



Achieving Mutual Goal, Together.



Annual Report 2014
G Capital Public Company Limited

Vision

Our vision is to be a leading provider of agricultural machinery on hire purchase offers different and various services, transparent and fair. Development of financial services to meet all of customer needs with responsibility for stakeholder, economics, social and environmental.

Mission

1. To offers a full services of credit with difference and diversity.
2. Invent new financial services to expand and extend its business.
3. To improve service excellence with convenience and fairness to customers' satisfaction.
4. To develop employee with the knowledge skills and ability to keep pace with the current economy.

Core Value



| | |
|-----------------------|--|
| Excellence | Excellence in service to customers in a professional manner. The quality and standards of practice. Meet and satisfy the stakeholders. |
| Fairness | It is fair to all stakeholders. Adhere to and comply with the law and corporate governance |
| Responsibility | Responsible to customer stakeholders as well as economic, social and environmental |
| Integrity | Employee of the company to be honest to yourself and others includes to keep and prevent an information and trade secrets of partners. |
| Transparency | Transparency to work that can be checked in all process. |

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Message from Chairman and Managing Director



Mr. Yongyuth Tariyo
Chairman

“The Company remains persistent to move forward in hands with Thai farmers by means of commitment to develop and improve their quality of life for their better well-being”

Mr. Yongyuth Tariyo
Chairman

Mr. Santi Hokittikul
Managing Director

“The Company has faith that when helping our customers achieve success in career, the Company will also achieve success in doing business. In other words, Achieving Mutual Goal, Together.”

Mr. Santi Hokittikul
Managing Director

In the past year 2014, another year that proved the Company’s professionalism in successful and satisfactory financial planning and administrative management in various aspects amidst obstacles and political risks which occurred by the end of the year 2013 until 2014 when Thailand encountered multi-faceted changes including alteration in the agricultural sector of the country. In the course of that particular year, Thai farmers were affected by the rice-pledging scheme policy that has procrastinated financial payment to them, aggravated by decline in agricultural products prices. Therefore, this imposed them on illiquidity and lack of capital for their earning of living. In addition, natural disasters kept having an effect on cultivation to farmers, as such that this event had an impact on their revenue. Besides, farmers are yet obliged to adapt themselves for changes subject to the Agricultural Zoning Policy that the government sector is being promoting in order that planting and agricultural reproduction will be oriented in accordance with the requirements of such policy and framework – for instance.

Although the overall Thai economy in 2014 declined from the year earlier as the primary result of the goods and service export sector which tended to reduce in association with the domestic political unrest causing delay in the government sector's payment, the Thai economic atmosphere in the end of 2014, however, regained recovery thanks to consumption and private investments because operational costs in the business sector tended to reduce in parallel with the energy costs adjusting to decrease. Therefore, this is a promising sign of economic expansion in 2015.

In terms of the business performance in 2014 which was the 10th anniversary of our business and the beginning of the Company's new era as a company listed to the mai Stock Exchange of Thailand, this is considered a real challenge whereby the Company must constantly conduct situational analysis on determination into policy and planning, prompt strategic business adaptation for emerging changes, risk management and debtor management amidst poignant situations together with concise and efficient corporate management in line with eagerness of our business expansion and development. All these factors is regarded a significant test of our business operation and, in the meanwhile, reflects that the Company has safely and soundly succeeded in breaking through surrounding crisis.

This year, the Company has increased personal loan service that support liquidity of our customers having good debt payment history so that they have cash flow for their profession. Also, the Company has provided loan with collateral service in an objective to enable customers who have been affected by delay in the rice-pledging scheme payment from the government sector and natural disasters and suffered loss of liquidity and capital for their earning to continue their profession. Such diversification of our credit line services enjoys positive response from customers and it plays a significant role in maintaining our debtor quality control to meet satisfactory level. As such, the Company has expanded and continuously developed this business line until it will become our core business in the future. Moreover, the Company has expanded credit service lines in large - sized tractors and components in the agricultural machinery line to cover farm plants types categorised in the industrial drop i.e. sugar cane and cassava - for instance.

In October 2014, the Company issued debentures for the period of 1 year and 6 months in the amount of Baht 300 million which was welcome by investors. To this regard, the Company would like to thank every individual investor for their confidence and trust in the organization. The Company will compensate the money from the debentures issuance for the loans payment and circulate it in the Company's business, which will improve the Company's financial management. Also, the Company hopes that we will be welcome by investors again in the future.

The Company has founded a philosophical thought in doing business in customer centricity approach and expected our customers' success achievement in their career and income stability along with good quality of life. The Company has faith that when helping our customers achieve success in career, the Company will also achieve success in doing business. In other words, Achieving Mutual Goal, Together.

The Company gives importance to organisational development destined to stable and sustainable growth in parallel with participation in creation of shared value in economic, social and environmental development of Thailand by holding the principle of good corporate governance consisting of fairness, transparency and accountability in corporate management associated with morality and virtue in business practice. Further, the Company takes into account profits and value added creation for shareholders and shared value for stakeholders in every sector. Accordingly, the Board of Directors of the Company organises the corporate structure which establishes the Corporate Social Responsibility Committee to perform their duty on considering and screening the policy, framework and strategy on sustainable development and corporate social responsibility. The Company will emphasise on administration of the development and continuity of the financial services which will cover and meet customers' needs and the development of the operational procedure efficiency as well as the shared value creation for community and society.

In addition, in 2014, the Company was selected by the Stock Exchange of Thailand to be one of five companies that joined the “Corporate Sustainability Advisory Programme” of the companies listed to the mai stock market in order to develop the operational potentiality in corporate social responsibility and doing business with sustainability. This is a pride of the Company and will be a significant impulsion for the Company’s corporate social responsibility tasks in the future. It is also deemed a great opportunity for the Company to apply our knowledge and exchange of experiences from the participation in the programme into our organisational development for emerging benefits and sustainable growth along with economic, social and environmental development of Thailand in a sustainable way in the future.

In 2014, the Company had the gross income in the amount of Baht 186.22 million increasing from Baht 163.39 million in 2013, or increasing by 14 per cent, as a result of business growth that benefited from the main income from the hire purchase service. The Company had the net profit in the amount of Baht 59.42 million increasing by 38.79 per cent from 2013, when the net profit amounted to Baht 42.81 million, as a result of the 13.89 per cent growth in the Company’s gross income. Meanwhile, the Company had efficient operational management and financial costs management having concretely resulted in more net profit that the previous year, and it was the highest net profit ever since the foundation of the Company.

The Company continues focusing on agricultural machinery loan service in which the Company is equipped with specialised knowledge, experiences and longtime expertise for over 10 years. The Company has a policy to expand the agricultural machinery leasing service to cover every sector of industrial drop and to develop and continue diversified financial services by our appreciation and understanding in response to customers’ needs with services of excellence focusing on sight and bringing about business opportunity and innovations. Moreover, the Company is committed to good corporate governance and careful, concise and efficient risk management as well as participation in the Thai Private Practices for Anti-Corruption Project.

Based on unity in actions and spirit of the Board of Directors, the executive management and employees, G Capital Public Co., Ltd., at present, has achieved historically high business performance and grown with stability and sustainability. The Company remains persistent to move forward in hands with Thai farmers by means of commitment to develop and improve their quality of life for their better well-being together with creation of equality and diminishing social inequality for Thai farmers.



Mr. Yongyuth Tariyo
Chairman



Mr. Santi Hokittikul
Managing Director

Corporate Profile

| | |
|--|---|
| Company Name | G Capital Public Company Limited |
| Stock Code | GCAP |
| Registration Number | 0107555000031 |
| Type of Business | Hire Purchase for Agricultural Machinery and Personal Loan |
| Head Office | 161/1 3 SG Tower 8 th Floor, Soi Mahadlekluang 3, Rajdamri Road, Lumpini, Pathumwan, Bangkok 10330, Thailand Tel : 02-651-9995 Fax : 02-651-9553 |
| Authorized Share Capital | 100,000,000 Baht |
| Issued and Paid-up Capital | 100,000,000 Baht |
| Type and Amount of Outstanding Shares | 200,000,000 Ordinary Shares |
| Par Value of Share | 0.50 Baht per share |
| Home Page | www.gcapital.co.th |

References

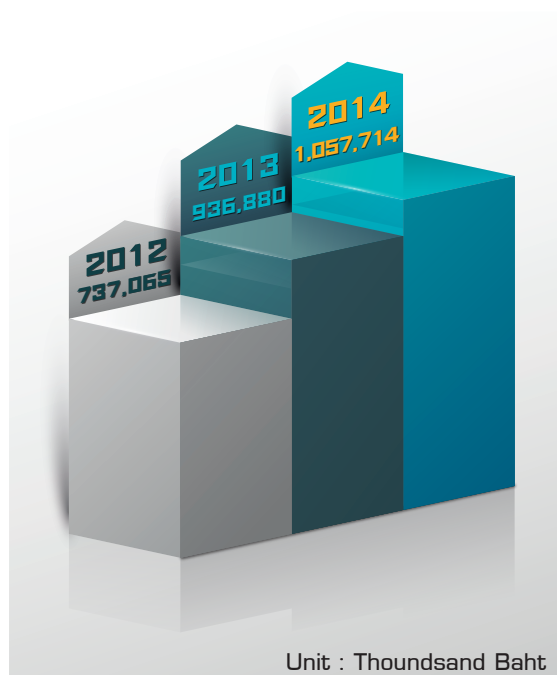
| | |
|--|--|
| Company Secretary | Mr.Nitan Chaiyanate 161/1 3 SG Tower 8 th Floor, Soi Mahadlekluang 3, Rajdamri Road, Lumpini, Pathumwan, Bangkok 10330, Thailand Tel. 02-651-9995 Ext.403 Fax : 02-651-9553 E-mail : nitanc@gcapital.co.th |
| Investor Relationship | Mr.Nitan Chaiyanate Tel. 02-651-9995 Ext.403 Fax : 02-651-9553 E-mail : nitanc@gcapital.co.th |
| Securities Registrar | Thailand Securities Depository Company Limited The Stock Exchange of Thailand Building 62 Ratchadaphisek Rd., Bangkok 10110, Thailand Tel : 02-229-2800 Fax : 02-359-1259 |
| Debenture Registrar and Payment Agent | Bank of Ayudhya Public Company Limited 1222 Rama 3 Road, Bangphongphang, Yannawa, Bangkok 10120 Tel: 02-296-2000, 02-683-1000 Fax: 02-683-1304 |
| Auditor | Mr. Pojana Assawasantichai CPA License No. 4891 Dharmniti Auditing Co.,Ltd 267/1 Pracharaj Sai 1 Road, Bangsue, Bangkok 10800, Thailand Tel : 02-587-8080 Fax : 02-586-0301 |
| Internal Audit | Office of Pitisevi Company Limited 8/4 Floor 1,3 Soi Vibhavadi Rangsit 44, Vibhavadi-Rangsit Rd., Ladyao, Chatuchak., Bangkok 10900 Thailand Tel : 02-941-3584 Fax : 02-941-3658 |

Financial Information Highlights

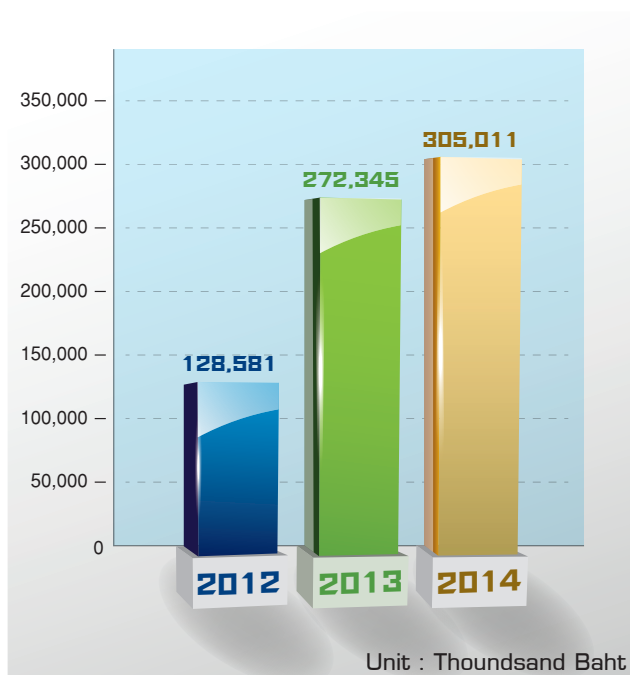
Unit : Thousand Baht

| | | 2014 | 2013 | 2012 |
|--|-----------------|-----------|---------|---------|
| Assets | (Thousand Baht) | | | |
| Total assets | | 1,057,714 | 936,880 | 737,065 |
| Liabilities and Shareholders'Equity | (Thousand Baht) | | | |
| Total liabilities | | 752,703 | 664,535 | 608,484 |
| Total shareholders' equity | | 305,011 | 272,345 | 128,581 |
| Operating Result | (Thousand Baht) | | | |
| Total revenues | | 186,222 | 163,395 | 141,009 |
| Total expenses | | 75,344 | 71,752 | 64,475 |
| Finance Cost | | 36,497 | 39,104 | 33,247 |
| Income tax expense | | 14,965 | 9,725 | 10,648 |
| Profit for the year | | 59,416 | 42,814 | 32,639 |
| Profitability Ratio | | | | |
| Interest spread | (%) | 13.54% | 12.96% | 13.98% |
| Gross profit margin | (%) | 14.84% | 13.91% | 15.74% |
| Net profit margin | (%) | 31.91% | 26.20% | 23.15% |
| Return on equity | (%) | 20.58% | 21.36% | 28.13% |
| Book value per share | (Baht/Share) | 1.53 | 1.36 | 0.86 |
| Earning per share | (Baht/Share) | 0.30 | 0.28 | 0.22 |
| Dividend payout | (%) | 53.86% | 60.73% | 57.45% |
| Dividend per share | (Baht/Share) | 0.16 | 0.13 | 0.13 |
| Efficiency Ratio | | | | |
| Return on asset | (%) | 5.96% | 5.12% | 4.96% |
| Asset turnover | (Times) | 0.19 | 0.20 | 0.21 |
| Current ratio | (Times) | 1.30 | 0.78 | 0.54 |
| Financial Ratio | | | | |
| Debt equity | (Times) | 2.47 | 2.44 | 4.73 |
| Lendings to borrowing | (Times) | 1.37 | 1.53 | 1.30 |
| NPL to total lendings | (%) | 8.57% | 6.17% | 5.29% |
| Allowance Doubtful Account to NPL | (%) | 110.57% | 136.08% | 160.34% |

Source : Financial statement of G Capital Public Company Limited for the year 2012-2014 audited by certified public accountant.



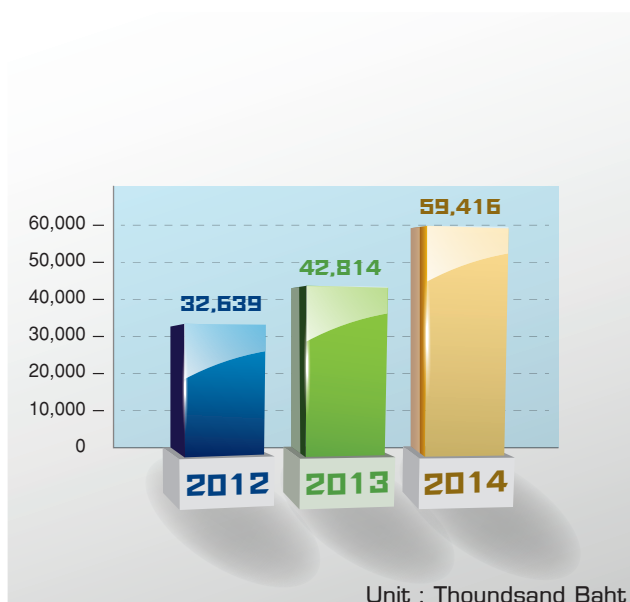
Total assets



Total shareholders' equity



Total revenues



Profit for the year

Board of Directors and Advisory for the Board

1. Mr. Yongyuth Tariyo
Chairman of the Board

2. Mr. Boonsak Chiempricha
Director and Chief Executive Director

3. Asst. Prof. Wipada Tantiprabha
Independent Director and Chairman of
Audit Committee

4. Mr. Prameson Pisitpan
Independent Director and
Audit Committee Member

5. Mr. Tawee Khositjiranun
Independent Director and
Audit Committee Member

6. Mr. Suwit Maesincee
Independent Director





7. Mr. Chinavais Sarasas
Director
8. Mr. Nattaphon Sarasas
Director
9. Mr. Santi Hokittikul
Director and Secretary of the Board
of Directors
10. Mr. Supot Singhasaneh
Chairman of the Advisory for the
Board of Director
11. Mr. Boonson Janechaimahakoon
Advisor for the Board of Directors
12. Mr. Chaeyong Satjipanon
Advisor for the Board of Director

Executives Management



13. Mr. Santi Hokittikul
Director and Managing Director

14. Mr. Chumnun Kunrattana
Deputy Managing Director

15. Mr. Sutthi Sripratum
Deputy Managing Director

16. Mrs. Sivapun Sriampai
Senior Vice President of Finance and
Accounting Department

17. Ms. Panida Jangkit
Vice President of Marketing Support
Department

18. Mr. Nitai Chaiyanate
Vice President of Business
Development Department and
Company Secretary

List of Company's Authorized Persons, Directors, Advisor and Executives.

