



GLOBAL
CONNECTIONS
PUBLIC COMPANY LIMITED

Annual Report 2014

รายงานประจำปี 2 5 5 7



20th ANNIVERSARY

บริษัท โกลบอล คอนเน็คชั่นส์ จำกัด (มหาชน)
Global Connections Public Company Limited

CORPORATE CULTURE

ADAPT TO CHANGE

PROACTIVE THINKING

UNITY

EFFICEINCY

HAPPINESS

COMPANY'S VISION

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



COMPANY'S MISSION

- To be an ethical public corporation along with Thai economy forever.
- Build sustainable growth of profitability and sales.
- Develop sustainable professional expertise to be market leader and maintain competitiveness.
- Market Leadership (one stop shopping, always add on new product, Quality of supplier)
- Sustainable professional Staff (by support training both formal & on the job)
- Connect the best supplier and bridge advanced technologies for customers' best value.

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GENERAL INFORMATION

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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
Registration Number	: 0107548000153
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 Ext. 201-204
Establishment Date	: 27 September 1994
Date of registration Public Company	: 17 March 2005
Stock Listed Date	: 6 December 2005
Juristic person that are being hold more than 10% of their paid-up capital	: None
Registered (Paid Up) Capital	: 200,000,000 Baht
No. of Registered (Paid up)	200,000,000 Shares
Reference	
Registrar	: Thailand Securities Depository Co., LTD. The Stock Exchange of Thailand Building 62 Ratchadapisek Road, Klongtoey, Bangkok, 10110, Thailand Tel. +66 (0)2229-2800 Fax. +66 (0)2654-5427
Auditor	: EY Office Limited 33rd Floor, Lake Rajada Office Complex 193/136-137 Ratchadapisek Road, Klongtoey, Bangkok, 10110, Thailand Tel. +66 (0)2264-0777 Fax. +66 (0)2264-0789

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	2012	2013	2014
FINANCIAL POSITION (MILLION BAHT)			
Current Assets	983	1,147	1,040
Total Assets	1,129	1,281	1,171
Current Liabilities	711	870	767
Total Liabilities	726	882	782
Shareholder's Equity	403	399	389
OPERATING RESULT (MILLION BAHT)			
Sales Revenue	3,700	3,159	3,647
Gross Profit	233	219	200
Operating Profit	119	105	79
Net Profit	76	70	47
FINANCIAL RATIOS			
Return on Assets (%)	6.80	5.80	3.88
Return on Equity (%)	19.28	17.44	12.08
Net Profit Margin (%)	2.06	2.21	1.31
Current Ratio (Times)	1.38	1.32	1.36
Debt to Equity Ratio (Times)	1.80	2.21	2.01
Book Value per Share (Baht)	2.02	2.00	1.94
Book Value per Share (Baht)	0.38	0.35	0.24

Note :

Due to the adoption of TAS 12 Income Taxes with effective from January 1, 2013 onwards, the company has changed this accounting policy in this current period (2013) and restated some of the prior year's (2012) financial figures (total assets, shareholders' equity, net profit). Therefore, this will affect some of the 2012 financial ratios formerly presented.



MESSAGE FROM THE CHAIRMAN

Global Connections Company Limited marks the 20th anniversary of its establishment in 2014. Founded since 27 September 1994 and becoming a part of the plastic and petrochemical industry, our solid growth path has been tested and proven through many challenges and difficulties along the journey. Our Company always insisted on our role as a trustworthy, long-term strategic partner that brought our stakeholders the greatest benefits from latest business innovations. An excellence in our services helped us achieve a sustainable growth with steady profits. Our management system always placed an emphasis on the principle of corporate governance and human capital development, both of which are regarded as the key to our future success.



In the first half of 2014, the political situation in Thailand posed negative impacts on investors' and customers' confidence, which did not show the sign of any improvement for the entire year. Furthermore, economic recovery in the US as well as the EU, together with the oil crisis, also added another negative pressure to the whole plastic and chemical industry.

Given such gloomy environment, the Company's net profits dropped to Baht 47 million in 2014, from Baht 70 million last year despite some growth registered in our sale records, from Baht 3,172 million in 2013 to Baht 3,659 million in 2014. This was due to a fierce competition in the market as well as the depreciation of the Company's inventory value as a consequence of the oil crisis.

In 2014, the company was rated "Very Good" (4 STARS) for its overall scoring in the Corporate Governance Report by the Thai Institute of Directors (IOD), which was above the average for the SET 100 companies. Despite such a high score, we vow to continue our improvement in our governance performance. Realizing that corruption can pose a major risk to the Company as well as the country, the Board of Directors therefore decided, on 18 December 2014, that the Company to sign "the Declaration of Intent in view of establishing Thailand's Private Sector Collective Action Coalition Against Corruption". This is one of the Company's attempts to ensure fairness and transparency in our business to our stakeholders. As a trustworthy partner, the Company will keep our commitment to take customer needs as our priority.

In 2015, the Company determines to maintain our excellent standard of performance by focusing on efficiency improvement in building customer satisfaction, strengthening the cooperation with customers to obtain desirable technical solutions, providing consulting service on market trends, and attempting to search for new products and innovations in response to market needs. On 31 March 2014, the Company has a signing ceremony of cooperation with the Techno-green Company Limited on Product and Market Development of new innovation Biodegradable and Environmentally Friendly Product such as Oil & Grease Cleaner/ Water Additive – Scale Prevention & Remover, Products from Botanical Liquid under Micro-Nice brand. Such an event was one of our steps to incorporate the concept of environmental sustainability into our business process (CSR in – Process).

On this 20th anniversary occasion, I, on behalf of the Company's Board of Directors, would like to express my sincere gratitude to our valuable customers, shareholder, suppliers, financial institutions, Stock Exchange of Thailand, business alliances and all of the stakeholders for your support and trust in our Company. We pledge to continuously operate with good governance, improve our performance efficiency and service quality, and also be socially responsible, which ultimately is our belief to be the key for our success in future.

Yours sincerely



(Mr. Virah Mavichak)

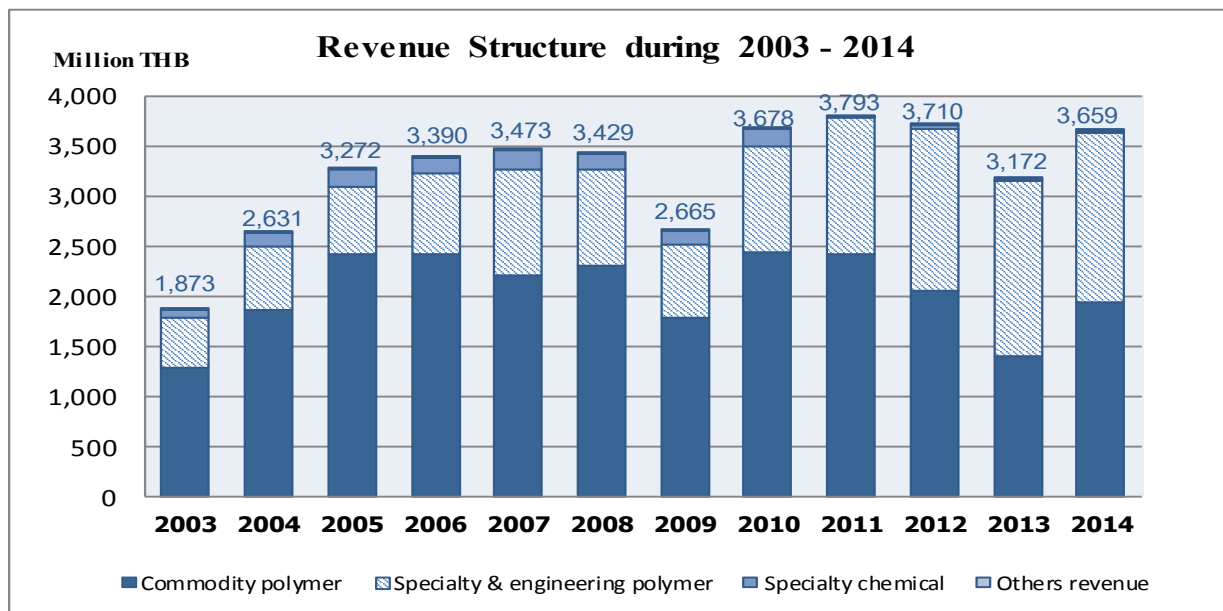
Chairman of the Board

POLICY AND BUSINESS OVERVIEW

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The Global Connections Public Company Limited (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 more than 30 companies such as PTT Polymer Marketing Co.,Ltd. a subsidiary of PTT group and distributor of PTT group in polymer products. PTT group who is leader of Energy and Petro Chemical business in Thailand as well as in Asian region, ExxonMobil Chemical, DuPont Performance Polymers, Siam Polystyrene Co.,Ltd. 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 27 September 1994 by group of founders who each has been working in petrochemical industry for more than 30 years with The Company initial registered capital of Baht 2 million and began fully commercial on 1 April 1995. The knowledge and experience of founders coincided with the rapid emerging petrochemical industry in Thailand created the continuous growth for The Company. The sale amount in 2014 was Baht 3,647 million and Net Profit of Baht 47 million. Although the Company's sales revenue was growth 15% from the previous year as the result of the Company segments its customer in various industries that was advantage of the Company to shifted its focus from customer in slowdown industries to customer in thriving industries. However, the Company's net profit was declined by 32%. This was due to the strong competition as a result of slowdown in Thai economy as well as the oil price crisis in fourth quarter that posed to decreasing of the Company profit.



As per diagram above; In 2009, Sales revenue decreased 22.40 percent from Baht 3,429 million in 2008 to Baht 2,665 million in 2009 due to USA economic crisis including stock value's decline from crude oil price fluctuation.

During 2012-2014, Decreasing in total sales revenue was the impact of changing in distributorship of Commodity Polymer business unit's main supplier with effective from mid of 2012 onwards.

The Company has product ranges from Commodity Polymer, Specialty and Engineering Polymer to special additive chemical which are covered from commodity market (Base raw materials for converting plastic product) to specialty and engineering product (Special grade plastic that are required strength, durable, and other features suitable for each industrial applications.) and additive product which can create higher value for customer products by special features such as anti-oxidation, UV-protection, Anti-Bacteria or electrostatic protection etc.

The Company is one of the only two Thai distributors variety of product ranges from common commodity grades polymers to special grade polymers. The Company's revenue Baht 3,659 million in 2014 contributed from Commodity Polymer (B.U.1) 53.00% (or Baht 1,937 million), Specialty & Engineering Polymer (B.U.2) 46.29% (or Baht 1,692 million), Specialty Chemical (B.U.3) 0.49% (or Baht 18 million) and from other income 0.22% (or Baht 12 million)

The Company's risk factors are Risk of depending on Risk associated with bad debts of accounts receivable, Risk associated with exchange rate, Risk associated with insufficient cash flow, Risk associated with the fluctuations in the price of goods in the world market, Risk associated with low gross profit margin , as described in section of risk factors.



Overall Policies

Vision

The Company had objectives to be a sustainable organization with stable profits under good corporate governance principles and continuous knowledge development

Vision : Your best partner for solution and service in industrial raw material supply

The Company recognizes the importance of the Company's vision which will lead the planning of future goals and operational direction.

The Company has a policy regarding the revision and approval of the vision and mission of the Company. Directors and executives will reconsider them at least every year, after that will present to the Board of Directors for consideration and approval.

The previous year, the Board of Directors reviewed the Company's vision along with the Company's annual budget and has decided to remain the current vision.

The Company does not only be the distributor for various products in petrochemical and plastic industry, but also be the 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. Directions and targets as follow;

Company Strategy in 2015 : TASK

- | | |
|---|--|
| Talent leveraged | : Strive to develop our employees' talents |
| AEC opportunity exposure | : Explore business opportunities on AEC countries |
| Salience in profitable sales | : Build up sales volume with significantly profit |
| Keen cost and expense management | : Be proactive on effective of cost management and expenditure control |

Business Target

- Professional organization with good corporate governance principles for the sake of the shareholders and stakeholders.
- The Company emphasizes principles of systematic risk management especially bad debt of account receivables.

Revenue and profit targets

- Sustainable growth in both revenue and profit in line growth with industry 10% annually.

Product Targets

- The Company is focusing on expanding the market and increase sales from the specialty products which is able to add customer product value and product quality improvement that will relate to higher profit margin of the company.
- To develop comprehensive products with a full range of subjects and grades from top 3 global manufacturer in order to providing consistent service for customers
- To increase products item in order to support current customer in some segments.
- Research and Develop product and matches them to the needs of the customers.

Trading's Partner Targets

- Focusing on responsible to customer needs rapidly in order to keep up with higher competitive level.
- Reliance building with customer by good cooperation with suppliers as well as customers
- To build up reliance and respect to all stakeholders.
- To strengthen existing customers base and expand customers in the manner of long term alliance.
- Competition preparedness for the purpose of regional expansion.

Supplier and Financial Institute Targets

- To build up relation and reliance with suppliers and financial institution in the manner of long term alliance that emphasizes on transparency, exact information disclosure and keeping up to date.
- To reduce cost and increase efficiency of suppliers by total outsource solutions including sale, marketing, technical service and logistics
- Develop business with suppliers and financial institution for mutual achievement

Operation plans in 2015

- Maintain existing strong market positioning.
- Increase market share and expand product line to prospect customer.
- Keep an eye on customers who are willing to invest offshore and offer service and professional solution
- Understanding the direction in which customers are moving and align customer needs with company's business goal
- Increase supplier, partner and customer in our industry expertise
- Reducing cost in which is not benefit to increase company's productivity.

Global Connections Public Company Limited is the distributing agent of plastic, petrochemical and additive which is used in petrochemical and plastic transformation process. The Company is the distributing agent to local and foreign suppliers more than 30 companies who are leader in production capacity and technology. By this reason, the Company is considered to be the Best Thai distributor who can provide the most variety petrochemical and plastic to client. (Source: the Company's information) Almost local suppliers of the Company are the first-class suppliers in Thailand in each category. In addition, almost foreign suppliers of the Company are the top-three leader in production capacity of the world.

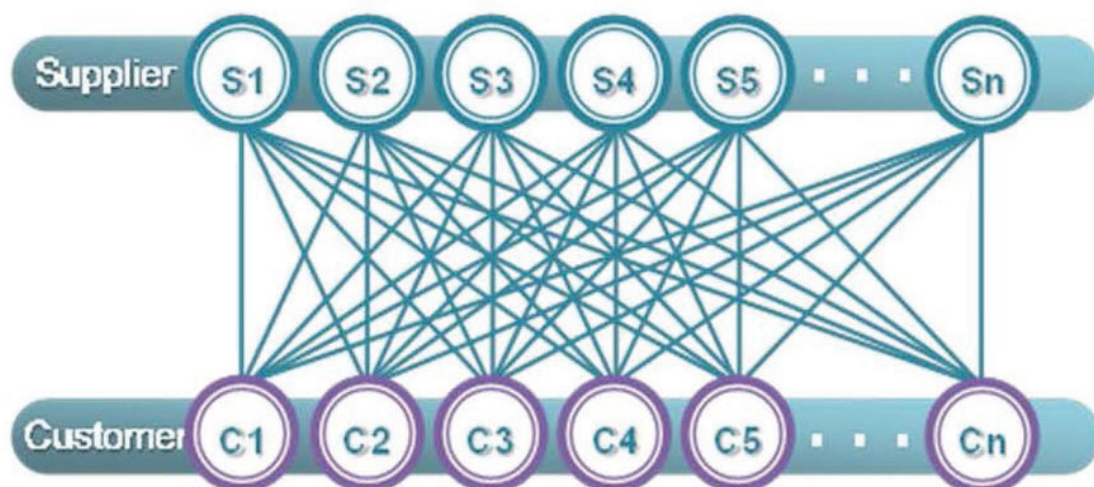
Our customers are rubber and plastic processing plants and others over 2,000 covers in various business sectors such as industrial packaging, food packaging including cosmetic packaging and personal care product, automotive parts, electronic parts, home appliance, furniture parts, sports equipment, stationery, toys etc.

Role of Distributing Agent

In general, the large producers such as ExxonMobil, Eastman, and Chi Mei and others in Petrochemical industry do not distribute their products by themselves because of the scatter location of end-users, high costs of each trade transaction.

Furthermore, end-users of plastic are mostly used the variety of plastic raw material in the production process. As end-users perspective, it is too complicated to directly buy each raw material from each producers. The picture below shows transaction without role of distributing agent.

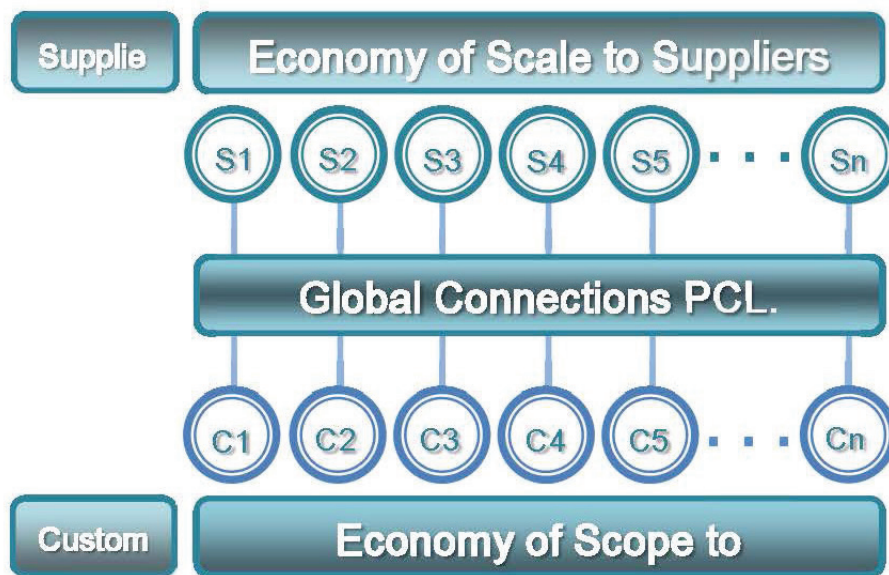
Trade transaction without distributing agent



The essential of distributing agents for petrochemical industry is to connect the combined product ranges from the various producers to serve the various needs of end-users/ customers, and to minimize logistic cost of each transaction. The Company can deliver 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 big producers simultaneously

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

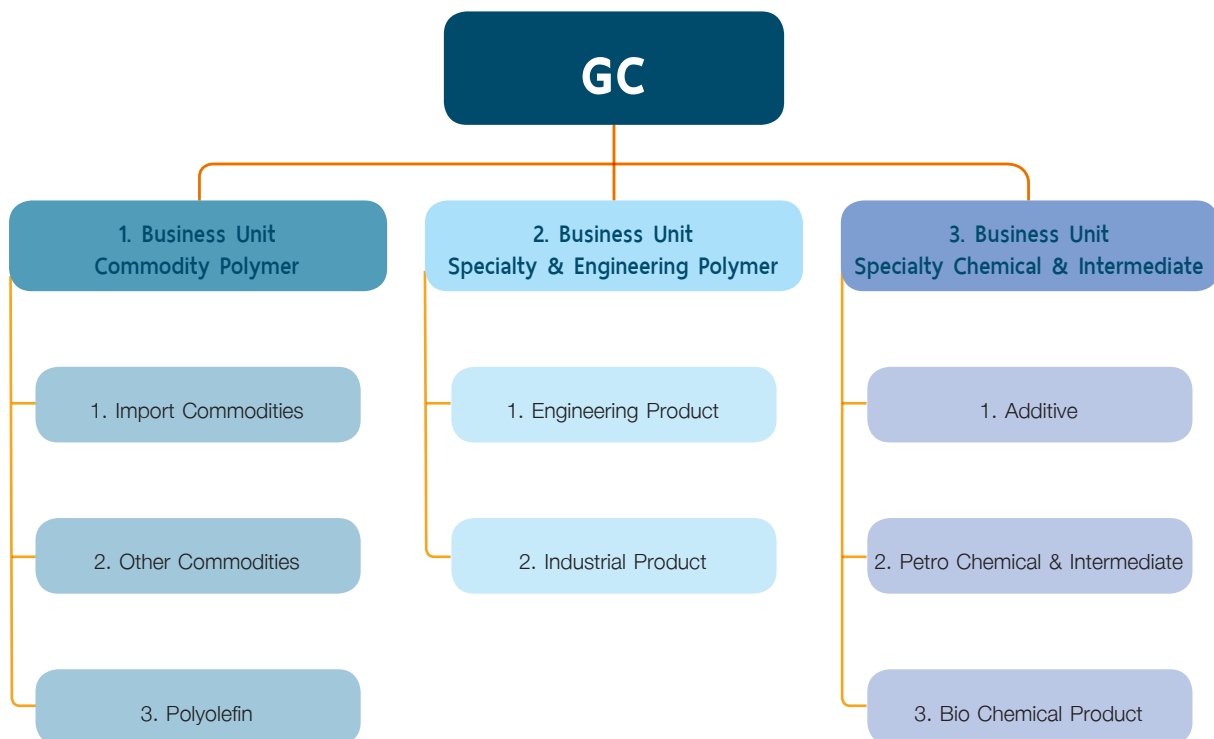
Role and benefit of distributing agent



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

Global Connections Public Company Limited has three main business-units as follows; .

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



The Company's product ranges from Commodity Polymer, Specialty and Engineering Polymer to special additive chemical which contribute high profit margin, Global Connections PCL is one of the only two Thai distributors variety of product ranges from common commodity grades polymers to special grade polymers. The Company's revenue Baht 3,659 million in 2014 contributed from Commodity Polymer (B.U.1) 53.00% (or Baht 1,937 million), Specialty & Engineering Polymer (B.U.2) 46.29% (or Baht 1,692 million), Specialty Chemical (B.U.3) 0.49% (or Baht 18 million) and from other income 0.22% (or Baht 12 million)

Company Revenues Structures 2012-2014 : Break Down by Business Unit

REVENUE STRUCTURE	2012		2013		2014	
	Amount	%	Amount	%	Amount	%
	(Mil THB)		(Mil THB)		(Mil THB)	
Commodity Polymer	2,041	55	1,405	44	1,937	53
Specialty & Engineering Polymer	1,632	44	1,737	55	1,692	46
Specialty Chemical ¹	27	1	17	1	18	0
Total Sale Revenue	3,700	100	3,159	100	3,647	100
Other income ²	10	0	13	0	12	0
Total Revenue	3,710	100	3,172	100	3,659	100
Growth rate	(2%)		(15%)		15%	

Remark : Other income included commission income from overseas suppliers, interest income, gain on foreign exchange and gain on disposal of asset.

MAJOR CHANGES AND DEVELOPMENTS

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1994	The Company was established with initial registered capital of Baht 2 million on 27 September 1994.
1996	The Company was appointed to be distributing agent of SCG Plastics Co., Ltd. (former CCC Chemical Commerce Co.,Ltd. a subsidiary of Siam Cement PCL.) by beginning as a 17 Company sale ranking. Moreover the Company was appointed to be distributing agent of Eastman Chemical, which was the start of specialty product distribution. The Company increased its registered and paid-up capital to Baht 10 million.
1997	The Company increased its paid-up capital to Baht 20 million to support the Company expansion and sales turnover. The Company was appointed to be distributing agent of DuPont Performance Polymers which is the world's largest producer of Polyamide 66 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.
2000	The Company was appointed to be distributing agent of Advanced Elastomer Systems (AES), presently acquainted by ExxonMobil, which is the world's largest manufacturer of rubber compound (Thermoplastic Elastomer) PP. The Company expanded financial resources from 3 to 6 commercial banks enabling the Company to expand customers.
2003	The Company increased its paid up capital to Baht 100 million and moved its warehouse to Kingkaew road, which is the strategic location because this location is near customers and suppliers as the result of high efficiency in transportation of the Company. The Company was appointed to be distributing agent of Thai Plastic and Chemical PCL. (TPC) the largest manufacturer of polyvinyl chloride polymer (PVC) in Asian.
2004	The Company 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.

2005	On 1 March 2005, the Company was transformed to public company limited, increased its paid-up capital to Baht 200 million and changed its par value from Baht 100 per share to Baht 1 per share with the intention to implement an IPO of 45 million shares. (The resolution of the Extraordinary General Meeting No. 1/2005, held on June 7, 2005, allocated capital increasing as 1.1 million shares for ESOP at book value of Baht 1.03 per share and the remain 43.9 million shares for IPO) the Company common stock was IPO and listed in The Stock Exchange of Thailand since 6 December 2005.
2007	The Company signed a contract which is a financial support for dealer financing with Kasikorn Bank in K-Dealer Financing Program on 6 June 2007. This program will support customer's working capital credit facilities. The Company celebrated 10 Anniversary Strategic Partnership with DuPont on 13 September 2007 at Sukhothai Hotel.
2012	The Company and SGC Plastics Co., Ltd have agreed to cease the distributorship effectively and the Company Jointly signed agency ceremony with PTT Polymer Marketing Co., Ltd, a subsidiary of PTT group, by which GC are appointed as distributor effectively 1 July 2012.
2013	The Company was changed management and shareholder structure, Mr. Siri Thirawattanawong who is the director of the Company would like to resign from his position, because he would like to take an early retirement, effective on 1 October 2013
2014	31 March 2014 at Global Connections Public Company Limited, a signing ceremony of cooperation between Technogreen Company Limited and Global Connections Public Company Limited on Product and Market Development of new innovation Biodegradable and Environmentally friendly Product such as Oil & Grease Cleaner / Water Additive - Scale Prevention & Remover, Product from Botanical Liquid under Micro-Nice brand. On this occasion will be as part of a sustainable business development to build environmental sustainability in to business process. 9 September 2014, the Company has been granted privileges by the Board of Investment relating to business type 7.12 International Procurement Office (IPO) document no. 2109/2014

Global Connections Public Company Limited is the distributor of Industrial raw material mainly in plastics and petrochemical industries. Hence the company sales turnover is related directly with these industries. Reference from the office of industrial economic (www.oie.go.th) as of 3 January, 2015 summaries the outlook of plastics and petrochemical industries as follow:

Plastic industry

Plastic Industry Outlook

The plastic industry in 2014 compared with the year 2013 found that MPI and Shipping index were slightly increased 16.05% and 15.93% respectively. Not only the growth of exported US, Japan and the CLMV, where are the major export countries, but also local factor by government expenditure to stimulate the economy by investing in infrastructure. The property development along mass transit routes and the rapid expansion of modern retail stores, And the speed of government spending in order to increase domestic consumption.



