitment under trade credit insurance policy

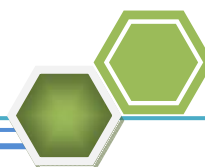
The Company has entered into a commitment under trade credit insurance policy with an insurance company in which the Company is to pay the minimum insurance premium amounting to approximately Baht 0.5 million in 2010.

19.3 Guarantees

As at 31 December 2009, there were outstanding bank guarantees of approximately Baht 67 million issued by the banks on behalf of the Company in respect of certain performance bonds as required in the normal course of business. These are letters of guarantee to guarantee payments due to creditors.

19.4 Standby letter of credit

As at 31 December 2009, the Company had outstanding commitments of approximately USD 2.8 million from the standby letters of credit issued to guarantee the payments of goods of a customer.



19.5 Litigation

On 15 July 2009, the Company was sued by a customer, claiming compensation of approximately Baht 10.2 million plus interest at the rate of 7.5% per annum as from 15 July 2009, for breach of sale and purchase contract. The case is under consideration of the courts and not yet finalised. However, the management believes that the Company will not suffer any losses from this lawsuit and no provision for such contingent liability has therefore been set aside in the account.

20. Financial instruments

20.1 Financial risk management

The Company's financial instruments, as defined under Thai Accounting Standard No. 32 "Financial Instruments: Disclosure and Presentations", principally comprise cash and cash equivalents, trade accounts receivable, short-term loans, trade accounts payable and liabilities under finance lease agreements. The financial risks associated with these financial instruments and how they are managed is described below.

Credit risk

The Company is exposed to credit risk primarily with respect to trade accounts receivable. The Company manages the risk by adopting appropriate credit control policies and procedures and therefore does not expect to incur material financial losses. In addition, the Company does not have high concentration of credit risk since it has a large customer base. The maximum exposure to credit risk is limited to the carrying amounts of trade accounts receivable as stated in the balance sheets.

Interest rate risk

The Company's exposure to interest rate risk relates primarily to its short-term borrowings, cash at banks and liabilities under finance lease agreements. However, since short-term borrowings bear fixed interest rates which are close to the market rate and most of the Company's financial assets and liabilities bear non-interest, the interest rate risk is expected to be minimal.



Foreign currency risk

The Company's exposure to foreign currency risk arises mainly from trading transactions that are denominated in foreign currencies. The Company manages its exposure to foreign currency risk by considering purchase/sale of forward contracts from time to time so as to reduce exposure to the foreign currency risk which may incur. The Company has no forward contracts outstanding at the balance sheet date.

As at 31 December 2009, the Company's foreign currency-denominated trade accounts payable amounting to approximately USD 1.9 million was unhedged.

20.2 Fair values of financial instruments

Since the majority of the Company's financial assets and liabilities are short-term in nature and loans are bear floating interest rates, their fair value is not expected to be materially different from the amounts presented in the balance sheets.

A fair value is the amount for which an asset can be exchanged or a liability settled between knowledgeable, willing parties in an arm's length transaction. The fair value is determined by reference to the market price of the financial instrument or by using an appropriate valuation technique, depending on the nature of the instrument.

21. Capital management

The primary objectives of the Company's capital management is to ensure that it has an appropriate financial structure and preserves the ability to continue its business as a going concern.

According to the balance sheet as at 31 December 2009, the Company's debt-to-equity ratio was 1.1:1 (2008: 1.2:1).

22. Subsequent events

On 24 February 2010, the Board of Directors passed a resolution to propose the payment of a dividend in respect of the 2009 earnings of Baht 0.40 per share, or a total of Baht 80 million. The Company paid an interim dividend of Baht 0.14 per share, or a total of Baht 28 million, in September 2009. The remaining of Baht 0.26 per share, or a total of Baht 52 million will be paid and recorded after being approved by the Annual General Meeting of the shareholders.

23. Approval of financial statements

These financial statements were authorised for issue by the Company's Board of Directors on 24 February 2010.



**GLOBAL
CONNECTIONS**
PUBLIC COMPANY LIMITED

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