| Name-Surname Position | Age | Education / Training | Shareholding | Relationship | Experience | |
|---|-----|---|--------------|--------------|---|---|
| | | | | | Period | Position / Company |
| 1. Mr. Yongyuth Tariyo Chairman of the Board Date appointed as a director : 1) 22 December 2006 - 24 April 2009 (Director) and 24 April 2009 - 1 October , 2012 (Chairman) 2) 20 December 2013 - Present | 64 | <ul style="list-style-type: none"> - MSc. In Management Information System, DE PUAL University, Chicago, Illinois, U.S.A. - BSc. In Information Science, Northeastern Illinois University, Chicago, Illinois, U.S.A. Training Course <ul style="list-style-type: none"> - The Senior Executive Program (SEP) Calss 9th by Sasin Graduate Institute of Business Administration of Chulalongkorn University - Thai Institute of Directors (IOD) - Role of Chairman Program (RCP 27/2012) - Director Accreditation Program (DAP 9/2011) - Director Certification Program (DCP 28/2003) - Financial for Non-Directors (FND 5/2003) | - | - | 2009 -Present 2010-2012 2008-2012 2008-2010 2004-2008 | <ul style="list-style-type: none"> - Chairman of the Board, G Capital Public Company Limited - First Senior Executive Vice President, Credit and Operational Support Group, Government Saving Bank - Director / Executive Director / Chairman of Risk Management, MFC Asset Management Public Company Limited - Senior Executive Vice President, COO & CIO, Credit and Operational Support Group & IT Group, Government Saving Bank - Senior Executive Vice President, COO, Branch Operation, Government Saving Bank |

| Name-Surname Position | Age | Education / Training | Shareholding | Relationship | Experience | |
|--|-----|---|--------------|--------------|----------------|---|
| | | | | | Period | Position / Company |
| 2. Mr. Boonsak Chiempricha Director and Chief Executive Director | 66 | <ul style="list-style-type: none"> - Master of Business Administration, University of Santa Clara, San Jose, C.A., U.S.A. - Bachelor in Accountancy, Chulalongkorn University - Diploma, National Defense College (The National Defense Course Class 4111) | - | - | 2006 - Present | - Director and Chief Executive Officer, G Capital Public Company Limited |
| Date appointed as a director : 1) 22 December 2015 - 24 April 2009 (Chairman) | | | | | 2014 - Present | - Chairman of the Board, Core Flexible Fund |
| 2) 20 December 2012 - Present | | | | | 2013 - Present | - Finance Committee and Risk Management Committee, The Thai Bar Under The Royal Patronage |
| | | | | | 2012 - Present | - Chairman of Audit and Evaluation Committee, Ministry of Finance |
| | | | | | 2012 - Present | - Director and Chairman of Audit Committee, Mahasarakham University |
| | | | | | 2011 - Present | - Chairman of Audit Committee, CIMB-Principal Asset Management Limited |
| | | | | | 2009 - Present | - Chairman of the Board, Indara Insurance Public Company Limited |
| | | | | | 2009 - Present | - Chairman of the Board, MFC Advisory Company Limited |
| | | | | | 2009 - Present | - Director/Chairman of risk management committee, Audit Committee Member, President Bakery Public Company Limited |

| Name-Surname Position | Age | Education / Training | Shareholding | Relationship | Experience | |
|---|-----|--|--------------|--------------|---|---|
| | | | | | Period | Position / Company |
| 3. Asst. Prof. Wipada Tantiprabha Independent Director and Chairman of Audit Committee Date appointed as a director : 26 December 2011 | 55 | <ul style="list-style-type: none"> - Master of Business Administration in Accounting, Thammasat University - Master of Business Administration in Accounting, The University of Texas at Austin, U.S.A. - Bachelor of Business Administration Accounting, 2nd Class Honors, Thammasat University Training Course <ul style="list-style-type: none"> - Thai Institute of Directors (IOD) Director Accreditation Program (DAP 97 / 2012) Audit Committee Program (ACP 12 / 2013) | - | - | 2011 -Present 2011 -Present 2008 -Present 1985 -Present 2004-2007 | <ul style="list-style-type: none"> - Independent Director and Chairman of Audit Committee, G Capital Public Company Limited - Director and Secretary of the Sub-Committee set accounting standards, Federation of Accounting Profession Under The Royal Patronage of his majesty The King - Program Director of Master of Accounting, Department of Accounting, Thammasat Business School, Thammasat University - Assistant Professor, Faculty of Commerce and Accountancy, Thammasat University - Head of Department of Accounting, Faculty of Commerce and Accountancy, Thammasat University |

| Name-Surname Position | Age | Education / Training | Shareholding | Relationship | Experience | |
|--|-----|---|--------------|--------------|--|--------------------|
| | | | | | Period | Position / Company |
| 4 Mr. Prameson Pisitpan Independent Director and Audit Committee Member Date appointed as a director : 25 April 2011 | 57 | <ul style="list-style-type: none"> - Master in Business Administration (International Banking and Finance), Joint Program between University of Thai Chamber of Commerce and University of Birmingham - Master of science (Business Administration), East Texas State University, U.S.A. - Bachelor of Science (Business Administration), Kasetsart University Training Course <ul style="list-style-type: none"> - Thai Institute of Directors (IOD) Director Accreditation Program (DAP 90 / 2011) Audit Committee Program (ACP 36 / 2011) Director Certification Program (DCP 152 / 2011) | - | ภริยา | <ul style="list-style-type: none"> 2011 -Present - Independent Director and Audit Committee Member, G Capital Public Company Limited 2007-2013 - Executive Vice President, Information Technology Division, Bangkok Dusit Medical Services Public Company Limited 2007-2013 - Managing Director, Greenline Synergy Company Limited 2011-2007 - General Manager, Cisco Systems (Thailand) Company Limited | |

| Name-Surname Position | Age | Education / Training | Shareholding | Relationship | Experience | |
|--|-----|--|--------------|--------------|------------------------------------|---|
| | | | | | Period | Position / Company |
| 5 Mr. Tawee Khositjiranan Independent Director and Audit Committee Member Date appointed as a director : 14 May 2013 | 46 | <ul style="list-style-type: none"> - Master in Corporate Law, Faculty of Law, University of Cambridge, England - Master in Business Law, Faculty of Law, Chulalongkorn University - Bachelor of Law, Faculty of Law (First Class Honors), Chulalongkorn University Training Course <ul style="list-style-type: none"> - Thai Institute of Directors (IOD) Director Accreditation Program (DAP 106 / 2013) | - | ภริยา | 2013 -Present 1992 -Present | <ul style="list-style-type: none"> - Independent director and Audit committee, G Capital Public Company Limited - Advisor , Siam Premier International Law Office Limited |

| Name-Surname Position | Age | Education / Training | Shareholding | Relationship | Experience | |
|---|-----|--|--------------|--------------|----------------|---|
| | | | | | Period | Position / Company |
| 6. Mr. Suwit Maesincee Independent Director Date appointed as a director : 25 April 2011 | 54 | <ul style="list-style-type: none"> - Ph.D. in Marketing Kellogg Graduate School of Management, Northwestern University, U.S.A. - Master in Business Administration, National Institute of Development Administration (NIDA) - Bachelor in Pharmaceutical Science, Mahidol University Training Course <ul style="list-style-type: none"> - Thai Institute of Directors (IOD) Director Accreditation Program (DAP 60 / 2006) Audit Committee Program (ACP 37 / 2011) | - | - | 2011 - Present | - Independent Director and Audit Committee, G Capital Public Company Limited |
| | | | | | 2014 - Present | - Independent Director and Audit Committee Member, Thai Oil Public Company Limited |
| | | | | | 2011 - Present | - Independent Director and Audit Committee Member, Siam Food Products Public Company Limited. |
| | | | | | 2009 - Present | - Nominating Remuneration Committee, Berli Jucker Public Company Limited |
| | | | | | 2008 - Present | - Director, Sasin Institute for Global Affairs (SIGA) |
| | | | | | 2008 - Present | - Independent Director/Audit Committee, Berli Jucker Public Company Limited |
| | | | | | 2000 - Present | - Director and Audit Committee Member, Thai Vegetable Oil Public Company Limited |
| | | | | | 2011 - Present | - Independent Director/Audit Committee, Krungthai Card Public Company Limited |
| | | | | | | |
| | | | | | | |

| Name-Surname Position | Age | Education / Training | Shareholding | Relationship | Experience | |
|---|-----|---|--------------|---------------------------------------|---|--|
| | | | | | Period | Position / Company |
| 7. Mr.Chinavais Sarasas Director Date appointed as a director : 18 August 2004 | 57 | <ul style="list-style-type: none"> - Honorable Ph.D., Management of Rural Development Faculty, Khon Kaen University - Bachelor of Business Administration in Finance University of Southern California, U.S.A. Training Course <ul style="list-style-type: none"> - Thai Institute of Directors (IOD) Director Accreditation Program (DAP 107 / 2014) | - | Father of Mr. Nattaphon Sarasas | 2004 -Present 2013 -Present 2010 -Present 2009 -Present 2003 -Present 1999 -Present 1992 -Present 2009 - 2011 1996 - 1997 | <ul style="list-style-type: none"> - Director, G Capital Public Company Limited - Director, Kai Gai Company Limited - Director, Baan Sam Lom Company Limited - Honorary Chairman of the Advisory, Krungthai AXA Life Insurance Public Company Limited - Chairman of the Board of Directors, Pa Koh Hotel Company Limited - Chairman of the Board of Directors, Song Nam Company Limited - Chairman of the Board of Directors, Sam Lom Company Limited - Committee of Prime Minister's Economic Advisory Board for Prime Minister Abhisit Vejjajiva. - Director, Thai Airways Public Company Limited |

| Name-Surname Position | Age | Education / Training | Shareholding | Relationship | Experience | |
|--|-----|--|--------------|-----------------------------------|----------------|--|
| | | | | | Period | Position / Company |
| 8 Mr. Nattaphon Sarasas Director Date appointed as a director : 24 April 2009 | 37 | - High School Le Rossey Institute, Switzerland - Certificate in Business Excellence Columbia Business School, New York, U.S.A. Training Course - Thai Institute of Directors (IOD) Director Accreditation Program (DAP 107 / 2014) | - | Son of Mr.Chinavais Sarasas | 2009 - Present | - Director, G Capital Public Company Limited |
| | | | | | 2013 - Present | - Director, Kai Gai Company Limited |
| | | | | | 2010 - Present | - Director, Baan Sam Lom Company Limited |
| | | | | | 2008 - Present | - Director, Pa Koh Residence Company Limited |
| | | | | | 2007 - Present | - Director, E.H.Y Company Company Limited |
| | | | | | 2007- Present | - Director, Heli Phuket Company Limited |
| | | | | | 2007 - Present | - Director, U-Dox International Thailand Company Limited |
| | | | | | 2004 - Present | - Director, General Outsourcing Company Limited |
| | | | | | 1992 - Present | - Director, Sam Lom Company Limited |
| | | | | | | |

| Name-Surname Position | Age | Education / Training | Shareholding | Relationship | Experience | |
|---|-----|---|--------------|--------------|--|---|
| | | | | | Period | Position / Company |
| 9 Mr. Santi Hokittikul Director and Managing Director Date appointed as a director : 18 August 2004 | 64 | <ul style="list-style-type: none"> - Executive Leadership Development Program (MINI MBA), Thammasat University - Bachelor of Business administration (Finance and Banking), Ramkhamhaeng University Training Course <ul style="list-style-type: none"> - Thai Institute of Directors (IOD) Director Accreditation Program (DAP 90 / 2011) | - | - | 2004 -Present 2014 -Present 2003 -2005 2000 -2003 1999 -2000 1994 -1997 | - Director and Managing Director, G Capital Public Compan Limited - Advisory of the Board, General Outsourcing Company Limited - Managing Director, Song Nam Company Limited - Managing Director, Nature Trans Company Limited - Managing Director, Neung Din Company Limited - Managing Director, General Finance & Securities Public Company Limited |

| Name-Surname Position | Age | Education / Training | Shareholding | Relationship | Experience | |
|---|-----|---|--------------|--------------|--|--|
| | | | | | Period | Position / Company |
| 10. Mr. Supot Singhasaneh Chairman of the Advisory for the Board of Director Date appointed as a Advisor : 26 December 2011 | 66 | <ul style="list-style-type: none"> - Honorable Ph.D. in Accounting, Sripatum University - Honorable Ph.D. in Accounting, Thammasat University - Master in Business Administration (Finance), Michigan State University, U.S.A. - B.Sc. in Accountancy (First Class Honors), Thammasat University Training Course <ul style="list-style-type: none"> - Thai Institute of Directors (IOD) Director Certificate Program (DCP 90/2007) Role of the Chairman Program (RCP 18/2008) Successful Formulation & Execution of Strategy (SFE 4/2009) | - | - | 2011 - Present 2011 - Present 2011 - Present 2006 - Present 2006 - Present 1973 - Present | - Chairman of the Advisory for the Board of Director, G Capital Public Company Limited - Director and Chairman of Subcommittee for Accounting Professions Development, Federation of Accounting Profession Under The Royal Patronage of His Majesty The King - Chairman of Subcommittee for AEC Preparation, Federation of Accounting Profession Under The Royal Patronage of His Majesty The King - Chairman of KPMG Phoomchai Audit Company Limited - Advisor to Professional Practice Development, KPMG Phoomchai Audit Company Limited - Certified Public Accountant (Thailand) |

| Name-Surname Position | Age | Education / Training | Shareholding | Relationship | Experience | |
|--|-----|---|--------------|--------------|---------------|--|
| | | | | | Period | Position / Company |
| 11. Mr. Boonson Janechaimahakoon Advisor for the Board of Directors | 52 | <ul style="list-style-type: none"> - Master of Science (Industrial Engineering and Management), Asian Institute of Technology - Bachelor of Science (Mathematics), Kasetsart University | - | - | 2011-Present | - Advisor for the Board of Directors, G Capital Public Company Limited |
| Date appointed as a Advisor : 26 July 2011 | | Training Course <ul style="list-style-type: none"> - Thai Institute of Directors (IOD) Director Certificate Program (DCP 149/2011) | | | 2010 -Present | - Senior Executive Vice President, Information Technology Group , Government Savings Bank |
| | | | | | 2009-2010 | - Executive Vice President, IT Planning and Development, Information Technology Group, Government Savings Bank |
| | | | | | 2007-2009 | - Executive Vice President, Information Technology, Information Technology Group, Government Savings Bank |

| Name-Surname Position | Age | Education / Training | Shareholding | Relationship | Experience | |
|--|-----|--|--------------|--------------|---|---|
| | | | | | Period | Position / Company |
| 12. Mr.Chaiyong Satjipanon Advisor for the Board of Director Date appointed as a Advisor : 7 August 2014 | 62 | <ul style="list-style-type: none"> - Ph.D., (Law and Diplomacy) The Fletcher School of Law and Diplomacy, Tufts University, U.S.A. - M.A.L.D., The Fletcher School of Law and Diplomacy, Tufts University, U.S.A. - M.A., Chulalongkorn University - B.A.(Honours), Faculty of Political Science, Chulalongkorn University Training Course <ul style="list-style-type: none"> - Certificate of Executives Program, Harvard University, U.S.A. - Certificate of Leadership Management , IMD Institute, Switzerland - Thai Institute of Directors (IOD) Director Accreditation Program (DAP 112 / 2014) Risk Management Program (RMP 6/2015) | - | - | <ul style="list-style-type: none"> 2014 - Present 2014 - Present 2014 - Present 2014 - Present 2014 - Preseent 2012 - 2013 2010 - 2012 2007 - 2010 2004 - 2007 | <ul style="list-style-type: none"> - Advisor for the Board of Director, G Capital Public Company Limited - Chairman of the Board, General Outsourcing Company Limited - Advisor, National Blood Centre, Thai Red Cross Society - Senior Advisor, UNAIDS, Asia-Pacific Regional Office, Bangkok - Director, Pacific Pipe Public Company Limited - Ambassador Extraordinary and Plenipotentiary of Thailand to the United State of America - Ambassador Extraordinary and Plenipotentiary of Thailand to the Republic of Korea - Ambassador Extraordinary and Plenipotentiary of Thailand to Switzerland and and concurrently Ambassador of Thailand accredited to Liechtenstein and to the Holy See - Ambassador, Permanent Representative of Thailand to the United Nations Office and other International Organizations in Geneva Ministry of Foreign Affairs |

| Name-Surname Position | Age | Education / Training | Shareholding | Relationship | Experience | |
|---|-----|--|--------------|--------------|--------------|--|
| | | | | | Period | Position / Company |
| 13. Mr. Santi Hokittikul Director and Managing Director | 64 | <ul style="list-style-type: none"> - Executive Leadership Development Program (MINI MBA), Thammasat University - Bachelor of Business administration (Finance and Banking), Ramkhamhaeng University Training Course <ul style="list-style-type: none"> - Thai Institute of Directors (IOD) Director Accreditation Program (DAP 90 / 2011) | - | - | 2014-Present | - Advisory of the Board, General Outsourcing Company Limited |
| | | | | | 2011-2013 | - Director and Managing Director, G Capital Public Company Limited |
| | | | | | 2003-2005 | - Managing Director, Song Nam Company Limited |
| | | | | | 2000-2003 | - Managing Director, Nature Trans Company Limited |
| | | | | | 1999-2000 | - Managing Director, Neung Din Company Limited |
| | | | | | 1994-1997 | - Managing Director, General Finance & Securities Public Company Limited |
| | | | | | | |

| Name-Surname Position | Age | Education / Training | Shareholding | Relationship | Experience | |
|--|-----|---|--------------|--------------|--|--|
| | | | | | Period | Position / Company |
| 14. Mr. Chumnun Kunrattana Deputy Managing Director (Administration) | 64 | <ul style="list-style-type: none"> - Master of Business Administration (Managerial Accounting), Kasetsart University - Graduate Diploma in Auditing, Thammasat University - Bachelor of Accounting, Chulalongkorn University Training Course <ul style="list-style-type: none"> - Thai Institute of Directors (IOD) Director Certification Program (DCP 67 / 2007) | - | - | 2006 -Present 2006 2001-2006 | <ul style="list-style-type: none"> - Deputy Managing Director (Administration), G Capital Public Company Limited - Director of Financial Accounting and Budget, The Support Arts and Crafts International Centre of Thailand (Public Organization) - Senior Vice President (Finance and Accounting), Krungsri Securities Public Company Limited |

| Name-Surname Position | Age | Education / Training | Shareholding | Relationship | Experience | |
|---|-----|--|--------------|--------------|--|--|
| | | | | | Period | Position / Company |
| 15. Mr. Sutthi Sripratum Deputy Managing Director (Marketing) | 52 | <ul style="list-style-type: none"> - Master of Business Administration, Kasetsart University - Bachelor of Law, Ramkhamhaeng University Training Course <ul style="list-style-type: none"> - Thai Institute of Directors (IOD) Company Secretary Program (CSP 41 / 2011) - Certificate of Business Advisor, Faculty of Economics, Kasetsart University with FPM Certificate Company Limited | - | - | 2003- Present 2011- Present 2009- Present 2007-2012 | <ul style="list-style-type: none"> - Deputy Managing Director (Marketing) , G Capital Public Company Limited - Director, Tak Mining Company Limited - Director, Lam Nam Tok Company Limited - Director, Nature Trans Company Limited |
| 16. Mrs. Sivapun Sriampai Senior Vice President of Finance and Accounting Department | 52 | <ul style="list-style-type: none"> - Bachelor of Accounting, Bangkok University | - | - | 2011-Present 2005-2011 | <ul style="list-style-type: none"> - Senior Vice President of Finance and Accounting, G Capital Public Company Limited - Finance and Accounting Manager, G Capital Public Company Limited |
| 17. Ms. Panida Jangkit Vice President of Marketing Support Department | 46 | <ul style="list-style-type: none"> - Master of Business Administration, Bangkok University - Bachelor of Business Administration, Siam University | - | - | 2011-Present 2006-2011 | <ul style="list-style-type: none"> - Director of Marketing Support, G Capital Public Company Limited - Marketing Support Manager, G Capital Public Company Limited |

| Name-Surname Position | Age | Education / Training | Shareholding | Relationship | Experience | |
|--|-----|--|--------------|--------------|---|--------------------|
| | | | | | Period | Position / Company |
| 18. Mr. Nitai Chaiyanate Vice President of Business Development and Company Secretary | 37 | <ul style="list-style-type: none"> - Master of Economics, Ramkhamhaeng University - Bachelor of Administration (First Class Honors), Sripatum University Training Course <ul style="list-style-type: none"> - Thai Institute of Directors (IOD) Company Secretary Program (CSP 41/2011) - Certificate of Business Advisor, Faculty of Economics, Kasetsart University with FPM Certificate Company Limited - Business Analysis Program, Faculty of Economics, Chulalongkorn University | - | - | <ul style="list-style-type: none"> 2013-Present - Vice President of Business Development, G Capital Public Company Limited 2011-Present - Company Secretary, G Capital Public Company Limited 2005-2013 - Business Development Manager, G Capital Public Company Limited | |

Policy and Overall Business Operations

G Capital Public Company Limited, the company providing hire purchase agricultural machinery was founded on August 18, 2004 and was registered as a limited company to a public company on February 29, 2012. Subsequently listed on the Market for Alternative Investment on December 17, 2013. The Company registered capital of 100 million baht, 200,000,000 ordinary shares with a par value of 0.50 baht.

From concept and vision of executives that need financial support to farmers have easier access to capital to support the farmers to have modern agriculture machinery used to optimize the crop, harvest and processing of agricultural products, As a result of a better living and sustainable income. With such a concept and vision of the company's business operations, expanding rapidly and get feedback from customers continues, under the slogan "Quick Credit for Thai Agriculture Advancement"

The company is provided in hire purchase in new and used agricultural machinery such as rice harvester combine, crawling rotavator, farm tractor, wooden loader, sugar cane loader. The company provided a hire purchase by the customer is an individual basis. Subsequently, the Company has provided a multipurpose loan for working capital and as a service to the customer that need to buying by hire purchase of agricultural machinery. The Company also offering personal loans to existing customers by using databases and operating systems available in selected customers with good repayment records. The company has service centers located in Thailand on 6 places as Phitsanulok, Chaing rai, Khon Kaen, Surin, Ubonratchathani and Chachoengsao.