Plastic Production index : during 2012 - 2014

Production Inbox	2012	2013	2013				2014				2014*
			Q1	Q2	Q3	Q4	Q1	Q2	Q3	Jan-Oct	
Total	147.45	150.45	145.16	143.22	157.58	155.37	159.77	162.47	168.66	164.70	174.61
YOY (%)	0.93	2.03	1.35	(0.10)	1.02	5.55	10.78	13.31	7.03	9.37	16.05
QoQ (%)	-	-	(1.39)	(1.34)	10.02	(1.40)	2.12	2.28	3.93	-	-
Plastic sheet	125.68	116.89	121.57	113.90	115.93	115.49	112.63	114.29	119.53	115.89	119.73
YOY (%)	4.32	(6.99)	0.87	(7.44)	(10.48)	(10.97)	(6.53)	0.34	3.19	(1.12)	2.42
QoQ (%)	-	-	(6.28)	(6.31)	1.69	(0.29)	(2.47)	1.47	4.58	-	-
Plastic flim	286.50	326.67	313.01	308.60	354.89	330.20	356.63	365.58	383.00	372.57	405.43
YOY (%)	0.26	14.02	11.36	12.64	14.17	17.87	26.88	18.46	7.92	11.87	24.11
QoQ (%)	-	-	11.73	(1.41)	15.01	(6.95)	8.01	2.51	4.77	-	-
Plastic sack	122.77	126.76	109.73	120.35	143.10	133.87	143.19	156.32	160.62	155.83	177.36
YOY (%)	(13.51)	3.24	(7.18)	2.03	8.11	9.25	21.12	29.88	12.24	24.65	39.72
QoQ (%)	-	-	(10.44)	9.68	18.90	(6.45)	6.96	9.16	2.75	-	-
Plastic bag	131.48	126.76	127.3	121.14	124.94	134.27	129.17	129.95	134.26	131.77	134.42
YOY (%)	6.98	(3.59)	(1.23)	(3.73)	(8.28)	(0.45)	0.17	7.27	7.46	5.31	6.04
QoQ (%)	-	-	(5.58)	(4.88)	3.13	7.46	(3.79)	0.60	3.32	-	-
Kitchen and Bathroom appliance	110.22	107.38	103.41	102.19	115.55	107.57	110.95	110.26	115.49	113.42	116.25
YOY (%)	0.08	(2.58)	(6.10)	(12.09)	(1.14)	2.39	7.24	7.89	(0.05)	4.41	8.26
QoQ (%)	-	-	(6.84)	(1.18)	13.07	(6.91)	3.14	(0.62)	4.74	-	-

Sourc : The Office of Industrial Economics (www.oie.go.th)

* Estimated by The Office of Industrial Economics

Export

In 2014, Plastic export volume (HS : 3916-3926) was 1,148,146.81 tons with 8.54% growth rate compared to previous year. Increasing export production include single filament bulb or Freud film tube, Sanitary ware and conveyor packing material were increase of 101.13%, 18.77%, 17.31%, 24.85% and 14.13%, respectively compared to 2013. Thailand's major export countries are Japan, US, Australia and Malaysia as a portion of 18.28%, 9.44%, 6.72% and 6.68% respectively

Import.

In 2014, Plastic import volume (HS : 3916-3926) was 593,175.38 tons. It was raised 7.26% compared to previous year owing to growth of major industries that used plastic. Product import growth are Single long fiber, plastic floor, adhesive film and sanitary ware and building materials were increased 21.06%, 21.55%, 8.76%, 12.79% and 21.33% respectively. Thailand's major import countries are from Japan, Malaysia and United State of America by proportion 27.33%, 24.73%, 8.17% and 6.04%, respectively.

Plastic Product: Import during 2012 - 2014 (Unit : Million Baht)

	2012	2013	2013				2014				2014*
			Q1	Q2	Q3	Q4	Q1	Q2	Q3	Jan-Oct	
Export Volume-Plastic Product(Unit : Tonnes)											
Total	992,650.00	1,057,834.00	248,990.74	253,859.42	279,769.42	275,214.86	276,016.94	276,274.11	307,169.01	956,789.01	1,148,146.81
YOY (%)	2.63	6.57	4.78	3.80	9.13	8.31	10.85	8.82	9.79	8.49	8.54
QoQ (%)	-	-	(2.01)	1.96	10.21	(1.63)	0.29	0.09	11.18	-	-
Import Volume-Plastic (Unit : Tonnes)											
Total	541,460.27	553,017.10	132,586.97	139,360.88	142,270.80	138,797.45	140,498.76	148,257.31	152,092.94	494,312.81	593,175.38
YOY (%)	20.39	2.13	2.41	(0.79)	4.04	2.97	5.96	6.38	6.90	6.73	7.26
QoQ (%)	-	-	(1.63)	5.11	2.09	(2.44)	1.22	5.52	2.59	-	-

Source : Global Trade Atlas and Plastic Intelligence Unit, The Office of Industrial Economics (www.oie.go.th)

* Estimated by The Office of Industrial Economics



Summary 2014 and Outlook 2015

In 2014 Thailand's export value of general plastic products amount to Baht 120,525 million, an increase from 2013 of 101.13%, 24.85% and 18.77% in Single long fiber, sanitary ware, Tubes or pipes and adhesive film. On the other hand, in 2014 Thailand's imports value of general plastic product amounted to Baht 123,770 million, a increase from tubes or pipes, sanitary ware and single long fiber in percent of 21.55%, 21.23%, and 21.06% respectively

Trend

2015 Outlook of export plastic products is estimated at Baht 132,577 million, an increase of 10.01% compared to the year 2014 due to economic recovery of our major trading partner as Japan, United States of America

In additional, The growth of property development along mass transit routes including along border with neighboring countries to support the launch of the ASEAN Economic Community (AEC) in 2015. That year the 10 member states of ASEAN will liberalize trade and investment among them, enabling the free flow of goods, services, capital and people across the regional block, create the huge seamless AEC market for Thailand's plastic product.

Petro-Chemical Industry

Petrochemical Industry outlook

The Petrochemical industry during first 10 months of the year 2014. (Jan – Oct) Asia naphtha prices are fluctuations with oil future prices. The overall average price increase compared to the same period of previous year.

Production

Thailand's petrochemical industry during first 10 months (Jan. - Oct.) of 2014, Thailand has a joint venture with Indonesia to construction the petrochemicals plant, the plant raw material sources from Australia and Indonesia with 1,000,000 tons capacity of Naphtha production. This plant output will be sourcing for 30% of Indonesia petrochemical market and expect to get around 30-40% market share after operate in 2018.

In the meantime, Thailand's petrochemical industry emphasize that we need to strengthen science, technology and engineering education development to produce high quality of researcher and innovative creator to enhance Thailand competitiveness to support the launch of AEC in 2015. Since the continue on the project of Rayong Institute of Science and Technology : RAIST and Rayong Science Academy : RASA which will be open their first semester in 2015

International Trade

Exports

Export of petrochemical products during the first 10 months of 2014 (Jan - Oct) from upstream to downstream totaled amount Baht 255,442.96 million, the growth rate increased around 3.54%, compared with the previous year. Petrochemical products have export value THB 306,531.56 million, increased 3.56% with the previous year.

Export Petro Chemical Product : Export during 2012 - 2014 (Unit: Million Baht)

	2012	2013	2013				2014				2014*
			Q1	Q2	Q3	Q4	Q1	Q2	Q3	Jan-Oct	
Export	287,101.75	295,974.66	77,230.97	70,589.98	74,979.81	73,173.90	79,577.07	76,878.66	73,560.11	255,442.96	306,531.56
YOY (%)	(23.01)	3.09	13.20	(2.91)	2.95	(0.23)	3.04	8.91	(1.89)	3.54	3.56
QoQ (%)	-	-	5.30	(8.60)	6.22	(2.41)	8.75	(3.39)	(4.32)	-	-
Upstream	59,540.10	78,808.15	23,137.85	19,810.00	18,470.87	17,389.44	19,940.59	17,194.11	14,598.02	56,108.29	67,329.95
YOY (%)	1.92	32.36	102.53	45.55	15.08	(5.77)	(13.82)	(13.20)	(20.97)	(16.59)	(14.56)
QoQ (%)	-	-	25.37	(14.38)	(6.76)	(5.85)	14.67	(13.77)	(15.09)	-	-
Intermediate	54,543.18	40,630.74	10,059.15	8,716.60	11,384.28	10,470.71	9,554.55	9,011.40	9,458.28	30,596.72	36,716.07
YOY (%)	(15.31)	(25.51)	(31.44)	(38.85)	(11.82)	(17.59)	(5.02)	3.38	(16.92)	(7.72)	(9.63)
QoQ (%)	-	-	(20.82)	(13.34)	30.61	(8.02)	(8.75)	(5.68)	4.96	-	-
Downstream	173,018.47	176,535.77	44,033.97	42,063.38	45,124.66	45,313.75	50,081.92	50,673.15	49,503.81	168,737.95	202,485.54
YOY (%)	(30.81)	2.03	4.52	(6.19)	2.86	7.43	13.73	20.47	9.70	15.36	14.69
QoQ (%)	-	-	4.39	(4.48)	7.28	0.42	10.52	1.18	(2.31)	-	-

Sourc : The Customs Department

* Estimated by The Office of Industrial Economics

Import

Import of petrochemical products during the first 10 months of 2014 (during Jan.-Oct) totaled amount Baht 92,183.97 million with a growth rate decreased by 3.88% compared to the previous year.

Petrochemical product from Upstream, Intermediate and downstream have import value around Baht 110,620.77 million or growth rate declined to 0.28% compared with the previous year

Petro Chemical Product : Import during 2012 - 2014 (Unit: Million Baht)

	2012	2013	2013				2014				2014*
			Q1	Q2	Q3	Q4	Q1	Q2	Q3	Jan-Oct.	
Import	120,272.14	110,305.11	22,189.55	27,580.59	29,788.18	30,746.78	27,439.99	26,948.71	27,711.32	92,183.97	110,620.77
YOY (%)	(26.80)	(8.29)	(19.44)	(8.31)	(7.36)	0.84	23.66	(2.29)	(6.97)	3.88	0.28
QoQ (%)	-	-	(27.22)	24.30	8.01	3.22	(10.75)	(1.79)	2.83	-	-
Upstream	16,434.98	11,786.83	754.24	2,485.70	4,665.01	3,881.87	1,918.14	2,518.95	3,701.26	9,788.67	11,746.41
YOY (%)	(23.03)	(28.28)	(85.69)	(33.41)	3.54	32.76	154.31	1.34	(20.66)	11.74	(0.34)
QoQ (%)	-	-	(74.20)	229.56	87.68	(16.79)	(50.59)	31.32	46.94	-	-
Intermediate	19,932.40	22,695.56	3,855.26	7,472.11	6,060.07	5,308.12	7,190.41	5,664.78	5,127.65	19,996.75	23,996.10
YOY (%)	(39.49)	13.86	(13.94)	26.48	22.18	15.78	86.51	(24.19)	(15.39)	1.26	5.73
QoQ (%)	-	-	(15.91)	93.82	(18.89)	(12.41)	35.46	(21.22)	(9.48)	-	-
Downstream	83,904.76	75,822.72	17,580.05	17,622.78	19,063.10	21,556.79	18,331.44	18,764.98	18,882.41	62,398.55	74,878.26
YOY (%)	(23.74)	(9.63)	(1.20)	(13.79)	(15.98)	(6.20)	4.27	6.48	(0.95)	3.60	(1.24)
QoQ (%)	-	-	(23.50)	0.24	8.18	13.08	(14.96)	2.36	0.63	-	-

Sourc : The Customs Department

* Estimated by The Office of Industrial Economics

Prices.

An Asian market Ethylene price in first ten month of 2014, average priced was at Baht 42.96 per kilogram and the Propylene price was at Baht 51.47 per Kilogram, slightly increase when compare with the previous year (first 10 months) In the year 2014 (average of South East Asia CFR) polymers pricing of LDPE, HDPE, and PP at an average price of Baht 52.53, Baht 51.06 and Baht 51.47 per kilogram, respectively. LDPE, HDPE and PP's average price increase compared to the same period. Year

Summary 2014 and Outlook 2015

Petrochemical industry in the first 10 months of the year 2014 (Jan - Oct) has slightly increased growth rate of export value around 3.54% and 3.88%, respectively. Because of the export market country economic has turn around such as China and Japan. However, we still need to closely follow up the EU and US economic recovery which remains fragile including our local political instability

Overall of Petrochemical industry during the first 10 months (Jan - Oct.) 2013 has slower growth rate of import, due to the expansion of the production capacity of the local producer. However the political crash is still a major factor that needs to closely follow up.

Trend

The growth trend of petrochemical industry in Thailand for the year 2015 expected to slightly growth compared with the year 2014. The important factor should be our local economic and the main export country markets including China, Japan have slight economics growth. However the unstable recover status of the European and the US economy still the key factor to closely follow up. So in short term, Petrochemical producers have adjusted their production plans in accordance to domestic economy and the world economy. In the long term, to reduce the risk should enter to the new markets in developing countries, especially in the emerging economic regions such as CLMV (Cambodia , Laos , Myangmar and Vietnam)

9.1 Risk of depending on key supplier or few suppliers

From the past, SCG Plastics Co., Ltd. has made the high proportion of revenue of 50-60 percent as it is the key supplier. In 2012, SCG Plastics Co., Ltd. terminates the Company from the distributor, it would become a risky issue that could affect the revenues and profitability of the Company due to lack of product to distribute to customers.

The Company had total sales revenue from Commodity Polymer business Unit of Baht 1,937 million in 2014, increased from Baht 1,405 million in 2013 or equivalent to 38%. resulting from the Company had some gain back sales of previously lost customers by expand customer in PTT group as well as the Company expanded the market by import Commodity Polymer product which quality was equivalent to SCG product under the competitive cost but It must not be conflicted with key suppliers product. This solution can mitigate the risk of dependency on the key suppliers.

In addition, the company still remains diversify its product policy by expanding into new markets as can be seen from the expansion into the rubber industry, automotive industry and packaging industry. The Company contacts with many new suppliers as well as secure variety products from the existing suppliers to achieve the appropriate balance. At the same time, the company is focusing on expanding the market and increase sales from the specialty products by the world's leading supplier of more than 20 companies, mostly the company is the only dealer in Thailand which gives the higher gross margin, less risk of lower prices, high growth rate and less competition when compare to commodity.

9.2 Risk associated with the reliability on the officers

Due to most of the sales turnover derived from sales representatives, therefore sales volume has direct relationship with sales representatives. The Company has risk associated with the reliability on sales representatives. If they resign, their clients may follow them that may cause the decrease of sales and profit especially commodity polymer. But selling of certain specialty products may need knowledge and expertise of sales representative and technical support from suppliers. If such sales representative resigns, the Company may encounter problem.

However the Company has been dealing with clients for a long time and they are impressed by the Company policy so it can reduce risk from losing the clients. The Company's management has knowledge and expertise about all products and we have regular customers visit to strengthen good relation between the Company and the clients, including continuous training policy therefore sales representative can be developed to replace continuously. Moreover the Company has good clients database therefore new sales representative can track existing clients easily. One important thing is when the customers of the clients approved the quality of specialty products, they shall not change to use other product unless they have necessary reason. In addition, a certain group of customers are tied up with our specialty products which cannot be changed easily making the Company less dependent on sales representatives.

In addition, the Company plans to develop a succession plan at all levels of management in order to strengthen the sustainability of the organization and long-term business growth.

9.3 Risk associated with bad debts of accounts receivable

At present, the Company sells the goods in credit term mostly. Thus, if account receivable turns to be bad debt significantly, the Company may encounter a financial liquidity risk and affect the Company's profitability. However, the Company has diversified customers and sales volume per client with value not exceed 5 percent of total sales in order to reduce risk. Moreover the Company had the policy to verify the clients' credit before providing credit to customers and closely follow up financial status as well as payment capacity of the customers. The Company has setup the credit committee to consider the credit of the clients, both new and old ones and also set the credit approval system, which separate from sale department to control the Non-performing account receivable. Moreover, the Company manages and transfers this kind of risk to trade credit insurance continuously since 2005. The insurance covers the bad debts of customers which had been approved under conditions of the insurance company. The insurance company set insurance coverage of each client. The Company sets the doubtful debt allowance according to the risk of accounts receivable according to the past experience and the present status of the clients. Then the Company compares the allowance for doubtful debt and insurance to verify if the Company needs to reserve more doubtful debt allowance.

Details of aging of accounts receivable as well as a number of the allowance for doubtful accounts were described in Management's Discussion and Analysis section.

9.4 Risk associated with exchange rate

The Company purchases most of the goods from local suppliers except the specialty products have to purchase from foreign suppliers in US Dollar. In 2014, the Company imported the goods in foreign currency at 31 percent of its total purchase. From the foreign currency purchase, 99 percent are in US Dollar. If the exchange rate of Thai Baht against US Dollar fluctuates, it may affect the Company's profitability.

However, to protect the exchange rate risk, the Company follows the movement of the exchange rate of Thai Baht against US Dollar closely by asking the advice of the bank to determine whether the Company should buy the forward contracts. The Company has solid policy of no speculation on currency. The Company must not buy the forward contracts without the trading obligations. Moreover, the Company will not sell the goods in advance without agreement on the exchange rate with the clients or buy the forward contracts. By these reasons, the Company can prevent a certain level of risk from foreign exchange rate.

9.5 Risk associated with insufficient cash flow

Since, the Company has to reserve sufficient inventory for delivery to the clients promptly couple with credit term to clients about 107 days which is longer than the credit term of suppliers of about 21 days. The Company has to maintain a number of working capital for operation, which has cash cycle of 86 days. If sale of the Company increases significantly, the Company may need to find more of source capital, which is more costly than the financial cost at the present.

In addition, currently the Company can purchase goods under credit period of 15 days with major suppliers such as PTT Polymer Marketing Co., Ltd. and can negotiate with the major suppliers to receive special long-term credit period which the Company's working capital cost may increase from interest rate. However, the Company has many financial institutions which offer lower interest rate than the major suppliers.

As at 31 December 2014, the Company had credit facilities with many financial institutions. The credit facilities are still available more than 66% of the total credit amount. The Company had the stronger working capital status and the Company's debt-to-equity ratio was 2.01 times as at 31 December 2014. Moreover, the Company is likely to get the better conditions from the financial institutions due to the Company's consistently good performance.

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

Although the Company sells the products to the domestic customers mostly, product price fluctuates with the world market because the petrochemical products are commodity which price fluctuates in accordance with demand and supply in the world market. The Company's profitability changes according to the world market price as the cycle. There is the risk in the case that the Company buys the goods at the high price and the price declines. The recent drop in oil prices in 4th quarter of 2014 which negatively affected by a drop in price of petrochemical and plastic products. This may lead the Company to sell inventory to the clients cheaper of lower than buying price which causes the Company's profitability's lower or loss in some case.

However, the Company tries to lower this risk by keeping inventory of commodity in the optimal level which has high price fluctuation, and follows the changing price from the global supplier data all the time. Moreover, for the customers, who order the big volume in advance, the Company is supported about the quantity and price directly from manufacturers and/or suppliers. This can lower the risk. Furthermore, specialties products are less affected by price fluctuation because the Company sets the price according to cost plus policy.

In late 2014, The oil price crisis caused the price of oil dropped from 100 USD per barrel to 46-50 USD per barrel that resulted to the petrochemical and plastic price declined sharply caused companies losses from commodity price was dropped rapidly. It cannot be avoided entirely despite the Company effort to reduce level of inventory but some inventory must be kept in order to provide sufficient lead time according to customer's requirements as nature of its dealer/distributor business.

9.7 Risk associated with terminates the distributing agent contact

The period of distributing agent contracts are either yearly basis or 2 years basis which is normal practice in the petrochemical industry. Thus, the Company may face the risk from termination of agent agreement if the Company could not perform following the supplier's requirement i.e. cannot achieve the sales target or cannot maintain the required infrastructure.

However, the Company has good performance continuously and also has many regular clients, including develop new client group in various industries which satisfy the manufacturers. Moreover, the Company contacts and working with the producers closely to explain the progress of domestic sales and market development. Thus, the producers still renew the agreement although the Company may not achieve the sales target because they understand the reasons.

In some cases when business policies do not align with each other or the merger creates products duplication, the Company may need to terminate from the role of distributor of some companies. For the SCG Plastics Co., Ltd. in 2012 and BASF (Thailand) Co., Ltd. in 2011, the Company agreed to terminate the role as the distributor.

However, terminated from SCG Plastic Co.,Ltd. on 30 June, 2012 could directly effect to the Company and the customers so the Company simultaneously replaced SCG Plastic Co.,Ltd. with PTT Polymer Marketing Co.,Ltd. a subsidiary Company of PTT Group on 21 July 2012. Although, it cannot replace all as can be seen from sales of Commodity group which was dropped from the prior year amounting to Baht 636 million or 31% of total sales. The Company was able to adapt by expanding its customer base of Commodity Polymer group. In 2014, the Company reported sales of Baht 1,937 million from Commodity Polymer group which was considered to be approximate when compared to the sales of the SCG group.

However, the executive management had assessment risk factors and planning business operations to mitigate the risk.

9.8 Risk from power of majority shareholders that hold over 50% of total shares

As of 31 December 2014. When consider individually, No Shareholder hold more than 25% of total shares. So, there is no concern about majority shareholder control risk. However, If considered by group of founder i.e. Mr. Somchai Kulimakin, Mr. Sumruay Tichachol, Mr. Bhiya Jriyasetapong and Mr. Aikachai Sirijantanan that hold 129,843,930 shares (Including person under section 258) or represent 65% (Over 50%) of total shares. Therefore, founder group has majority vote in the Company controlled whether director nominative or other matter that requires majority vote except some special matter is required by law or the Company regulation that requires three-quarter majority rules. So, Minority shareholders may not balance the power of founder group

Shareholder Structure & Dividend Policy

10

10.1 Amount of share capital and fully paid up

The Company has registered capital amounting to Baht 200 million which issued Baht 200 million ordinary shares at par value Baht 1 and fully paid up amounted Baht 200 million.

10.2 Shareholder Structure

Name	As of 31 Dec 2013		As of 31 Dec 2014		Change	
	No.of shares	% of Paid up Capita	No.of shares	% of Paid up Capita	'+/'(-)	%
1. Mr. Somchai Kulimakin*	44,499,900	22.25	44,499,900	22.25	-	-
2. Mr. Aikachai Sirijantanant**	30,326,230	15.16	30,326,230	15.16	-	-
3. Mr. Sumruay Tichachol***	28,892,800	14.45	28,892,800	14.45	-	-
4. Mr. Bhiya Jriyasetapong	26,125,000	13.06	26,125,000	13.06	-	-
5. Mr. Somkiat Terdtultaveedey	9,200,000	4.60	9,200,000	4.60	-	-
6. Mr. Monthon Kwesuan	5,300,000	2.65	-	-	(5,300,000)	(100.00)
7. Mr. Itsara Kulimakin	4,478,480	2.24	4,478,480	2.24	-	-
8. Ms. Nawaporn Jriyasetapong	1,702,600	0.85	1,702,600	0.85	-	-
9. Mr. Pornchai Ratanatripop	1,400,000	0.70	1,400,000	0.70	-	-
10. Ms. Siwaporn Jarat	1,355,000	0.68	-	-	(1,355,000)	(100.00)
11. Mr. Nat Chartchaiwong	1,100,000	0.55	1,100,000	0.55	-	-
12. Mr. Chalit Limpanavech	1,000,000	0.50	1,000,000	0.50	-	-
13. Others	44,619,990	22.31	51,274,990	25.64	-	-
Total	200,000,000	100.00	200,000,000	100.00	-	-

Remark: Included related person, under section 258 of the Securities and Exchange Act B.E. 2535

* Mrs. Boonsri Kulimakin who hold 100 shares

** Mrs. Nisaporn Sirijantanant who hold 3,201,230 shares

*** Mrs. Papatsawee Thichachol who hold 1,767,800 shares

Foreign Shareholders as of 31 December 2014

The number of foreign shareholder was four shareholders which held 485,000 shares or 0.243% 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

The 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 ratio 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.

Year	2010	2011	2012	2013	2014
Earning per share (Baht / share)	0.62	0.40	0.39	0.35	0.24
Dividend per share (Baht / share)	0.50	0.40	0.36	0.32	0.23
Dividend payout ratio (%)	80	99	94	91	96

The Board of Directors and Management





CHAIRMAN OF THE BOARD AND INDEPENDENT DIRECTOR

Mr. Virah Mavichak

Age 71

Percent of Share holding : None

Education Background

- M.S. Chemical Engineering, University of Texas, USA
- B.S. Engineering, Chulalongkorn University

Training program

- 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)

Experience

Listed companies

2008 - Present	Chairman of The Board	Global Connections PCL.
2004 - 2008	Chairman of Audit	Global Connections PCL.
2009 - Present	Independent Director and Chairman of Audit Committee	Srivichai Vejvivat Co., Ltd.

Non-listed companies

2009 - Present	Independent Director	B.S. Metal Co., Ltd.
2005 - Present	Director and Environmental Advisor	Refine Tech Co., Ltd.
2008 - 2011	The Senator	Senate, Kingdom of Thailand.
2008 - 2009	Chairman of The Board	TPT Petrochemical PCL.
2001 - 2003	Director-General	Department of Industrial Works.
2000 - 2001	Deputy Permanent Secretary	The Permanent Secretary Office of Ministry of Industry.
1998 - 2000	General Inspector	The Permanent Secretary Office of Ministry of Industry.

CHAIRMAN OF THE AUDIT COMMITTEE AND INDEPENDENT DIRECTOR

Dr. Pisit Leeahtam

Age 64

Percent of Share holding : 31,900 Shares (0.02%)

Education Background

- Ph.D, Economics, Erasmus University, Netherlands
- M.S., Economics, Erasmus University, Netherlands
- B.S., Economics, Erasmus University, Netherlands

Training program

- Directors Certification Program (DCP) Class 18/2002, Thai Institute of Directors (Thai-IOD)
- Corporate Governance for Capital Market Intermediaries (CGI) Class 2/2015, Thai Institute of Directors (Thai-IOD)



Experience

Listed companies

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 of The Board	Prueksa Real Estate PCL.
2005 - Present	Independent Director and Chairman of Audit Committee	Tira Thai PCL.
2007 - Present	Director	The Mandarin Oriental Hotel Thailand PCL.

Non-listed companies

Oct 2014 - Present	Member of The National Reform Council	The National Reform Council
2008 - Present	The Dean of Faculty of Economics	Chiang Mai University
2007 - Present	Vice-President of the University Council	Rajamangala University of Technology Krungthep
2006 - Present	Chairman of Chamber of Commerce	Natherland – Thai Chamber of Commerce
2004 - Present	Honorable Committee	Faculty of Commerce and Accountancy Thammasat Univeresity.
2003 - Present	Honorable Committee	King Mongkut's University of Technology Thonburi
2002 - Present	Association President	Association of Provident Fund
2007	Member of the Constitution Drafting Committee	National Constitution Drafting Assembly



AUDIT COMMITTEE AND INDEPENDENT DIRECTOR

Assoc. Prof. Chawalee Pongpatirochna

Age 79

Percent of Share holding : 100,000 Shares (0.05%)

Education Background

- Equivalence to Master Degree, Business Administration, The School of Economics and Business Administration in Gothenburg, Sweden
- Bachelor Degree in Accounting, Chulalongkorn University

Training program

- Director Accreditation Program (DAP) Class 32/2005, Thai Institute of Directors (Thai-IOD)

Experience

Listed companies

2004 - Present	Audit Committee	Global Connections PCL.
1999 - Present	Chairman of Audit Committee	Phatra Leasing PCL.

Non-listed companies

Present	Executive Director	Research and Development for Industry Unit, Institute of Biotechnology and Genetic Engineering, Chulalongkorn University
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CHAIRMAN OF THE NOMINATION AND REMUNERATION, AUDIT COMMITTEE

Mr. Suchart Suphayak

Age 57

Percent of Share holding : 50,000 Shares (0.03%)
(Included related person, under section 258)

Education Background

- Master Degree in Business Administration, Chulalongkorn University
- Bachelor Degree in Accounting, Assumption University

Training program

- Directors Certification Program (DCP) Class 72/2006, Thai Institute of Directors (Thai-IOD)
- Audit Committees Program (ACP) Class 14/2006, Thai Institute of Directors (Thai-IOD)
- Directors Diploma Examination Class 20/2006, Thai Institute of Directors (Thai-IOD)



Experience

Listed companies

2008 - Present	Chairman of The Nomination and Remuneration Committee	Global Connections PCL.
2006 - Present	Audit Committee	Global Connections PCL.

Non-listed companies

2014 - Present	Executive Director	ITX Corporation Co.,Ltd.
2011 - Present	Associate Judge	Juvenile and Family Court of Phachinburi
2007 - 2013	Financial Advisor	Rerm Udom Sugar Factory, Co., Ltd.



VICE CHAIRMAN AND CHAIRMAN OF EXECUTIVE COMMITTEE AND DIRECTOR OF THE NOMINATION AND REMUNERATION COMMITTEE

Mr. Somchai Kulimakin

Age 57

Percent of Share holding : 44,499,900 Shares (22.25%)

Education Background

- Bachelor Degree in Business Administration, Assumption University

Training program

- 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)

Experience

Listed companies

1995 - Present	Vice Chairman and Chairman of Executive Committee	Global Connections PCL.
2013 - Present	Director of The Nomination and Remuneration Committee	Global Connections PCL.

Non-listed companies

2013 - Present	Director	Global Connections Holding Co.,Ltd.
1988 - 1995	Assistant Managing Director	Liack Seng Trading Co., Ltd.
1985 - 1988	Assistant General Manager	Central Pacific (EX-IM) GmbH, Germany
1979 - 1985	Sale Dept. Manager	Metro Co., Ltd.

DIRECTOR , CHIEF EXECUTIVE OFFICER AND CHIEF MARKETING OFFICER 2

Mr. Aikachai Sirijuntanan

Age 50

Percent of Share holding : 30,326,230 Shares (15.16%)

Education Background

- 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

Training program

- 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)



Experience

Listed companies

2014 - Present	Chief Executive Officer	Global Connections PCL.
1995 - Present	Director and Chief Marketing Officer 2	Global Connections PCL.

Non-listed companies

2013 - Present	Director	Global Connections Holding Co.,Ltd
1986 - 1995	Sale Dept. Manager	Liack Seng Trading Co., Ltd.
1986 - 1988	Instructor of Polymer	Rajamangala Institute of Engineering Faculty Technology.



PRESIDENT AND CHIEF OPERATING OFFICER

Mr. Veera Kwanloetchit

Age 53

Percent of Share holding : None

Education Background

- Master Degree of Business and Administration, Chulalongkorn University
- Bachelor Degree of Science, Major in Chemical Engineering, Chulalongkorn University

Training program

- Directors Certification Program (DCP) Class 141/2011, Thai Institute of Directors (Thai-IOD)

Experience

Listed companies

2010 - Present	President and Chief Operating Officer	Global Connections PCL.
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Non-listed companies

2006 - 2009	Managing Director	Thai Houghton 1993
2001 - 2006	General Manager	DuPont (Vietnam)
1998 - 2001	Managing Director	Xaloy Asia (Thailand)
1988 - 1998	Business Manager and Sales Manage of ASEAN to Engineering Plastic.	DuPont (Thailand)
1985 - 1988	Managing Director	The Dow Chemical (Thailand) Co., Ltd. and Pacific Plastics (Thailand) Co., Ltd.

**DIRECTOR , DIRECTOR OF THE NOMINATION AND REMUNERATION
COMMITTEE AND CHIEF MARKETING OFFICER 1**

Mr. Sumruay Tichachol

Age 57

Percent of Share holding : 28,892,800 Shares (14.45%)

Education Background

- Bachelor Degree in Economics, Thammasat University

Training program

- 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)



Experience

Listed companies

1995 - Present	Director and Chief Marketing Officer 1	Global Connections PCL.
2013 - Present	Director of The Nomination and Remuneration Committee	Global Connections PCL.

Non-listed companies

2013 - Present	Director	Global Connections Holding Co.,Ltd
1994 - 1996	Sale Representative	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 Section Manager	Metro Co., Ltd.
1980 - 1981	Officer	Bangkok Steel Industry PCL.



DIRECTOR AND CHIEF MARKETING OFFICER 3

Mr. Bhija Jriyasetapong

Age 54

Percent of Share holding : 26,125,000 Shares (13.06%)

Education Background

- Bachelor Degree in Business Administration, Assumption University

Training program

- 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)

Experience

Listed companies

1995 - Present	Director and Chief Marketing Officer 3	Global Connections PCL.
2008 - 2013	Director of The Nomination and Remuneration Committee	Global Connections PCL.

Non-listed companies

2013 - Present	Director	Global Connections Holding Co.,Ltd
1989 - 1995	Sale Dept. Manager	Liack Seng Trading Co., Ltd.
1983 - 1989	Sale Dept. Manager	Metro Co., Ltd.

VICE PRESIDENT - FINANCE AND ACCOUNTING DEPARTMENT

Mrs. Pravishya Hansakul

Age 51

Percent of Share holding :100,000 Shares (0.05%)

Education Background

- Bachelor Degree in Business Administration,
Assumption University

Training program

- 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



Experience

Listed companies

2002 - Present	Vice President	Global Connections PCL
	Finance and Accounting	

Non-listed companies

2001 - 2001	Finance Planning & Accounting Manager	GlaxoSmithKline (Thailand) Limited.
1998 - 2001	Accounting and Financial Controller	Block Drug Company (Thailand) Limited.
1991 - 1997	Finance and Accounting	C. Melchers & Co., (Thailand) Ltd.
1987 - 1990	Senior Auditor	Pricewaterhouse Coopers ABAS Ltd.



VICE PRESIDENT - LOGISTICS AND COMPANY SECRETARY

Ms. Pornpimol Torpaiboon

Age 41

Percent of Share holding : 5,000 Shares (0.00%)

Education Background

- Master of Science Program in Corporate Governance , Chulalongkorn University
- Master of Science Program in Technology Management , Thammasat University
- Bachelor Degree in Business Administration, Finance and Banking, Thammasat University

Training program

- Executive Development Program (EDP) 2010
- Mini Certified Investment & Securities Analyst Program (Mini CISA) by Securities Analysts Association
- Board Reporting Program (BRP) 1/2009 The program emphasizes on enhancing the skills in prepare the data and information of meetings.
- Effective Minute Taking (EMT) 1/2006 The program emphasizes on enhancing the skills in recording minutes of meetings and compliance with the good corporate governance principle
- Company Secretary Program (CSP) 11/2005 enhancing the understanding of their role in full support of board directors.

Experience

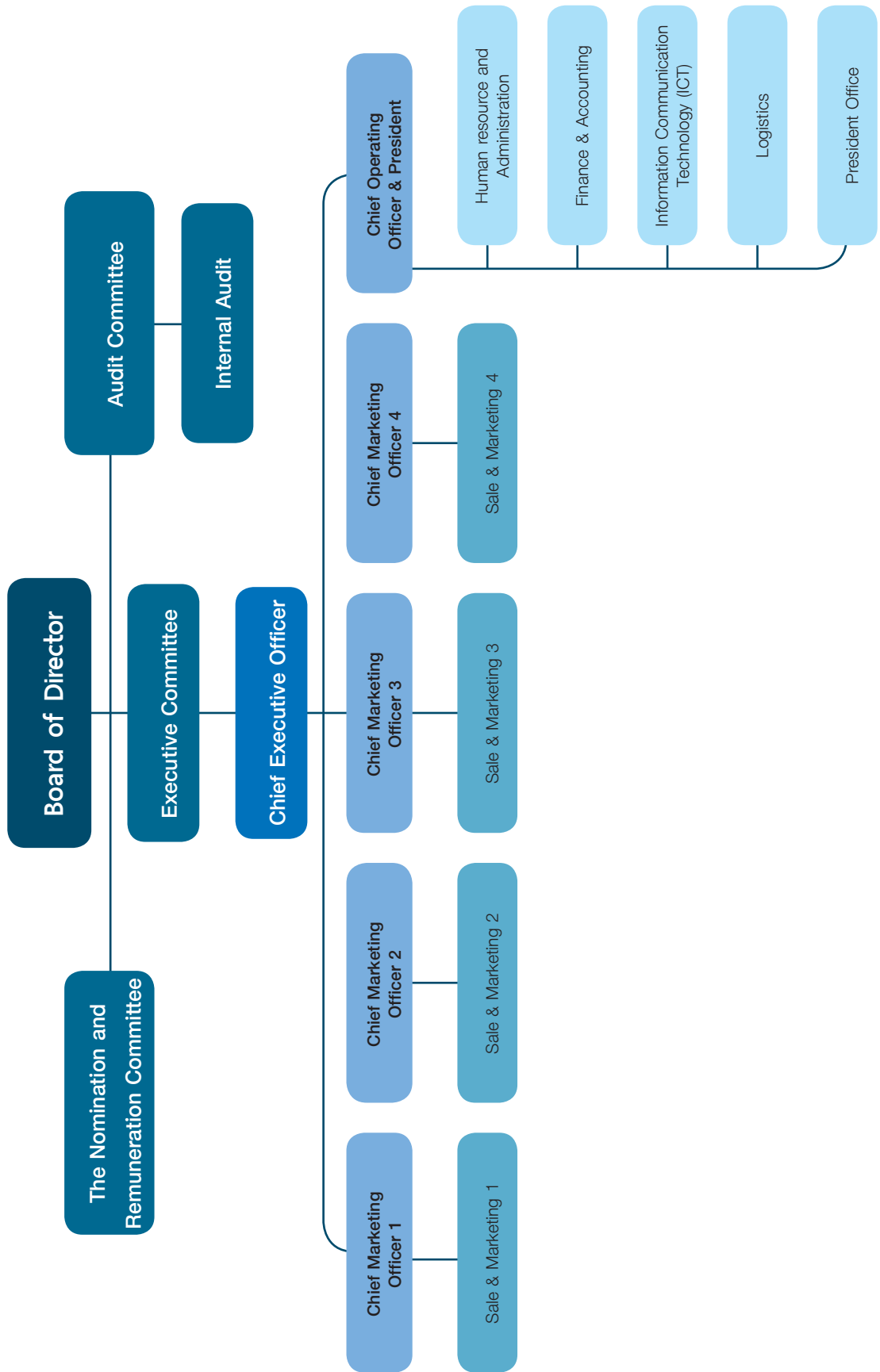
Listed companies

2013 – Present	Vice President – Logistics	Global Connections PCL.
2005 - Present	Company Secretary and Investor Relations	Global Connections PCL.

Non-listed companies

2000-2005	Investment Banking Manager	SCMB Co., Ltd
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ORGANIZATION CHART AS OF DECEMBER 31 2014





13.1 Board of Directors

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

Members of the Board of Directors as of 31 December 2013 and 2014

	Name	Position	Attendance/ Number of Meeting for Board of Directors	
			2013	2014
1	Mr. Virah Mavichak	Chairman of the Board and Independent director	5/5	5/5
2	Dr. Pisit Leeahtam	Chairman of Audit Committee and Independent director	3/5	3/5
3	Assoc. Prof. Chawalee Pongpatirochna	Independent director and Audit Committee	5/5	5/5
4	Mr. Suchart Suphayak	Chairman of the Nomination and Remuneration Committee and Independent director, Audit Committee	5/5	5/5
5	Mr. Somchai Kulimakin	Vice Chairman and Nomination and Remuneration Committee	5/5	5/5
6	Mr. Sumruay Tichachol	Director and Nomination and Remuneration Committee	5/5	5/5
7	Mr. Bhiya Jriyasetapong	Director	4/5	4/5
8	Mr. Aikachai Sirijantanan	Director	5/5	5/5

Remark :

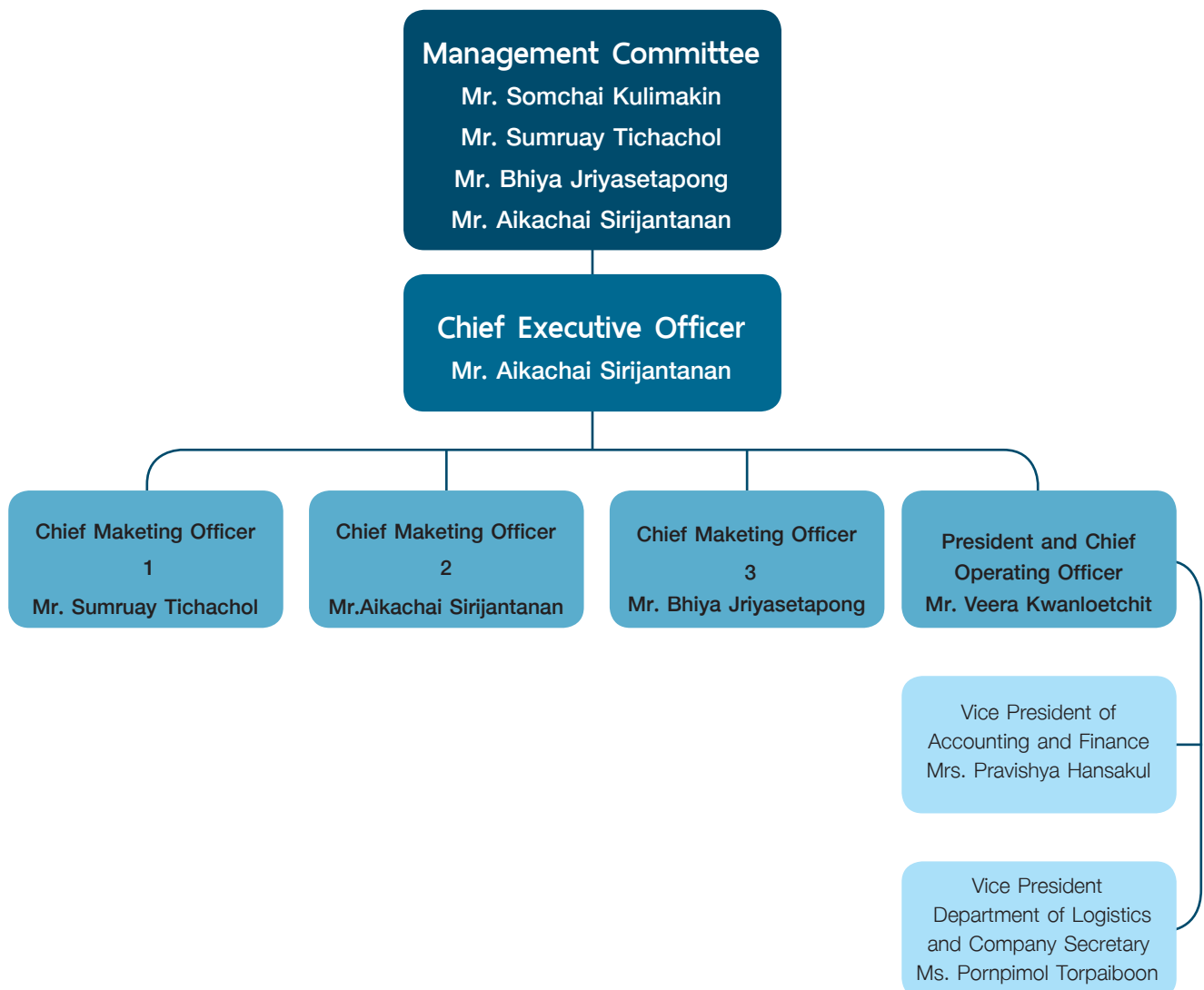
- Dr. Pisit Leeahtam absented from the meeting due to urgent task (attend Nation Reform Committee) 2 times.
- Mr. Bhiya Jriyasetapong absented from the meeting 1 time due to urgent task.

13.2 The Management

Members of the Management as of 31 December 2014

1. Mr. Somchai Kulimakin	Chairman of Executive Committee
2. Mr. Aikachai Sirijantanan	Chief Executive Officer and Chief Marketing Officer 2
3. Mr. Veera Kwanloetchit	President and Chief Operating Officer
4. Mr. Sumruay Tichachol	Chief Marketing Officer 1
5. Mr. Bhiya Jriyasetapong	Chief Marketing Officer 3
6. Mrs. Pravishya Hansakul	Vice President Department of Accounting and Finance
7. Ms. Pornpimol Torpaiboon	Vice President Department of Logistics and Company secretary

Management organization chart as of 31 December 2014



Statement of change in Shareholdings of directors and management executives

Unit : Shares

Name	TYPE	31 December 2013	Bought during fiscal period	Sold during fiscal period	31 December 2014
Mr. Virah Mavichak	Direct	-	-	-	-
Dr. Pisit Leeahtam	Direct	3,800	38,100	(10,000)	31,900
Assoc.Prof.Chawalee Pongpatirochana	Direct	100,000	-	-	100,000
Mr. Suchart Suphayak	Total	50,000	-	-	50,000
- Mr. Suchart Suphayak	Direct	-	-	-	-
- Mrs. Nucharin Suphayak	Indirect	50,000	-	-	50,000
Mr. Somchai Kulimakin	Total	44,499,900	-	-	44,499,900
- Mr. Somchai Kulimakin	Direct	44,499,800	-	-	44,499,800
- Mrs. Boonsri Kulimakin	Indirect	100	-	-	100
Mr. Sumruay Tichachol	Total	28,892,800	-	-	28,892,800
- Mr. Sumruay Tichachol	Direct	27,125,000	-	-	27,125,000
- Mrs. Papatsawee Tichachol	Indirect	1,767,800	-	-	1,767,800
Mr. Bhiya Jriyasetapong	Direct	26,125,000	-	-	26,125,000
Mr. Aikachai Sirijantanan	Total	30,326,230	-	-	30,326,230
- Mr. Aikachai Sirijantanan	Direct	27,125,000	-	-	27,125,000
- Mrs. Nisaporn Sirijantanan	Indirect	3,201,230	-	-	3,201,230
Mr. Veera Kwanloetchit	Direct	-	-	-	-
Mrs. Pravishya Hansakul	Direct	100,000	-	-	100,000
Ms.PornpimolTorpaiboon	Direct	5,000	-	-	5,000
รวม		130,102,730	38,100	(10,000)	130,130,830

13.3 Company secretary

The Board of Directors has appointed Ms. Pornpimol Torpaiboon as Company Secretary of the Company. Effectively on 13 May 2008.

13.4 Remuneration

1) Monetary Remuneration

a. Remuneration of Board of Directors

Remuneration for the Board of Directors from fiscal year ended 31 December 2013 and 31 December 2014, the number of meeting and the amount of annual gratuity for the Board of Directors as the followings :

Meeting and Attendance

Name	Position	Attendance/ Number of for Board of Directors Meeting		Attendance/ Number of Meeting for Audit Committee		Attendance/ Number of Meeting for Director and Nomination and Remuneration Committee	
		2013	2014	2013	2014	2013	2014
1 Mr. Virah Mavichak	Chairman of the Board and Independent director	5/5	5/5				
2 Dr. Pisit Leeahtam	Chairman of Audit Committee and Independent director	3/5	3/5	2/4	3/4		
3 Assoc. Prof. Chawalee Pongpatirochna	Independent director and Audit Committee	5/5	5/5	4/4	4/4		
4 Mr. Suchart Suphayak	Chairman of the Nomination and Remuneration Committee and Independent director, Audit Committee	5/5	5/5	4/4	4/4	1/1	3/3
5 Mr. Somchai Kulimakin	Vice Chairman and Nomination and Remuneration Committee	5/5	5/5				3/3
6 Mr. Sumruay Tichachol	Director and Nomination and Remuneration Committee	5/5	5/5				3/3
7 Mr. Bhiya Jriyasetapong	Director	4/5	4/5				1/1
8 Mr. Aikachai Sirijuntanan	Director	5/5	5/5				

Remark : Referred to Company Board resolutions in the meeting on 9 May 2013

Mr. Bhiya Jriyasetapong resigned from Nomination and Remuneration Committee. Then The Board of directors has appointed Mr. Somchai Kulimakin and Mr. Sumruay Tichachol for replacement position.

Meeting Fee

Name		Position	Meeting Fee (Baht)			
			Board of Directors	Audit Committee	Nomination and Remuneration Committee	TOTAL
Non-Executive Director						
1	Mr. Virah Mavichak	Chairman of the Board and Independent director	250,000			250,000
2	Dr. Pisit Leeahtam	Chairman of Audit Committee and Independent director	60,000	60,000		120,000
3	Assoc. Prof. Chawalee Pongpatirochna	Independent director and Audit Committee	75,000	60,000		135,000
4	Mr. Suchart Suphayak	Chairman of the Nomination and Remuneration Committee and Independent director, Audit Committee	75,000	60,000	45,000	180,000
Executive Director						
5	Mr. Somchai Kulimakin	Vice Chairman and Nomination and Remuneration Committee	100,000		30,000	130,000
6	Mr. Sumruay Tichachol	Director and Nomination and Remuneration Committee	75,000		30,000	105,000
7	Mr. Bhiya Jriyasetapong	Director	60,000			60,000
8	Mr. Aikachai Sirijuntanan	Director	75,000			75,000

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 Baht 1,140,000 and Baht 1,380,000 per year in 2013 and 2014 and allocate bonus for eight directors as a total of Baht 1,380,000 and Baht 940,000 in 2013 and 2014. Anyway all remunerations are approved by shareholder meeting in amount which is not exceeded Baht 4,000,000.

b. Total remuneration for Management

Remuneration for Executive Directors and Management Committee total of seven was Baht 27.52 million in form of salary and bonus for the fiscal year ended 31 December 2014. Including Indefinite employment agreement for retired directors i.e. Mr. Somchai Kulimakin and Mr. Sumruay Tichachol 2 persons)

c. 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 2.27 million in 2013 and Baht 1.85 million in 2014. The Company also provided automobile for the Management members.