Under the concept of business that is sustainable growth. The company focuses on providing financial services and products to be used in occupational to bring revenue and development quality of life and make a living and live in sustainable. The Company recognizes the importance of selecting a good product and effective and designed a financial products to be appropriate and consistent with the requirements of the customer needs with focus on the development process and management system to ensure efficiency and effectiveness. The company has the concept of sustainability under CSR is "Achieving Mutual Goal, Together." that is, when customers succeed in their careers, the company will be successful business and have sustainable growth together.

Important Development

The important changes and developments of the Company are as follows:

- | | |
|--------------|--|
| August 2004 | <ul style="list-style-type: none"> - Company Incorporation With initial registered capital of Baht 1 million from the issuance of 10,000 ordinary shares at par value of Baht 100 intending to operate in hire-purchasing of agricultural machinery. The Headquarterd resides at SG Tower Building, 8th Floor, 161/1 Soi Mahadlekluang 3, Ratchadamri Road, Lumpini, Pathumwan, Bangkok 10330. |
| June 2005 | <ul style="list-style-type: none"> - The Company increased its share capital to be Baht 25.00 million by issuing 240,000 ordinary shares of par value of Baht 100 to be used for investment for expansion. The capital was allocated to existing shareholders of 177,500 shares and the Government Savings Bank of 62,500 shares under the shareholders' agreement resulting the Government Savings Bank shares in the Company increased to 25 percent of the paid-up capital, and Song Nam Company Limited holds 75.00 percent of the paid up capital. |
| October 2005 | <ul style="list-style-type: none"> - The Company increased its share capital to Baht 50 million by issuing ordinary 250,000 shares at par value of Baht 100 to be used for investment for expansion. The Shares were allocated to existing shareholders in proportion. |
| January 2006 | <ul style="list-style-type: none"> - The Company signed a memorandum of understanding for hire-purchase loan for rice harvester combine project with Thai Agriculture Machinery Company Limited, a major supplier in the industry. The Company was a pioneer in the business of hire-purchase of agricultural machinery in Thailand without the use of land as collateral. - The company creates innovative features combine to make one of the first accident insurance coverage in Thailand by coordination with Dhipaya Insurance Public Company Limited. - The company have coordinate with Thai Agriculture Macinery Company Limited and Kasetphattana Industry Company Limited to made combine to register for the first time. As a document and proof of ownership in the property and to be use of the property in the hire purchasing of agricultural machinery company. |
| July 2006 | <ul style="list-style-type: none"> - The Company increased its share capital to Baht 75 million by issuing ordinary shares to 250,000 shares at par value of Baht 100 to use for investment for expansion. 37,500 shares was allocated to Song Nam Company Limited and 212,500 shares was allocated to the Government Savings Bank, resulting the Government Savings Bank shares in the Company increased to 45 percent of the paid-up capital, and Song Nam Company Limited holds 55 percent of the paid up capital. |

- March 2008**
- The Company initiated multi-purpose loan project to expand customer base as well as to provide a full credit services. The project allowed customers to bring non-obligated combine harvesters to use as collateral to the Company.
- September 2010**
- The company has changed the structure of its shareholders as follows:
 - (1) Song Nam Company Limited has acquired the Shares from Government Savings Bank accounted for 10 percent of the paid up capital. The stake of Song Nam Company Limited rose from 55 percent to 65 percent of the paid up capital.
 - (2) The Government Savings Bank sold shares to the Government Savings Mutual Fund in the proportion of 24.99 percent, and sold shares to the shareholders in proportion of 0.01 percent of the shares and sell shares to the Song Nam Company Limited of 10 percent of the paid-up capital resulting the proportion of shares held by the Bank decreased from 45 percent to 10 percent of the paid up capital.
 - The company has launched “G Cap Call Center” to provide information and coordination with clients in many areas such as rice harvester harvesters, areas for rice harvest, truck for transportation a agriculture machine providing information for rice area as well as providing consultancy services for harvest workers and so on.
- February 2012**
- The Company transformed to a public company and changed the par value of Baht 100 per share to 0.50 baht and 75 million baht registered capital from Baht 100 million was allocated for offering 50 million shares to the public.
- November 2012**
- The Government Savings Bank has sold all shares they held which were 10 percent of the paid up capital. 5 percent of the paid up capital went to The Government Savings Bank’s Private Fund by UOB Asset Management (Thai) Company Limited, The other 5 percent of the paid up capital went to United Overseas Bank’s Private Fund by UOB Asset Management (Thai) Company Limited.
- April 2013**
- The Government Savings Bank Mutual Fund sold all shares of 24.99 percent of the paid up capital. 12.50 percent of the paid up capital were sold to The Government Savings Bank’s Private Fund by UOB Asset Management (Thai) Company Limited, and 12.50 percent of the paid up capital were sold to United Overseas Bank’s Private Fund by UOB Asset Management (Thai) Company Limited, resulting both private funds’ equity increased to 17.50 percent of the paid up capital. The company sold
- November 2013**
- shares to the public of 50 million shares at par value Baht 0.50 per share, representing 25 percent of the total shares The company listed first trading day in mai stock market on December 17,2014

- December 2013** - The Company is publicly first trading day on the Market for Alternative Investment on December 17, 2013.
- March 2014** - The company has introduced the concept of social responsibility to determine a strategy to conduct business to provide a personal loans to customers in occupations with good repayment records.
- August 2014** - The company launched the used rice harvester Combine for hire purchase.
- The company has been selected by the Stock Exchange of Thailand and Market for Alternative Investment (mai) as 1 in 5 companies listed on mai pilot of sustainability project (Corporate Sustainability Advisory Program) that effective on economic, social and environmental responsibility.
- September 2014** - The Company signed MOU for the hire purchase farm tractors with Kamol Industry Company Limited
- October 2014** - The Company issuance and offering of 300 million baht for use as working capital
- The Company signed MOU for the hire purchase farm tractors with Werkman Heavy Industry (Thailand) Company Limited.



Nature of Business Operation

The business operations of each product line

The main business of the Company Can be divided into 4 categories: 1) Hire purchase business 2) Multi Purpose Loan 3) Personal Loan 4) Others Services such as facilitate of agricultural machinery insurance, coordination in the agricultural profession service.

1. Hire purchase

The Company provide a hire purchase loan for agricultural machinery such as such as rice harvester combine, crawling rotavator, farm tractor, wooden loader, sugar cane loader, the customers of the company as for individual basis. The customers are use agricultural machinery to the occupations on employment in agriculture and personal use.

Agriculture machinery that G Capital provide a hire purchase loan service

Rice Harvester Combine



Farm Tractor



Crawling Rotavator



Sugar Cane Loader



Wooden Loader



2. Multi Purpose Loan

Multi Purpose loan is offers loans for working capital in the occupations for buy a spare parts or repair a agricultural machinery that the company provide a hire purchase or to use for support a down payment on a new machinery. The customer that must to have documentation that can proof of ownership of agricultural machinery. (The considered and given credit subject to to the terms and conditions of the Company)

3. Personal Loan

Personal Loan is offers loan for liquidity in the occupation to the customer of the company. It is intended to be used as working capital of the occupation or to fulfill the needs of the customer. The applicant for a loan must be a current customers of the company with a records of installment payments to the company came a period of time, and not overdue.

The Company has provided credit loans with collateral to the customer. It is intended to be used as working capital of the occupation, Which provides loans to help customer can work continuously and have a revenue to payment to the company.

4. Others Services

The company offers facilitate of agricultural machinery insurance, the services are covered and protected from accidental damage that may occur in the operation of various types of agricultural machinery. In addition, the company also offers services the “G Cap Call Center”, the services are to coordinate the rice harvester combine, Transportation of rice harvester combine, counseling and advice to working in rice harvester services that use a database of customers to develop mutually beneficial. The customer or interested person can be use this service free of charge.

Revenue Structure of the Company can be classified by type of business as follows

(Unit : Million Baht)

| Receivables income from hire purchase contracts | 2014 | | 2013 | | 2012 | |
|---|---------------|---------------|---------------|---------------|---------------|---------------|
| | Value | Percentage | Value | Percentage | Value | Percentage |
| Rice Harvester | 154.86 | 83.16 | 139.91 | 85.62 | 112.59 | 79.84 |
| Crawling Rotavator | 0.67 | 0.36 | 1.30 | 0.79 | 1.17 | 0.83 |
| Farm Tractor | 4.04 | 2.17 | 3.42 | 2.09 | 2.34 | 1.66 |
| Wooden/Sugar Cane Loader | 0.22 | 0.12 | 0.41 | 0.25 | 0.38 | 0.27 |
| Dryer machine | - | - | 0.01 | 0.01 | 0.12 | 0.08 |
| Muti Purpose Loan | 12.12 | 6.51 | 9.68 | 5.92 | 11.75 | 8.34 |
| Total | 171.91 | 92.32 | 154.72 | 94.69 | 128.34 | 91.02 |
| Receivables income from Persoanl Loan | 1.27 | 0.68 | - | - | - | - |
| Income from delay payment-Hire Purchase Loan | 11.74 | 6.30 | 7.58 | 4.64 | 11.08 | 7.86 |
| Others Income | 1.30 | 0.70 | 1.10 | 0.67 | 1.58 | 1.12 |
| Total Income | 186.22 | 100.00 | 163.40 | 100.00 | 141.01 | 100.00 |

Remark: Others Income include discounts on promotions, income fee from insurance, interest income. Income from collection and income from change a contracts and income from fee of multipurpose loan.

Marketing and Competition

Customers

The prospects of the Company are engaged in agricultural customers or operator in agricultural sector or an entrepreneur with a career related to agriculture. Our customers will use agricultural machine for their occupations, both personal use and services.

Hire Purchase Loan Providers

The providers can be divided into 3 main groups as follows:

- (1) Providers who are joint ventures of car companies
- (2) Providers who are financial institutions and companies with large capital base
- (3) General Loan Providers

According about the Bank of Thailand has set up the plans to develop financial institutions system and allow banks to provide hire purchase and leasing loans, and financial institutions have had a policy to expand the financial services, the competition in the business of hire purchase and leasing was deteriorating, which affected the pricing and the service. Decreasing interest rates and down payment are used as a competitive strategy to gain sales and market share.

However, the Company operates hire purchase loan for agricultural machinery only. Currently, the competition level is not intense as car and motorcycle loans, due to the nature of the product to be hire-purchased are agricultural machinery which the sales is lower than cars and motorcycles and our customer's base consists mostly of farmers, whose incomes depending on the agricultural production. This business needs to be carefully analyzed so the loan providers who are financial institutions and companies which have large capital base still have no policy to provide a loan services for the agricultural machinery yet. In addition, this kind of loan also requires connections through partners who are a manufacturer of agricultural machinery in the market, so the reason above is a threats of new loan provider to entering the business. The current competition is limited to a group of entrepreneurs and distributors of agricultural machinery that provide their services to customer. The customers will make their decisions based on the down payment, interest rate, installment period and the convenience of the financial services.

Competitive strategy

1. Differentiation Service Strategy

The Company has a policy for the development of financial services to have variety and diversity and integration to maintain customer base. as well as prevent a competitor in business in the future and creating value and loyalty in the service of the company and also have an advantage of the first companies. A pioneer in the leasing of agricultural machinery that made the company have the insight of the behavior of customers and farmers. This enables the company to develop financial services to meet the needs of the clients as well. Throughout the period the Company has developed our integrated financial services to clients such as multi-purpose loan, maintenance loan, spare parts loan, etc.

The Service of our company is fast and convenient to the customers, we serve our service at their customer doors. Our staff will visit our customers in short time and treat them like a close relative. This approach is consistent with the behavior and characteristics of our customers, making them feel confident and comfortable. There is no need for them to travel to make financial transactions as the general financial institutions require. In addition the company has launched the “G Cap Call Center” to provide information and coordination for resolving customer issues, etc. Besides, we also provide after sales service by having our staff contact the customers to keep up with status, problems and occupation's obstacles, so the Company can help and find solutions for them.

2. Diversify Business Strategy

The Company has a policy in diversify of agricultural machinery loan service. We have been researching on different types of agricultural machinery related to cultivation of farmers continually. Especially agricultural machinery that covered with economic plants in Thailand such as rice, corn, sugarcane, cassava, oil palm and rubber in order to make the operations of the company not relying on only one type of agricultural machinery and we also find more partners to join.

However, we have to analyze and consider such factors regarding the diversify of agricultural machinery loan and operating with more partners. The factors to be analyzed are as follows:

- The consistency of trends in crop plants that is marketable on the type of agricultural machinery.
- Performance and potential to generate revenue for the farmers on the type of agricultural machinery.
- Analysis of the participating partners, they must be a manufacturer and/or distributor of products with quality standards that meet demand of customers and they must be well-known among farmers who use machinery.

3. Marketing Promotion Strategy

The company has organized a marketing campaign in conjunction with the exhibition with the partners of the company to encourage customers to purchase and choose a finance support of the company easie such as promotion of the interest-free period, travel to others country.

However, the Company continues to develop ideas and to promote consistent and appropriate marketing activities and response to customer need in order to continually increase the amount of customers who use the service and have them repeat the purchase in the future.

The Company have a policy to discounting payments at the rate of 3.00 percent per year for customers who pay early payment. The company also provides the incentive for customers who pay on time period as well.

4. Advertising and Public Relation Strategy

Advertising and Public Relation strategies can make the customer to understand the loan service of the Company as well as the opportunity of access to capital in the system to the customer. It also enables the company to expand its customer segments to those whom never use our services and turn them to be our new customers and also to retain existing customers of the company by acknowledging them the various services the Company have been providing. In addition, implementation of Advertising and Public Relation strategies can promote a positive image to the Company.

However, PR activities of the Company must access to the target customers. The company's publicity through various media channels to reach target customers of the company, such as local radio, community radio, road show with partners, magazine advertising, billboards advertising, brochures, phone messaging, publicity through government department, etc.

5. Corporate Image Strategy

The Company has been providing agricultural machinery loan services since 2006 and has received warm welcome from farmers who are customers of the Company, resulting in the good reputation and trust among farmers, along with manufacturers and distributors. Corporate Image strategy needs to be operated together with PR and advertising strategy to build trust and royalty to related parties. In the past the Company has corporate image strategy such as giving awards to customers with payment on due date, training on how to successful in rice harvesting business, In addition, the Company has donated money and equipment to educational institutes and hospitals and also the Company has supported youth anti-drug abuse activities.

6. Customer Relationships Strategy

The Company launch "G cap Call Center" services to coordinate and made a network in agricultural segments and service to customer in many side such as provide information and coordinate with clients for supplying a rice harvester combine, trucks for transportation and consultancy service for harvester worker, in this service is free of charge.

However, the "G Cap Call Center" is considered to be the innovative service the Company provides to customers. We adopts customer database to develop a systematic way to provide ultimate benefits to our customers which creates good relationship between the Company and the customers and the service also provide strengths to the Company.

7. Partners Relationship Strategy

To maintaining and keep a good relations with the partners is significantly importance as the partners have taken their parts in driving customer's decision to apply for loans service from our company as in the past, farmers has behavior that they accept and trust their manufacturers. Moreover, the partners give information and advices for loan services, they help matching loans with customer's requirements. In the past the Company has provided financial services to add value and loyalty to products of our partners and arrange the meetings to exchange information. The Company uses the information regarding operation problem received from the meetings to find solutions continually and are in cooperative with all activities of our partners.

8. Development and retention personnel Strategy

The Company recognizes the importance of human resource development company with expertise and the ability to work effectively. The Company focus on human resources and training to enhance skills and knowledge in various fields. The external training seminars and internal training. The Company have a policy to protecting personnel by have a compensation welfare and other benefits and aligning functions as appropriate.

Pricing Policy

The Company has a policy for determining the interest rate is reasonable and fair to customers. The Company will consider the trend in interest rates in the market compare with others loan provider in the business of hire purchase with other various factors. The company will use the information to determine the down payment and installment term to payment. The factors are as follows:

1. Costs of interest rate that the Company has currently and other trends that will affect the costs, such as national economic conditions, the changing trend of interest rates in the money market, the action of government that might affect business operations of the company
2. Costs of operations of the Company
3. Conditions of agricultural machinery that is used as collateral in the hire purchase, including the type and brand of the product, warranty and the lifetime of the product.
4. Qualifications of the customer and guarantor

Distribution Channels

To apply for hire purchase loan from the Company, customers need to contact us using these 3 following channels:

1. Directly contact to partners of the company. The partners will advice customers to the Company.
2. Contact the Company at Customer Service Center located at the offices of the manufacturers or distributors.
3. Contact the Company directly through our head quarter or the website.

In the past the Company provides services through channel 1 and 2. The Company has a policy to engage in the mutual benefit of all parties to ensure that the Company can maintain a good relationship with all business partners. The Company is confident that we will be operating smoothly and building a good relationship with all the agricultural machinery companies.

As of 31 December 2014, the Company has one head quarter and 6 service centers with regular staff in the shop of our distributors. The 6 service centers are located in Phitsanulok, Chachoengsao, Khon Kaen, Surin, Ubonratchathani and Chiang Rai.

Source of fund in the business

The sources of funds of the Company are as follows:

1. Borrowings from financial institutions in Thailand
2. Equity shareholders consisting of registered capital and paid-up capital and retrained earning
3. The proceeds received from the payment of the customer, after subtracting the operations cost this can be used as financial fund.
4. The short-term and long-term debt securities issued by financial institutions.

Sources of funds for loans from nancial institutions and shareholder's equity

| Source of Funds | 31 December 2014 | | 31 December 2013 | | 31 December 2012 | |
|--|----------------------------|---------------|----------------------------|---------------|----------------------------|---------------|
| | Value (Million Baht) | Percentage | Value (Million Baht) | Percentage | Value (Million Baht) | Percentage |
| Loan | 672.56 | 68.80 | 634.22 | 69.96 | 582.32 | 81.91 |
| Bank overdrafts and short-term loans from financial institutions | 186.38 | 19.07 | 39.22 | 4.33 | 338.53 | 47.62 |
| Long-term loans from financial institutions due within one year | - | - | 49.83 | 5.50 | 40.01 | 5.63 |
| Other short-term loans | 14.85 | 1.52 | 178.85 | 19.73 | 203.78 | 28.67 |
| Short-term unsecured debenture | 164.91 | 16.87 | 266.65 | 29.40 | - | - |
| Long-term loans from financial institutions | 8.32 | 0.85 | 99.68 | 11.00 | - | - |
| Long-term unsecured debenture | 298.10 | 30.49 | | | | |
| Shareholder's Equity | 305.01 | 31.20 | 272.34 | 30.04 | 128.58 | 18.19 |
| Total Source of Funds | 977.57 | 100.00 | 906.56 | 100.00 | 710.90 | 100.00 |

Source: G Capital Company Limited

The Company has a policy of financing in accordance with the purpose of the money and time spent on the Company's liquidity and keep a debt to equity ratio in rightness, such as raising capital and finding loans with a period consistent with the age of receivables.

Business Goals

The company aims to become a leader in hire purchase agricultural machinery with a focus on providing farmers with no collateral and lack of access to finance for the opportunity and equality of access to capital through the hire purchase of agricultural machinery. The farmers had advanced to the optimization of cultivation, harvest and processing of agricultural products by a company team that have knowledgeable experience and understanding to customer and business include a good management and efficiency. Providing a quick and easy with engaged in business in an ethical and transparent to provide customers with the confidence and satisfaction in the quality of services

The Company also needs to grow steadily with the increase in revenue from expanding customers group to cover a plantation of country and expand the type of product in providing goods and services to credit. Including increasing the number of partners and have more financial instruments and finding new customers in businesses with growth potential and response to the needs of customer to success of our occupation.