13.4 Human Resource

The Company realizes the importance and striving to staff development for the growth of the Company. The Company had specific human resource targets as follows.

- The Company adheres to run business in accordance with the laws along with the policy of fairness employment including recruitment, hiring, placement, training and development, job rotation, promotion and remuneration and welfare.
- Human resource schemes and policies have been determined in order to achieve goal of Company's business. Staffs at all levels must comply with the policy that aimed to improve working environment with variety ideas and respect to each other. By relying on good intention of all employees.
- To avoid conflict of interest. The Company had policy to forbid directors' spouse to work with the Company.
- The Company is strongly committed to proceed as following
 - The Company had specific to develop succession plan for all management levels in order to strengthen business in long-run and the Company will be able to cope with unexpected situation that may affect the business
 - Talent management development scheme is a one of human resource management tool In order to maintain and develop the "talent staff" for maximum worth and good efficiency.
 - To provide effective staff development program and cultivating a sense of ownership to all employees
 - Creating opportunities for all employees to increase their knowledge, skill and with regard their ability to perform their jobs. Which take into account the principles of equality, fairness the commitment to the Company and their career path growth together with the Company. In additional, it will lead to customer satisfaction.

- The Company shall promote good team working to be conscious and participation of all employees in order to achieve the Company's target.
- Increasing employees communication at all level in order to good working cooperation.
- Provide good welfare for employees as follow ;
 - Healthy and sanitation including medical insurance to help relieve some of the costs of medical care, maternity leave, dental care, fitness and sport center for good health and annual medical check- up.
 - Financial including provident fund and cost of living
 - Recreation including new year party and Company outing.
 - Others including scholarship, team building activities, training and seminar, subvention such as wedding ceremony, maternity, funeral, birthday leave etc.

Human resource strategy

- The Company has potential employees with sense of Company ownership who growth along with rapid expansion of the Company. Most of them graduated with bachelor's degree or above in petrochemical engineering and petrochemical science which are between 25-40 years old. These employees are young generation that can work for a long time and they will be a part of the Company mechanism to drive the Company for sustainable growth in long-run.
- The Company had policy to put the right man on the right job by recruit employee from petrochemical and plastic fields to drive the Company's accomplishment. The Company strives to create value added services by providing advice and service to our customers starting from production level down to marketing level 87% of total staffs graduated from petrochemical engineering and petrochemical science and another employees graduated from management science with working experienced in plastic and petrochemical industry.
- The Company had policy to develop employee knowledge continuously by ensuring employees at all levels to receive appropriate training by in-house and public lecturers that would create knowledge exchange and valuable experience sharing that appropriate with organization. In the meantime, the Company always promote employees to get knowledge from outside such as going abroad training, Product training from oversea suppliers. Regarding to this policy, employee in every level will be developed and promoted their knowledge in order to serve need and create customer satisfaction and different from any distributor in the market.
- The Company plans to develop a succession plan and talent management at all levels of management in order to strengthen the sustainability of the organization and long-term business growth.

Details of employees in each department as follow;

Department	No. Staff (Persons)	
	31 December 2013	31 December 2014
1. Management	7	7
2. Sales and Marketing	30	32
3. Customers service and Technical support (Sales co-operation and Warehouse)	25	28
4. Finance and Account	12	13
5. Administration and Others	12	12
6. Warehouse and Delivery (Blue-Collar worker)	25	26
Total	111	118

As of 31 December 2014, The Company has total 118 employees (Permanent staffs 92 persons, Blue-collar worker 26 persons and indefinite employment agreement 2 persons)

Remuneration (Million Baht)	2012	2013	2014
Salary	50.95	48.85	53.44
Wage – Blue collar worker	3.78	3.97	4.55
Bonus	8.98	8.96	7.83
Provident fund (If any)	4.78	3.66	3.39
Others such as cost of living, Over time,	9.02	10.74	10.90
Allowance Food (Blue-collar work) etc.			
Compensation	3.00	3.34	2.46
Total	80.51	79.52	82.57

Besides monetary remuneration, The Company has provided company car or transportation allowance for staffs in some position.

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. It will be paid to employees upon termination in accordance with the fund rules.

The Company had decided to implement “Employee’s Choice” concept that employees are allowed to choose their own investment policy in accommodating the differences in each fund whether its risk tolerance and investment return to suit their own preferences. There are 4 investment policy i.e. International and Domestic Fixed-income policy, Equity policy , Mixed policy 90:10 and Domestic fixed-income policy 100%

Labor dispute during the past 3 years

The Company has never had any labor dispute during past 3 years and since the Company has established

Staff development policy

The Company has policy to identify and conduct individual training and development programs for new staffs in order to help them about behaviors consistent with organizational culture. The Company has provided annual staff development training programs for employees at all levels and also provide cross-function sale training in order to improve their knowledge about products and responsibility in every business unit.

The Company has specific to provide mentor for new staffs in first 3 months with “On the Job Training” to ensuring them to work with least mistake and utilize such knowledge and competency in appropriate period

Employee Remuneration and Benefits Policy

The Company believes that the key success factor to achieve business goal is that ability to attract and retain people to work in organization, including building the motivation for employees to perform to their full potential

The Company defines our performance assessment system at functional and individual levels by starting with Work Target setting, planning, follow-up, development, and assessment for individual key performance indicators. This ensures alignment with the performance management of each employee, function and organization by providing the credibility, correctness and fairness that are keys to employee motivation

Human Resource Performance Management System

Corporate KPI shall be established based on the principle of Balanced Scorecard (BSC) which is considered to cover all of dimension by all sectors in organization. Then corporate KPI shall pass from Directors to all management levels and staffs respectively. All employees shall get individual KPI which reflect to KPI of section, department and organization and it must be reviewed and consulted by line manager for develop outcome with support in order to define appropriate remunerations. In general, remunerations and benefits for permanent employees include

Our Performance Management System is a continuous process of measuring and assessing knowledge, capability, development progress and effectiveness against specific work targets in line with Functional and Corporate KPI. The performance management system is a tool to measure the performance of each individual at a given moment and assess his or her readiness for promotion in terms of knowledge and capability. The performance management system also enables any knowledge and skill gaps in the next career level to be identified. The results are then used to determine the appropriate next steps of the Career Development Plan in both short and long term. Performance evaluation is conducted 2 times a year: mid-year (June–July) and year-end (November–December).

Performance and progress against Individual Career Plan and Individual Development Plan are annually reviewed by line manager who can then appraise the Career Development Plan of each employee and identify development actions such as training, on the job training etc.

The Company provides first quartile remunerations and benefits compared to industry peers in a fair manner

The Company recognizes in fairness employment with regard their ability to perform their jobs. Which take into account the principles of equality, fairness the commitment to the Company and their career path growth together with the Company. by implementing the policy on remuneration management in line with the organization's performance and connected to employees' performance as described below:

1. Short term compensation : The Company sets our levels of compensation in line with those of other organizations in the same industry in order to maintain and improve our competitiveness in human resource management to the organization. In addition, the Company sets a variable bonus system that is tied to the organization's annual financial performance as well as personal performance in order to motivate employees in management level to achieve the Corporate KPIs each year.
2. Long-term compensation : To retain and motivate the employees working for the organization to achieve longer term goals, the Company sets a remuneration policy that includes annual merit pay increases, compensation tied to salary, provident fund, etc. The principles of The Company compensation payments are as follows:
 - The Company sets our remuneration levels comparable to other organizations in the same industry to maintain and improve the organization's competitiveness in human resource.
 - The Company links corporate performance to individual performance under transparent criteria to establish compensation related to performance (Pay for Performance).

The Company defines a framework for planning and controlling the budget for remuneration in accordance with the corporate budget plan. The plan is prepared with due consideration of ability to make short- and long-term payment based on a precise database that allows the budget plan to be revised instantly at any time during the year in accordance with corporate performance.

○ Unfair employment

The Company recognizes in fairness employment with regard their ability to perform their jobs. Which take into account the principles of equality, fairness the commitment to the Company and their career path growth together with the Company.

To treat employees like family members is company aspect. By providing good welfare for employees which are better than standard laws enforcement i.e. Basic requirement, Training and development and retirement plan as following;

Basic requirement	Training and Development	Work – Life balance	Retirement Plan
- Cost of living	- Scholarship	- Entertainment	- Provident Fund
- Medical Insurance	- In-houseand Public training	- Fitness	
- Dental care	- English Training		
- Uniform			
- Maternity benefit			
- Funeral support			
- Home-loan			
- Natural Disaster help			

14. The Principles of Corporate Governance

14.1 Corporate Governance Policy

The Board of Directors 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 Board of Directors had assigned management to regulate the Company's vision, mission, objective of Corporate Governance, code of conduct, employee manual, 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. The Board of Directors has continuously been taking the good corporate governance of the Company seriously since the adoption of a good corporate governance policy to raise the standard of the corporate governance of the Company and to conform to the best practices as required by the Office of the Securities and Exchange Commission and the Stock Exchange of Thailand. In 2006, the Corporate Governance Center of the Stock Exchange of Thailand announced its updated version of the Principles for Good Corporate Governance for Listed Companies having been adjusted to be comparable to the Principle of Corporate Governance of the Organization for Economic Co-operation and Development (OECD Principles of Corporate Governance). The principle comprises of 5 categories, namely:

1. Rights of Shareholders
2. Equitable Treatment of Shareholders
3. Role of Stakeholders
4. Disclosure and Transparency
5. Responsibilities of the Board of Directors

In 2014, the Company received assessments related to good corporate governance activities as follows:

- The Company received an "Very Good" accomplishment in the Corporate Governance Report of Thai Listed Companies 2014 which was rated by the Thai Institute of Directors (IOD) in cooperation with the Securities and Exchange Commission (SEC) and the Stock Exchange of Thailand (SET).
- The Company was evaluated by the Office of the Securities and Exchange Commission, in cooperation with Thai Investors Association and Thai Listed Companies Association, on the quality of the Annual General Meeting for the year 2014. The Annual General Meeting of shareholders for the year 2014 was rated "Excellent", the same result received for the years 2010 - 2013.

14.2 Board of Directors and Sub-committee

Management structure comprises with 3 committees which are the Executive Committee, the Audit Committee and the Nomination and Remuneration Committee detail structure , authorization and responsibilities of the Board of Directors and Sub-Committee are the followings

The Board of Directors

Members of the Board of Directors as of 31 December 2014

1.	Mr. Virah	Mavichak	Chairman of The Board and Independent Director
2.	Mr. Somchai	Kulimakin	Vice Chairman
3.	Mr. Sumruay	Tichachol	Director
4.	Mr. Bhiya	Jriyasetapong	Director
5.	Mr. Aikachai	Sirijuntanan	Director
6.	Dr. Pisit	Leeahtam	Independent Director and Chairman of Audit Committee
7.	Assoc. Prof		
	Chawalee	Pongpatirochna	Independent Director and Member of Audit Committee
8.	Mr. Suchart	Suphayak	Independent Director and Member of Audit Committee

Secretary to the Board is Ms. Pornpimol Torpaiboon

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

Mr. Somchai Kulimakin, Mr. Bhiya Jriyasetapong, Mr. Samruay Tichachol and Mr. Aikachai Sirijuntanan, two of forth 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:

- (1) Any issues stipulated by law that resolutions of shareholders must be sought.
- (2) 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.

Authorities, duties and responsibilities of the Chairman of the Board:

1. Summoning the meetings of the Board of Directors and supervising the delivery of meeting notices and related documents so as to ensure that the Board of Directors acquire adequate and timely information.
2. Presiding over the Board of Directors meeting.
3. Promoting Corporate Governance standards of the Board of Directors.
4. Presiding over the Shareholders meeting and conducting the meeting in compliance with the Bank's Articles of Association and following the sequence of the agenda.
5. Supervising efficient communications between the directors and shareholders.
6. Performing the duty specified by law as the duty to be performed by the Chairman.

The Executive Committee

Members of the Executive Committee as of 31 December 2014

- | | | | |
|----|--------------|---------------|---------------------------------|
| 1. | Mr. Somchai | Kulimakin | Chairman of Executive Committee |
| 2. | Mr. Sumruay | Tichachol | Executive Committee |
| 3. | Mr. Bhiya | Jriyasetapong | Executive Committee |
| 4. | 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 Baht 150 million.
- 5) To recruit or dismiss the Company's staff in management level excluding Managing Director/ President and the Company's director positions.
- 6) To supervise and check 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 which the Executive Committee can approve its without any limitation on the approved annual budget by the Board of Directors.
- 9) To sign on contract which binding the Company for the period from 1-3 years and not exceed Baht 150 million.
- 10) To invest or invest in capital expenditure (not exceed Baht 150 million) or the transaction fixed on the annual budget approved by the Board of Directors.
- 11) To find 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 subsidiary's assets under provision of SET, shall be approved by the shareholder's meeting and/or acted as stated in that provision.

The Audit Committee

The Board of Director established the Audit Committee who is independent from management. The Audit Committee comprises of Independent Directors who are expertise and not relate with Executive and major shareholder.

Members of the Audit Committee as of 31 December 2014

- | | |
|--|-----------------------------|
| 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 of the Company
Secretary of the Audit Committee is Ms. Wallaya Watsarujakorn

Scope, Authorities and Duties of the Audit Committee

- 1) To review the sufficiency and accuracy in accordance with accounting standards by coordinating with the external auditors and management who is 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.
 - Comments on the Company's financial reporting process and the disclosure of its financial information, which must be correct, sufficient, and credible.
 - Comments on the adequacy of the Company's internal control systems.
 - Statements on whether the Company's auditor is suitable for re-appointment.
 - Comments on compliance with the Securities and Exchange Acts, Regulations of the SET, and any other relevant laws.
 - Comments on the related transaction or conflict-of-interests transaction.
 - The number of the Audit Committee meetings, and the attendance of the meetings by each committee member.
 - An opinion or overview comment received by the Audit Committee from its performance of duties in accordance with the charter.
 - 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.

The Audit Committee is directly responsible to the Board of Directors. The Audit Committee is subject to a three years term. Nevertheless, a retiring director is eligible for re-election in accordance with the Board of Directors deems appropriate.

The Nomination and Remuneration Committee

Members of the Nomination and Remuneration Committee as of 31 December 2014

- | | | | |
|----|-------------|-----------|---|
| 1. | Mr. Suchart | Suphayak | Chairman of Nomination and Remuneration Committee |
| 2. | Mr. Somchai | Kulimakin | Nomination and Remuneration Committee |
| 3. | Mr. Sumruay | Tichachol | Nomination and Remuneration Committee |

Secretary of the Nomination and Remuneration Committee is Ms. Pornpimol Torpaiboon

Scope of duties and responsibilities of the Nomination and Remuneration Committee

1. To elects individual or considers candidate who is qualified to become member of the Board of Director or other committees, according to the Board of Director membership criteria for recommendation to the Board of Directors.
2. To considers and advises suitability of the Committees' size, structure, and qualification which had diversified acknowledge, ability, and experience in accordance with the Company's business.
3. To plans and elects for the succession of the Company's Managing Director or the Company's President to propose the Board of Directors.
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 Directors and Managing Director/ President and propose to Board of Directors and shareholders' Meeting for approval that considerate factor as follows :
 - Best practice in industry for considerate remuneration.
 - Performance and size of the 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 Nomination and Remuneration Committee is directly responsible to the Board of Directors. In addition, the Chairman and members of the Nomination and Remuneration Committee have a term of three years.

The authority of the Nomination and 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 Nomination and 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.

14.3 The finding for the Board of Directors

- **Nomination of Top management**

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).

- **Nomination of The Board of Directors**

The selection of persons to be appointed as Company's director, Audit Committee, Nomination and Remuneration Committee shall be performed by the Nomination and Remuneration Committee, summarized as follows:

- 1) The Nomination and Remuneration Committee shall consider selection in accordance with qualification criteria set according to the section 67 and 68 of the Public Company Act B.E. 2535 and shall consider the experience, knowledge, performing duties with caution and integrity and can spend more time with the company's work. Moreover, using the definition and characteristic of the committee as a basis into consideration.
- 2) The chairman of the Nomination and Remuneration Committee shall report their opinion to the Board of Directors.
- 3) The chairman of the Nomination and Remuneration Committee shall propose to the Shareholders' Meeting to consider and approve the appointment of the new directors in conformity with the section 71 of the Public Company Act B.E. 2535 and Article 14 of the Company's Articles of Association provide that "At every Annual General Meeting, one-third of the directors shall retire. If the number of the directors is not a multiple of three, the number closest to one-third shall retire from office. The directors retiring from office in the first and second years after registration of the company shall be selected to be retired by drawing lots. For the third and subsequent years, the directors who have been in the post the longest shall retire. The director who vacates the office may be re-elected.
- 4) The Company shall notice to the Shareholders to nominate candidates for election as the directors at least 3 months before the end of the year by website of the Stock Exchange of Thailand and the Company.

- **Qualification of Independent Directors**

- 1) Holding shares in total not more than zero point five 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

14.4 Corporate Governance for subsidiary Company or related Company – None

14.5 Policy on Use and Disclosure of Internal Information

The Company recognizes the importance of use of internal information by adhering to the principles of good corporate governance, integrity moral and ethical business practices. Accordingly.

The Company has set a regulation of internal data usage and a procedure of trading securities of directors, executives, and employees to conform to the Securities and Exchange Act to ensure that business transparency and investors receive all information fairly and timely, summarized as follows:

- 1) Directors, executives, and employees at all levels are forbidden to use internal data containing crucial information that has significant impact to the stock price and has not yet been declared to the public or the Stock Exchange of Thailand for trading to the advantage of self or others. Furthermore, the aforementioned parties are to avoid or refrain from trading the Company's stock for 7 days prior to the date of the Company's results announcement date.
- 2) The Company is responsible for announcing to the public information regarding the Company key decisions and/or actions in a manner congruent with the rules and regulations set out by the Stock Exchange of Thailand and the disclosure policy of the Company fairly and timely, instantly and thoroughly, via appropriated and acceptable media and channel of the Stock Exchange of Thailand.
- 3) Directors and executives shall report all securities ownership issued by the Company, including those that pertain to self, spouse, and/or underage children, to the Securities and Exchange Commission in conformity with the section 59 of the Public Company Act B.E. 2535 and to the Board of Director on quarterly basis.
- 4) The Company specifies a strict policy regarding the protection of Company confidential information, and the prohibition of using Company unpublished information for any benefits to personal interest and others.
- 5) Utilization of Inside Information: The Company has a policy governing utilization of the Company's inside information by employee, 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

14.6 Auditor's Fee

Fiscal year ended 31 December 2014. Audit's Fee of EY Office Limited was Baht 780,000 without any Non-audit Fee.

Referred to resolution from Board meeting no.1/2015 on 17 Feb 2015. The Board of directors considered that it appropriate for the meeting to appoint the auditors to audit Company financial statement 2015 namely Ms. Varaporn Prapasirikul, CPA registration number 4579, or Ms. Siraporn Ouuanunkun, CPA registration number 3844, or Ms. Supanee Triyanantakul, CPA registration number 4498 of EY Office Limited as a Company's auditor with the audit fee not more than Baht 800,000 (comparing with Baht 780,000 for the last year).

Since there were none inquiries from the shareholders, the Chairman then proposed the Meeting to consider and approve the matter.

14.7 Good corporate governance policy in the year 2014

The Company duly complied with the principles of good corporate governance for listed companies 2006. In 2014, the Company was evaluated Corporate Governance by the Thai Institute of Directors Association (IOD) which corporate-governance scores rated “Very good” (4 STAR) benchmark.

In 2015, the Company has continuously observed the good corporate governance policy.

Section 1 Rights and Equitable Treatment of Shareholders

Realize the importance of shareholders’ equitable rights as follow :

- **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 the 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. This can be seen from the opportunity for shareholders to propose agenda for the meeting and to propose nominee for the period of three months before the end of each fiscal year with the proportion of shares held one percent only. Besides, The Chairman of the Board of Directors, Executive Directors, Audit Committee, Auditor and legal adviser had 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.

Shareholders' Meetings

- 1) According to the articles of association, the Company is required to hold an annual general meeting of shareholders within 4 months of end of each fiscal year. The Board of Directors may call for an extraordinary meeting of shareholders when it deems appropriate. An extraordinary meeting of shareholders may also be called upon when a number of shareholders whose aggregate shareholdings represent no less than one fifth of the total issued shares, or at least 25 shareholders whose aggregate shareholdings represent no less than one tenth of the total issued shares, propose in writing with reasons and clear objectives specified. The Board of Directors will call an extraordinary meeting within 1 month of receipt of the requisition.

In 2014, the Board of Directors meeting No. 1/2014 held on 21 February 2014 approved the date of the Annual General Meeting of Shareholders which was held on 4 April 2014.

In each shareholder's meeting, the Board of Directors is aware of the shareholders' rights in compliance with the Company Articles of Association, pertinent legislation, and the regulations of the Stock Exchange of Thailand ("SET"). The Company has to notify the date of determining the names of shareholders entitled to attend the shareholders' meeting (Recorded Date) and compile the names of entitled shareholders under section 225 of the Securities and Exchange Act B.E. 2535 and its amendments in the Securities and Exchange Act (No. 4) B.E. 2551 by closing the share register at the SET no less than 14 days prior to its closing date.

- 2) The Company issued a notification of the meeting clearly specifying the meeting's agenda with sufficient details for each agenda and opinions of the Board of Directors on them together with significant information for consideration prior to decision making. For example: The 2013 annual report to allow the shareholders to have adequate information on their voting rights and other supporting documents; A copy of the Minutes of the Annual General Meeting of Shareholders No. 1/2013 held on 5 April 2013; A proxy form; A list of documents and evidence to be presented by the shareholders at the shareholders' meeting; Instructions on how to attend the annual general shareholders' meeting and the annual general shareholders' meeting; A map of the meeting venue. The notification and relevant documents were sent in advance to Thailand Securities Depository Company Limited (TSD) for further distribution to all shareholders 14 days before the Annual General Meeting of Shareholders. The Company's Articles of Association regarding the part relating to the shareholders' meeting was publicized on Company website : www.gc.co.th
- 3) The Company also provided notification of the shareholders' meeting and all supporting documents, especially those for decision-making at the meeting, on the Company's website, both in Thai and English, 31 days before the Annual General Meeting of Shareholders. This was to facilitate the shareholders with quick and easy access to essential information of the meeting and to allow them sufficient time for consideration before the actual documents were delivered.

Facilitating and Promoting the Shareholders to Attend the Shareholders' Meeting Policy

Global Connections Public Company Limited recognizes and respects the importance of the rights and equality of all shareholders including Thailand investors, foreign investors, retail investors and institutional investors. The Company organized the shareholders' meeting on Friday 4 April 2014 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 will proceed with the facilitating and promoting the shareholders to attend the shareholders' meeting policy as follows:

- 1) Reveal the resolutions of the Board of directors including shareholder's meeting schedule and agenda through the information system of the Stock Exchange of Thailand timely or within next day after that the date of the resolution.
- 2) Arrange the transparent and effective of the General Meeting of Shareholders in accordance with the laws and regulations of the Company.
- 3) Ensure that shareholders get sufficient and correct information timely, for example:

Deliver the notice of the Annual General Meeting of Shareholders consisting of the date, time, place, agenda and information of all sessions for consideration in conformity with the laws, the regulatory of Corporate Good Governance, the Article of the Company and the Guidelines of the Quality Assessment General Meeting of Shareholders (AGM Checklist).

- Disseminate the meeting document and information, both in Thai and English version through the website of the Company in advance and not less than 14 days.
 - Announce the schedule of the General Meeting of Shareholders on the daily newspaper at least 3 consecutive days and not less than 3 days prior to the meeting.
- 4) Open shareholders' registration 2 hours in advance prior to meeting time with Company has facilities of place, receptions & registration staff, and area information system of registration and the voting results, snacks and drink.
 - 5) Give an opportunity for the shareholders have equal right to recommend or ask question and the Company has allocated appropriate time and recorded significant questions and suggestions of the shareholders in minutes completely.
 - 6) Reveal the resolutions of the shareholders' meeting and voting results through the information system of the Stock Exchange of Thailand within the next business day after that the date of the meeting.
 - 7) Prepare and submit the General Meeting of Shareholders' minutes to the Stock Exchange of Thailand, and even published the report via website of the Company within 14 days from the date of the meeting.
 - 8) Assign the Company secretary to liaise with investors.

On the Day of the Shareholders' Meeting

- 1) Board of Directors' Attendance in the shareholders' meetings

Shareholders' Meeting	Date of Meeting	Board of Directors' Attendance	
		Attended / Total	Absent
Annual General Meeting	4 April 2014	8 / 8 Directors	-

- 2) The chairman of the meeting allotted sufficient time for the shareholders to express their opinions and make inquiries at the meeting. The Chairman of the Board of Directors, the Vice Chairman of the Board of Directors, the chairmen of various sub-committees, directors, Chief executive officer, the president and the senior management of the Company were present to answer questions pertaining to their particular functions. The shareholders were also encouraged to freely propose ideas and suggestions to the Board of Directors.

In addition, for the Annual General Meeting of Shareholders the Company provided the shareholders an opportunity to submit questions concerning the Company's operational results in advance. This measure has been in place since the Annual General Meeting of Shareholders. Shareholders communicate with the Company via e-mail address: manage_ir@gc.co.th or by mail to the Chairman of the Board of Directors, the Deputy Chairman, directors, the President or the Company secretary within a specified time period.

Disclosure of Minutes on Shareholders' Meeting

- 1) The Company Secretary prepares and discloses the minutes of each shareholders' meetings to the Stock Exchange of Thailand on the same day of the meeting. For the Annual General Meeting of Shareholder held on 4 April 2014, the Company additionally disclosed the vote count of each resolution of the meeting, analysed by the number who agreed, disagreed or abstained. The minutes of the meetings were made within the period stipulated by law after each meeting. The minutes contained a list of attending and non-attending directors and executives, the voting methods, a summary of announcements, explanations, observations, questions, and answers. Moreover, The Company submitted the minutes of the shareholder's meeting to the Stock Exchange of Thailand on 4 April 2014 and disclosed online to the public on the Company's website at <http://www.gc.co.th>, within 14 days of the shareholder's meeting.
- 2) The Company Secretary has supervised and filed the minutes and notices of the shareholders' meetings since the Company was listed in the Stock Exchange of Thailand

Section 2 Equitable Treatment of Shareholders

To ensure that all shareholders are treated equally and fairly based on their fundamental rights, the Company must have measures to prevent misuse of insider information for the interests of oneself or other persons, or disclosure of information to persons associated with directors or executives to the detriment of shareholders as a whole. The shareholders meeting process must also support equal treatment of all shareholders.

Protection of the Rights of Minority Shareholders

- 1) At the Annual General Meetings of Shareholders, the Company provides minority shareholders an opportunity to suggest what they consider important and constructive matters which can be included in the meeting agendas. They are also given the right to propose qualified candidates for the position of the Company Directors. The proposal must be submitted in compliance with the time frame, conditions, and guidelines published on the Company's website at <http://www.gc.co.th>
 - In preparation of the Annual General Meeting of Shareholders held on 4 April 2014, the Company notified to the Stock Exchange of Thailand on 27 September 2013 regarding the rights of minority shareholders to propose matters considered important and constructive as an agenda of the shareholder's meeting as well as the right to propose qualified candidates to be nominated as a director. The proposal must be submitted in advance via e-mail to manage_ir@gc.co.th; or by regular mail to the Company Secretary within a specified period, and in compliance with the guidelines published on the Company's website at <http://www.gc.co.th>
 - In preparation of the Annual General Meeting of Shareholders held on 3 April 2015, the Company disclosed to the Stock Exchange of Thailand on 30 September 2014: The right of minority shareholders to propose matters considered important and constructive as agenda items at the shareholder's meeting; To propose qualified candidates to be nominated as a Company director; To submit questions in advance before the date of the Annual General Meeting of Shareholders for the year 2015. The shareholders had to propose the matters via an e-mail address: manage_ir@gc.co.th or by mail to the Company Secretary within a specified period in compliance with the guidelines and procedures stipulated by the Board of Directors of the Company. In cases when the Board of Directors approved the proposed matters, or the proposed matters were pursuant to the law, the Company Secretary included such matters as an agenda item of the meeting in the notification of the Annual General Meeting of Shareholders and clarified and answered the questions at the meeting.

2) Proxy

The Company provides a proxy form on which shareholders can dictate the direction of their voting through proxies in the event that shareholders are unable to attend the meeting in person

The Company enclosed 3 types of proxy forms as provided by the Ministry of Commerce with the notification of every shareholders' meeting so that shareholders can have the opportunity to exercise their voting rights without attending in person. Shareholders are able to freely use any proxy form for their requirements. The Company has provided an alternative Proxy Form B as provided by the Ministry of Commerce, which allows the shareholders to appoint an independent director to attend and vote on their behalf. The people determined by the Company for the proxy for the Annual General Meeting of Shareholders comprised 1 independent director or any other person designated by each shareholder.

- 3) A notice of meeting will specify the documents or evidence, including instructions and process for appointing a proxy, in order to ensure correct preparation by shareholders and to avoid problems in the attendance of meeting by proxies. The rules, procedures, and conditions for the appointment of proxies will be prescribed according to the legal requirements. The Company will not intentionally include any other requirement to make it complicated for shareholders to appoint proxies.
- 4) Before the meeting starts, the Chairman of the Board of Directors acting as the Chairman of the Meeting informs the shareholders of their rights according to the Company's Articles of Association, the meeting procedures and the voting procedures.
- 5) The Chairman of the meeting ensures the meeting complies with the Company's Articles of Association for the meeting and conducts the meeting in accordance with the agenda as indicated in the meeting notification.
- 6) The Company shall ensure that no shareholder who is an executive can add any agenda items without advance notice, through the same process applicable to general shareholders. If there is a proposal to rearrange the order of agenda, the Chairman of the Meeting will be able to change the order as proposed after receiving approval from no less than two thirds of the attending shareholders. However, up to 2014, there has never been a request to rearrange the order of agenda, nor has there ever been a request by one third of the votes to introduce other matters not previously listed in the agenda. Moreover, the Company has never added any other items to the agenda apart from those indicated in the notification of the meeting.
- 7) The Company has specified the voting procedure should be by the use of ballots in every agenda. In the election of directors, a majority vote must be obtained in accordance with the following rules and procedures:
 - Each shareholder has a vote equal to the number of shares he/she holds.
 - Each shareholder must cast his/her entire vote according to 1) to elect one or more candidates to be the director. In case of electing more than one candidate to be a director, each shareholder must cast his/her entire vote as mention above for each candidate. The vote cannot be divided for any candidate.
 - The candidates who receive the most votes, in descending order, will be elected as directors depending on the number of positions available. If candidates receive equal votes for the last available position, the Chairman of the Meeting shall cast the deciding vote.
- 8) A policy regarding transactions which may cause conflicts of interest shall be established to provide explicit guidelines and prescribe a careful, reasonable, and independent consideration process for the execution of such transactions within the scope of the code of ethics and for the interests of the Company and shareholders as a whole.
- 9) The Company shall explicitly disclose shareholders information on related party transactions, which include the names and relationships of the related persons, pricing policies, and transaction values, as well as the Board's opinions relating to such transactions.

Use of Insider Information

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 internal 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.

The Company will notify the board of directors and executives who perceive internal 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 internal information to others.

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 3 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 directors, executives and all employees as guideline for regular practice.

Corporate Value

The Company management for sustainable growth which is from its root in corporate value;

1. Ethics
2. Integrity
3. Professional/Focus
4. Partnership
5. Strive for Better

Treatment of Shareholders

1) Policies and practices to shareholders

- The Company recognize that shareholders are owners. The Company has created value for shareholders over the long term, the Company's policy to code of conduct business with honesty and integrity, morality and ethics. the Company will use the best efforts to develop the business to grow and create a good return on investment for shareholders, continuous and sustainable. The principles of equality, equal treatment of shareholders shall be given to executives and employees must follow the following guidelines.
- The status of the Company to report earnings as financial information, accounts and other reports on a regular basis.
- Please note that all shareholders are treated equally. The future of the organization. Both positive and negative. Located on the basis of feasibility. There are reasonable and adequately supported
- Do not seek benefits for themselves and others using any of the companies which have not been disclosed to the public, or take any action in a manner that might cause a conflict of interest with the organization.

2) Policies and practices to employees.

The Company is committed to the practice of law and regulations on employment with important policy that provide opportunity in employment to all persons equally. Begin with the searching process to hire the person to work with. Recruitment, staffing, training and development can be transferred by us to recruit people with talent and experience to meet the Company needs to join or organization. And realize that the importance of the promotion, suitable compensation and benefits are based on the performance of employees. The Company has established a provident fund to take care of employees in long-term. The Company also promotes the training, both In-house and Public courses in order to develop the skills, knowledge of each staff. We are confident and believe that everyone is an invaluable resource to the success of the Company. The Company has prepared a written employee manual, which covered the compensation and benefits guidelines for employees to adhere

The human resources policies and programs are designed to help achieve the goals of the Company. Workers in all levels of command are responsible for complying with this policy. It aims to provide an open mind working atmosphere and respect to each other, based on the willingness of all employees is essential.

And to avoid conflicts of interest, our policy is not allowing spouse of Directors to work in the Company.

The Company provides a channel for employees to complaint, in case they is not justified by the systems and processes.

3) Policies and practices to customers

The Company recognizes the importance of customer satisfaction as a key success of our business. The intention to seek ways to meet customer needs effectively. We have set forth the following policies and procedures:

- Delivering quality products and services and to meet or exceed the expectations of customers in a fair price.
- Provide information that is accurate and sufficient and timely to our customers. To learn about products and services. By no more than the fact that caused him to mislead customers about the quality of any term or condition. Of the product or service.
- Compliance with conditions that are strictly customers. If you are unable to comply with any conditions. Must notify the customer. To jointly find solutions.
- Contact with customers with courtesy, effective and a reliable customer service.
- Provide a system and process for customer complaints. To the utmost to provide our customers with the quick response.
- Maintain the confidentiality of the client. And does not apply to their own advantage or to improperly
- Provide guidance on how to use the product. And its efficiency. Maximum benefit to customers.

4) Policy and practice partners and / or creditors

It is our policy to treat partners and / or creditors equally and fairly and attain the best interest of the Company and a fair return of both parties without any conflict of interest. Using correct information to solve the problem and find a solution based on the business relationship. The Company have set the following guidelines:

- Do not accept or pay any bribes in the dealings with suppliers, partners and / or creditors.
- Any bribes are offered or raised, disclosure to partners and/or creditors must be executed and joint solution must be acted fairly and quickly.
- Agreed commitment must be complied strictly, The Company shall notify any concerned conditions to partners and/ or creditors in advance to jointly find solutions.
- Manage the repayment of loans and interest expenses to the lender according to the due date and compliance with the terms of the loan agreement.

5) Policies and practices against competitors.

It is our policy to treat competitors in accordance with international principles and within the framework of competition law practices that does not violate the confidentiality of trade secrets or know how to partner with fraud. The following guidelines are set:

- Comply with the rules of the competition well.
- Non-confidential information to competitors by means of dishonest or improper.
- Do not damage the reputation of competitors.

6) Social responsibility and community.

Company policy is doing business in all respects to be legitimate, strict principles with social responsibility. The Company expects its employees to learn and comply with all applicable laws and policies of the Company. Related to their responsibilities and observe the instructions exactly in this Business Ethics and Code of conduct. The Company's policy to return our benefit and help back the social when the event of catastrophes. The Company donate some profits from operations to alleviate the suffering of those affected by disaster. Moreover the Company policy to take care of world environmental by let our employees use the Company's resource with well worth to ensure maximum effectiveness.

7) Environment, health and safety.

Operational decisions and take action to protect the Company's concern about the environment and the responsibility to make sure the Company's products and business comply with regulations and standards. Company policy is to be vigilant about safety and the environment.

We all have awake about safety and the environment. We are acknowledging the various safety, health and environment policies, due to always amend and update related law.

Conflict of interest.

The basis of the "conflict of interest" is that executive and employees to avoid any investment or benefits in any form that may be affected negatively to the honest to protect the reputation of the Company or the employees themselves.

The Company all have a duty to concern the benefits that will occur over private interests and to maintain the confidentiality of information in any situation that might cause a conflict of interest.

Conflicts of interest may arise if an employee who:

- 1) Increase personal wealth, due to access of confidential information.
- 2) Have another job and is causing a negative effect on the performance of the Company.
- 3) Receive gift or remuneration from others without permission from the Company, due to their service which is done according to the business of the Company or in the office that the benefits to themselves.
- 4) Buy or sell shares of the Company or its subsidiaries or affiliates, based on the information that is not publicly available.
- 5) Disclosure of inside information. That is not publicly available to others

The Company's proprietary information.

The Company all abide by the rules and guidelines set forth in the Company including data protection and non-infringement of intellectual property or copyright. The Company will not disclose or use any proprietary information of the Company or other information that the Company has received. Under the confidentiality agreement it is necessary to disclose to perform duties as employees of the Company or upon written authorization from the Company only. The use or storage of information in places where other people are is not allowed. The recognition of such information should be seen.

The Company has recorded and received a certificate of registration of trade secret information that carries information no. 776 as of December 11, 2550, which is protected by law of trade secrets in 2545.

The collection of business information, the competition, production information and technical information.

The Company all follow the guidelines relating to the pursuit of a competitive business, production information, and technical specifications of these guidelines to determine that how our employees should behave in appropriate way. Because they are collect and use information and data relating to the business on behalf of the Company. The Company do not use any illegal methods (such as theft, bribery) or by any means to get unethical information from business competitors.

Policy on Intellectual Property and Copyright

The Company recognizes the importance of the intellectual property and copy rights of third parties.

The Company will comply with the legal requirements on intellectual property and copy rights. Employees must check beforehand that the work or information that belongs to third parties can be used within the Company without violating the intellectual property of others, summarized as follows:

- All the intellectual properties which include the work in progress, innovation in all formats shall be returned to the Company whenever an employee vacates the office.
- Employees who use the Company's computers should use only the licensed software programs of the Company to avoid violating intellectual property of others.
- Employees must check before hand that the work or information that belongs to third parties can be used within the Company without violating the intellectual property of others.
- Employees must comply with the laws, regulations and contractual obligations regarding intellectual property rights, and including patents, copy rights, trade secrets, and other information proprietary. Employees shall avoid violating intellectual property of others.

If employees have any questions about the use of information proprietary or patent, including computer software of others, employees shall contact the office of president or the legal advisory of the Company because the Company must obtain permission from the copy rights owner, except the information is allowed under the term fair use of copy rights law or the permission of the copy rights owners.

Political participation.

These are the foundation of the Company that the Company will not take funds or resources of the Company to support political candidates or a political party unless the support is allowed by law and democracy as a whole.

The Company policy do not allow employees of the Company's facilities or resources use in political campaigns, political fund raising or the purpose of any particular political party.

The Company does not allow leaders to command employees at all levels to direct or influence by any means to join the political activities of all types.

The decision of the staff to be involved politically by devoting time, work, money and other private property to a political campaign is to be done on their own.

To report violations of ethics for employees.

We will treat employees who violate this Code seriously and may result in disciplinary action. This can be put to the termination of the employee. Therefore, employees need to report to their supervisors immediately when the violation or suspect that be a violation of this code of conduct for employees.

Supervisors are responsible to follow-up, take care all employees to compliance with this code of conduct for employees. And report to the Audit Committee and collect data about the violation or other it's may have violated the ethics of employees.

Recommendations.

Compliance with this Code of conduct cannot be explained in terms of behavior in all situations. However, we believe that the decisions of individual employees. When considered carefully that what is the right thing and appropriate in each situation.

If an employee is unable to determine any appropriate action. Please answer the following questions below. If the answer is "Yes", you can be continuing.

- Your actions are legal and compliance with policies and regulations of the Company or not.
- This action is. "Do the Right Thing" and your actions make you think that this is correct or not.
- This action is consistent with the public shall be approved or not.
- This will build the Company credibility as a Company who has ethical or not.

Human Rights Policy

The Board of Directors recognizes the importance of respect to human rights internationally. Consequently, the Company has determined that directors, executives, and all employees will join with the respect to human rights, workplace rights, and organization rights, summarized as follows:

- 1) The Company encourages all employees to exercise their rights of citizenship in accordance with the constitution and relevant laws.
- 2) Employees' personal information shall be kept with utmost discretion and confidentiality. Disclosure of personal information such as employee's biography, health record, working experience or any other personal information to non-related party without the permission of such employee is considered a violation of the Code of Conduct and may result in a range of disciplinary action except when it is done in accordance with the Company's regulations or legal requirements.
- 3) The Company does not support activities that violate the principles of human rights and anti-corruption.
- 4) Employees must refrain from any deliberate discrimination or harassment in word or action against other based on the basis of race, gender, religion, education, age, marital status, sexual orientation, gender identity and/or sexual expression, physical or mental disability, opinions and work styles. The Company will emphasize to employees do not overlook the opinions or a different concept of others because the creative solution is crucial to the success of the Company.

The complaints of corporate governance and business ethics.

The Company has established the Office of the President to serves as the complaints of corporate governance and business ethics. The stakeholders of the Company, You can send complaints of corporate governance and business ethics directly.

Receipt of Complaints and Whistleblower Policy

The Company recognizes and appreciates the importance of strengthening relationships and understanding of all groups of the Company's stakeholders, namely shareholders, customers, trading partners, creditors, executives and employees of the Company as well as those who get affected by the Company's operations, may file a complaint with or provide information to the Company when witnessing, knowing or doubting or having reasonable grounds to believe in good faith that employees or the Company breach or violated laws, rules, regulations, good corporate governance principles, business code of conduct, policies and procedures which may result in damage to the Company.

1) The whistle-blower protection

In order to protect rights of a complainant or a person giving information who acts in good faith, the Company will keep confidential the name, address or any information indicative of the complainant or the person giving information as well as the information provided by the complainant of the person giving information. Access to the said information will be limited to only those responsible for investigating complaints. In this regard, persons receiving the said information due to their performing of duties relevant to the complaints shall treat the information, the complaint and the documentary evidence of the complainant and the person giving the information as confidential and are prohibited from disclosing such information to any other person who is not a relevant person except for the case where disclosure is required by law.

2) Actions taken upon receipt of a complaint

Responsible for conducting the inspection will consider the received complaint and conduct to investigate factual information and take corrective actions in an appropriate manner and provide the results to the complainant within a reasonable period.

3) Channel of receipt of complaint

The Company has determined the office of president which is responsible for recipient complaints and conduct inspections. Stakeholders of the Company are able to provide detail of the complaint via the following:

If you are aware a violation of human rights, you can report the issues via the following:

- Department head/ supervisor hierarchy
- Human resource department
- Office of the president
- Postal mail

The office of president
Global Connections Public Company Limited
13/1 Moo 2 Kingkaew Rd., Rachateva, Bangplee, Samuthprakarn 10540
- E-mail : pornpimolt@gc.co.th

When the Company receives the complaints of prohibited acts, the Company shall consider and take action as appropriate and shall take appropriate measure to protect confidentiality and privacy of all individuals involved in the investigation. However, the Company cannot guarantee the confidentiality perfectly because the Company may contact to a person who may be involved in the prohibited operation and may be witnesses to such acts. Finally, if violation of this policy was occurred, employees who are the offenders shall be subject to disciplinary action up to and including the termination.

Section 4 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 and 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 and transparency of the operation, including following the Company policies and related laws, considering nomination and remuneration of auditor.

- 1) Information Disclosure pursuant to the Notifications, Rules or Regulations of the Stock Exchange of Thailand and/or the Office of the Securities and Exchange Commission In 2013, the information disclosure of the Company by the Corporate Secretary Office comprised the following:
 - Disclosed all information necessary for the investors and shareholders to make decisions according to the regulations of the Stock Exchange of Thailand and the Office of the Securities and Exchange Commission. This included the financial reports relating to the financial status and operating performance of the Company on a quarterly and annual basis after each review or audit by the licensed auditor, as well as the Management Discussion and Analysis (MD&A) of the Company, its subsidiaries and its jointly controlled entities to the Stock Exchange of Thailand and the Office of the Securities and Exchange Commission.
 - Disclosed corporate governance police, code of conduct and related policy through the annual report and Company website : www.gc.co.th
 - Distributed the 2013 Annual Report (Form 56-2) to the Company's shareholders, along with the notice of the Annual General Meeting of Shareholders, and informed such information to the Stock Exchange of Thailand and the Office of the Securities and Exchange Commission within the period required by law.
 - Submitted Form 56-1 for the year ending 31 December 2013 to the Stock Exchange of Thailand and the Office of the Securities and Exchange Commission within 3 months from the end of accounting period of the Company as required by law.

The disclosure of information to the Stock Exchange of Thailand and the Office of the Securities and Exchange Commission was properly completed and submitted in a timely manner.

2) Information Disclosure pursuant to the Guidelines of the Stock Exchange of Thailand on the Transparency of the Company

- The Board of Directors appointed a business unit to be responsible for the “Investor Relations” as a center for investor communication and to have the duty to disclose information of the Company to shareholders, institutional investors, public investors, securities analysts and relevant government sectors. To enhance the information provided to the aforementioned parties for in depth investment analysis of the Company’s securities,

the Company has disclosed and distributed material information through the Company’s website at <http://www.gc.co.th> with regular updates on the information given for the stakeholders and related parties to always have key information of the Company such as financial information, annual reports, organization news, social activities and securities analysis articles, both in Thai and English.

3) Investor Relations

In 2014, the Group Investor Relations Department performed the following key activities through various channels:

- Published the Company’s financial and nonfinancial information, good corporate governance policy, business philosophy, and code of ethics (both in Thai and English) on the Company’s website at <http://www.gc.co.th> for shareholders and investors to have a convenient channel to equally access the Company’s information at all times.
- Arranged for better communication between investors and shareholders and the Company. Investors and shareholders are able to raise questions to the executives or request for more information from the Company through its e-mail address: manage_ir@gc.co.th. They can also register to receive e-mail updates through the Company’s website.
- Provided management discussion and analysis (MD&A) of the Company for the quarterly operating performance to be distributed to investors on the Company’s website on a quarterly basis.
- Joined SET’s Opportunity Day program to announce the Company’s operational results and financial position on a half year basis (twice a year).

4) Other Stakeholder and Public Relations

In 2014, the Company pursued the following key activities:

- Prepared news releases concerning the Company’s quarterly financial position and operational results on the first business day after the submission of the audited or reviewed financial statements to the Stock Exchange of Thailand and the Office of the Securities and Exchange Commission.
- Issued press releases and photo releases regarding the Company’s activities to news reporters, so that information of the Company reaches investors and the general public on a regular basis.
- Special media or electronic media such as the Company’s website <http://www.gc.co.th>
- Provided communication channel for inquiries or information request raised to the Company via e-mail address : manage_ir@gc.co.th

Section 5 Responsibilities of the Board of Directors

The Board of Directors has an important role in supervising the Company's businesses. To ensure efficiency, the Board's structure, as well as its authorities, duties and responsibilities must be appropriate and clearly defined. Individuals who are to be appointed the Company's directors must be honest in their duties, have vision, ability and experience and be able devote their time to fully perform their duties for the Company. These individuals must also be independent in their decision making for the best interests of the Company and shareholders as a whole. Furthermore, in order to enhance the efficiency of the Board of Directors, there must be committees in charge of providing assistance in areas of supervision, studying and screening of works as necessary. In order to ensure that the Board's structure is suitable for the Company's business operations and to clearly define the framework, authorities, duties and responsibilities of the Board with a view to enhancing its efficiency, the Board of Directors has established the guidelines as set forth below

Board of Directors composition

The Board of Directors shall consist of 8 directors, a chairman, a vice chairman and directors, of which 4 of 8 are independent directors as 50% 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 re-elected again.

The Company has an independent directors who have been appointed for more than 9 years since the date of 17 March 2005 that are Mr. Virah Mavichak, Dr. Pisit Leeahtam and Assoc. Prof Chawalee Pongpatirochana the Nomination and Remuneration Committee's recommendation that all of them were qualified to be directors in accordance with related laws. They are well-known and highly regarded for his extensive knowledge and experience, which is one of the main business areas of the Company. During their term, They always provided insightful comments and valuable suggestions which benefited the Company. To avoid opportunity lose to find the new directors, the Board of Directors agreed to propose all of them to take position of Board of Directors members more than 9 years with highly regards for their extensive knowledge and experience in petrochemical and Plastic Business

Position Holding in other Companies by Chief Executive Officer/President

In order to allow the President to devote adequate time for his/her responsibilities in the Company and increase the management efficiency. The Board of Directors has the policy and determine how the Chief Executive Officer/President who will be engaged in the any position of other companies. In accordance with the Good Corporate Governance, the President is required to report the information of company name, type of business and position to the Executive Committee to consider approving. In addition to the interested report.

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 operation management

Independence of the Chairman of the Board of Directors

The Company does not have a policy requiring the Chairman of the Board of Directors to be an independent director due to the limitation in seeking a suitable person within the period specified. The petrochemical and plastic industries needs an experienced and proficient person in this specific area of expertise to take such position, apart from the qualifications of board vision and managerial expertise to maximise the benefits of the Company, the shareholders and other stakeholders.

Sub-committees

The sub-committees comprise of 3 committees, the Executive Committee, 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 3 members. The authorities of the Nomination and Remuneration Committee are described under the management structure section.

For the Corporate Governance Committee and the Risk Management Committee, the Company has not established policy because the establishment must take into account several factors so they are concerned in monthly executive meeting.

Board of Directors' meeting

The Company's policy arrange at least 5 times per year for a Board of Director meeting 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 of Directors 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.

In addition, in order to comply with the guidelines of good corporate governance. The Company also held non-executive directors regularly before the Board of Director meeting in order to provide opportunity for non-executive directors to discuss problems and free-spoken without executive director

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.

Report of the Board of Directors

The Board of Directors are required by the Securities and Exchange Commission, to report their Company's share selling or buying including their spouse and immature children. The Company Secretary shall consequently keep such reports for references. Moreover, they need to disclose information regarding their own interests and any interests of their related persons to the Company's Secretary. This information will enable the Company to duly prepare its disclosure report on related parties' transactions, which could cause conflict of interest.

In quarterly the Board of Directors' meeting, the Company Secretary always report any change in their the Company securities holding of all directors and Executives.

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/President to ensure that the Company is managed at all the time by CEO with appropriate competency and skills. The Company is also assigned Human Resource Department provide a succession plan for executive and management level position in order to prepare in case they cannot perform.

Orientation for New Directors and Enhancement of Business Knowledge

The Board of Directors assigns the secretary of the Board of Directors to prepare information for all new directors so as to inform them of the business information 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 efficient directors. Moreover, the Company has policy to improve knowledge to directors regularly.