Risk Factors

Risk in Business

1. Market and Strategy Risk

1.1 Risk of marketing and competition

The hire purchase business for agricultural machinery is not under the supervision of the Bank of Thailand as banks and finance companies need to. This kind of business does not require much capital. Nowadays, the hire purchase business for agricultural machinery is not as competitive as hire purchase business for car and motorcycle. It may cause a risk of new competitors entering the competition in the future. However, as our main customers are farmers, this agricultural machinery leasing business requires expertise to access and understand customers enough to be able to formulate guidelines for loan approval, determine suitable loan period in accordance with the useful life of the machinery and harvesting season which is the source of money to pay the debts of farmers, etc. So the hire-purchase of agricultural machinery is not easy for large financial institutions to enter the market because they are limited by their policy. Now there is no company doing hire-purchase business for agricultural machinery focusing only on Rice harvester combine harvesters as the Company. Therefore the Company can be considered to have the highest market share in hire purchase business for agricultural machinery especially for Rice harvester combine harvester. While the other 2-3 operators in the industry have hire purchase loan for Rice harvester combine, but the proportion of lending for combine harvester is low when compared to the overall revenue from lending of such companies, because those companies do not focus on lending loan for Rice harvester combine harvesters as the Company. The Company has experience of hire purchase business for agricultural machinery for more than 10 years, we have customer database which is a key factor in business. As well as the knowledge and experiences that will enable the Company to approve customer's loans quickly and efficiently, along with the network of marketing partners and network of business partners that we have. As stated before the company has the advantage to overcome hire purchase loan lender for agricultural machinery that might enter the industry in the future.

2 Financial Risk

2.1 Risk of interest rate fluctuation

The core business of the company is hire purchase of agricultural machinery. The main income of the company is derived from the difference in interest receivable rates for the loan that the company defined as fixed rate and the interest rates that the Company borrows from financial institutions which is floating rate. The Company has to take risk of fluctuations in interest rates. In case of the lending rates from financial institution rise, in the long run will result in the Company's finance costs to increase due to the Company's interest rate is fixed throughout the term of hire purchase contract. Therefore, the increase of financial costs would result in the decrease of net interest margin of the Company. To reduce such fluctuations the Company has issued bonds to raise funds from the public in the form of promissory notes, bills of exchange and debentures where the interest rate remains constantly. The Company has a policy of cash flow management by taking loans from financial institutions and has cash-outflow management by using Hire purchase carefully. Moreover, the company can reduce the risk of fluctuations in interest rates on loans of a new hire purchase

contract by setting interest rates for loans reclassified to conform to the current loan rate, resulting the reducing of risk of fluctuations in interest rates at a certain level. Meanwhile, In case of interest rates of money borrowed from financial institutions are expected to decline, the revenue of the Company will increased as well.

2.2 Risk from dependence on sources of loans

The sources of fund that the Company borrows to lend to customers come from loans from financial institutions and funding from the public in the form of promissory notes, bills of exchange and debentures. The Company must to maintain a debt to equity ratio of not exceed than 5 times. In case of the Company have a debt to equity shares exceeding than the rate, the Company will need to raise capital. Or decrease the ratio of debt to shareholders' equity or pay a higher interest rate, the rate of interest under the contract. (The excess of the prescribed rate). It may result in a cost of fund of the company is higher. If the Company can not to comply with the conditions imposed by the contract.

However, as of December 31, 2014, the debt to equity ratio of the company is 2.47 times. the Company is identified as a prime customer who always repaid on the due and was never be called on to pay the loan. The Company always maintain a debt to equity share as defined by the contract.

2.3 The risk of the matching fund between the time period of the loan and Source of fund

The company have a90 percent of total revenue of the company comes from the hire purchase of agricultural machinery. Normally the lending of hire purchase loan is more than 1 year, while the funding sources of the Company are mainly revolving promissory note at 6 months that can be renewed (Revolving Loan), resulting the Company may be at risk of call on or the bank might refuse to renew the loan if there is an economic downturn or a change of policy or the financial position of the Bank. However, through the period the Company has always renewed revolving loans contracts and on October 8, 2014 the company has issued long-term debentures of 300 million baht for 1 year and 6 months, as of December 31, 2014, the current ratio is 1.30 times.

| Items | Amount (Million Baht) | percentage to total assets |
|--|-----------------------|----------------------------|
| Current portion of hire-purchase receivables | 452.76 | 42.81 |
| Hire-purchase receivables - net of current portion | 450.14 | 42.56 |
| Current portion of personal loan receivables | 11.29 | 1.06 |
| Personal loan receivables - net of current portion | 4.79 | 0.45 |
| Total receivables | 918.98 | 86.88 |
| Short - term loans from financial institutions | 186.38 | 17.62 |
| Short-term loans from third parties | 14.85 | 1.40 |
| Short-term unsecured debentures | 164.91 | 15.59 |
| Long-term unsecured debentures | 298.10 | 28.18 |
| Long-term loans from financial institutions | 8.32 | 0.79 |
| Total Loans | 672.56 | 63.59 |

Notes: the financial statements of the Company as at December 31, 2014

3. Operation Risk

3.1 Risk from dependence on agricultural machinery partner.

The Company has income from hire purchase, which relies on major manufacturers which is Kasetphattana group of more than 80.00 percent of hire purchase loans for agricultural machinery each year. The Yokubon family, which is a major shareholder of Kasetphattana group (a group comprised of Kaset Phattana Industry Company Limited and Thai Agricultural Machinery Company Limited, a group of manufacturers of Combine harvester) has no relationship as directors and/or the management. People with controlling power in the Company including those related to such person are only shareholders of the Company of 0.75 percent (as of January 21, 2014). Now Kasetphattana group sells agricultural machinery through the Company representing approximately 40.00 percent of the total sales of agricultural machinery. The Company had a memorandum of understanding with Kasetphattana group about the implementation of agricultural machinery programs, such as the Company shall be the operator of agricultural machinery loans and agreement for buy back agricultural machinery from company etc. which may cause the Company to the risk of finding products for credit lending if in the future Kasetphattana group, the manufacturer does not want to do business with the Company, which may affect the operations of the Company as the Company's main revenue comes from the sale of machinery from the manufacturer. However, from the past the business of the Company has created more value and loyalty to the machinery of the manufacturer. The Company added various credit services, such as spare parts loans, loans for maintenance of agricultural machinery fix, and loan for new harvester combine, etc. These diversified services from the Company are helpful and can expand the Manufacturer's customer base extensively. These business operations rely on each other, and the company and the manufacture do business together for a long time and have the same goal of doing business which is the success of our customers. This will allow the Company and the Manufacturer to be able to continue being partners in business. In addition, the Company has a policy of expanding the business and had prepared the business plan to expand the types of products for hire purchase and contact other manufacturer to expand the market.

By the year 2014, the company have more financial products and signed a memorandum of understanding with the manufacturer and distributor of farm tractor. In addition the company provide a personal loan to our customer, The company confident and expected that its can diversify the risks of the company.

3.2 Risk from managing a return of machinery

In case of receivable cannot payment a installment within due dates, the Company will send notice of warning and notice of penalty to them informing to pay. Meanwhile, the Company will report the matter to customer relationship management department. The department will contact the receivable to discuss for a solution. In case of the receivables can not to pay by corrective action plan. The company will negotiating to deliver agricultural machinery to the company. The Company requiring the receivables can be redeemed for agricultural machinery, and after the expiration of the redemption period. The company will announce to public auction to all interested to purchase agricultural machinery. If the auction is not sufficient to pay the debt. The company can claim direct to receivables and / or the guarantor. In which case the company can not claim, the company will recognize a loss on the sale of agricultural machinery confiscated. The price of the auction will depend on the agricultural machinery market, lifetime and the demand of agricultural machinery. In addition, the company also has a database to interact with customers or those who are interested to buy second hand agricultural machinery as a channel of distribution of the returned agricultural machinery.

However, the Company has an allowance for doubtful accounts adequately and to manage the risk of loss that may occur. The company's main customer base is the group of farmers which are quite honest in repayment of the loan. Therefore, the damage caused by them is relatively low. The statistics in the 2007-2014 (see the table below) states that from the total of 88 cases of foreclosure, there are 78 cases have been contacted by the Company, and the customers had returned collaterals to the Company accounted for 92.86 percent of the foreclosure.

The table shows the expected losses from detention during 2007-2014

| Year | Amount of receivable for annual expected damage in hire purchase agreement | | Accumulative Amount of receivable for annual expected damage in hire purchase agreement | | Total Receivables in purchase agreement | annual expected damage to the amount of receivable under loan agreement |
|------|--|--------------|---|--|---|---|
| | Number | Million Baht | Number | Percentage of hire purchasing per year | Million Baht | Percentage of hire purchasing per year |
| 2007 | 1 | 1.20 | 1 | 1.20 | 194.81 | 0.62 |
| 2008 | 19 | 9.56 | 20 | 10.76 | 262.91 | 3.64 |
| 2009 | 13 | 3.78 | 33 | 14.54 | 384.90 | 0.98 |
| 2010 | 10 | 0.82 | 43 | 15.36 | 348.65 | 0.24 |
| 2011 | 13 | 6.70 | 56 | 22.06 | 446.93 | 1.50 |
| 2012 | 21 | 9.07 | 77 | 31.13 | 660.94 | 1.37 |
| 2013 | 7 | 1.03 | 84 | 32.16 | 677.06 | 0.15 |
| 2014 | 4 | 11.38 | 88 | 43.54 | 605.46 | 1.88 |

Remark: The expected damage is the net accounts receivable with collateral (if any). The Company has set allowance for doubtful debts in full. Such damage will be decreased when the collateral are auctioned.

3.3 The risk of depend on staff with specialized expertise

Agricultural loan lending has to rely on credit analysis officers and marketing staff with expertise and experience in understanding the nature of agricultural business. As well as potential customers whose characteristics are different from customers who have income from salary. If the Company loses the staff as above may affect the operations of the company in the short term. In the past year, the Company have 1 credit analysis officers to resign, so the company have 4 credit analysis officers as of 31 December 2014 and their average work period is 3 years and 5 months while the Company has 8 marketing officers with average work period of 4 years and 5 months.

However the company created a working system with clear operations manual for staff to follow the same standard and reduce reliance on any officer, and help new staff to work correctly in a short period of time. Moreover, the Company also provides incentives to keep personnel with the company by giving reasonable remuneration and advanced career path.

4 Credit Risk

4.1 The risk from unpaid overdue liability toward the Company's operations

The company's main customer base is farmers whose incomes are from cultivation of agricultural products. Therefore, when natural disasters such as floods, droughts, outbreaks of pests happen, the ability to pay the debt may be effected. This business can be at risk of overdue payment if the loan approval internal control not be carefully. However, the Company uses credit scoring and cash flow analysis for the internal control.

In addition, the company has a policy of setting of allowance for doubtful accounts at the rate of 2.50 percent of accounts receivable loans, along with the assessment of payment histories, age of receivables and expectations regarding the future obligations of customers and the value of collateral when they are foreclosed and compared with the set criteria and will stop recognizing interest income on accounts receivable when the outstanding is more than 3 installments. As of 31 December 2014 the Company had over-3-installment-due receivables that are in pending legal action totaling Baht 86.30 million, which net accounted for about 8.57 percent of accounts receivable under the net hire purchase contract. While the Company set the allowance for doubtful accounts as of December 31, 2014 for Baht 73.36 billion, While the Company An allowance for doubtful accounts as of December 31, 2014 was 95.98 million baht.representing a ratio value of the allowance for doubtful accounts on net accounts receivable around 9.37 percent, this rate is sufficient if there is damage.

The company has strict loan approval process, including a focus on credit quality by monitoring customer information. The Company has developed a database of customer transactions in the past as well as collecting information about individuals in occupations such as information on brokers for harvester, IT database of Harvester's drivers. This helps the company to analyze the quality of receivables by checking through the information in the system. Moreover the Company has set the business policy to prevent the risk of receivables overdue by focus on credit quality and collateral. The Company has determined the key measures of business, such as the criteria for loan approval which are clear and strict; also the Company determines the appropriate down payment to match the risk of each receivables and collateral. In addition, the company also provides a strong focus on checks and balance system that our marketing staff and loan analyst check customers' information before the credit committee can approve that to match to the standard of the company. The mentioned process helps the Company to be able to monitor recent debtor's status, resulting the loan management can be operated fully to prevent overdue payment, so the Company can reduce and prevent the risk of overdue debt.

5 Legal Risk

5.1 Legal Risk

The business that provide a hire purchase of a car and motorcycle is under the rules and directed by the Office of Consumer Protection Board (“OCPB”), which oversees the contract to be fair to consumers. and is not under the supervision of the Bank of Thailand (“BOT”). Anyway, in the future if the government is to oversee hire purchase loan providers to have the same standard, it may affect every company in hire purchase business. However, the Company has complied with the guidelines of BOT such as the criteria for classification and provisioning of financial institutions, policy to recognize revenue or stop recognize revenue, and also compliance with the guidelines of OCPB. Thus the Company believes that the supervision of the government in the future will not affect the Company's operations significantly.

In 2014 it was the Act. Amending the Civil and Commercial Code (No. 20) Act 2014 dated November 13, 2014, effective enforcement of February 12, 2015. The amended Act, as amended relating to the guarantees and mortgage. The Company modifications a contracts in accordance with the laws and rules and regulations that related, improve procedures and practices, and communicated to employees to have knowledge and understanding. Thus the Company believes that the supervision Act. Amending the Civil and Commercial Code (No. 20) will not affect the Company's operations significantly.

Shareholding Structure and Dividend Payment Policy

The first 10 major shareholders of the Company as of January 21, 2015, which was the last closing date, were listed as follows:

| No. | List of Name | Number of shares held | % |
|-----|--|-----------------------|---------------|
| 1 | Song Nam Company Limited | 56,500,000 | 28.25 |
| 2 | The Government Savings Bank's Private Fund by UOB Asset Management (Thai) Limited. | 19,635,133 | 9.82 |
| 3 | TheUnited Overseas Bank's Private Fundby UOB Asset Management (Thai) Limited. | 19,635,133 | 9.82 |
| 4 | MRS. TJA TJIA SIET JOEN | 14,614,164 | 7.31 |
| 5 | Mr. Pornchai Charumethee | 4,950,000 | 2.48 |
| 6 | Mr.Sutat Tetkhunnawut | 2,400,000 | 1.20 |
| 7 | Ms. Waraporn Yokubon | 1,500,000 | 0.75 |
| 8 | RSY Leasing Company Limited. | 1,415,900 | 0.71 |
| 9 | Mr.Pakpoom Suksomwat | 1,224,300 | 0.61 |
| 10 | Mr.Wittaya Jangsombatsiri | 1,080,000 | 0.54 |
| | Total of 10 major shareholders | 122,954,630 | 61.49 |
| 11 | Others | 77,045,370 | 38.51 |
| | Total | 200,000,000 | 100.00 |

Source: List of major shareholders as of January 21, 2015 prepared by Thailand Securities Depository Co., Ltd

Dividend Payment Policy

The Company has the policy to pay dividends at a rate of not less than 50 percent of the net profit of consolidated financial statement after the deduction of corporate tax, and after deduction of all reserves according to the law and company's policy. The dividend payment shall have no significant impact on the normal operations of the Company. The payment of dividends is subject to change based on the results of operations and financial position, liquidity, expansion plan and any necessity and appropriation in the future, and other factors involved in the management of the Company as the Board of Directors and/or shareholders of the Company deems appropriate, and such action shall cause the maximum benefit to shareholders.

Dividend Payment to existing shareholders

By the resolution of the Annual General Shareholder's Meeting for the Year 2012 on April 4, 2012, the company authorized to pay cash dividends to its shareholder at Baht 0.09 per share, that equivalent to 81.13 percent of the net profit, the details are as follows;

- The interim dividend at Baht 0.04 per share for the Company's performance from 1st January-30th June 2011 to shareholders on August 5, 2011 (The Company's paid-up share capital of 75,000,000 baht. into 150,000,000 ordinary shares with a par value of 0.50 Baht)
- The yearend dividend at Baht 0.05 per share for the Company's performance from 1st July-31st December 2011 to shareholders on April 27, 2012 (The Company's paid-up share capital of 75,000,000 baht. into 150,000,000 ordinary shares with a par value of 0.50 Baht)

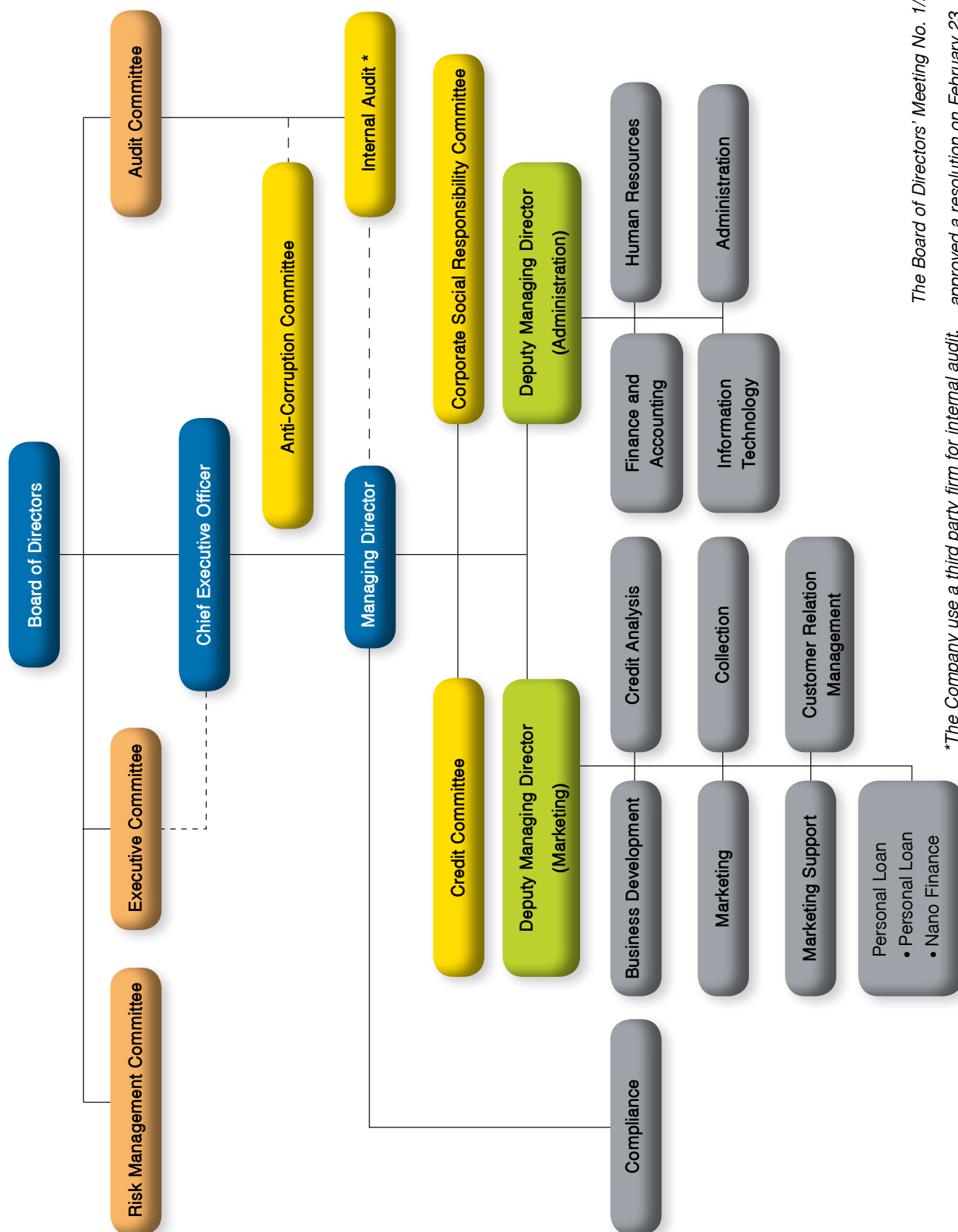
By the resolution of the Annual General Shareholder's Meeting for the Year 2013 on April 4, 2013, the company authorized to pay cash dividends to its shareholder at Baht 0.125 per share, that equivalent to 57.45 percent of the net profit on April 9, 2013 (The Company's paid-up share capital of 75,000,000 baht. into 150,000,000 ordinary shares with a par value of 0.50 Baht)

By the resolution of the Annual General Shareholder's Meeting for the Year 2014 on April 22, 2014, the company authorized to pay cash dividends to its shareholder at Baht 0.13 per share (Normal dividend at Baht 0.11 per share and special dividend at Baht 0.02 per share), that equivalent to 60.73 percent of the net profit, the details are as follows;

- The interim dividend at Baht 0.075 per share for the Company's performance from 1st January-30th June 2013 to shareholders on August 29, 2013 (The Company's paid-up share capital of 75,000,000 baht. into 150,000,000 ordinary shares with a par value of 0.50 Baht)
- The yearend dividend at Baht 0.07375 per share for the Company's performance from 1st July-31st December 2013 to shareholders on May 19, 2014 (The Company's paid-up share capital of 100,000,000 baht. into 200,000,000 ordinary shares with a par value of 0.50 Baht)

Organization Chart

The Company has the structure as of 23 February 2015 as follows:



*The Company use a third party firm for internal audit.

The Board of Directors' Meeting No. 1/2015
approved a resolution on February 23, 2015

Management Structure

Management structure of the company have a consists of the board of directors and other 6 committees as follow :

1. The Board of Directors
2. Audit Committee
3. Executives Committee
4. Risk Management Committee
5. Credit Committee
6. Anti-Corruption Committee
7. Corporate Social Responsibility Committee

The Board of Directors

The Board of Directors of the Company as of 31 December 2014 consists of 9 members as follows:

| Name | | Position |
|------|--------------------------------|--|
| 1. | Mr.Yongyuth Tariyo | Chairman of the Board of Directors |
| 2. | Mr. Boonsak Chiempricha | Director and Chief Executive Director |
| 3. | Asst. Prof. Wipada Tantiprabha | Independent Director and Chairman of the Audit Committee |
| 4. | Mr. Prameson Pisitpan | Independent Director and Audit Committee Member |
| 5. | Mr. Tawee Khositjiranun | Independent Director and Audit Committee Member |
| 6. | Mr. Suwit Maesincee | Independent Director and Audit Committee Member |
| 7. | Mr. Chinavais Sarasas | Director |
| 8. | Mr. Nattaphon Sarasas | Director |
| 9. | Mr. Santi Hokittikul | Director and Secretary of the Board of Directors |

Remark : Mr. Santi Hokittikul is the secretary of the board of directors.
Mr. Niton Chaiyanate is the Company Secretary

At least one Board of Directors' meeting is held in each quarter with additional meeting to be called if required. The Company requires the directors to attend every Board of Directors' meeting except in case of emergency. Meeting agenda must be clearly indicated prior to each Board of Directors' meeting with the inclusion of agenda on operational monitoring on a regular basis. The Company delivers the meeting invitation letter together with meeting agenda and support documents for the meeting to each director at least 7 days in advance of the meeting date to allow sufficient timing for the Board of Directors to study on the information prior to attend the meeting. In each Board of Directors' meeting, the Chairman of the Board of Directors is obliged to allocate adequate timing in order to enable the management to propose and provide thorough explanation on the material issues. Minutes of the meeting are accurately and completely recorded in writing. Minutes of the meeting, certified by the Board of Directors, will be retained for further examination by the Board of Directors and other related parties.

Authorized Signatories

The Directors who is appointed as the authorized signatories of the Company are Mr. Santi Hokittikul, Mr. Chinavais Sarasas and Mr. Nattaphon Sarasas. Two out of Three of the mentioned directors can co-sign with the seal of the Company.

Duties and responsibilities of the Board of Directors

The board of directors have a role and functions to set the corporate governance policy, business ethics including defining the vision, missions, strategies, goals and operation plans of the company. To supervise the execution of compliance with the policies, plans and budget effectively and efficiently in order to meet the goals of the company. The board of directors must be accountability to the company, shareholders and all stakeholders. The board of directors have a roles and responsibilities to supervise the operations of the company in accordance with rules and regulations including the rules of the Stock Exchange of Thailand. and The Securities and Exchange Commission. Details of the role of the board of directors as follows.

1. Conduct business and uphold the duties according to the law, and Company's objectives, Articles of Association, resolutions of the Board of Directors and Shareholders' Meeting.
2. Impose company's policies, mission and vision, business strategy as well as business goal and framework to ensure efficient and effective policy-based operations.
3. Establish and approved a written corporate governance policy for the company.
4. Provide a written code of business Ethics, consist of Conflict of Interest, Inside Trading, and Equitable treatment of shareholders, for all directors, executives and employees including published on the company website.
5. Establish and approved a written Anti-corruption Policy.
6. Consider any conflict of interests thoroughly to ensure that the transactions are conducted for the best interests of the company and all shareholders. Person who related to conflict of Interest shall not participate in decision-making process.
7. Appoint Committee and/or Director to operate and manage the business except prohibit by the company rule and regulation.
8. Ensure that all information such as internal control system, risk management and financial reports presented in the annual report is correct and has been audited by the Audit Committee.

9. Assign the Internal Audit, outsource internal audit, to review and monitor an operation procedure aimed to ensure that all activities and overall business are operated with efficiency and in accordance with compliance control. The audit report shall be directly submitted to the Audit Committee for the company balancing authorities.

Secretary of the board and company secretary

The Board of Directors has appointed Mr. Santi Hokittikul as the Secretary of the Board to act as a consultant to advise the Committee in compliance with the law regarding the duties and responsibilities of a director, including preparation of the Board of Directors' minutes and attending every meeting of the Board of Directors.

Company secretary

The resolution of the board of director 1/2554 on February 28, 2011 appointed Mr. Nitai Chaiyanate as company secretary to act as of work for company secretary. According to the regulation in article 89/15 of the Public Company Act 1992, company secretary have a responsibility as follow;

- Produce and keep the following documents
 - Registration of Members of the Board of Directors
 - Board Meeting invitations, Board Meeting Reports and the Company's Annual Reports.
 - Shareholders' meeting invitations and shareholders' meeting reports.
- Keep stakeholder reports that have been submitted by members of the Board of Directors or the Executive committee
- Be responsible for any other task following orders and announcements of the Capital Market Supervisory Board.
- Ensure that all information is disclosed in accordance with The Stock Exchange of Thailand and The Office of the Securities and Exchange Commission and other related organization.
- Communicate with shareholders, investors, and related organization as well as inform useful company information to interested person and stakeholders.
- Provide preliminary advice and recommendation pertaining to legal, regulatory, and governance issues and practices to the Committee, Sub-committee.
- Attend course or training aimed to improve skill and knowledge for secretary
- Tend to various other tasks either unique to a company or simply "as assigned"

Realized the importance of Good Corporate Governance, the company secretary attended the Company Secretary Program (CSR) class of 41/2011 held by Thai Institute of Directors Association.

Audit Committee

The Audit Committee as of 31 December 2014 consists of 3 members as follows:

| Name | | Position |
|-----------------------|---------------------------|-----------------------------|
| 1. Asst. Prof. Wipada | Tantiprabha ^{1/} | Chairman of Audit Committee |
| 2. Mr. Prameson | Pisitpan | Audit Committee Member |
| 3. Mr. Tawee | Khositjiranun | Audit Committee Member |

- Remark :**
1. Asst. Prof. Wipada Tantiprabha is an Audit Committee who has knowledge in accounting and finance
 2. Mr.Nitan Chaiyanate is Audit Committee Secretary

Qualifications of Audit Committee

The Audit Committee consists at least 3 members. Their qualifications are as follows.

1. The Audit Committee Member has all qualifications of independent directors
2. The Audit Committee Member consist of independent director and assigned from the board of directors and the audit committee resolution to appointment a chairman of audit committee.
3. The Audit Committee Member is not a director appointed by the Board of Directors to make the decision to conduct the affairs of the Company, subsidiaries, parent company, subsidiary in the same level, and legal entity as a major shareholder or controlling person of the Company.
4. The Audit Committee Member is not a director of the Company's parent company, subsidiary or subsidiaries of the same level only as listed company.
5. At least one Audit Committee Member has sufficient knowledge and experience to be able to do the duty to review the reliability of financial statements.

Duties and responsibilities of the Audit Committee

1. Reviewing the Company's financial reporting to be accurate and sufficient.
2. Reviewing the Company's internal controls and internal audit to be appropriate and effective and considering the independence of the internal audit as well as to approve the appointment, transferring, termination of the head of internal audit or any other working group responsible for internal audit.
3. Reviewing the Company's compliance with the law and regulations of the Securities and Exchange Commission, the regulations of SET and the laws relating to the business of the Company.
4. Considering, selecting and nominating an independent person to act as an auditor of the Company and offering the remuneration of such persons with regard to reliability The adequacy of resources, workload and experience including attending meetings with the auditor, without the management in attendance with, at least one time per year.
5. Considering related transactions or any transaction that may have conflict of interests to be in accordance with the laws and regulations of SET in order to ensure that they are reasonable and beneficial to the company.

6. Prepare a report of the Audit Committee to be disclosed in the annual report of the Company. Such report must be signed by the Chairman of the Audit Committee and must contain at least the following:
 - An opinion on the accuracy, completeness and reliability of the financial reports of the Company
 - Comments on the adequacy of internal controls of the Company
 - An opinion on the compliance with the Securities and Exchange Commission, Regulations of SET and the laws relating to the business of the Company
 - An opinion on the suitability of an auditor
 - An opinion on the transactions that may have conflict of interests
 - The number of meetings of the Audit Committee and attendance of each Audit Committee Member
 - An opinion or observations by the Audit Committee has performed its duties under the Charter
 - Any other information that Shareholders and investors should note the scope of duties and responsibilities assigned by the Board of Directors
7. Having the authority to conduct inspections and investigations as required on various matters which may have a significant impact on the financial position and results of operations of the Company and report to the Board of Directors for rectification within the time that the Audit Committee deems appropriate.
8. Considering to set and review to improve the corporate governance of the Company. In accordance with the principles of good corporate governance appropriately.
9. Considering to set and review to improve the requirements relating to ethics. And business ethics As well as the best practices for directors, executives and employees of the Company.
10. Having the authority to seek independent comments from other professional when deemed necessary, the Company shall pay for it to support the Audit Committee to be able to work with responsibility.
11. Report regularly to the Board of Directors. On the corporate governance of the Company. With comments on the guidelines and recommendations for modifications as appropriate.

Executive Committee

The Executive Committee consists of 9 by member, The board of directors to assigned Director/Executive to act as Chairman of Executive Committee

The Executive Committee as of 31 December 2014 consists of 9 members as follows:

| Executive Committee | Position | Name-Surname |
|---|---------------------------------|---------------------------|
| 1. Director/Executive assigned by board of directors. | Chairman of Executive Committee | Mr.Boonsak Chiempricha |
| 2. Managing Director | Member | Mr.Santi Hokittikul |
| 3. Deputy Managing Director (Marketing) | Member | Mr.Sutthi Sripratum |
| 4. Deputy Managing Director (Administration) | Member | Mr.Chumnun Kunnarattana |
| 5. Finance and Accounting Department | Member | Mrs.Sivapun Sriampai |
| 6. Marketing Support Department | Member | Ms.Panida Jangkit |
| 7. Business Development Department | Member | Mr.Nitan Chaiyanate |
| 8. Collection Department | Member | Ms.Austanakan Khositaecho |
| 9. Compliance Department | Member | Ms.Thanasa Kittiradanan |

Remark : 1. Ms.Thanasa Kittiradanan is Secretary of Executive Committee

Roles and Responsibilities of the Executive Board

1. Consider company strategic planning, business policy, operation procedure and plan as well as annual budget for further approval.
2. Decide business plan and annual budget for further approval.
3. Monitor the company operation to ensure that the company conduct appropriately with compliance on the strategy, goal and policy as well as manage the budget efficiency based on business condition.
4. Design the Organization Structure and set Human Resource Development Plan and Policy for further approval.
5. Inform Company's policy, rule and regulation to all employees.
6. Tend to various other tasks either unique to a company or simply "as assigned"
7. Report any case of dishonest and/or suspect of being dishonest, illegal action or any act that lead to company disgraceful shall be immediately report to the Board of Director.

Risk Management Committee

The Risk Management Committee consist of 9 by member, The board of directors to assigned Director/ Executive to act as Chairman of Risk Management Committee.

The Risk Management Committee as of 31 December 2014 consists of 9 members as follows:

| Risk Management Committee | Position | Name-Surname |
|---|--|---|
| 1. Director/Executive assigned by board of directors. | Director/Executive assigned by board of directors. | Mr.Sutthi Sripratum |
| 2. Deputy Managing Director (Marketing) | Member | Mr.Sutthi Sripratum (Current Position: Chairman) |
| 3. Deputy Managing Director (Administration) | Member | Mr.Chumnun Kunnarattana |
| 4. Finance and Accounting Department | Member | Mrs.Sivapun Sriampai |
| 5. Marketing Support Department | Member | Ms.Panida Jangkit |
| 6. Business Development Department | Member | Mr.Nitan Chaiyanate |
| 7. Credit Analysis | Member | Ms.Tusana Sroiwaree |
| 8. Collection Department | Member | Ms.Austanakan Khositaecho |
| 9. Compliance Department | Member | Ms.Thanasa Kittiradanun |

Remark :

1. Mr.Santi Hokittikul is consultant of risk management committee
2. Ms.Thanasa Kittiradanun is secretary of risk management committee

Roles and Responsibilities of Risk Management Committee

1. Consider and assess both internal and external risk which might have an effect on overall business management such risks are financial risk, operation risk, market and competition risk, compliance risk, credit risk, asset management risk and other risk factors. Moreover, the Risk Committee responsible for determine the company's strategic Risk Management to assure that the company has systematically and effectively conduct risk management in acceptable level.
2. Determine and submit the strategy, policy and framework of the company risk management for approval.
3. Review and monitor to ensure that all employees acknowledge and perform their duty according to Risk Management criteria.
4. Report the risk management together with suggestion for improvement to the Board of Director.

Credit Committee

Credit Committee consist of executive (by position) 3 member as follow;

| Credit Committee | Position | Name-Surname |
|--|------------------------------|------------------------|
| 1. Managing Director | Chairman of Credit Committee | Mr.Santi Hokittikul |
| 2. Deputy Managing Director (Marketing) | Member | Mr.Sutthi Sripratum |
| 3. Deputy Managing Director (Administration) | Member | Mr.Chumnun Kunarattana |

Remark : Ms.Tusana Sroiwaree,Manager of credit analysis department is secretary of credit committee

Roles and Responsibilities of Credit Committee

1. Consider and decisions based on credit statement analysis and in accordance with the company credit policy. The credit analysis criteria shall consist of credit scoring, cash flow analysis and payment record and the maximum loan amount shall not more than 5,000,000 Bath. The company limit the credit authorized are as follow;
 - For the personal loan at the amount of more than 350,000 Bath, credit officer shall submit the necessary documents to the Credit Committee Meeting with a majority approve of not less than two-third (2/3) vote of credit committee is required for approval.
 - For the personal loan at the amount of less than 350,000 Bath, credit officer shall submit the necessary documents to at least one of credit committee member. Approved loans according to credit policy and procedure.
2. Review and develop credit analysis system concisely, effectively in a timely situation.
3. Consider and analyze information of client, products and term and condition for participant interested in the company special loan project The consideration shall based on business opportunity and accessibility for the memorandum of understanding before submit to the Executive Committee and Board of Director Meeting for approval.
4. Decide new products launching programs or improve the company products for clients.
5. Prepare and review collection management policy including procedure and work instruction in accordance with rule and regulation and related law.

Anti-Corruption Committee

The Anti-Corruption Committee consist of 9 by member, The board of directors to assigned Director/Executive to act as Chairman of Anti-Corruption Committee.

The Anti-Corruption Committee as of 31 December 2014 consists of 11 members as follows:

| Anti-Corruption Committee | Position | Name -Surname |
|---|-----------------------------|---|
| 1. Director/Executive assigned by board of directors. | Chairman of Anti-Corruption | Mr.Chumnun Kunnarattana |
| 2. Deputy Managing Director (Marketing) | Member | Mr.Sutthi Sripratum |
| 3. Deputy Managing Director (Administration) | Member | Mr.Chumnun Kunnarattana (Current Position: Chairman) |
| 4. Finance and Accounting Department | Member | Mrs.Sivapun Sriampai |
| 5. Marketing Support Department | Member | Ms.Panida Jangkit |
| 6. Business Development Department | Member | Mr.Nitan Chaiyanate |
| 7. Credit Analysis | Member | Ms.Tusana Sroiwaree |
| 8. Collection Department | Member | Ms.Austanakan Khositaecho |
| 9. Compliance Department | Member | Ms.Thanasa Kittiradanan |
| 10. Information Technology | Member | Mr.Boonchana Moolsang |
| 11. Human Resources | Member | Mr.Saravut Samkumpim |

Remark : 1. Mr.Santi Hokittikul is consultant of anti-corruption committee
2. Mrs.Sivapun Sriampai is secretary of anti-corruption committee

Roles and Responsibilities of The Anti-Corruption Committee

1. Consideration and propose the policy, monitoring and forming an effective system supporting Anti-Corruption act in accordance with the company policy, rules and regulation, business ethics to the Board of Director for approval.
2. Prepare Anti-Corruption Guidance Manual along with set the company criminal process, bribery and corruption committed report process, as well as ensure fairness and protection of the staff included others who act as whistleblowers, report clues and evidence about corruption involving the company.

3. Determine and inform the employee and related person at all levels to realize the importance of countering corruption and raise their awareness in this respect.
4. Monitor, review, and forming an effective system supporting Anti-Corruption act in order to affirm that the management team intensively concerns Anti-Corruption policy.
5. Announce its determination to become a member of the Private Sector Collective Action Coalition Against Corruption of CAC.
6. Corporate and support Anti-Corruption's activities arranged by government and private sectors.
7. Report Anti-Corruption performance and recommendation to Audit Committee and The Board of Director.

Corporate Social Responsibility Committee

The Corporate Social Responsibility Committee consist of 9 by member, The board of directors to assigned Director/Executive to act as Chairman of Anti-Corruption Committee.

The Corporate Social Responsibility Committee as of 31 December 2014 consists of 11 members as follows:

| Corporate Social Responsibility Committee | Position | Name-Surname |
|---|---|---|
| 1. Director/Executive assigned by board of directors. | Chairman of Corporate Social Responsibility | Mr.Chumnun Kunnarattana |
| 2. Deputy Managing Director (Marketing) | Member | Mr.Sutthi Sripratum |
| 3. Deputy Managing Director (Administration) | Member | Mr.Chumnun Kunnarattana (Current Position: Chairman) |
| 4. Finance and Accounting Department | Member | Mrs.Sivapun Sriampai |
| 5. Marketing Support Department | Member | Ms.Panida Jangkit |
| 6. Business Development Department | Member | Mr.Nitan Chaiyanate |
| 7. Credit Analysis | Member | Ms.Tusana Sroiwaree |
| 8. Collection Department | Member | Ms.Austanakan Khosittaecho |
| 9. Compliance Department | Member | Ms.Thanasa Kittiradanan |
| 10. Information Technology | Member | Mr.Boonchana Moolsang |
| 11. Human Resources | Member | Mr.Saravut Samkumpim |

Remark : 1. Mr.Santi Hokittikul is consultant of corporate social responsibility Committee

2. Mrr.Saravut Samkumpim is secretary of corporate social responsibility Committee

Roles and Responsibilities of The Corporate Social Responsibility Committee

1. Consideration and propose the Corporate Social Responsibility Committee policy, strategy and procedure to the Board of Directors for approval.
2. Consideration and propose the procedure of Creating Share Value related to stakeholders which can be divided into 3 levels
 - 2.1 Improve and provide a loan service that the company have acknowledge as shared benefit to economics, social and environment.
 - 2.2 Develop the company work procedure in accordance with the business operation.
 - 2.3 Responsibility to cluster development for strengthening and sustainable growth
Activities and Project provided by the company aimed to promote and increase overall benefit for employees, stakeholders and society. On the other hand, such activities should comply by the company policy and business plan as well as approved by The Board of Director.
3. Inform and disseminate CRS issue both CRS in Process and CSR after Process to employees.
4. Monitor, review and report CSR performance to the Board of Director.