Development of Directors and Executives

The Board of Directors has a policy to support and facilitate training and learning for its directors and executives to ensure their continued improvement and performance, both internal and external training courses. All directors must attend training for understanding of performance of their duties in the capacity as directors

The Board of Directors and the high level executives realize the significance of their participation in training or seminars in various courses or development of their knowledge and skills. The Board of Directors attends training courses organized by the Thai Institute of Directors Association (IOD), namely, Director Certification Program (DCP), Directors Accreditation Program (DAP), The Role of Chairman (RCP), Audit Committee Program

Directors and Executives Training in 2014

Name	Program	Venue
Mr.Aikachai Sirijuntanan	1. Global Rubber & CEO Forum 2014 2. How to Success for Trade and Investment in Cambodia 3. ASEAN Business Forum 2014 4. Future of Thailand Industry: new opportunities and challenges in the AEC	Techno Biz Communications Co., Ltd Department of Trade Negotiations (DTN) Thailand Management Association (TMA) Thailand Management Association (TMA)
Mr.Somchai Kulimakin	CG Forum 3/2014: Challenging as Expectations for Board Engagement on Strategic Risk Management Oversight	The Stock Exchange Of Thailand.
Mr. Veera Kwanloetchit	1. Power of Excellent Business Negotiation 2. Taxes and Tax incentives from Provident Fund	Thailand Management Association (TMA) Bualuang Securities Public company Limited
Dr.Pisit Leeahtam	1. Corporate Governance for Capital Market Intermediaries (CGI) class 2/2015	the Thai Institute of Directors (Thai-IOD)

Assessment of Performance of the Board of Directors and Top management : Chief Executive Officer / President

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 performance and annual business plan in short and long term.

For the annual evaluation of the Chief Executive Officer/ President which was primary considered by the Executive Committee. The assessment is not only comprises the potential performance of the president that relate with the Company competency and also the comparing of Company performance with the target and the Company annual business plan. The assessment result was presented to the Nomination and Remuneration Committee to determine his remuneration and incentives as appropriate.

Conflict of interest

In order to protect any occurrence of conflict of interests, the Company has policy which prohibits the directors, executives and staffs to take advantages of their roles and their duties for benefits. 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 connected transaction with concerned persons may raise a conflict of interest. To ensure transparency and equitable treatment of shareholders, the vote of interest persons will be excluded.

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 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.

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. The Executive Committee has taken care of the risks of the Company therefore, the Executive Committee retard to set the Risk Management Committee which will impact to higher expense.

15.1 Overall Policy

The Company keeps concentrating on Corporate Social Responsibility (CSR) which is based on best practice and the guidelines of the Stock Exchange of Thailand (SET) The Company executes strategy to all shareholders, i.e. customers, employees, community, and shareholders, for sustainable growth along with business growth. The Company do encourage employee to engage in working processes for efficiency and effectiveness which lead to customer satisfaction. We realize values of integrity, transparency, and accountability to the shareholders

Policy and Practice to Social responsibility and community.

The Company policy is doing business in all respects to be legitimate, strict principles with social responsibility. The Company expects its employees to learn and comply with all applicable laws and policies of the Company. Related to their responsibilities and observe the instructions exactly in this Business Ethics and Code of conduct. The Company's policy to return our benefit and help back the social when the event of catastrophes. The Company donate some profits from operations to alleviate the suffering of those affected by disaster. Moreover the Company policy to take care of world environmental by let our employees use the Company's resource with well worth to ensure maximum effectiveness.

The Company sets a policy for the Company to conduct their business in accordance with CSR guidelines. These were launched by the Stock Exchange of Thailand to support society, environment and stakeholders as details below :

1) Conduct the business on fair basis

The Company treats the business partners on the basis of equalities and fair competition, and honors the terms of all trading agreements entered into with its business partners. In addition, the Company's procurement policy and procedures are designed to ensure efficient appropriation, effectiveness, transparency and justification.

2) Anti-Corruption

The Company has a policy to sustain and encourage employees adhere to ethics and be good citizen of the society as well as encourage the business partners to conduct business transparently. The practices therefore are established in the policy to enhance the importance of anti-corruption and bribery.

3) Respect of Human Rights

The Company has a policy to treat all stakeholders with justification and therefore shall adhere to laws and regulations concerning employees and the international fundamental principles of human rights, regardless of the place of birth, nationality, gender, age, skin color, religious belief, disability, financial status, family status, educational institute, or other status irrelevant to job performance, apart from respecting individualism and human dignity.

4) Treat Employee on Fair Basis

The Company recognises its employees as a critical factor of its success; therefore, knowledge and skill development together with continuous training for employees are fully supported without discrimination, and provided as career development benefits including appropriate return and welfare. The Company also respects the international human rights principles and values the importance of the wellness and occupational health and safety, working environment and the support of corporate culture and team work.

5) Responsibility to customers and consumers

The Company still used the principle and follow the policy that would respond to the satisfaction of customers who buy the products and have received direct service from the Company including consumers who uses the said product to be confident that apart from receiving the goods and service with fair price with good quality so the Company would realized the safety that would affect society and environment and an action that would violate or cause customers to lose a right.

6) Take care of environment

The Company has a policy to conduct its business with full consideration of the environment. It will abide by laws and regulations pertaining to the environment. With its responsibility to the environment.

7) Contribute to develop the surrounding communities and society

The Company has a policy to jointly develop and promote a good relationship with the surrounding communities and society, observe local custom and culture, and cooperate with all parties in the communities to promote social harmony with sustainable growth.

8) Develop and publicise the innovation created from operation under corporate responsibility for society, environment, and stakeholders

The Company has a policy to search innovative products to create value added for all stakeholder including environmentally friendly in order to bring towards sustainable growth.

15.2 Report Production

The CSR report has been generated in accordance with Global Reporting Initiative (GRI) G3.1 which is an international initiative.

15.3 Social Performance

The Company recognizes that social responsibility is vital drive for the Company sustained growth. The Company try to interfere a sense of social responsibility in every work processes for delivering quality products in order to serve need and create stakeholder satisfaction, thus the Company set priority of CSR in process for working process development. Fair employment and have no violation of human rights, employees training, customer service development and activities to support employee participation and development through the year

The Company operates CSR activities by starting with the survey of customer satisfaction before and after sales services and image of the Company. The customer come first priority. Because the customer who affected both directly and indirectly from the Company operation. The customer is in various industries related to the use of polymers and additives, and “employees” are also important stakeholders because “employee” as a major driving force for the Company business by delivers quality products and services with social responsibility. As a result, other stakeholders such as public and community partners, shareholders can take benefit from our employees who are responsible and smart with a good conscience.

Responsible for the implementation of business processes

Customers and Consumers

Currently business operation have to compete with the time and information needed to make decisions, we have a way for customers to contact the Company and request a hearing on the website of the Company www.gc.co.th this the contact center for information of the Company and channels for Company stakeholders in all groups are fully included.

- Customers can access the Company’s products and services in the “Products and Services”.
- Investors is another group of companies business involved. We create the menu. “Investor Relations”

to provide all information need for investors. All investors and funds communication will be efficiency exposure www.gc.co.th feedback via the contact us 24 hours a day.

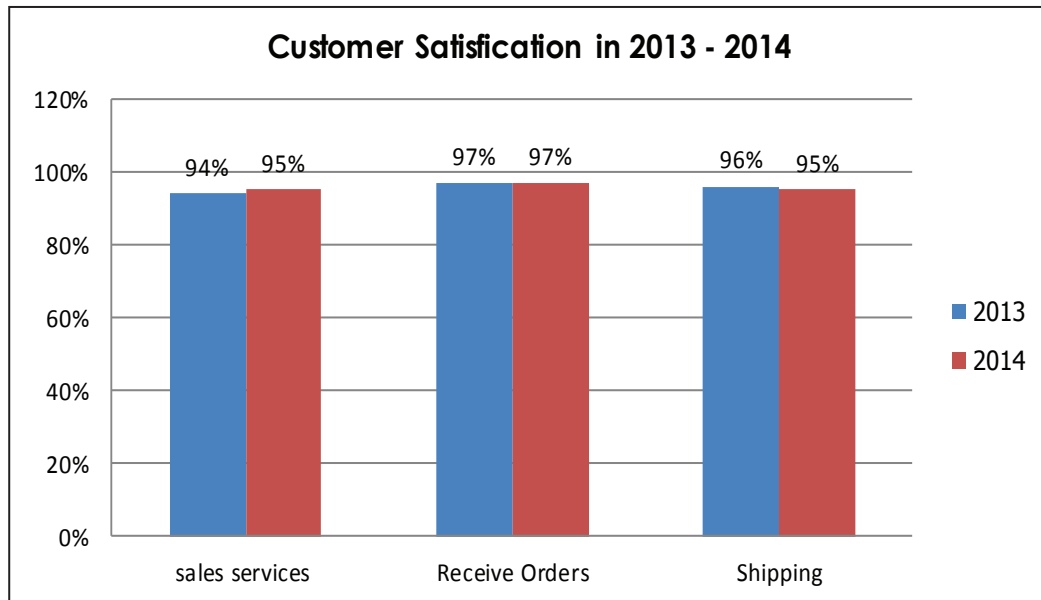
The customer satisfaction survey

The Evaluation of customer satisfaction was created to develop in every work process. Assessment data is divided into three areas.

- 1) The delivery:** The surveys show customers opinion in the following ;On time Delivery, the accuracy of the product shipped, documents and the courtesy of the delivery staff
- 2) Order:** The surveys show customers opinion in the following; the ordering speed, the validity of the orders and the courtesy of the staff.
- 3) Services sales:** The surveys show customers opinion in the following; to be eager to solve the problem, the product instructions and recommend, the wide range of products and overall satisfaction with the Company the services and products.

Customer satisfaction survey covers major customers to explore sales accounted for 66% of total sales. Survey result as follows;

- Satisfaction rating for the shipping. Average score of 95% each by the following factors.
- Satisfaction rating for the orders. Average score of 97 % each by the following factors.
- Satisfaction rating for sales services sold by factor of 95% average gain score.



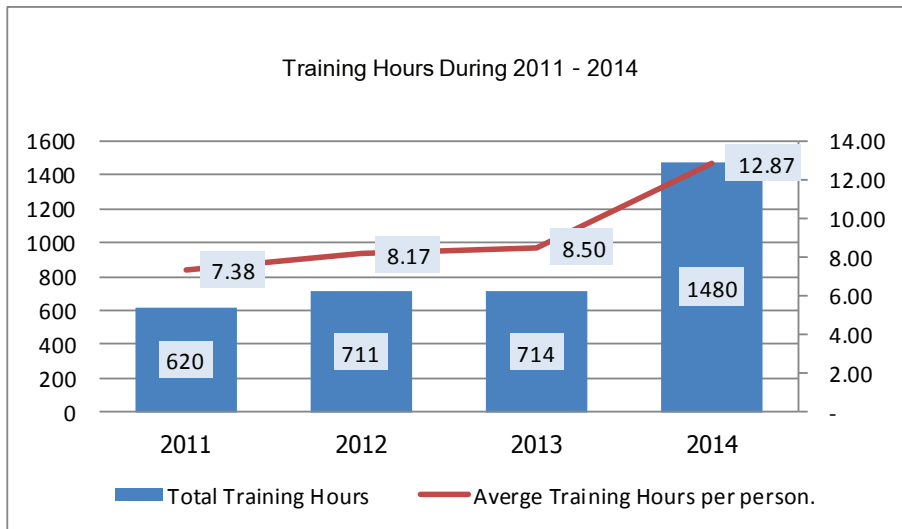
To strengthen the capacity and commitment of the staff

The development of the Company

People are the most important the Company's resources; they are critical in driving the business forward and maintain its leadership in the business and sustainable growth. The Company is providing a software development with operations in the field of human resource development in a systematic way. This covers all employees in the target group. And provide adequate funding for the development in order to create solid foundation for our staff development to be "the one with professional, responsible and good attitude" who has knowledge, skills, good attitudes and behaviors consistent with organizational culture in order to meet customer satisfaction with the Company's employee development program to support their work. The Company provides a comprehensive program to improve by the position. Employees can take action immediately; Including curricula for sales skills, personality development courses, professional and technical courses are offered. The Company also encourages employees to learn in other ways or activities such as the Knowledge Sharing activities in small groups among employees (Group Activity), which all learning is also promoting the development of their career growth (Career Management) and led us to the Learning Organization for development to contribute profession advancement.

Employee development

Average training hours per staff is increasing for all level of employee for four consecutive years. The Company expect the number of average training hours per person to continuously improving to be one of the areas in organizational learning



Variety and Opportunity of Fair Treatment

Respect the right in the work according to the rule of human rights without discriminating the work employment and does not force people who do not want to work and not use child labor and respect the right and freedom of employees.

The operating guideline

- 1) Specify the policy to not discriminating and the fairness of opportunity without limiting race, color, gender, religion, nationality, background, political opinion, age or disability as a factor in the consideration and decision to employ.
- 2) To place importance with the development of personnel in order to train for skill and increase potential by creating an opportunity for every personnel to learn regularly.
- 3) To create a way for personnel to make a complaint in the case they don't have fairness or to notify the clue on the thing that might be illegal and to have correcting measure and protecting measure of notifying employee that is systematic and fair.

Healthy and Safety

Due to the Company concerned for the safety and health of employees is all employees are our most valuable resource. The Company has adopted the occupational Health and Safety policy as part of business strategy to achieve maximum efficiency and effectiveness should not harmful to health, be treated fairly and based on the work of the employees happiness by the policy is as follows.

The operating guideline

- 1) Protect the health and safety of employees, customers who come into contact at office and People who may be affected. To conduct all activities in a manner that is responsible for the environment.
- 2) Safety is the first responsibility of every employee in the performance. There were not accident in 2014
- 3) The Company will contribute to improved working conditions and environment for both physical security and conducive to good mental health in the workplace
- 4) The Company shall promote safety activities to be conscious and participation of all employees, such as motivation, training, etc.
- 5) Supervisors at all levels to act as a good model for leadership training, coaching and motivating employees with a safe
- 6) All employees must concern safety for their own, colleague and the assets of the Company is constantly working.
- 7) Employees shall maintain a clean and orderly work area. Safety and hygiene of all employees.
- 8) Employees shall maintain and to cooperate in projects relating to occupational safety and health of the Company

Business Policy under Environment Standard

The Company is well aware of our full accountability and responsibility to the environment and the community. Therefore, we have developed guidelines to focus on pollution reduction alongside environment improvement which will ultimately preserve the natural environment though the commitment of the Company's environmental policy as below.

- 1) The Company is engaged and complied in environmental laws and regulations
- 2) The Company will promise in introducing and promoting product made from natural resource and/or environment friendly relate in broader application.
- 3) The Company will manage and control the product distribution procedures to prevent any harm that may occur to Company employees, customer and community in terms of safety and health
- 4) The Company will effectively utilize natural resources and energy by promoting energy-saving activity, voluntarily alleviate the global warming problem and enhancing the environmental friendly atmosphere
- 5) The Company will strengthen the knowledge and lead the engagement of employees for valuable contribution to environment through various activities and training

CSR and Innovation (CSR In Process)



31 March 2014 at Global Connections Public Company Limited, a signing ceremony of cooperation between Technogreen Company Limited and Global Connections Public Company Limited on Product and Market Development of new innovation Biodegradable and Environmentally friendly Product such as Oil & Grease Cleaner / Water Additive - Scale Prevention & Remover, Product from Botanical Liquid under Micro-Nice brand. On this occasional will be as part of a sustainable business development to build environmental sustainability in to business process. Such an event was one of steps to incorporate the concept of environmental sustainability into the Company business process (CSR in - Process)

About MICRO-NICE®

Technogreen Company was established in 1992 to deal with environmental management and waste water treatment. Thus the team research led to the invention of several cleansing products and preventing process based on local botanical extracted under the smart phytochemical name "Micro-Nice®". with tremendous effort in research and development local botanical source that could help support environmental care

Micro-Nice® is phytochemical mixture of Thailand's botanic extract that plays an important role. it is also biodegradable not less than 90% with no harmful chemical. Hence, toxicity and corrosiveness are out of critical issues,

Main steps and one additional advantage:

- Penetration: The solution has high penetrating capability in between the substrate's surface, hence providing higher cleaning reaction.
- Surface Tension Reduction: It reduces the surface tension of foreign bodies on a substrate leaving only the original cleanliness on the surface of the substrate.
- Cleaning : Micro-Nice® Bio 3 MEX being water based, uses small amount of clean water for cleaning sufficient enough to obtain optimum cleanliness.
- Deodorizing: Micro-Nice® has a deodorizing property which binds to the decomposed nitrogen compound (ammonia and ammine) in the environment.

15.4 CSR After Process

The Company continued doing CSR Activities by support public organizations such as public schools and government unit in term of scholarships to schools in neighboring communities

1) Wheelchairs for Thai Disability Foundation

Bringing up the society, especially helping the less fortunate people to be able to live on among others. On 25 December 2014, the Company and the employees donated wheelchairs and money amount of Baht 30,000 to Thai with Disability Foundation.

2) The Mirror Foundation

To Share resources from cities to the countryside and to areas in need. The Company and the employees donated books. Clothing and other necessities stuff to the Mirror Foundation in order to denounce contemporary social problem.

3) Border Patrol Military

To support the Military in Southern Border Province, the Company donated necessities stuff and some money through the postal service in order to support as encouragement

4) GC has welcomed SEC and Pride of the Provinces Project (IPOP) member

On 29 October 2014: The Securities and Exchange Commission (SEC) and Pride of the Provinces Project (IPOP) member had field trip hosted by Global Connections Public Company Limited (GC) and attend seminar that was honored from Mr. Somchai Kulimakin, Chairman of the Executive Committee, to deliver the Keynote address Mr.Somchai shared his experienced about benefit from raised funds through the capital market and the advantages of listing on the Exchange and He also discussed about Internal control that help the Company management processes and procedures to become more efficient, organized and transparent for sustainability development



15.5 Anti-Corruption

The Board of Directors places strong emphasis on conducting business with good corporate governance and corporate social responsibility for sustainable development. The Board deems that the corruption creates or reinforces threats both to organizational and national levels, hence the Board of Directors meeting No. 5/2014 held on 18 December 2014 resolved to sign “the Declaration of Intent in view of establishing Thailand’s Private Sector Collective Action Coalition Against Corruption” and prepare for its Certification Process. In 2014, the Company carried out several anti-corruption initiatives as follows:

- The representatives of the committee participated in a workshop seminar organized by IOD for acknowledgement of how to join Collective Action Coalition Against Corruption Project the purpose of the project and how to complete a certification process
- Submitted “the Declaration of Intent in view of establishing Thailand’s Private Sector Collective Action Coalition Against Corruption” signed by the Chairman to the “Private Sector Collective Action Coalition Against Corruption” with the Thai Institute of Directors (IOD) acting as Secretary of the project, in December 2014 and received the letter of acceptance from IOD in January 2015.
- Board of Directors resolved the policy and guidelines regarding anti-corruption and proposed to the Management Committee for consideration and to the Good Corporate Governance Committee for consensus on 18 December 2014

Anti-Corruption Policy

The Company aims to conduct business with fairness and compliance with laws and regulations and commitment to social responsibility and stakeholders in alignment with the principle of Corporate Governance. The Company realizes that corruption is harmful and obtrusive effects to social and economic development. The Company has a clear direction to cooperate with and support government as well as private sectors. It, thus, formulates the Anti-Corruption Policy in accordance with regulators’ guidelines and “the Private Sector Collective Action Coalition against Corruption (CAC)” as the key principles for directors, executives, and all employees to follow. Details are as seen below.

1. *Anti-Corruption Policy*

Directors, executives, and employees of the Company must not request, act, or accept any form of corruption, either directly or indirectly, for the benefits of the organization, themselves, their families, friends, acquaintances, or their businesses. The policy applies to all business of the Company in any country and all relevant units. Verification to ensure compliance with the Anti-Corruption Policy is to be conducted on a regular basis, including reviews of guidelines and requirements to ensure alignment with the changes in business, regulations, rules, or official requirements. In case of breach of the policy, any act considered as facilitative to, or implicated in corruption, shall be subject to penalties as stipulated by the Company's policies.

2. *Duties and Responsibilities*

- The Board of Directors undertakes its duties and responsibilities to formulate and approve the Anti-Corruption Policy, as well as ensure that efficient system for countering corruption is provided to help the Management recognize the importance and put the Policy into practice that it becomes a part of organizational culture
- The Audit Committee undertakes its duties and responsibilities to conduct reviews ensuring the Company's sufficient internal control and full compliance with the Anti-Corruption Policy.
- The Director Management undertakes its duties and responsibilities to ensure that systems are established, supports are provided, and supervision is carried out to ensure that all employees and related parties' practice are fully in compliance with the Anti-Corruption Policy. The responsibilities also include reviews on suitability of the systems and measures to accommodate changes in business, regulations, and official requirements.
- The Director Management undertakes its duties and responsibilities to manage and assess corruption risks
- The Internal Audit team undertakes its duties and responsibilities to conduct audit and review ensuring that all practices are complied with concerned policies, guidelines, regulations, and laws and the Company has proper and sufficient internal control systems for countering corruption risks which may arise, and report the Audit Committee on any findings.
- Directors, executives, and employees shall fully comply with the Anti-Corruption Policy and shall not be involved, directly or indirectly, in corruption.

3. *Scope and practice guideline on control to prevent the corruption risk*

3.1 The Company requires directors, executives, and employees at all level to be cautious against corruption in performing their duties as per detail below.

○ **Offering and accepting bribes**

Offering or accepting bribe of any form in exchange for business advantages is prohibited. This includes delegating other person to commit such actions.

○ **Gifts, Properties or Other Benefits**

Giving or acceptance of gift, or properties, or other benefits must be in reasonable occasions norms such as the tradition/culture or a courtesy practice in social to receiver who do not influence to decision-making of the Company's benefit. Details are as seen below.

- 1) Employees or their family, or both, must not request gift, properties, or other benefits from contractors, vendors, suppliers, joint-venture, partners, or those related to the Company's business.
- 2) If Chief Executive Officer (the "CEO") considers and concludes that should not receive gift, or properties, or other benefits, the receiver must promptly return it to the giver, (if cannot) the receiver must forward it to the CEO and will then be the Company's prerogative.
- 3) The Company can receive gift, or properties, or other benefits in special occasions such as the Company's 20th Anniversary Celebration, or the Company's cooperation signing ceremony, or the Company's award participation in social responsibility activities. If employee received it, should forward to the CEO, and will then be the Company's prerogative.
- 4) Employees at all level should not give any presents to their superiors, moreover the superiors should not accept or let their relative person accept them, except the usual tradition giving to each other, but the present value must not exceed Baht 3,000.
- 5) Acceptance of presents, or properties, or other benefits from domestic or foreign giver(s) have valued more than Baht 3,000, whether there are specified as personal, the recipients must promptly written report to the CEO within 7 days after received date. If the CEO agrees that there are no good reasons to keep and use by yourself, the receiver must to forwarded to the CEO, and will then be the Company's prerogative.
- 6) Employees at all level should not give, or accept, or promise to give any benefit or anything of value to influence to perform or refrain from performing their duties.
- 7) The Company can give presents, or properties, or other benefit on several occasions such as the tradition/culture or a courtesy practice in social to receivers who do not influence in making decision for the Company's benefit, and are local and foreign receiver. Nevertheless, the value of the presents, or properties, or other benefit should not exceed Baht 3,000. If the value is over Baht 3,000, this giving must be approved by the CEO in written document.

○ **Political contributions**

It is the Company's policy to not provide any contribution to political parties, political group or politicians, either directly or indirectly.

○ **Charitable/ public benefit contributions and sponsorships**

The Company formulates a guideline for making charitable contribution or sponsorship as follows:

- 1) Offering or accepting charitable/ public benefit contributions or sponsorships shall be transparent, lawful, ethical, and does not cause any damage to the public.
 - 2) Offering or accepting charitable/ public benefit contributions or sponsorships shall not be used as subterfuge for bribery.
 - 3) Any action taken shall be in compliance with procedures of reviewing and approving charitable/public benefit contributions or sponsorships by the Company's regulations, which this process should be approved by the CEO.
 - 4) In case of any questions, advice on significant matter with possible legal impact shall be sought from the Company's legal counsel in written form. Other significant matters are to be under the Director management's discretion.
- 3.2 The Company is determined to create and sustain the organizational culture of zero tolerance of corruption when dealing with both government and private sector.
 - 3.3 Directors, executives, and employees at all levels shall not be negligent when witness any action of possible corruption related to the Company, and shall report the matter to his/her superior or the responsible person and give full cooperation in investigation. Channels for hearing any complaint from external parties shall also be provided. In this regard, it shall be in compliance with the Company's regulation.
 - 3.4 The Company must be fair and protect any employee who refuses to associate with or gives information about corruptions. Accordingly, the Company shall no demote, punish, or cause any negative consequence to such employee, although his/her action may lead to the Company's loss of business opportunity.
 - 3.5 A person who commits the corruption is equivalent to misconduct in the Company's Code of Conduct. This means such person is considered as discipline violation according to the Company standard. Conviction on laws may be applied in case such act violates the laws.