Management

As of December 31, 2014, the Company's management consists of 6 members as follows:

| Name-Surname | | Position |
|----------------|-------------|---|
| 1. Mr.Santi | Hokittikul | Managing Director |
| 2. Mr.Sutthi | Sripratum | Deputy Managing Director (Marketing) |
| 3. Mr.Chumnun | Kunarattana | Deputy Managing Director (Administration) |
| 4. Mrs.Sivapun | Sriampai | Senior Vice President of Finance and Accounting |
| 5. Ms.Panida | Jangkit | Vice President of Marketing Support |
| 6. Mr.Nitan | Chaiyanate | Vice President of Business Development |

Duties and responsibilities of the Managing Director

The Managing Director has the power and duty to manage the company's operations as assigned by the Board of Directors and the Company's plan. This includes the operation and/or management of the Company's normal routine and the operations under the Company's policy, business plan and budget as approved by the Board of Directors. However, the Managing Director shall authorize another person to act on their duties on their behalf.

The Managing Director or a person authorized by the Managing Director would not approve his own business or would not approve, involved or join the business of any individuals that may have a conflict, gain or loss, or may have a conflict of interest with the Company.

However, the operations involving any business transactions that may pose a conflict of interest

between the manager or person with a conflict of interest with the Company as defined in the laws and the notice of SEC or SET not considered to be under the jurisdiction of the Managing Director to consider and vote on such transaction, whether by his own discretion, or designate other persons acting on his behalf. In such cases, the transaction must be presented in order to obtain approval by the Audit Committee to be presented to the Board of Directors and/or the general meeting of shareholders (if applicable) as defined in the Articles of Association of the Company and the related law.

Nomination of Board of Directors

Persons who are appointed as members of the Board of Directors and the Executives of the Company are those who are qualified in accordance with article 68 of the Public Company Act 1992 and the Announcement of the Capital Market Supervisory Board No. Tor.Jor.28/2551 on the request and the permission to sell new shares dated 15 December 2008. The qualified persons must not be of forbidden character according to the Announcement of the Capital Market Supervisory Board on the Regulations related to the executives of a Company issuing securities. All persons must not have a record of bankruptcy, violation of rules, regulations, announcements, orders, resolutions of the Board of Directors or the agreement on security registration with the Stock Exchange of Thailand and the circular notice at the Stock Exchange of Thailand.

The Board of Directors should comprise of directors who have diversity of professional fields, experience and skills which shall be beneficial for business operations.

The committee shall select and nominate appropriate candidates for the Board members before submit to the Board of Directors in the General Meeting of Shareholders for approval. Details are as follows:

1. The Board of Directors consists of directors who are resident in Thailand not less than half of the total membership. The Directors can whether be shareholders of the company.
2. In the Board of Directors, there must be an independent director not less than 1 out of 3 of all directors. And there are at least three independent directors who hold no more than one percent of the total issued and paid-up share capital of the Company and related companies, including shares held by related parties, and qualified by the Capital Market Supervisory Board Tor Jor 28/2008 regarding the application and approval of offer for the sale of newly issued shares dated 15 December 2008.
3. In the annual general meeting of shareholders at all times, there shall be the resignation of a number of 1 out of 3 of the total membership at that time. If the number of directors cannot be divided into three parts, the resignation should be the number nearest to one third of the directors in the first following the registration of the Company. The second years after the registration of the Company, the resignation should happen by drawing out a name of a director. The later years the directors who were in office the longest shall retire from office. However, any director who retires by rotation may be chosen to the position again.
4. The shareholders shall appoint directors by a majority vote and pursuant as follows:

- 4.1 One Shareholder has one vote per one share
 - 4.2 Each Shareholder will use all his votes according to elect one or several Directors but they cannot separate their vote to several people.
 - 4.3 The individuals receiving the largest numbers of votes shall be elected as a director or directors at that time depending on the number of directors the Company can have. If there are several individuals who have the same amount of votes but there is not enough position for every one of them, the Chairman will cast the final vote.
5. In case of vacancy for reasons other than retirement by rotation. The Board of Directors shall elect a person who is qualified and not disqualified under the regulations of public limited company to be the Company's directors represented at the next Board Meeting. Except the director's remaining term is less than two months. The persons who are newly appointed would be in the position for the remaining term of the Director whom he represents. Such resolution of the Board of Directors shall consist of not less than 3/4 of the votes of the remaining directors.
 6. One board member is to be selected as the Chairman of the Board of Directors. One or more other member(s) may be selected as vice chairman and managing director should the Board deems appropriate. The vice chairman has the duties according to the regulations in businesses assigned by the Chairman of the Board of Directors.
 7. A meeting of shareholders may resolve to remove any director from office before the expiration of their term with the votes of not less than three fourth of the shareholders present at the meeting and entitled to vote, and the shares amounting to not less than half of the shares held by the shareholders present at the meeting and entitled to vote.

Nomination of Audit Committee

The Audit Committee of the Company are to be appointed by the Board of Directors to the positions of the Company's Board of Directors. They are to be qualified according to the legislation on securities and the Stock Exchange of Thailand as well as announcement, regulations and/or rules of the Stock Exchange of Thailand.

The Audit Committee comprises at least 3 members. One member in the Audit Committee is to have good knowledge in Accounting and Finance. The term of a member of the Audit Committee is 3 years from the date of appointment. When the term lapses and the shareholders' meeting has not appoint a new Audit Committee, the incumbent Audit Committee is to continue working until the Company's Board of Directors or the shareholders' meeting appoints a new committee to replace the incumbent Committee whose term has lapsed and/or whose members' terms have lapsed as members of the Board of Directors.

The audit committee who retires by rotation may be appointed to renew the position. If the Audit Committee becomes vacant due to any other reason than retirement by rotation, The Board of Directors shall appoint a person qualified as an Audit Committee to maintain the exact number of members as the Board of Directors has determined. The persons who are newly appointed would be in the position for the remaining term of the Director whom he represents. The Company shall notify SET as soon as the Audit Committee resigns or is dismissed before the end of term.

Members of the Audit Committee that have been selected must be independent members and are qualified to be members of the Audit Committee.

1. The independent Directors hold shares not exceed one percent of the total shares with voting rights of the Company, parent companies, subsidiaries, associated entities, legal entities that are major shareholders or controlling person of the Company. The shares held by those involved shall be counted.
2. The independent Directors shall not participate in the administration, nor be an employee, staff, advisor who receives regular salary or a controlling person of the company, not less than two years before his appointment. The prohibition does not include the case if they are public servants or advisor of Government organization which is a major shareholder or controlling person of the Company. Such forbidden character does not include the case where an independent member had been a civil servant or a consultant of a government agency who is a large shareholder or the authorised entity that controls the Company.
3. The independent Directors has no blood relationship or registered as father, mother, spouse, sibling, and child, including spouse of the children of executives, major shareholders, controlling authority or persons to be nominated as executive or controlling person of the subsidiaries.
4. The independent Directors don't have a business or have not been in a business relationship with a value more than three percent of the net tangible assets or more than Bath 20 million baht (whichever is lower) with its parent company, subsidiaries, associated entities, major shareholder or controlling person of the Company and not being or having been a shareholder or a controlling person of any person who have business relationship with the Company, parent companies, subsidiaries, associated entities, legal entities who are major shareholders or controlling person of the Company. Unless it is clear from the manner for not less than two years before the appointment. The definition of business relationship shall include item under the Notification of the Capital Market Supervisory Board Tor Jor 28/2008 regarding the application for the sale of new shares.
5. The independent Directors is not or has not been an auditor of the Company, parent companies, subsidiaries, associated entities, legal entity who is a major shareholder or controlling person of the Company and is not a major shareholder, controlling authority or partners of the audit firm which is the auditor of the Company, parent companies, subsidiaries, associated entities, legal entity as a major shareholder or authorized under the Company's control, unless it is clear from the manner for not less than two years before the appointment.
6. The independent Directors is not or has not been a provider of any professional such as legal advisor, financial advisor, property appraiser, etc., which has more than 2 million baht per year from the company, parent company, subsidiary, associated entities, legal entity as a major shareholder nor a controlling person or partner of the professional service provider unless it is clear from the manner for not less than two years before the appointment.
7. The independent Directors is not or has not been a director appointed as representative of the directors of the Company, major shareholders or shareholders who are related to the major shareholders of the Company.
8. The independent Directors do not operate a business with the same nature and in competition to the business of the Company or its subsidiaries or not be a significant partner in a Partnership Company or be an executive director, employee, staff, advisor who receives a regular salary or hold 1 percent of the total shares with voting rights of another company with the same nature of the Company and is a competitor of the Company or its subsidiaries.
9. The independent Directors have no any characteristics that prevent from giving independent comments.
10. Not being a director appointed by the Board to decide on the operations of the Company, its subsidiaries, parent company, subsidiary, associates, subsidiaries in same level, major shareholders or controlling person of the company.
11. Not a director of parent company, subsidiary or subsidiaries in same level which are listed as public company limited.

Nomination of Managing Director

The Committee and/or authorized person, appointed by the Board of Directors shall select, and nominate appropriate candidates who have diversity of professional fields, experience and skills which shall be beneficial for business operations before submit to the Board of Directors for approval.

Meeting attendance and Remuneration of Directors and Managment

Remuneration

The remuneration policy has been clearly and transparently set out for directors which are enough to attract and retain board members and are set at a level that is market aligned. However, the directors will received an extra remuneration for any extra works and duties such as being appointed as the member of any sub-committees. The Nominating & Compensation Committee will consider and submit the remuneration of the directors, which comprises of meeting allowance and bonus, to the Board of Directors and Shareholders' Meeting for approval. The remuneration shall be disclosed in comply with the Office of the Securities and Exchange Commission.

Remuneration as cash

The 2014 Annual General Meeting of Shareholders, held on April 22, 2014, passed a resolution that the remuneration of the Board/ the remuneration Audit Committee/ the compensation to Directors of the Company in 2014 in an amount not exceeding Baht 3,440,000 per year. The remunerations were classified by meeting allowances as follows:

| Position | Meeting Allowance Attendance |
|---------------------------------|------------------------------|
| Chairman of the Board | 25,000 Baht |
| Director | 15,000 Baht |
| Chairman of the Audit Committee | 25,000 Baht |
| Audit Committee | 15,000 Baht |

The compensation of the board of directors

The compensation of the board of directors depending on the results of operations of the Company and approval by the shareholders' meeting. The chairman of the board of director allocate a remuneration to each director's duties, responsibilities and qualifications.

The remuneration to Directors in 2014 was as follows

| Name-Surname | 2014 | | | |
|------------------------------------|---------------------------|-----------------------|-----|---|
| | No. of meeting attendance | | | Remunerations / Compensation (Baht) |
| | As Director | As Audit Committee | AGM | |
| 1. Mr.Yongyuth Tariyo | 5/5 | - | 1/1 | 360,000 |
| 2. Mr.Boonsak Chiempricha | 5/5 | - | 1/1 | 290,000 |
| 3. Asst.Prof.Wipada Tantiprabha | 4/5 | 4/4 | 1/1 | 356,000 |
| 4. Mr.Prameson Pisitpan | 5/5 | 4/4 | 1/1 | 330,000 |
| 5. Mr.Tawee Khositjiranun | 5/5 | 4/4 | 1/1 | 330,000 |
| 6. Mr.Suvit Maesincee 1 | 0/5 | 0/1 | 1/1 | 100,000 |
| 7. Mr.Chinavais Sarasas | 2/5 | - | 0/1 | 159,000 |
| 8. Mr.Nattaphon Sarasas | 4/5 | - | 1/1 | 238,000 |
| 9. Mr.Santi Hokittikul | 5/5 | - | 1/1 | 270,000 |
| Total | - | - | - | 2,433,000 |

Remark : 1 Mr.Suvit Maesincee resigned from audit committee on May 2,2014 because have a additional of engagement and responsibility of work

The remuneration of Executives

Unit : Million

| Remuneration | 2014 | 2013 |
|--------------------------------|-------|-------|
| salary | 12.01 | 10.77 |
| Bonus | 4.02 | 3.52 |
| Contribution to provident fund | 0.69 | 0.61 |
| Employees' retirement benefits | 0.87 | 0.97 |
| No. of Executives | 6 | 5 |

Non Remuneration or others benefit;

- None-

Employees

No.Employees

No. of Employees of the company as of December 31, 2014 details as follow;

| Department | 2014 No. of Employees | 2013 No. of Employees |
|----------------------------------|--------------------------|--------------------------|
| Management | 3 | 3 |
| Business Development | 2 | 2 |
| Marketing | 8 | 8 |
| Marketing Support | 2 | 2 |
| Credit Analysis | 4 | 4 |
| Collection | 3 | 3 |
| Customer Relationship Management | 2 | 2 |
| Finance and Accounting | 5 | 4 |
| Human Resources | 1 | 1 |
| Information Technology | 2 | 2 |
| Administration | 5 | 5 |
| Compliance | 1 | 1 |
| Total | 38 | 37 |

Policy of Human Resource Development



The Company had focus on employee development to increase knowledge performance and quality of service. The Company and its subsidiary have policy to encourage employees to practice and self develop consistently by their position and task. The executive level will focus on the skills of management and psychology. And operational levels will focus on the skills and techniques for employees to learn and practice skills under the guidance of experienced professionals.

The Company have provided training within the company by invited speakers with knowledge from internal and external institutions. In 2014, the Company has provided training to both internal training and external institutions to managements and employees total of 35 courses divided internal training 2 course for Corporate Social Responsibility & Anti-Corruption and Team work, and external training 33 times.

In 2014, The Company have employee development expenses 0.51 million. The average hour of training in 2014 was 24.94 hours/person/year.

Corporate Governance

Corporate Governance

G Capital Public Company Limited is committed to the growth of business stability and sustainability by giving value added to all shareholders and shared value to all stakeholders. The Board of Directors concentrates on the practices complying to the Stock Exchange of Thailand (SET) to apply Good Corporate Governance. The Company assigns corporate governance and ethics as well as business ethics to directors, executives and employees for their implementation to all stakeholders which are announced and communicated to employees including published on the website www.gcapital.co.th. Its objectives are for all employees and related persons to acknowledge and comprehend in the same direction of corporate governance by adhering to transparency, equality, audit, ethics and complying to regulations and related laws as well as responding to economy, society and environment.

The Board of Directors assures that Good Corporate Governance, Ethics and Business Ethics are crucial factors for being the leading Company growing constantly and sustainably as well as participates in developing economy, society and environment of Thailand which create confidence and strong image to all shareholders, investors and related persons both at the present and in the future.

In addition, the Board of Directors considers, reviews and improves corporate governance to achieve the completeness, modern and appropriateness corresponding to present situations; thus this policy is classified as follows:

1. Rights of Shareholders

The Board of Directors realizes the importance of shareholders to carefully and prudently operating business by concerning rights and equality as well as maintaining the highest benefits for shareholders. The Company provides the basic rights as follows:

- ◆ Rights to buy, sell or transfer the Company's shares
- ◆ Rights to participate in the shareholders' meeting
- ◆ Rights to grant the power of attorney for other persons to attend the meeting and vote on their behalves
- ◆ Rights to add meeting agenda
- ◆ Rights to receive dividends
- ◆ Rights to nominate a person to become a board member
- ◆ Rights to vote in election or impeach board member individually
- ◆ Rights to vote in appointment and remuneration of auditors
- ◆ Rights to vote in various agenda
- ◆ Rights to provide opinions and ask questions in the shareholders' meeting and propose criteria in advance
- ◆ Rights to receive information in sufficient and timely manner
- ◆ Provide the most convenience in favor of participating and voting to shareholders

Arrangement of Shareholders' Meeting

The board of directors arranges the Annual General Shareholders' Meeting within 4 months after the end of fiscal year which were established on April 22nd 2014 during 14:30-16:00 at Ballroom 8th Fl. Eastin Hotel, Makkasan, Bangkok, 1091/343 New Petchaburi Road, Makkasan, Bangkok. In that shareholders' meeting, the board send the invitation letter assigning place, date, time, agenda and criteria as well as details and reasons which were clearly defined the proposed issues to be informed, approved and considered or as the case may be including such opinions; then delivering to shareholders and registrar. When any shareholders are unable to attend that meeting themselves, the letter of attorney will be delivered by registered postal service no less than 7 days and published in newspaper no less than 3 days prior to such meeting corresponding to regulations of the Company or regulated by laws

Moreover, the proper meeting will be arranged by its officer to facilitate, assist, verify documents, prepare revenue stamps for shareholders who give/are received the letter of attorney, provide light meals prior the meeting as well as enrollment and count the votes using barcode system. Nonetheless, shareholders allow enrolling 2 hours before the meeting starts and completely receive the voting cards relating to each agenda.

The board, Executives board, secretary and auditors will present in the meeting and answer any doubts to shareholders likewise the president of directors represents as the chairman of the meeting. Prior to the meeting, the chairman assigns the secretary to demonstrate number of shareholders participating by themselves and whom given the authorizations as well as rights according to regulations, conduct, agenda, exercise how to enquire or comment and procedures to vote with the voting cards to each agenda separately; finally disclose the results of voting cards to the meeting. The chairman and the participants; the proxy of shareholders, observe and are eye-witness in counting vote.

The chairman represents corresponding to the assigned agendas and appropriately designated time considering each agenda including propose opportunities to all shareholders to preserve their rights and benefits, such as give opinions, raise questions join debates, etc. Moreover, questions and answers are written and recorded in the minutes of the meeting as well as the results of approval, disapproval and abstained votes from each meeting.

Then, the Company always records each minute of shareholders' meetings which define accurate and complete contents and numbers of director, Executives board, secretary and auditors participating the meeting, inform the results of votes, questions and answers as well as important opinions for the examination of shareholders. Also, these resolutions and statements of such meetings are reported to the SET within 14 days right after the shareholders' meeting date. The annual reports with copy of balance sheet and income statement; which are audited by the auditors and approved by shareholders, plus copy of minutes of the meetings relating to the approved balance sheet, profit allotment, dividends payments to the registrar of public company limited as well as published on website of the Company.

In 2014, the Company's assessment outcome of the quality of the Annual General Shareholders' Meeting was "excellent" (four stars) by Thai Investors Association.



2. Equitable e Treatment of Shareholders

The board of directors realizes and respects the equally treats to all shareholders, minor, major and foreign shareholders as well as institutional investors. In addition, shareholders holding small amount of shares receive the equally treats and rights' protections from any actions concerning to be direct and indirect advantages.

The Company arranged The Annual General Meeting on 22nd April 2014 at Ballroom 8th Fl. Eastin Hotel, Makkasan, Bangkok, 1091/343 New Petchaburi Road, Makkasan, Bangkok and delivered the invitation letters including accurate and complete agendas in timely manner to shareholders. For those who are unable to participate such meeting, the Company will deliver Proxy Form A and B (or Proxy Form C for foreign shareholders who have custodian in Thailand published on Company's website) comprising to the Department of Business Development (DBD) under topic: Prescribed Form of Proxy (No.5) 2550 which are both general model and specific model for shareholders to assign their own votes. These shareholders are able to give their authorization to individual person or independent directors whom the Company informs to vote on behalf of these shareholders. This Proxy Form must be affixed 20 Baht duty stamp by the Proxy Holder or the Company if the Proxy Holder does not.

At 2014 Annual General Shareholders' Meeting, 8 of 9 Company's participants consist of chairman of directors, chairman of Executive directors, chairman of audit committee, independent directors, secretary and Company's auditor.

The chairman assigns the secretary to demonstrate number of shareholders participating by themselves and whom given the authorizations as well as rights according to regulations, conduct, agenda, exercise how to enquire or comment and procedures to vote with the voting cards to each agenda separately; finally disclose the results of voting cards. In addition, the Company regulates corresponding to Company's rules in which one share for one vote and disclosure the voting by preparing the voting cards to each shareholders for each agenda. The Company allows each shareholder for consideration of directors' nominations individually.

Strictly to the regulations, the meeting must be conducted to the agendas without additional topics assigned in the invitation letter. Moreover, the chairman of the meeting governs and proposes opportunities to shareholders'

comment and enquiry sufficiently and appropriately prior to each resolution. After giving the voting cards to shareholders, the Company allows shareholders who are candidates to count, observe and assure the disclosure and transparency of the votes in each agenda. Those voting cards are collected as evidences for further examination, recorded number of approval, disapproval, abstained votes, questions, answers and comments in each agenda in the meeting. Visual Media Video is applied for recording evidences in the meeting, too.

Then, the Company reports the minutes of the meeting to the SET within 14 days right after the shareholders' meeting date as well as publish on website of the Company for examination of shareholders and related persons.

Governing the use of inside information, the Company assigns not to allow the Executives and employees to use this information for their benefits. Moreover, the board of directors arrange a guideline of conflict of interest and related party transactions are shown in corporate governance, prudently and appropriately considered as well as complied to regulations of SET.

3.Roles of Stakeholders

The board of directors realizes and emphasizes the rights of both internal (directors, Executives and employees) and external (competitors, creditors, government and related sectors) stakeholders. These rights are defined by laws and agreed contracts including responsibilities to economy, society and environment to create high ability in competition and business operation stability and sustainability as well as firmly relationship and collaboration between the Company and stakeholders.

Employees: concentrate on its employees with care and fair to continually promote and constantly support in self-develop and trainings in diversified programs; determine fair and appropriate compensations; provide health check-up annually, group insurances, provident fund, loan for continuous educations, emergency loan as well as maintain workplace environment to serve safely and efficiently employees' lives.

Shareholders: realize the equally treats to all shareholders as well as access necessary, correct and appropriate information in timely manner.

Customer: focus on the transparency; fairness; correct examination; qualified, standard, quick and on-time services responding to their needs and closely follow up to create the most satisfaction for customers.

Trade partners: transparently select trade partners; strictly follow on agreed contracts; consistently communicate and exchange opinions to maintain strong relationships; and continual development in each operation to jointly accomplish objectives.

Creditors: respect fairness; strictly adhere to agreed conditions and contracts; timely manner; and do not ruin on agreed contracts.

Competitors: compete and operate business corresponding to rules, regulations and related laws; do not destroy their reputations; do not strive for their secret information; and do not violate their copyrights and intellectual rights.

Community, society and environment: govern corresponding to rules, regulations, and related laws; apply ethics and moral; transparently, fairly and equally operate business; do not take advantages over community society, environment and all stakeholders; jointly create value; thus communicate and continually develop trainings to acknowledge and increase the comprehension of social responsibility.

Notifying the Information and Complaints

The preventive measurement and channels to notify the information, complaints and comment of all stakeholders as follows:

| | |
|------------------------|--|
| Postal service: | Company Secretary / Managing Director / Audit Committee G Capital Public Company Limited 161/1, SG Tower bldg, 8 Fl, Soi. Mahadlekluang 3, Rajdamri Road, Lumpini, Pathumwan Bangkok. 10330 |
| Telephone: | 02-651-9995 ext. 403 (Company Secretary) |
| Fax: | 02-651-9553 |
| Website: | www.gcapital.co.th |
| Email: | nitanc@gcapital.co.th |

Employees are able to notify complaints or propose opinions to board of directors and Executives directly via email in Company's system.

Channels to Directly Contact Audit Committee / Board of Directors

Stakeholders request to contact and complain with audit committee / board of directors via email: nitanc@gcapital.co.th. Moreover, the protection and keep secrets of the informants are processed to examine such complaints and find solutions by the Company.

Investor Relations

Roles and responsibilities of company secretary for investor relations are to correctly and completely communicate as well as disclose information in timely manner for investors, analysts, related parties and Medias such as publications, newspapers, radio, television, meeting and other press conferences including via websites and email, etc.

| | |
|----------------------------|---|
| Investor relations: | G Capital Public Company Limited 161/1, SG Tower bldg, 8 Fl, Soi. Mahadlekluang 3, Rajdamri Road, Lumpini, Pathumwan Bangkok. 10330 |
| Telephone: | 02-651-9995 ext. 403 (Company Secretary) |
| Fax: | 02-651-9553 |
| Website: | www.gcapital.co.th |
| Email: | nitanc@gcapital.co.th |

Also, the Company consistently encourages officers of investor relations to join useful programs in various seminars arranged by IR Development, Good Governance for Development of SET in which 2014 as follows:

- ◆ Basic IR Training
- ◆ Basic Finance for IR
- ◆ Financial Instrument for IR
- ◆ Good Practice for Analyst Presentation
- ◆ Stock Value for IR.

4. Disclosure and Transparency

The Company strongly determines to accurate, complete, in time, equally and sufficiently for decision-making while disclosure information are based on business secretly standardize and crucial strategies for operations.

Moreover, the Company aims to equally disclose information to shareholders, investors, stakeholders and public complying to regulations of SEC and SET which reveal through Annual Report Form 56-1 and 56-2 via SET and Company's websites for shareholders, investors, analysts, stakeholders and interested persons easily and equally access this reasonable information..

The practices of crucial information disclosed through easily, conveniently and reliable channels i.e. publish via websites of SET (www.set.or.th), SEC (www.sec.or.th), and Company (www.gcapital.co.th).

Investor Relations Activities

◆ Opportunity Day by SET with the objectives to clarify the information about the business and operations of the Company to securities analysts, investors, the media and interested persons joining the activity. The SET organizes this Opportunity Day after the announcement of quarterly financial statements; then the Company continuously joins this activity as well as reveals such information to shareholders and investors for a video retrospective from website of Company (www.gcapital.co.th) and SET (www.set.or.th).



◆ Company Visit by the Company with the objectives to clarify the information about the business and operations of the Company to securities analysts, investors, the media and interested persons joining the activity and gives opportunities to members of Thai Value Investor Association to acknowledge the administration and operations of the Company which establish good relationship between the Executives and investors joining this activity. Moreover, this activity creates confidence, reliability, impress and proud to be shareholders of the Company leading to expand base investment in the future.

Throughout the year of 2014, the Company allowed other listed companies to meet the Executives and management department as follows:

- Phillip Securities (Thailand) Public Company Limited
- Country Group Securities Public Company Limited
- AIRA Securities Public Company Limited
- Asia Plus Group Holdings Securities Public Company Limited
- Phatra Securities Public Company Limited
- CIMB Securities (Thailand) Company Limited
- Thai Value Investor Association

Consequently, securities analysts issued analysis of corporate securities 3 times which were shown on Company's website (www.gcapital.co.th).



◆ mai FORUM 2014 on July 1, 2014 by Market for Alternative and Investment and Association of Listed Companies in the Market for Alternative and Investment organize this mai FORUM 2014 at Queen Sirikit National Convention Center with the objects to publicize information of listed companies in Market for Alternative and Investment to investors, securities analysts, the media and interested persons including policies, guidelines and previous business performance. Many activities relating to investments were demonstrated inside the forum i.e. the booth for details and products of listed companies, investment seminars, opportunity day, etc. The listed companies joining such forum were grateful and accomplished the attention of investors, securities analysts, the media and interested persons.



◆ Activities to publish information through different channels by the Company about its introductions, performances and interviews during its impact on negative information to shareholders, investors, stakeholders and interested persons to continually receive correct information i.e. newspapers, TV broadcast, radio and narrator in the converse, etc.

5. Role and Responsibilities of the Board

The Board realizes the importance of role and responsibility of the board in determines corporate governance policy as well as monitor and follow-up the compliance of management on approved policies and plans and accountability for the board of director and shareholders. The Board of Directors comprise of directors who have diversity skills, knowledge, experience and agility sufficient as well as performed the duties with care, dedication and responsibilities. The Board must have leadership, vision, and freedom of decision-making in order to maximize the company's benefits and the overall shareholders.

The company balances its directors' power with the composition of 9 directors.

Details are as follows:

| Position | Executive Director | Non-Executive Director | Audit Committee | Total |
|----------------------------|--------------------|------------------------|-----------------|-------|
| Shareholder Representative | 1 | 4 | - | 5 |
| Independent Director | - | 1 | 3 | 4 |
| Total | 1 | 5 | 3 | 9 |

Three of Audit Committees are Independent Committee or equivalent to 33.33 percent while five of the committees are Non-Executive Director or equivalent to 55.56 percent of the total committee. Thus, a total of eight committees (88.89 percent) is a Non-executive Committee. The Board of Directors is appointed with the Checks and balances system for its effective management. Moreover, the company also identifies company's corporate structure with clearly line of authority and decentralization to prevent the empowerment of individual or a group of person in decision-making.

Management structure of the company consists of the board of directors and other 6 committees as follow:

1. The Board of Directors
2. Audit Committee
3. Executives Committee
4. Risk Management Committee
5. Credit Committee
6. Anti-Corruption Committee
7. Corporate Social Responsibility Committee

(Remark : The details of each committee show on management structure content.)

Terms of committee

According to the Public Company Act B.E. 2535, Term of the Committee and independent committee member is 3 years. However, the retired members are eligible to be re-elected for another term

Board of Directors' Meeting

The Board of Directors meets on a quarterly basis with certain agenda and extraordinary meetings due to special requirements and has been conducted by the Chairman of the Board of Directors. Directors are freely to vote and

express an opinion toward matters proposed agenda. Executive Directors and/or Independent Directors sometime will be invited to attend the meeting. In voting, each committee is entitled to one vote and the majority vote of the committee who attends the meeting and cast their votes. In the case of a tie vote, the chairman of the meeting shall have a casting vote.

All committees are required to attend the meeting except emergency case and any absence shall be informed to the company secretary in advance. The company secretary will arrange meeting agenda for the entire year and will sent invitation letter to directors at least 7 days in advance. The Company Secretary should propose, invite and inform agenda items to all directors for meeting preparation and arrangement which directors may propose an agenda which may incorporate into the meeting's agenda. Meeting minutes shall be submitted to the Chairman of the Board and keep confidential. In addition, all record of attendance shall be submitted in the annual report.

Details of directors' attendance for 2014 meetings were as follow

| Name | Position | 2014 | | |
|------------------------------------|--|----------------------------|--------------------|-----|
| | | Number of meeting attended | | |
| | | As Director | As Audit Committee | AGM |
| 1. Mr.Yongyuth Tariyo | Chairman of the Board | 5/5 | - | 1/1 |
| 2. Mr.Boonsak Chiempricha | Director and Chief Executive Officer | 5/5 | - | 1/1 |
| 3.Asst.Prof.Wipada Tantiprabha | Independent Director and Chairman of Audit Committee | 4/5 | 4/4 | 1/1 |
| 4. Mr.Prameson Pisitpan | Independent Director and Audit Committee | 5/5 | 4/4 | 1/1 |
| 5. Ma.Tawee Kositjiranun | Independent Director and Audit Committee | 5/5 | 4/4 | 1/1 |
| 6. Mr.Suvit Maesincee ¹ | Independent Director | 0/5 | 0/1 | 1/1 |
| 7. Mr.Chinavais Sarasas | Director | 2/5 | - | 0/1 |
| 8. Mr.Nattaphon Sarasas | Director | 4/5 | - | 1/1 |
| 9. Mr.Santi Hokittikul | Director and Secretary of the Board of Directors | 5/5 | - | 1/1 |

Remark: ¹ Mr.Suvit Maesincee has resign from audit committee on 2,May 2014 because of have an additional of engagement and responsibility of work.

Reporting of information

1. The Board of Directors is responsible for the reporting of financial information and general information to shareholders and general investors in an accurate, truthful, comprehensive and transparent manner. Information comes with rational explanations and quantitative supporting evidence both in terms of policies and performances, future trends as well as successes and obstacles of the business.

2. The Board of Directors understands and supports the compliance with the professional standards of auditors.

3. The Company's Board of Directors has produced a report on the responsibilities of the Board of Directors on the provision and publicisation of financial reports of the business and has publicised it alongside the financial statements and reports of auditors. It covers;

- Legal regulations assigns the Board of Directors with the duty to produce financial statements to show the financial status and the performance in the previous year that are accurate/true and rational.
- The responsibilities of the Company's Board of Directors in the provision of correct, comprehensive and sufficient accounting information to be able to maintain the Company's assets and to realise weaknesses to prevent corruption or abnormalities.

- Confirmation that the Company has adhered to the generally accepted accounting standards. The Company uses appropriate accounting policies and constantly adheres to them. The Company has carefully considered the rationality and appropriateness in producing financial statements of the Company.

Corporate Governance Policy

The directors determine good corporate governance policy in written in accordance with the principles of Good Corporate Governance as well as strictly comply with company policies, rules, regulations and related law. All details of corporate governance are disclosed in the annual report and Form 56-1

Business Ethics

The Company is conducting the business with great awareness in ethical and moral issues for all members of the Board of Directors, managerial team and employees to continue his/her duty with honesty, integrity, morality, and of course, highest quality. Moreover, the company is strictly conducted with anti-corruption policy.

The Business Ethics had also been announced and regularly review for information of the Company's employees acknowledgement.

Risk Management

The company assessed the Risk Management Committee responsible for consideration the overall organizational risks both internal and external, which shall have an effect in management such as financial risk, operation risk, market and competition risk, strategic risk, compliance risk, credit risk, asset management risk, and other risk factors. The Risk Management Committee shall classify risk levels, prescribe risk management guidelines and assign the responsible persons to carry out risks control measures to make them in acceptable level with aims to make the Company achieve the set objectives and strategies.

Internal Control

The Board has assessed the Company's internal control system for both financial and operation based on the company rules and regulation and work procedure as well as set up an examining procedure with coequality and efficiency. Moreover, the company also appointed authorized Director in writing. The Corporate Governance Committee will monitor and ensure that Company's regulations, Corporate Governance Policy and Business Ethics have been strictly and continually complied. In addition, the company also hire Office Pitisevi Co., Ltd. as an Auditor Independence for inspection the Company's internal control system and internal audit system to ensure that they are suitable and efficient.

Succession Planning

The committee shall ensure that recruitment and selection process has been set appropriately for searching appropriate candidates according to the company rule and regulations. Moreover, the company shall set the Succession Planning and Management Development Program to prepared successors for their potential improvement.

Committee Self-Assessment

The company determined that committees shall perform their Self-Assessment at least once a year according to The Principles of Good Corporate Governance for Listed Companies. The result of assessment will be useful for development program aimed to increase the effectiveness of the Board and its committees. The assessment shall cover the areas of business knowledge and understanding, role and responsibility of the committee, business strategic formulation, rules and regulation and related law, internal control and auditing, effective meeting, and annual performance assessment.

Orientation for New Directors

◆ The Company will arrange an orientation program designed to familiarize new directors with the Company and operations, its management structure, shareholder structure, committees, business performance and financial highlight. Directors will be provided with information regarding corporate governance, Business ethic, rules and regulation as well as related law such as Public Limited Companies Act B.E. 2535, The Securities and Exchange Act (No.4) B.E. 2551.

◆ The company also announces that all new committees shall participate in training course of Director Accreditation Program (DAP) arranged by the Thai Institute of Directors (IOD) within 6 months of announcement of appointed.

Directors and Management Development

The company attaches importance to the development of its directors and encourages directors to regularly participate in such courses or activities as will serve to enhance their knowledge and performance as members of the Board of Directors and Board committees. List of Training courses and participators in 2014 are as follows;

Director Course of Training

Mr.Chinavais Sarasas and Mr.Nattaphon Sarasas

◆ Director's Accreditation Program (DAP) held by Thai Institute of Directors (IOD)

Mr.Boonsak Chiempricha

◆ Corporate Governance for Capital Market Intermediaries (CGI)

Executive Course of Training

◆ CSR Report held by Social Responsibility Center, The stock Exchange of Thailand

- CSR Report (Form 56-1)
- CSR Report
- CSR for Corporate Sustainable
- CSR Sharing & Consulting#1
- CSR Workshop : Stakeholder and Communication Management
- CSR Workshop : Responsibility Supply Chain Management
- CSR Workshop : Stakeholder Engagement
- CSR Sharing & Consulting#2

In addition, chief executive also participated as well as was a guest lecturer in many dialogue and seminar activities aimed to share their direct experience, knowledge and opinion.

In 2014, the company as a listed companies in Market for Alternative Investment (MAI) was appointed, from The stock Exchange of Thailand, to participate in Corporate Sustainability Advisory Program aimed to enhanced the awareness of and understanding about socially responsible investment as well as sharing the board experiences with the broader development which will be useful for manage and develop organization with efficiency. The company also produced Sustainability Report Year of 2014 ,which divided from Annual Report , so as to disseminate the company policy and working process with good corporate governance to ensuring the company long-term sustainability growth as well as to advance social , economic and environment responsibility. All information is posted on The Company's website (www.gcapital.co.th)



Decision on acquisition or disposition of related party transaction of the company's asset

Transaction of the listed company and any of its subsidiaries (in which the listed company hold shares in an amount exceeding 50 percent of the subsidiary's paid in capital) make a decision to enter into an acquisition or disposition of connected transaction of fundamentally important company assets The company has decision to enter into any transaction as specified by the Exchange. In the case of connected transaction, Company should be use the approval of shareholders in decision to enter into acquisition or disposition of connected transaction of fundamentally important company's asset. The approval of the shareholders for the decision to enter into the transaction requires a vote of not less than three of fourth of the total votes of the shareholders or their proxies (if any) who are present at the meeting and who have right to vote, excluding the votes of interested shareholders have to follow Rules and Procedures of the Stock Exchange of Thailand.

Conict of Interest

The committee determines conflict of interest policy and code of conduct that any action cause conflict of interest shall be avoid as for the highest benefit for the company. All cases of conflict of interest which involve with employees shall be declared to the Company and those who has the beneficial interest shall have no right to vote on that matter.

Any case of conflict of interest which involve with employees shall have to report to the Audit Committee for consideration and submit the issue to the Board of Director and Shareholder Meeting, which participated person

will not attend. The said conflict of interest will be carefully examined to ensure that the transaction is complied with SET's regulation. All details of such transaction must be disclosed in the annual report and Form 56-1 as well as financial statement remark.

Prevention of inside information used by management

The Company has policies and procedures to take care and manage the use of information within the company which was not disclosed to the public to use for personal gain, including trading securities as follows:

- ◆ To educate the Directors as well as management in every departments about the duty to report the securities holding of themselves, their spouse and minor children to the Securities and Exchange Commission and The Stock Exchange of Thailand under Section 59 and penalty provisions under section 275 of the Securities and Exchange Act of 1992.
- ◆ The company orders the directors and management to report the change of the holding of securities to The Securities and Exchange Commission under Section 59 of the Securities Exchange Act of 1992 within 3 business days from the date of the transaction and send copies of this report to the Company on the same date to submit a report to the Securities and Exchange Commission.
- ◆ The Company has determined that directors, executives and related practitioners who get inside information related to the subject matter which affects the stock price shall suspend the trading of the Company before the financial statements or information is disclosed to the public within a period of one month and should wait at least 24 hours after disclosure to the public, including prohibiting the disclosure of a material to others.
- ◆ The Company set disciplinary actions if there is a violation of using inside information for their own benefits starting from written warning, pay cut, and temporary suspension without pay or force to leave. Their punishment will be determined by the intention of the action and the seriousness of the offense.

Corporate Social Responsibility

The Company has prepared a sustainability report 2014 separate from annual report for disclose the policy, operations of social responsibility and sustainable development of the company together with participation development for economic social and environment.