- 3.6 The Company's directors and executives at all levels shall demonstrate integrity and be a role model in following the Anti-Corruption Policy. The Compliance and Human Resources teams are assigned to educate, promote understanding, and encourage all-level employees at least once a year to strictly and continuously adhere to the Anti-Corruption Policy so that it becomes a part of organizational culture.
- 3.7 The Anti-Corruption Policy also encompasses human resources management procedures of recruitment, selection, promotion, training, and performance appraisal. Superiors at all levels are in charge of communicating to their teams creating understanding and enabling all employees to apply the Policy to business activities within their scope of work as well as monitoring to ensure effective application of the Policy.
- 3.8 Any action taken under the Anti-Corruption Policy shall be in accordance with guidelines stipulated in the Company's "Corporate Governance Policy", "Guide to business Conduct", related working manuals, as well as any additional guidelines to be formulated in the future.
- 3.9 The Company stipulates that communication and public relation activities of Anti-Corruption Policy be carried out via both internal and external media e.g. the Company's website, annual report. Such Policy of the Company is in compliance with Thai countering corruption laws.

4. *Practice guideline on monitoring the risk of corruption*

- 4.1 The Audit team undertakes its duties and responsibilities to conduct internal control systems, manage corruption-risk, review good governance, provide suggestion continuously, and report to the Audit Committee on any significant finding. However, all audits will apply to the annual audit plan that has been approved by the Audit Committee.
- 4.2 The Audit team and the Executive Committee undertake their duties and responsibilities in testing and evaluating risk of corruption to ensure that the Company has practice, monitor, review and revisit the Anti-Corruption Guidance effectively. Report of any significant findings will be submitted to the Audit Committee and raised to the Board of Director Committee in time.
- 4.3 The Audit Committee will report result of investigation to the Board of Directors in time when they ensure that there is significant fraud/ corruption and effect to result of the financial position, operation, laws, Code of Conduct, corruption practice, or internal control.



“20th Anniversary ”

Gobal Connections Company Limited marks the 20th anniversary of its establishment in 2014. Founded since 27 September 1994 and becoming a part of the plastic and petrochemical industry, our solid growth path has been tested and proven through many challenges and difficulties along the journey. On the occasion of The 20th Celebration Anniversary of its establishment that was honored from Mr. Sarawoot Hengsawas, Author & Creative, to deliver the Keynote address. Mr.Sarawoot shared his experienced about creativity for the Company staffs.

“Cooperation Signing Ceremony to product and Market Development”

31 March 2014 at Global Connections Public Company Limited, a signing ceremony of cooperation between Technogreen Company Limited and Global Connections Public Company Limited on Product and Market Development of new innovation Biodegradable and Environmentally friendly Product such as Oil & Grease Cleaner / Water Additive - Scale Prevention & Remover, Product from Botanical Liquid under Micro-Nice brand. On this occasional will be as part of a sustainable business development to build environmental sustainability in to business process.



“Going Listed Seminar”

The Company held seminar entitled “Going Listed Seminar” on 16 July 2014 at the Company Limited Meeting Room, under the Vision : “Your best partner for solution and service in industrial raw material supply”

This seminar was honored from guest speakers ; Mr. Praphan Charoenprawat, Manager of market for alternative investment (MAI) thailand MAI, Ms. Nattharin Talthong, Consultant of MAI and Mr. Somchai Kulimakin, Chairman of the Executive Committee of the Company to deliver the Keynote address by their experienced that involved in Stock Exchange of Thailand. They shared their experienced about benefit from raised funds through the capital market, the advantages and key success of listing on the Stock Exchange with case study that conferee can apply with their own business



“International Procurement Office”

On 9 September 2014, the Company has been granted privileges by the Board of Investment relating to business type 7.12 International Procurement Office (IPO) the promotional certificates no. 2109/2014

The Company shall act like a sourcing unit or third party procurement unit to supply raw materials to customers and inventory shall be managed to serve needs of customers/ manufacturers. The Company will responsible for inventory management in order to prevent raw materials shortage.



the Declaration of Intent in view of establishing Thailand's Private Sector Collective Action Coalition Against Corruption

The Board of Directors places strong emphasis on conducting business with good corporate governance and corporate social responsibility for sustainable development. The Board deems that the corruption creates or reinforces threats both to organizational and national levels, hence the Board of Director meeting No. 5/2014 held on 18 December 2014 resolved to sign “the Declaration of Intent in view of establishing Thailand's Private Sector Collective Action Coalition Against Corruption”



Award of pride

The Company contested the establishment of good industrial relations and labor welfare. Department of Labor Protection and Welfare for the year 2014 and the Award for excellence at the national level.



17.1 Board of Directors' Opinion on the Company's Internal Control System

Board of Director and executive management recognizes that internal control system is important mechanism in reducing business risk and increasing efficient business operation which is included resource allocation appropriately and achieve objective of the Company.

Board of Directors commissioned the Audit Committee has a duty and responsibility in review the appropriateness and effectiveness of internal control system which the executive management provided it to ensure that the Company has adequate internal control system in the risk management, protect the Company's assets from lost or used by unauthorized person, compliance with laws and regulations, and correctness and assurance of the financial statement. In addition, the Audit Committee considers the independence of the internal audit department, and considers the appropriateness and adequacy of personnel in such department, and approves the appointment or dismissal internal audit manager.

Audit Committee reviewed appropriate and efficient the internal control system and the internal audit by considered in conjunction with the internal auditor and reported to Board of Director to inform or consider in quarterly. In the prior year, Audit Committee has expressed their opinion and recommendation to executive management on matters material. Furthermore, the external auditor, who is EY Office Limited and audited financial statement of the Company for the year ended 2014, have jointed meetings with Audit Committee and expressed the opinion that the internal control system of the Company was satisfactory level and not found error/weakness to have significant impact on the opinion of the external auditor.

In Board of Directors meeting No. 1/2015 as at 17 February 2015, Audit Committee attended the meeting. Board of Directors has assessed the adequacy of internal control system annually by the Securities and Exchange Commission's form in accordance with COSO (The Committee of Sponsoring Organizations of the Tradeway Commission) which included the control environment, the risk management, the control activities, the information and communication, and the monitoring activities. Board of Directors agreed that the Company performed to COSO appropriately.

17.2 Different opinions during the Audit Committee and the Board of Director Committee

- None

17.3 Information of head of internal audit unit and head of compliance unit

The Company has appointed Ms. Wallaya Watsarujakorn as internal audit manager since 1 May 2012, which was approved by Audit Committee. The committee had considered her qualification, knowledge, and experience of internal audit task, had concluded that she has the right to perform duties appropriately.

In order to consider and approve the appointment, transfer and dismissal of the incumbent internal audit manager of the Company must be approved by the Audit Committee.

Related Company / Person	Description of Relations	Description of Transactions	Size of 2013 Transactions (Mil Baht)	Size of 2014 Transactions (Mil Baht)	Necessity and Reasons of Transactions
Integrity Plastics Co.,Ltd	Mrs. Nisaporn Sirijantanan (wife of Mr.Aikachai Sirijuntanan, the major shareholder and director of the GC) was the major shareholder and director of the Integrity Plastics Company.	Trade the instant petrochemical products, on the date of 31 December 2013 and 2014 has the sum of the debts at 8.23 and 0.94 million Baht, respectively	15.77	9.87	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 the Company and they were in relation with the related market prices
		Sell Asset which is a second hand truck	0.00	0.43	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 31 December 2013 and 2014 has the sum and 2014 has the sum and 0.18 million Baht, respectively	3.69	3.12	The Company is necessary to hire Integrity Plastics Co.,Ltd, who compound the products and keep secret formula to respond customer's satisfaction. Integrity Plastics Co.,Ltd. purchase raw material with the related market prices from the Company and it will be sold back to the Company of raw material and mixture. Therefore, the Audit Committee with costs found that they were normal businesses and transactions of GC Company and they were in relation with the related market prices.
		31 December 2013 and 2014 has the sum of the advance payment for goods at 7.42 and 0.00 million Baht, respectively	41.22	48.85	Supplier's policy is sold in some product to converter only without agency therefore; the Company procures from Integrity Plastics Co.,Ltd who is converter and sell product to the Company with cost plus margin to response customers' needs. the Audit Committee found that they were normal businesses and transactions of GC Company and they were in relation with the related market prices.

Related Company / Person	Description of Relations	Description of Transactions	Size of 2013 Transactions (Mil Baht)	Size of 2014 Transactions (Mil Baht)	Necessity and Reasons of Transactions
New Modern Superpack Co.,Ltd.	Mr. Wichan Nanthananonchai, The major shareholder of New modern is an elder brother of Mrs. Boonsri Kulimakin (shareholder of 100 shares) who is a wife of Mr. Somchai Kulimakin (major shareholder and director of the GC Company) and also be a director of New Modern Company	Trade the instant petro-chemical products, on the date of 31 December 2013 and 2014 has the sum of the debts at 0.75 and 0.00 million Baht, respectively	13.82	3.97	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 the Company and they were in relation with the market related prices.
GC company's directors who are - Mr. Somchai Kulimakin - Mr.Sumruay Tichachol - Mrs.Pravishya Hansakul - Ms.Pornpimol Torpaiboon	Company's directors and executives	Sell car in the position to all directors and executives which had set in rule of the Company since 2006	2.26	1.25	The Audit Committee found that they were normal transactions of the Company and they were in rule of the Company.
Mr. Somchai Kulimakin	Director	Indefinite employment agreement for retired director	2.40	2.40	This related transaction was approved by Board of Directors in meeting no.1/2013, 22 February 2013 and It was reported to SET already.
Mr.Sumruay Tichachol	Director	Indefinite employment agreement for retired director	2.40	3.84	This related transaction was approved by Board of Directors in meeting no.2/2014, 8 May 2014 and It was reported to SET already.

To: The Shareholders

The Audit Committee of Global Connections Public Company Limited has been appointed by the Board of Director's meeting. The committee 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

In 2014, the committee performed their duties cautiously and independently without the restriction to achieve the Company's information. The committee held totally 4 meetings and joined the discussion with the internal auditor and the external auditor, as summarized as follows:

1. The committee reviewed quarterly and annual financial statements for the year 2014. Each time quarterly and annual financial statements were examined with the external auditor presented. The committee concluded that the Company's financial statements had complied with accounting standard requirements under generally accepted accounting principal, and that adequate, complete, reliable information had been disclosed in the financial statements, and that the external auditor performed optimally in accordance with professional accounting standard.
2. The committee reviewed and approved the annual internal audit plan for the year 2014. The committee concluded that the plan was prepared appropriately, and had covered with operating activities and significant risk factors in accordance with the Company's risk assessment.
3. The committee reviewed the internal audit activities to ensure that comply with the approved internal audit plan, and had meetings with the internal auditor independently to inquiry, provide useful recommendations for the Company, and follow up significant issues as reported in the internal audit report. The committee concluded the Company's internal control system was appropriate for its business.
4. The committee reviewed the internal control system of the Company and provided recommendations on developing the internal control system and risks that may arise with the Company. The committee concluded the Company had appropriate the internal control system in order to protect and reduce significant risks that may occur, and had compliance with the internal control system.

5. The committee reviewed compliance with regulations of The Securities and Exchange Commission, The Stock Exchange of Thailand, and other laws which related to the Company's business. The committee concluded the Company had complied with related laws and regulations.
6. The committee reviewed the connected transactions or transactions of potential conflicts of interest, including the disclosure of certain transactions. The committee concluded such transactions had reasonability, compliance with the Company's normal operating business, and an adequate disclosure in accordance with the regulations of The Stock Exchange of Thailand.
7. The committee considered and proposed the appointment of E&Y Company Limited as the Company's external auditor to the Board of Directors, which will in turn submit it, together with its fees, for shareholders' approval at the AGM. The committee had considered the performance, the independence and the qualities of the audit task and recommended the appointment of Ms.Siraporn Ouannankum or Ms.Supanee Triyanantakul or Ms. Varaporn Prapasirikul, Certified Public Accountant (Thailand) No. 3844 and 4498, 4579 respectively for the year ended 31 December 2015.

On the whole, the committee had performed and fulfilled according to the Audit Committee Charter which was approved by the Board of Directors. The committee agreed that the Company had an accurate accounting and financial reporting practices and the disclosure connected transactions, an appropriate the internal control system, a compliance with good corporate governance, laws and regulations related to the Company's business, and with an ongoing operating system development plan for quality enhancement appropriate for the company's environment and business.



(Dr. Pisit Leeahtam)

Chairman of Audit Committee
Global Connections Public Company Limited

STATEMENT OF BOARD OF DIRECTORS RESPONSIBLE FOR THE FINANCIAL STATEMENT

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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 31 December 2014 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



(Mr. Somchai Kulimakin)
Chairman of Executive Committee



MANAGEMENT DISCUSSION AND ANALYSIS OF OPERATING RESULTS AND FINANCIAL POSITION

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Analysis of Overall Performance

The distribution business of the plastic resins, plastic, and petrochemical related products needs 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 3,647.4 million in 2014, increased Baht 488.7 million from 2013 or equivalent to 15.47%. The sales value of Commodity Polymer business unit was risen by 37.93%. The sales value of Specialty and Engineering Polymer business unit was decreased by 2.60%. And the sales value of Specialty Chemicals business unit was increased by 6.63%. The 15.47% increase in total sales revenue were derived from the growth of sales value of Commodity Polymer business unit resulting from higher selling price and some gain back sales of previously lost customers. But the drop in sales value of Specialty and Engineering Polymer business unit was due to the shrinking in purchasing power during second half of 2014.

Financial Operating Results

In 2014, total cost of sales and operating expenses were Baht 3,579.9 million, increased by Baht 512.6 million from Baht 3,067.3 million of 2013 or equivalent to 16.71%. Our major expense was costs of goods sold, an increase of Baht 507.7 million from Baht 2,939.7 million of 2013 to be Baht 3,447.4 million in 2014 or 17.27% increased. The rise in costs of goods sold is a little bit higher than sales growth.

The gross profit in 2014 was decreased from Baht 219.0 million to be Baht 200.0 million or equivalent to 8.66%. Therefore, the gross profit margin in 2014 was declined from 6.93% in 2013 to be 5.48%. This was due to the strong competition as a result of slowdown in Thai economy impacting from political situation during the first 5 months of this year as well as the high level of household debts causing low spending. In addition, there was higher sales proportion of Commodity Polymer business unit compared to last year's.

Total selling and administrative expenses increased from Baht 127.7 million in 2013 to be Baht 132.6 million in 2014, or 3.83% increased. This was due to the increase in personnel expenses amounting to Baht 3.9 million from both annual salary adjustment and the additional number of staff and the increase in warehouse rental amounting to Baht 1.3 million resulting from higher inventory volume. However, there was an increase in reduction of inventory to net realisable value amounting to Baht 1.0 million in 2014.

The interest expenses in 2014 was Baht 19.3 million, or 11.47% increased from Baht 17.3 million of 2013. This was due to the higher short term loan requirement during 2014.

The corporate income tax rate in 2014 and 2013 had the same rate at 20.00%. This was in accordance with the Royal Degree regarding corporate income tax reduction.

As a result of the discussed factors, our net profit of 2014 was Baht 47.6 million versus Baht 70.0 million in 2013 or equivalent to 31.95% decreased.

Comparison of Financial Position (FY 31.12.2014 VS 31.12.2013)

Assets : As of 31 December 2014, GC recorded total assets of Baht 1,171.0 million, representing a decrease of Baht 110.3 million from 31 December 2013. This was mainly due to the decrease in inventories. The assets with major changed were as follows :

As of 31 December 2014 total current assets showed Baht 1,040.4 million, a decrease of Baht 106.6 million or 9.30% decreased from year-end 2013. This was mainly due to the decrease in inventories of Baht 84.7 million from Baht 520.3 million in year-end 2013 to be Baht 435.6 million in 2014 or equivalent to 16.28% decrease resulting from our strategy of matching inventory level with sales forecast volume during the last quarter of 2014.

While trade accounts receivable showed Baht 566.5 million as of 31 December 2014, a decrease of Baht 0.8 million or 0.14% from last year-end. This was due to lower collection period from 60.53 days in 2013 to be 56.64 days in 2014 resulting from better debts collection management.

Liabilities : As of 31 December 2014, GC recorded total liabilities of Baht 782.2 million, a decrease of Baht 99.8 million or 11.32% decreased from the previous year-end. The major liabilities was short-term loans from financial institutions and trade accounts payable. The ending 2014 balance of short-term loan was Baht 576.5 million versus 625.0 million as of 2013 or equivalent to 7.76% decreased. The trade accounts payable as of 2014 was Baht 171.2 million, a decrease of Baht 52.6 million from Baht 223.8 million of ending 2013. And the Debts to Equity Ratio as of 2014 was 2.01 times compared to 2.21 times of ending 2013.

Sources of Funds : The structure of GC's funds in 2014 was not much different from those of 2013 as they were in term of short-term liabilities. The major liabilities were short-term loans from financial institutions, bank overdrafts, and trade accounts payable.

Shareholders' Equity : As of 31 December 2014, the portion of shareholders' equity amounted to Baht 388.8 million, a decrease of Baht 10.4 million, or 2.60%, derived from net profit from operations of 2014 Baht 47.6 million deducted dividend paid out Baht 58 million.

Liquidity : Currently, 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 2014 GC had a current ratio at 1.36 times compared to 1.32 times in ending 2013, which was due to the drop in both short-term loans from financial institutions as well as trade accounts payable.

Financial Statement Year 2014



Independent Auditor's Report

To the Shareholders of Global Connections Public Company Limited

I have audited the accompanying financial statements of Global Connections Public Company Limited, which comprise the statement of financial position as at 31 December 2014, and the related statements of comprehensive income, changes in shareholders' equity and cash flows for the year then ended, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

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

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

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

Opinion

In my opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Global Connections Public Company Limited as at 31 December 2014, its financial performance and cash flows for the year then ended, in accordance with Thai Financial Reporting Standards.



Siraporn Ouuanunkun

Certified Public Accountant (Thailand) No. 3844

EY Office Limited

Bangkok: 17 February 2015

Global Connections Public Company Limited
Statement of financial position
As at 31 December 2014

(Unit: Baht)

	<u>Note</u>	<u>2014</u>	<u>2013</u>
Assets			
Current assets			
Cash and cash equivalents	7	36,246,583	47,616,885
Trade and other receivables	6,8	566,938,935	567,783,390
Inventories	9	435,583,459	520,293,512
Other current assets	6	1,598,932	11,290,239
Total current assets		<u>1,040,367,909</u>	<u>1,146,984,026</u>
Non-current assets			
Property, plant and equipment	10	121,030,374	124,065,894
Intangible assets	11	3,709,413	4,945,657
Deferred tax assets	18	4,270,922	3,578,922
Other non-current assets		1,660,500	1,692,500
Total non-current assets		<u>130,671,209</u>	<u>134,282,973</u>
Total assets		<u><u>1,171,039,118</u></u>	<u><u>1,281,266,999</u></u>

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

Global Connections Public Company Limited
Statement of financial position (continued)
As at 31 December 2014

(Unit: Baht)

	<u>Note</u>	<u>2014</u>	<u>2013</u>
Liabilities and shareholders' equity			
Current liabilities			
Short-term loans from financial institutions	12	576,519,636	625,000,000
Trade and other payables	6,13	179,935,526	235,561,683
Current portion of liabilities under finance lease agreements	14	1,790,895	1,597,360
Income tax payable		4,373,932	5,928,713
Other current liabilities		3,983,122	1,890,915
Total current liabilities		<u>766,603,111</u>	<u>869,978,671</u>
Non-current liabilities			
Liabilities under finance lease agreements - net of current portion	14	3,284,741	2,204,351
Provision for long-term employee benefits	15	12,354,610	9,894,610
Total non-current liabilities		<u>15,639,351</u>	<u>12,098,961</u>
Total liabilities		<u>782,242,462</u>	<u>882,077,632</u>

The accompanying notes are an integral part of the financial statements

Global Connections Public Company Limited
Statement of financial position (continued)
As at 31 December 2014

(Unit: Baht)

	<u>Note</u>	<u>2014</u>	<u>2013</u>
Shareholders' equity			
Share capital			
Registered			
200,000,000 ordinary shares of Baht 1 each		<u>200,000,000</u>	<u>200,000,000</u>
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	16	24,000,000	24,000,000
Unappropriated		<u>108,762,621</u>	<u>119,155,332</u>
Total shareholders' equity		<u>388,796,656</u>	<u>399,189,367</u>
Total liabilities and shareholders' equity		<u>1,171,039,118</u>	<u>1,281,266,999</u>

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The accompanying notes are an integral part of the financial statements

Global Connections Public Company Limited
Statement of comprehensive income
For the year end 31 December 2014

(Unit: Baht)

	<u>Note</u>	<u>2014</u>	<u>2013</u>
Profit or loss::			
Revenues			
Sales		3,647,400,018	3,158,684,159
Other income		11,318,644	13,242,054
Total revenues		<u>3,658,718,662</u>	<u>3,171,926,213</u>
Expenses			
Cost of sales		3,447,358,570	2,939,671,004
Reduction of inventory to net realisable value		1,000,000	-
		3,448,358,570	2,939,671,004
Selling expenses		29,244,310	26,323,955
Administrative expenses		102,314,091	101,344,252
Total expenses		<u>3,579,916,971</u>	<u>3,067,339,211</u>
Profit before finance cost and income tax expenses		78,801,691	104,587,002
Finance cost		(19,326,801)	(17,339,085)
Profit before income tax expenses		59,474,890	87,247,917
Income tax expenses	18	(11,867,601)	(17,285,095)
Profit for the year		<u>47,607,289</u>	<u>69,962,822</u>
Other comprehensive income for the year		-	-
Total comprehensive income for the year		<u><u>47,607,289</u></u>	<u><u>69,962,822</u></u>
Earnings per share	19		
Basic earnings per share		0.24	0.35

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

Global Connections Public Company Limited
Statement of changes in shareholders' equity)
For the year ended 31 December 2014

(Unit: Baht))

	Note	Retained earnings				Total
		Issued and fully paid up ordinary shares	Share premium	Appropriated-statutory reserve	Unappropriated	
Balance as at 1 January 2013		200,000,000	56,034,035	24,000,000	123,192,434	403,226,469
Dividend paid	22	-	-	-	(37,999,924)	(37,999,924)
Interim dividend paid	22	-	-	-	(36,000,000)	(36,000,000)
Total comprehensive income for the year		-	-	-	69,962,822	69,962,822
Balance as at 31 December 2013		<u>200,000,000</u>	<u>56,034,035</u>	<u>24,000,000</u>	<u>119,155,332</u>	<u>399,189,367</u>
Balance as at 1 January 2014		200,000,000	56,034,035	24,000,000	119,155,332	399,189,367
Dividend paid	22	-	-	-	(28,000,000)	(28,000,000)
Interim dividend paid	22	-	-	-	(30,000,000)	(30,000,000)
Total comprehensive income for the year		-	-	-	47,607,289	47,607,289
Balance as at 31 December 2014		<u>200,000,000</u>	<u>56,034,035</u>	<u>24,000,000</u>	<u>108,762,621</u>	<u>388,796,656</u>

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

Global Connections Public Company Limited
Cash flow statement
For the year ended 31 December 2014

(Unit: Baht)

	2014	2013
Cash flows from operating activities		
Profit before tax	59,474,890	87,247,917
Adjustments to reconcile profit before tax to net cash provided by (paid from) operating activities :-		
Depreciation and amortisation	11,910,435	12,564,209
Reduction of inventory to net realisable value	1,000,000	-
Gain on sales of investment properties	-	(3,106,922)
Gain on sales of motor vehicles and equipment	(1,724,992)	(2,891,611)
Loss on write-off of equipment	55,037	-
Unrealised (gain) loss on exchange	(101,825)	8,663
Long-term employee benefit expenses	2,460,000	2,348,700
Interest expenses	19,326,801	17,339,085
Profit from operating activities before changes in operating assets and liabilities	92,400,346	113,510,041
Operating assets (increase) decrease		
Trade and other receivables	844,455	(86,523,597)
Inventories	83,710,053	(68,091,400)
Other current assets	9,691,307	(4,278,793)
Other non-current assets	32,000	(1,500,000)
Operating liabilities increase (decrease)		
Trade and other payables	(55,281,432)	41,053,917
Other current liabilities	2,092,208	481,712
Provision for long-term employee benefits	-	(3,182,700)
Cash flow from operating activities	133,488,937	(8,530,820)
Cash paid for interest expenses	(19,225,718)	(16,937,787)
Cash paid for corporate income tax	(14,114,383)	(19,541,975)
Net cash flows from (used in) operating activities	100,148,836	(45,010,582)

Global Connections Public Company Limited
Cash flow statement (continued)
For the year ended 31 December 2014

(Unit: Baht)

	2014	2013
Cash flows from investing activities		
Acquisition of motor vehicles and equipment	(3,290,006)	(4,299,477)
Acquisition of computer software	-	(233,550)
Proceeds from sales of investment properties	-	7,829,743
Proceeds from sales of motor vehicles and equipment	1,725,017	3,419,263
Net cash flows from (used in) investing activities	(1,564,989)	6,715,979
Cash flows from financing activities		
Increase (decrease) in short-term loans from financial institutions	(48,485,906)	120,000,000
Cash paid for liabilities under finance lease agreements	(3,468,243)	(2,551,173)
Dividend paid	(28,000,000)	(37,999,924)
Interim dividend paid	(30,000,000)	(36,000,000)
Net cash flows from (used in) financing activities	(109,954,149)	43,448,903
Net increase (decrease) in cash and cash equivalents	(11,370,302)	5,154,300
Cash and cash equivalents at beginning of year	47,616,885	42,462,585
Cash and cash equivalents at end of year	36,246,583	47,616,885
	-	-
Supplemental cash flows information :-		
Non-cash transactions		
Motor vehicles purchased under finance lease agreements	4,403,728	-

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

Global Connections Public Company Limited

Notes to financial statements

For the year ended 31 December 2014

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. The registered office of the Company is at 13/1 Moo 2 King-Kaew Road, Rachateva, Bangplee, Samuthprakarn.

2. Basis of preparation

The financial statements have been prepared in accordance with Thai Financial Reporting Standards enunciated under the Accounting Professions 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 28 September 2011, 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 the Thai language financial statements.

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

3. New financial reporting standards

Below is a summary of financial reporting standards that became effective in the current accounting year and those that will become effective in the future.

(a) Financial reporting standards that became effective in the current accounting year

Conceptual Framework for Financial Reporting (revised 2013)

Accounting Standards:	
TAS 1 (revised 2012)	Presentation of Financial Statements
TAS 7 (revised 2012)	Statement of Cash Flows
TAS 12 (revised 2012)	Income Taxes
TAS 17 (revised 2012)	Leases
TAS 18 (revised 2012)	Revenue
TAS 19 (revised 2012)	Employee Benefits
TAS 21 (revised 2012)	The Effects of Changes in Foreign Exchange Rates
TAS 24 (revised 2012)	Related Party Disclosures
TAS 28 (revised 2012)	Investments in Associates
TAS 31 (revised 2012)	Interests in Joint Ventures
TAS 34 (revised 2012)	Interim Financial Reporting
TAS 36 (revised 2012)	Impairment of Assets
TAS 38 (revised 2012)	Intangible Assets

Financial Reporting Standards:

TFRS 2 (revised 2012) Share-based Payment

TFRS 3 (revised 2012) Business Combinations

TFRS 5 (revised 2012) Non-current Assets Held for Sale and Discontinued Operations

TFRS 8 (revised 2012) Operating Segments

Accounting Standard Interpretations:

TSIC 15 Operating Leases - Incentives

TSIC 27 Evaluating the Substance of Transactions Involving the Legal Form of a Lease

TSIC 29 Service Concession Arrangements: Disclosures

TSIC 32 Intangible Assets - Web Site Costs

Financial Reporting Standard Interpretations:

TFRIC 1 Changes in Existing Decommissioning, Restoration and Similar Liabilities

TFRIC 4 Determining whether an Arrangement contains a Lease

TFRIC 5 Rights to Interests arising from Decommissioning, Restoration and Environmental Rehabilitation Funds

 TFRIC 7 Applying the Restatement Approach under TAS 29
 Financial Reporting in Hyperinflationary Economies

TFRIC 10 Interim Financial Reporting and Impairment

TFRIC 12 Service Concession Arrangements

TFRIC 13 Customer Loyalty Programmes

TFRIC 17 Distributions of Non-cash Assets to Owners

TFRIC 18 Transfers of Assets from Customers

Accounting Treatment Guidance for Stock Dividend

These financial reporting standards were amended primarily to align their content with the corresponding International Financial Reporting Standards. Most of the changes were directed towards revision of wording and terminology, and provision of interpretations and accounting guidance to users of the accounting standards. These financial reporting standards do not have any significant impact on the financial statements.

(b) Financial reporting standards that will become effective in the future

The Federation of Accounting Professions has issued a number of revised and new financial reporting standards that become effective for fiscal years beginning on or after 1 January 2015. These financial reporting standards were aimed at alignment with the corresponding International Financial Reporting Standards, with most of the changes directed towards revision of wording and terminology, and provision of interpretations and accounting guidance to users of accounting standards. The management of the Company believes they will not have any significant impact on the financial statements in the year in which they are adopted. However, some of these financial reporting standards involve changes to key principles, as discussed below:

TAS 19 (revised 2014) Employee Benefits

This revised standard requires that the entity recognise actuarial gains and losses immediately in other comprehensive income while the existing standard allows the entity to recognise such gains and losses immediately in profit or loss, or in other comprehensive income, or to recognise them gradually in profit or loss.

At present, the Company immediately recognises actuarial gains and losses in profit or loss in the period in which they occur. The assessment of the management of the Company is that when the revised standard is applied in 2015 and the method of recognising those gains and losses is changed to immediately recognise them in other comprehensive income, there will be no impact to provision for long-term employee benefit liabilities and retained earnings in the financial statements.

TFRS 13 Fair Value Measurement

This standard provides guidance on how to measure fair value and stipulates disclosures related to fair value measurements. Entities are to apply the guidance under this standard if they are required by other financial reporting standards to measure their assets or liabilities at fair value. The effect of the change from the adoption of this standard is to be recognised prospectively.

Based on the preliminary analysis, the management of the Company believes that this standard will not have any significant impact on the Company's financial statements.

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 (under the 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 Intangible assets

Intangible assets are carried at cost less any accumulated amortisation and any impairment losses (if any).

Intangible assets with finite lives are amortised on a systematic basis over the economic useful life and tested for impairment whenever there is an indication that the intangible asset may be impaired. The amortisation period and the amortisation method of such intangible assets are reviewed at least at each financial year end. The amortisation expense is charged to profit or loss.

Intangible assets with finite useful lives are computer software which have finite useful lives of 5 years.

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 assets 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 profit or loss over the lease period. The assets 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. Operating lease payments are recognised as expense in profit or loss on a straight-line basis over the lease term.

4.9 Foreign currencies

The financial statements are presented in Baht, which is also the Company's functional currency.

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 end of reporting period, 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 the end of reporting period, the Company performs impairment reviews in respect of the property, 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.

An impairment loss is recognised in profit or loss.

4.11 Employee benefits

Short-term employee benefits

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

Post-employment benefits

Defined contribution plans

The Company and its employees have jointly established a provident fund. The fund is monthly contributed by employees and by the Company. The fund's assets are held in a separate trust fund and the Company's contributions are recognised as expenses when incurred.

Defined benefit plans

The Company has obligations in respect of the severance payments it must make to employees upon retirement under labor law. The Company treats these severance payment obligations as a defined benefit plan.

The obligation under the defined benefit plan is determined by a professionally qualified independent actuary based on actuarial techniques, using the projected unit credit method.

Actuarial gains and losses arising from post-employment benefits are recognised immediately in profit or loss.

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 expense represents the sum of corporate income tax currently payable and deferred tax.

Current tax

Current income tax is provided in the accounts at the amount expected to be paid to the taxation authorities, based on taxable profits determined in accordance with tax legislation.

Deferred tax

Deferred income tax is provided on temporary differences between the tax bases of assets and liabilities and their carrying amounts at the end of each reporting period, using the tax rates enacted at the end of the reporting period.

The Company recognises deferred tax liabilities for all taxable temporary differences while it recognises deferred tax assets for all deductible temporary differences and tax losses carried forward to the extent that it is probable that future taxable profit will be available against which such deductible temporary differences and tax losses carried forward can be utilised.

At each reporting date, the Company reviews and reduce the carrying amount of deferred tax assets to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilised.

The Company records deferred tax directly to shareholders' equity if the tax relates to items that are recorded directly to shareholders' equity.

5. Significant accounting judgements and estimates

The preparation of financial statements in conformity with financial reporting standards 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 from these estimates. 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.

Reduction of inventory to net realisable value

In determining a reduction of inventory to net realisable value, 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 residual values of the plant and equipment and to review estimate useful lives and residual 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.

Post-employment benefits under defined benefit plans

The obligation under the defined benefit plan is determined based on actuarial techniques. Such determination is made based on various assumptions, including discount rate, future salary increase rate, mortality rate and staff turnover rate.

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)

	2014	2013	Transfer pricing policy
<u>Transactions with related companies</u>			
Sales of finished goods	14	30	Similar to market price
Purchases of finished goods and compound service	52	45	Cost plus margin
<u>Transactions with management and directors</u>			
Sales of assets	1	2	At a rate set in the Company's regulation

As at 31 December 2014 and 2013, the balances of the accounts between the Company and those related parties are as follows:

(Unit: Thousand Baht)		
	2014	2013
<u>Trade and other receivables - related parties (Note 8)</u>		
Integrity Plastics Company Limited	945	8,226
New Modern Super Pack Company Limited	-	754
Total	945	8,980
<u>Advance payment for goods - related party</u>		
(Included in other current assets)		
Integrity Plastics Company Limited	7	7,415
Total	7	7,415
<u>Trade payables - related party (Note 13)</u>		
Integrity Plastics Company Limited	185	1,565
Total	185	1,565

Directors and management's benefits

Directors and management benefit expenses are benefits paid to directors and executives of the Company. Executives of the Company are as defined by the regulation of the Securities and Exchange Commission and comprise all directors, the managing director, the four most senior executives below the managing director, and all executives holding equivalent positions to the fourth most senior executive.

During the years ended 31 December 2014 and 2013, the Company had employee benefit expenses of its directors and management as below.

(Unit: Thousand Baht)		
	2014	2013
Short-term employee benefits	31,847	32,291
Post-employment benefits	3,452	4,343
Total	35,299	36,634

7. Cash and cash equivalents

(Unit: Thousand Baht)

	2014	2013
Cash	60	60
Bank deposits	36,187	47,557
Total	36,247	47,617

As at 31 December 2014, bank deposits in saving accounts carried interests between 0.05 and 0.30 percent per annum (2013: between 0.05 and 0.10 percent per annum).

8. Trade and other receivables

(Unit: Thousand Baht)

	2014	2013
Trade receivables - unrelated parties		
Aged on the basis of due dates		
Not yet due	420,279	395,263
Past due		
Up to 1 month	130,287	151,943
1 - 3 months	16,051	11,994
3 - 6 months	-	-
6 - 12 months	-	-
Over 12 months	5,927	6,104
Total	572,544	565,304
Less: Allowance for doubtful accounts	(7,000)	(7,000)
Total trade receivables - unrelated parties, net	565,544	558,304

(Unit: Thousand Baht)

	2014	2013
Trade receivables - related parties		
Aged on the basis of due dates		
Not yet due	523	8,226
Past due		
Up to 1 month	422	754
Total trade receivables - related parties	945	8,980
Total trade receivables, net	566,489	567,284
Other receivables - unrelated parties	450	499
Total trade and other receivables, net	566,939	567,783

9. Inventories

(Unit: Thousand Baht)

	Cost		Reduce cost to net realisable value		Inventories-net	
	2014	2013	2014	2013	2014	2013
Finished goods	389,489	458,755	(9,000)	(8,000)	380,489	450,755
Goods in transit	55,094	69,539	-	-	55,094	69,539
Total	444,583	528,294	(9,000)	(8,000)	435,583	520,294

During the year 2014, the Company reduced cost of inventories by Baht 1 million, to reflect the net realisable value. This was included in cost of sales.

10. Property, plant and equipment

(Unit: Thousand Baht)

	Land and land improvements	Buildings	Office equipment, furniture and fixtures	Tools and equipment	Motor vehicles	Total
Cost:						
1 January 2013	52,715	93,740	15,767	11,371	39,190	212,783
Additions	-	-	970	2,307	1,022	4,299
Disposals/write-off	-	-	(25)	-	(11,675)	(11,700)
31 December 2013	52,715	93,740	16,712	13,678	28,537	205,382
Additions	-	-	961	904	5,828	7,693
Disposals/write-off	-	-	(452)	-	(6,439)	(6,891)
31 December 2014	52,715	93,740	17,221	14,582	27,926	206,184
Accumulated depreciation:						
1 January 2013	-	33,111	12,306	7,986	27,808	81,211
Depreciation for the year	-	3,562	1,855	1,392	4,469	11,278
Depreciation on disposals write-off	-	-	(20)	-	(11,153)	(11,173)
31 December 2013	-	36,673	14,141	9,378	21,124	81,316
Depreciation for the year	-	3,563	1,541	1,380	4,190	10,674
Depreciation on disposals/write-off	-	-	(397)	-	(6,439)	(6,836)
31 December 2014	-	40,236	15,285	10,758	18,875	85,154
Net book value:						
31 December 2013	52,715	57,067	2,571	4,300	7,413	124,066
31 December 2014	52,715	53,505	1,936	3,824	9,051	121,030
Depreciation for the year						
2013 (included in selling and administrative expenses)						11,278
2014 (included in selling and administrative expenses)						10,674

As at 31 December 2014, the Company has motor vehicles with net book value of Baht 7 million (2013: Baht 5 million) which were acquired under finance lease agreements.

As at 31 December 2014, certain items of equipment were fully depreciated but are still in use. The gross carrying amount (before deducting accumulated depreciation) of those assets amounted to approximately Baht 25 million (2013: Baht 25 million).

11. Intangible assets

The net book value of intangible assets as at 31 December 2014 and 2013 is presented below.

(Unit: Thousand Baht)

	2014	2013
Computer software - cost	6,181	6,181
Less: Accumulated amortisation	(2,472)	(1,235)
Net book value	3,709	4,946

A reconciliation of the net book value of intangible assets for the years 2014 and 2013 is presented below.

(Unit: Thousand Baht)

	2014	2013
Net book value at beginning of year	4,946	-
Increase	-	6,181
Amortisation	(1,237)	(1,235)
Net book value at end of year	3,709	4,946

12. Short-term loans from financial institutions

(Unit: Thousand Baht)				
	Interest rate		2014	2013
	2014	2013		
(percent per annum)				
Promissory notes	Market rate	Market rate	550,000	625,000
Trust receipt payable	Market rate	-	26,520	-
Total			576,520	625,000

As at 31 December 2014, the short-term credit facilities of the Company which have not yet been drawn down amounted to Baht 1,094 million (2013: Baht 1,010 million).

13. Trade and other payables

(Unit: Thousand Baht)

	2014	2013
Trade payables - unrelated parties	171,168	222,392
Trade payables - related party	185	1,565
Accrued expenses	8,583	11,604
Total trade and other payables	179,936	235,561

14. Liabilities under finance lease agreements

(Unit: Thousand Baht)

	2014	2013
Liabilities under finance lease agreements	5,693	4,140
Less: Deferred interest expenses	(617)	(338)
Total	5,076	3,802
Less: Portion due within one year	(1,791)	(1,598)
Liabilities under finance lease agreements - net of current portion	3,285	2,204

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 5 years.

Future minimum lease payments required under the finance lease agreements were as follows:-

(Unit: Thousand Baht)

	As at 31 December 2014		
	Less than 1 year	1-5 years	Total
Future minimum lease payments	2,078	3,615	5,693
Deferred interest expenses	(287)	(330)	(617)
Present value of future minimum lease payments	1,791	3,285	5,076

(Unit: Thousand Baht)

	As at 31 December 2013		
	Less than 1 year	1-5 years	Total
Future minimum lease payments	1,789	2,351	4,140
Deferred interest expenses	(191)	(147)	(338)
Present value of future minimum lease payments	1,598	2,204	3,802

15. Provision for long-term employee benefits

Provision for long-term employee benefits, which represents compensation payable to employees after they retire from the Company, was as follows:

(Unit: Thousand Baht)

	2014	2013
Defined benefit obligation at beginning of year	9,895	10,729
Current service cost	1,870	3,024
Interest cost	313	320
Actuarial (gain) loss	277	(995)
Benefits paid during the year	-	(3,183)
Defined benefit obligation at end of year	12,355	9,895

Long-term employee benefit expenses included in the profit or loss consist of the following:

(Unit: Thousand Baht)

	2014	2013
Current service cost	1,870	3,024
Interest cost	313	320
Actuarial (gain) loss	277	(995)
Total expense recognised in profit or loss	2,460	2,349
Line items in profit or loss under which such expenses are included		
Selling expenses	252	105
Administrative expenses	2,208	2,244

Key actuarial assumptions used for the valuation are as follows:

	2014	2013
	(% per annum)	(% per annum)
Discount rate	3.1	3.3
Future salary increase rate	3.0 - 7.2	3.0 - 6.0

Amounts of defined benefit obligations and experience adjustments for the current and the past three years are as follows:

(Unit: Thousand Baht)

	Defined benefit obligation	Experience adjustments on the obligation
Year 2014	12,355	(238)
Year 2013	9,895	(2,631)
Year 2012	10,729	-
Year 2011	14,625	-

16. 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 profit 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 statutory reserve has fully been set aside.

17. Expenses by nature

Significant expenses classified by nature are as follow:

(Unit: Thousand Baht)

	2014	2013
Salaries and wages and other employee benefits	82,567	78,686
Depreciation and amortisation	11,910	12,564
Rental expenses from operating lease agreements	9,376	8,168
Purchase of inventories	3,359,879	2,974,060
Changes in inventories of finished goods	69,266	(51,154)

18. Income tax

Income tax expenses for the years ended 31 December 2014 and 2013 are made up as follows:

(Unit: Thousand Baht)

	2014	2013
Current income tax:		
Current income tax charge	12,560	17,118
Deferred tax:		
Relating to origination and reversal of temporary differences	(692)	167
Income tax expense reported in the statement of comprehensive income	11,868	17,285

The reconciliation between accounting profit and income tax expenses is shown below.

(Unit: Thousand Baht)

	2014	2013
Accounting profit before tax	59,475	87,248
Applicable tax rate	20%	20%
Accounting profit before tax multiplied by income tax rate	11,895	17,450
Effects of non-deductible expenses	228	22
Effects of additional expense deductions allowed	(255)	(187)
Income tax expenses reported in the statement of comprehensive income	11,868	17,285

The components of deferred tax assets are as follows:

(Unit: Thousand Baht)

	2014	2013
Deferred tax assets		
Reduce cost of inventories to net realisable value	1,800	1,600
Provision for long-term employee benefits	2,471	1,979
Total	4,271	3,579

19. Earnings per share

Basic earnings per share is calculated by dividing profit for the year attributable to equity holders of the Company (excluding other comprehensive income) by the weighted average number of ordinary shares in issue during the year.

The following table sets forth the computation of basic earnings per share:

	2014	2013
Profit for the year (Thousand Baht)	47,607	69,963
Weighted average number of ordinary shares (Thousand shares)	200,000	200,000
Earnings per share (Baht/share)	0.24	0.35

20. Segment information

Operating segment information is reported in a manner consistent with the internal reports that are regularly reviewed by the chief operating decision maker in order to make decisions about the allocation of resources to the segment and assess its performance.

For management purposes, the Company is organised into business units based on its product categories and has the following three reportable segments:

- The Commodity Polymer business unit, which is the segment for distribution of commodity polymers used in the transformation process of general plastic-products.
- The Specialty and Engineering Polymer business unit, which is the segment for distribution of special grade polymers that have unique characteristics, such as enabling hardness, durability, refractory and resistance to chemical substances.
- The Specialty Chemical business unit, which is the segment for distribution of special additive products that add value to products and add unique characteristics to additive compounded products.

The Company has aggregated all operating segments and presented them as the reportable segment. The aggregated operating segments have similar economic characteristics and are similar in the other respects required by the standard. The Company's operation is carried out from the single geographic area of Thailand. As a result, all of the revenues, operating profits and assets as reflected in these financial statements pertain exclusively to the aforementioned reportable operating segment and geographical area.

For the year 2014 and 2013, the Company has no major customer with revenue of 10 percent or more of an entity's revenues.

21. 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 Bangkok Capital Asset Management Company Limited, will be paid to employees upon termination in accordance with the fund rules. During the year 2014, the Company contributed Baht 3 million (2013: Baht 4 million) to the fund.

22. Dividends

Dividends declared in 2014 and 2013 and already recorded consist of the followings:-

(Unit: Baht)			
	Approved by	Total dividends	Dividend per share
Dividends for 2013	Annual General Meeting of the shareholders on 4 April 2014	28,000,000	0.14
Interim dividends for 2014	A Meeting of the Company's Board of Directors on 5 August 2014	30,000,000	0.15
Total for 2014		58,000,000	0.29
Dividends for 2012	Annual General Meeting of the shareholders on 5 April 2013	37,999,924	0.19
Interim dividends for 2013	A Meeting of the Company's Board of Directors on 6 August 2013	36,000,000	0.18
Total for 2013		73,999,924	0.37

23. Commitments and contingent liabilities

23.1 Operating lease commitments

The Company has entered into several lease agreements in respect of the lease of warehouse and equipment. The terms of the agreements are generally between 1 and 4 years.

Future minimum lease payments under these lease agreements were as follows.

(Unit: Million Baht)		
	As at 31 December	
	2014	2013
Payable:		
in up to 1 year	7	7
in over 1 and up to 4 years	7	14

23.2 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 0.7 million in 2015.

23.3 Guarantees

As at 31 December 2014, there were outstanding bank guarantees of approximately Baht 61 million (2013: Baht 50 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 and to guarantee electricity use.

24. Financial instruments

24.1 Financial risk management

The Company's financial instruments, as defined under Thai Accounting Standard No. 107 "Financial Instruments: Disclosure and Presentations", principally comprise cash and cash equivalents, trade and other receivables, short-term loans, trade and other payables 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 statement of financial position.

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.

As at 31 December 2014, the Company had foreign currency-denominated trade accounts payable and trust receipt payable of USD 2.6 million (2013: USD 2.4 million) and had outstanding forward exchange contracts as presented below.

	Amount (million)	Maturity date	Contractual exchange rate (Baht per 1 foreign currency unit)
<u>As at 31 December 2014</u>			
<u>Buy</u>			
US dollar	2.3	12 May 2015 - 6 July 2015	32.99 - 33.22
<u>As at 31 December 2013</u>			
<u>Buy</u>			
US dollar	0.8	30 May 2014 - 3 July 2014	32.34 - 33.11

24.2 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 statement of financial position.

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.

25. Capital management

The primary objective 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.

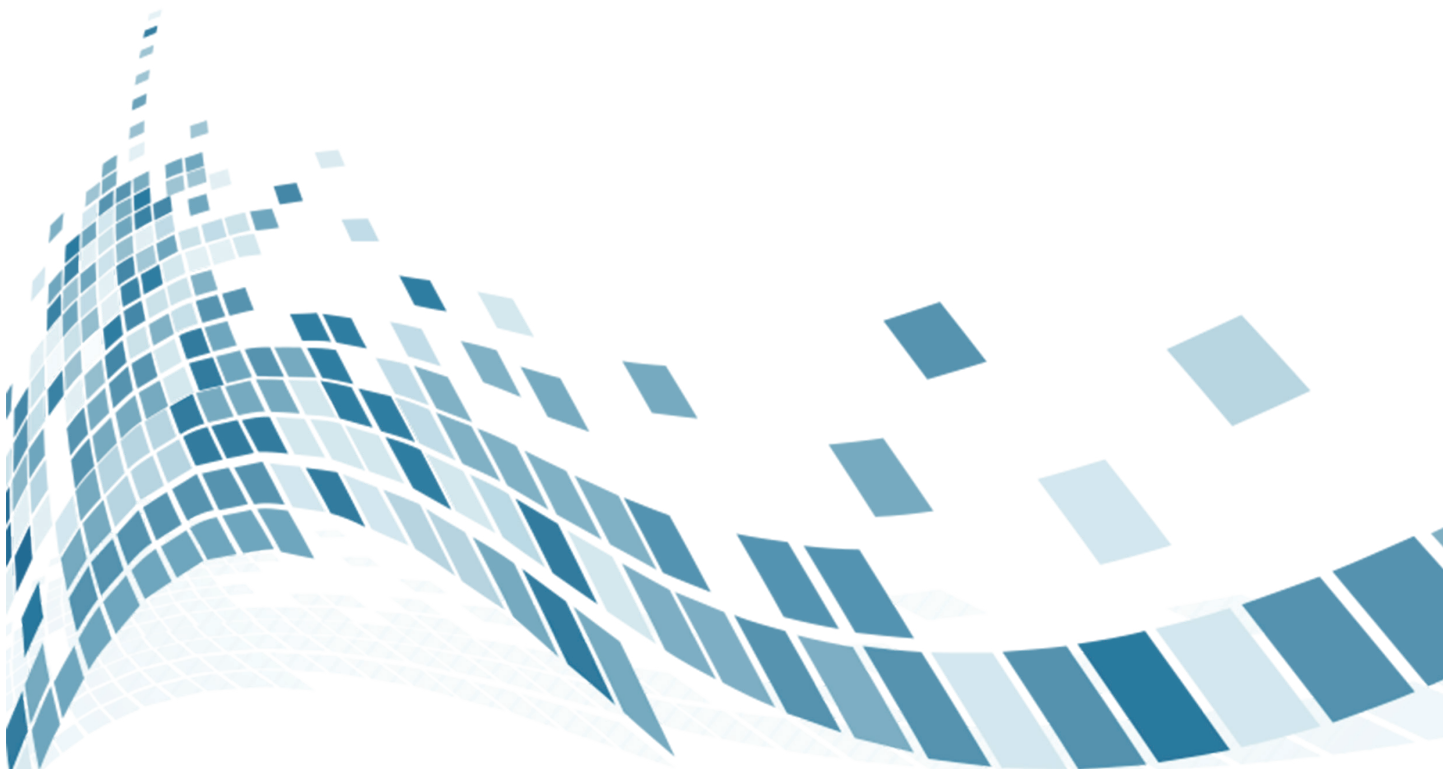
The Company manages its capital position with reference to its debt-to-equity ratio. As at 31 December 2014, the Company's debt-to-equity ratio was 2.01:1 (2013: 2.21:1).

26. Event after the reporting period

On 17 February 2015, the Board of Directors passed a resolution to propose the payment of a dividend in respect of the 2014 earnings of Baht 0.23 per share, or a total of Baht 46 million to its shareholders. The Company paid an interim dividend of Baht 0.15 per share, or a total of Baht 30 million, in September 2014. The remaining of Baht 0.08 per share, or a total of Baht 16 million will be paid and recorded after being approved by the Annual General Meeting of the shareholders.

27. Approval of financial statements

These financial statements were authorised for issue by the Company's Board of Directors on 17 February 2015.





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