The Company send a sustainability report 2014 with the annual report to shareholder and disclose via the website of the company www.gcapital.co.th

Internal Control and Risk Management

The Company has strategic managements align with Good Corporate Government, Risk Management and Internal Control to achieve business operation properly and efficiently.

The efficiency internal control is an important management tools to the Company goals. The procedures are aligned with the internal integrated framework of the Committee of Sponsoring Organization of the Treadway Commission (COSO) that was improvement in 2014 to apply in operations management as follows:

Internal Environment

- ◆ The Boards of Directors and management stipulate code of conduct and code of conduct for the Boards of Directors, management and staff.
- ◆ The Boards of Directors consists of 44.44 independent directors which are more than the regulation minimum requirement which allow independence from management in assessment and decision making for effective internal control.
- ◆ The Boards of Directors and management establish the Company Structure, appropriate responsibilities and segregate of duties to achieve effectiveness of the internal control.
- ◆ The Boards of Directors and management recognizes the importance of the employees that are precious resources of the organization. The company has promoted the development and consider revenue, welfare of their employees appropriately.
- ◆ The Boards of Directors and management set up a system of governance, good internal control that has a department to responsible for oversight and clearly.

Risk Assessment

- ◆ The Company identifies risks that may affect the business operation and specific risk response in the corporate levels and functional levels including fraudulent or inappropriate conduct.
- ◆ The Company specified objective of the operations, Financial and Non-Financial reporting including compliance with all laws and regulations and identified residual risks to the acceptable level.

Operation Control

- ◆ The Company has the control activities to mitigate the residual risks to the acceptable level including preventive control, segregate of duties, the level of assessment data and information control, the Level of authorization in business operations and business transactions and physical company assets controls.
- ◆ The Company has implemented and maintained s Business Continuity Policy including the event of an uncontrollable emergency situation to ensure continuous business operation.
- ◆ The Board of Directors set up a policy for control a management system from procedure and work instruction of each party and have set up an authorization approval for the management to continuing operations by taking into account the best benefit of the company.

Information and Communication

- ◆ The Company implements an efficient information system to provide accurate complete and timely information to support business operation and including the preparation of appropriate information for management decisions making.
- ◆ The Company has a communication channel to inform and shared information to staff via electronic email and bulletin board.
- ◆ The Company has an investor relationship channel to communicate to the investors and has a stakeholders communication

Monitoring

- ◆ The Company provides the Office of Pitisevi Company Limited Is independent internal auditor, evaluate the efficiency and effectiveness of internal control including the information technology control to ensure that the Company has appropriated business operations and the material financial activities including compliance with all laws and regulations in the business operation. Furthermore an annual internal audit plans was prepared base on Risk Based Audit Approach and aligned with the internal integrated framework of the Committee of Sponsoring Organization of the Treadway Commission (COSO) and was approved from the Audit Committee. The internal audit report was directly reported to the Audit Committee every quarterly.
- ◆ The Company have a compliance department to monitoring and review of operations in accordance with the law, regulations of the relevant authorities including operating according to the manual operation of the party and reports directly to the Managing Director and Audit Committee.

In 2014, The Board of Directors evaluated and assessed the Company internal control under the guidelines of the Office of the Securities and Exchange Commission and satisfied the Company maintains and appropriate and effective internal control.

Related Party Transactions

The Company have related party transactions with connected persons who may have conflict of interest, all of which being made in a normal course of business of the Company. In approving the related party transaction, the Company set out policy to proceed according to normal trading terms by referring to appropriate market rate and condition. In case where the transaction is not normal business transaction or without normal trading terms, such transaction must be presented to the Board of Directors' meeting for approval. In approving the related party transaction, directors and persons with potential interest or potential conflict of interest will not be entitled to participate in the voting of such transaction. Such transaction must be reported to the Company's Board of Directors for further acknowledgement accordingly. In entering into such transaction, it must be ensured that the transaction must provide maximum benefit to the Company.

In considering the transaction, the Audit Committee must attend the meeting for review its necessity and reasonableness by considering price and rate of return of such transaction except where the related party transaction is the normal business transaction or has normal trading terms which can be approved by the Executive Board of Directors or Chief Executive Officer within the predetermined authorized limit. In case where the Audit Committee does not have expertise in considering the transaction arisen, the Company will arrange to have person with expertise and skill, e.g. the Company's auditor or independent expert, to provide opinion on such connected transaction. Opinion of the Audit Committee or expert will be used as support for decision making of the Company's Board of Directors or shareholders as the case may be.

In addition, the information on related party transactions will be disclosed in the notes to financial statements as audited by the Company and its subsidiary's auditor. The related party transaction must be made in accordance with the Securities and Exchange Act, rules and regulations, notification, order or provision of the Office of Securities and Exchange Commission and/or the Stock Exchange of Thailand concerning the related party transactions or the acquisition and disposal of the Company's asset in a strictly manner. The Company must also comply with the provision concerning the disclosure of information of connected transaction and acquisition or disposal of asset.

In entering into any potential related party transaction in the future, the Company will proceed according to the measure stipulated above. It has a policy to operate in accordance with normal course of business by referring to appropriate market rate and condition to maximize benefit to the Company.

Details Related Party Transactions

According to the resolution from the Board of Directors meeting No. 1/2015 on February 23, 2015 also attended by the Audit Committee and the independent directors to review the related party transaction for the period ended December 31, 2014 and December 31, 2013, the Board of Directors provided opinion concerning related party transactions that such related party transaction were necessary for the ordinary course of business whereas terms of such related party transactions with related persons during such period were according to the market rate, contractual and agreed price which were reasonable and in the ordinary course of business. Details of the transaction can be summarized as follows:

| Partiers with potential conflict/ Nature of transaction | Type of transaction | Value of related party transaction for the period ended (Baht) | | Reason and necessity of related party transaction/ Remark |
|--|---|--|--------------|--|
| | | 31 ธ.ค. 57 | 31 ธ.ค. 56 | |
| Nature Trans Co.,Ltd Related through executives | Rental vehicles expense | - | 240,000 | Related party transactions are in accordance with a normal business and support the operation of the company to maximize profit, This transaction is considering and approval by Audit Committee and the Board of Directors. |
| General Outsourcing Co.,Ltd Related through directors | Maintenance Server | 120,000 | 120,000 | Related party transactions are in accordance with a normal business and support the operation of the company to maximize profit, This transaction is considering and approval by Audit Committee and the Board of Directors. |
| Song Nam Co.,Ltd Shareholders | Dividend paid | 8,423,750 | 13,000,000 | This transactions subject to an announcement that approval from Shareholders meeting. |
| Government Saving Bank Fund Shareholders | Dividend paid | - | 4,685,625 | This transactions subject to an announcement that approval from Shareholders meeting. |
| Government Saving Bank (Hold by individual fund by Government Saving Bank) Shareholders | Interest income | 135,344 | 137,473 | Related party transactions are in accordance with a normal business and support the operation of the company to maximize profit, This transaction is considering and approval by Audit Committee and the Board of Directors. |
| | Interest expense | 6,983,412 | 17,732,736 | Related party transactions are in accordance with a normal business and support the operation of the company to maximize profit, This transaction is considering and approval by Audit Committee and the Board of Directors. |
| | Bank charge | 785,558 | 254,004 | Related party transactions are in accordance with a normal business and support the operation of the company to maximize profit, This transaction is considering and approval by Audit Committee and the Board of Directors. |
| | Deposit at bank | 86,288,715 | 3,589,914 | |
| | Accrued interest expense | 45,129 | 497,774 | |
| | Long term loan from financial institution | 8,321,509 | 149,509,589 | |
| | Current portion of long term loans | (8,321,509) | (49,831,333) | This transactions subject to an announcement that approval from Shareholders meeting. |
| | Dividend paid | 2,749,443 | 2,905,688 | |
| UOB Bank (Singapore) (Hold by individual fund by Government Saving Bank) Shareholders | Dividend paid | 2,749,443 | 2,905,688 | This transactions subject to an announcement that approval from Shareholders meeting. |

Reasonableness of the Related Party Transactions

According to the resolution of the Board of Directors' Meeting No. 1/2015 on February 23, 2015 where the Audit Committee who are independent directors have attended, it was opined that the related party transaction is necessary in the normal operation of business. Terms of the related party transactions are made according to the market price, contractual price and agreed price, which are reasonable and in the ordinary course of business.

Measures or Process for Related Party Transaction Approval

To prevent any conflict of interest arisen from the transaction, the related transaction between the company and a person with potential conflict of interest, which is neither in the normal course of business nor has normal term of trading must be presented to the Board of Directors' meeting for approval. Directors and persons with interest or potential conflict of interest in such transaction will not be entitled to vote on such matter and must report the Board of Directors accordingly. Such transaction must be entered for the maximum benefit to the Company. In considering such transaction, member of the Audit Committee must attend the meeting to provide opinion pertaining to the execution of such related party transaction, except if such related party transaction entered by the Company or related companies is made in the normal course of business or normal trading terms. In such case, the Managing Director or high executives management is authorized to approve the transaction according to the predetermined approval authority limit. The execution of related party transaction, however, must be in accordance with the Securities and Exchange Act, regulation, notification, order or the provision of the Office of Securities and Exchange Commission and/or the Stock Exchange of Thailand concerning the related party transactions and the acquisition and disposal of the Company's asset in a strictly manner.

Policy or Tendency of Related Party Transactions

In entering into related party transaction in the future, the Company's procedures are as discussed earlier in order to maximize benefit to the Company. Accordingly, it is the Company's policy to undertake the transactions according to the normal course of business based on appropriate market price and conditions. The Audit Committee and/or Independent Director will be required to audit and provide opinion, taking into account pricing and return, on the necessity and appropriateness of the transactions. In relation to the execution of related party transactions in the future, the Board of Directors must comply with the Securities and Exchange Act, regulation, notification, order or the provision of the Office of Securities and Exchange Commission and/or the Stock Exchange of Thailand concerning the disclosure of information of related transaction and the acquisition or disposal of assets.

However incase of the Audit Committee have no special skill for consideration related transaction which occurred, the Company will provide specialists such as auditor of the Company or independent expert provide opinion on such related transaction. The opinion of the Audit Committee or specialist will be applied to decision of the Board of Directors or shareholders. Moreover, the Company will be disclosed the related transaction in the note of financial statement have been audited by the auditors of the Company and its subsidiary.

Management Discussion and Analysis

Financial Statement

1) The Company's auditor

| Year | Independent Auditor Name | Certified Public Accountant's Number | Independent Auditor's Company |
|------|--------------------------|--------------------------------------|-------------------------------|
| 2014 | Mr.Pojana Asawasontichai | 4891 | Dharmniti Auditing Co.,Ltd. |
| 2013 | Mr.Vichai Ruchitanont | 4054 | ANS Audit Co.,Ltd |
| 2012 | Mr.Vichai Ruchitanont | 4054 | ANS Audit Co.,Ltd |

2) Summary of auditor report

The auditor report for the financial statements in 2012-2014 expressed an unqualified opinion that the financial statements had been prepared accurately in accordance with the generally accepted accounting standards.

Explanation and Analysis of Company's Financial Status and Performance Company's performances

G Capital Public Company Limited ,the company provide is hire purchase agricultural machinery in new and used agricultural machinery such as rice harvester combine, crawling rotavator, farm tractor, wooden loader, sugar cane loader. The company objective is to provide farmers with access to capital easily, enable farmers to use modern agricultural machinery in agricultural occupations and have revenue, stable income and sustainable to living.

The main business of the Company Can be divided into 4 categories: 1) Hire purchase business 2) Multi Purpose Loan 3) Personal Loan 4) Others Services such as facilitate of agricultural machinery insurance, coordination in the agricultural profession service.

For the year 2014, the company has grown to provide personal loans, for working capital to customer. The objective is to provide a loan to customers with a good payment records for use in occupation and grown a loan with collateral for customer that suffer from the effects of delays in payment of pledged goods sector and the impact of natural disasters that customers don't have illiquidity and lack of funds for the occupation. The service of company has good feedback from customer. been well received by customers. In addition the Company has been expanded in hire purchase large farm tractors with attachment equipment to cover the economic plant such as sugarcane and cassava.

Revenue

The revenue of the Company comprises income from the right under the hire purchase contracts, penalty and other income. Total income of the company for the years 2014 and 2013 amounted to Baht 186.22 million and Baht 163.40 million, increase 22.82 million baht equivalent to 13.97 percent higher. The income from the right under the hire purchase contract is considered as the main income of the Company equivalent to 92.32 percent and 94.69 percent of total revenues in 2014 and 2013, respectively.

Expenses

The expense of the company consists of cost of sales, administrative expenses and allowance for doubtful debt, which are detailed as follows:

Selling Expense

The expense of the sale of the company was mostly from sales personnel costs, including salaries, bonuses, allowances, transportation expenses, promotion expense, etc.

The selling expense for 2014 and 2013 were Baht 8.73 million and Baht 7.41 million, increase 1.32 million baht equivalent to 4.69 percent and 4.53 percent of total revenues.

Administrative Expenses

The expense of administration was mainly from personnel costs, including salaries, bonuses, rents and service charge, depreciation, utilities, gasoline, and fee, etc.

The administrative expenses for 2014 were Baht 51.57 million equivalent to 27.69 percent of total revenues, increase than in 2013 at Baht 4.15 million or equivalent to of 8.75 percent. The increased costs are rental area for office, staff costs, remuneration, and fee. That expansion of normal business transaction as usual.

Financial cost

The financial cost of the Company in 2014 and 2013 amounted to Baht 36.50 million and Baht 39.10 million respectively, decrease 6.67 percent. The finance cost of the company decreased from Due to the recapitalization of the company and funding through the bond market that have interest rates decline.

Profit

The profit of the company in 2014 and 2013 were Baht 59.42 million and Baht 42.81 million, equivalent to 31.19 percent and 26.20 percent of total revenues.

The earnings from 2014 increased Baht 16.60 million from 2013 which increased 38.78 percent as the expansion of the credit lending resulting the increased revenue from the right under the hire purchase contract . Also the total cost per unit decreased and cost of fund is decrease from the past year.

Income tax expense

In 2014 and 2013 the corporate tax is 20 percent.

Earnings per Stock (EPS)

In 2014 the company have an earnings per share is 0.30 baht per share compare with the year 2013, the company increased its capital and paid -up on November 29, 2013 by increasing from 150 million shares to 200 million shares, the number of common shares weighted average the number of common shares in 2013 amounted to 154.52 million shares. The earnings per share was Baht 0.28. Compared with 2014, increase from the year 2013 equivalent to 7.14 percent.

Profitability Ratio

Profitability Ratio is the difference between interest rates for delinquent fines plus income and realty Income from loans to hire purchase contract with paid Interest rate. In 2014, the difference of capabilities to earn a profit margin of 14.84 percent. While in 2013 the difference in capabilities was 13.91 percent due to decrease cost of fund from raising capital and funding through the bond market.

Financial Status

Assets

Assets of the Company consist of as follows:

- 1) Current assets include cash and cash equivalents, current portion of lease receivables due within one year, receivables during the legal proceedings with collateral and other receivables.
- 2) Other current assets include accounts receivable under hire purchase and personal loan receivables due more than one year, receivable during the legal action, deferred tax assets and other non-current assets

Total assets of the Company at the end of 2014 was Baht 1,057.71 million, increasing from the total assets in 2013 as 936.88 million baht or increase 120.83 million baht equivalent to 12.90 percent. The significant factors of changes is cash and credit term from supplier and increase amount of 88.88 million baht, accounts receivables under the hire purchase contract is amount of 11.10 million baht.

Hire-Purchase Receivables

At the end of 2014 and 2013, the Company had accounts receivable under hire purchase contract at 902.91 million baht and 891.80 million baht respectively, representing total assets at 85.36 percent and 95.19 percent respectively. The of Accounts receivable under the contracts showed under the hire-purchase contract minus the interest that has not been recognized as revenue and allowance for doubtful accounts plus provision for value added tax. The Assets is considered a major asset of the company.

Personal Loan

In 2014, the company launch a financial service for personal loan, accounts receivable net of allowance for doubtful accounts of 16.07 million baht.

Quality of Accounts Receivable

To deal with allowance for doubtful accounts, The Company has applied the provision according to the notification of the Bank of Thailand No. Sor Nor Sor 31/2008 concerning the classification and the provision of financial institutions, announced on August 3, 2008. The Company has the policy of setting provision for doubtful accounts at a rate of 2.5 percent of account receivables under the hire purchase contract along with assessment of customer's payment histories and the values of hire-purchasing collateral when the collateral is returned comparing with the Company's criteria in accordance with the Federation of Accounting Professions No. Sor NOR 111/2004 dated April 23, 2004 commented on the provision of allowance for doubtful accounts of Consumer Finance business and the circular Notice No. Kor Lor Tor. Chor Sor (Wor) 2 /2004 commented on the allowance for doubtful debts of the Consumer Finance business.

The policy of provision for allowance for doubtful accounts defines that 1 installment is 3 months period.

| A/R | Provision for Doubtful Accounts |
|-------------------------------|--|
| Normal Accounts Receivable | 1 Percent of net accounts receivable |
| Overdue period | |
| Not more than 0.5 installment | 2 Percent of net accounts receivable |
| 0.5 — 1 installment | 2 Percent of net accounts receivable |
| 1 — 2 installment | 2 Percent of net accounts receivable |
| 2 — 3 installment | 2 Percent of net accounts receivable |
| More than 3 installment | 100 Percent of net accounts receivable after subtracting 62 % of collateral assessment |

At an end of fiscal period, In case offound the allowance for doubtful accounts at the rate of 2.50 percent of accounts receivable under the lease is not enough when compared to the above criteria, the Company will increase a provision for doubtful accounts according to the criteria. And if the Company found that receivable is unable to pay debts or have dishonest behavior that may escape or death or being filed for bankruptcy, the Company will assess the value of the collateral to be zero immediately at the date noticed, and will set the provision for doubtful receivable for 100 percent immediately, regardless of how many unpaid installments.

Table of Aging of accounts receivable under hire purchase contracts

| Type of Accounts Receivable | For the year ended | | | | | |
|---|--------------------|-----------|----------------|-----------|----------------|-----------|
| | 2014 | | 2013 | | 2012 | |
| | Value | Ratio | Value | Ratio | Value | Ratio |
| | (Million Bath) | (Percent) | (Million Bath) | (Percent) | (Million Bath) | (Percent) |
| Normal | 706.64 | 73.33 | 671.35 | 71.10 | 601.42 | 80.97 |
| Overdue | | | | | | |
| Special level (less than 0.5 installment) | 15.43 | 1.60 | 37.23 | 3.94 | 20.66 | 2.78 |
| Lower than Standard (more than 0.5 - 1 installment) | 49.70 | 5.16 | 90.11 | 9.54 | 48.47 | 6.53 |
| Suspicious level (more than 1 - 2 installment) | 61.83 | 6.41 | 90.48 | 9.58 | 44.69 | 6.02 |
| Doubtful level (more than 2 - 3 installment) | 87.33 | 9.06 | 26.92 | 2.85 | 17.70 | 2.38 |
| Doubtful level (more than 3 installment) | 42.76 | 4.44 | 28.09 | 2.98 | 9.84 | 1.32 |
| Total | 963.69 | 100 | 944.18 | 100.00 | 742.78 | 100.00 |
| Subtract provision for doubtful accounts | (60.79) | (6.31) | (52.38) | (5.55) | (38.79) | (5.22) |
| Net Accounts Receivable under Hire- purchase contracts | 902.90 | 93.69 | 891.80 | 94.45 | 703.99 | 94.78 |

Remark: The period of payment of installments receivable is at 3 months.

In 2014 the ratio of accounts receivable in excess of the due date in Doubtful level (more than 3 months) increased from 2.98 percent to 4.44 percent of total receivables due rice pledging scheme that has not paid farmers causing some accounts receivable of the Company cannot fully pay their installment as agreed. However, the customers had paid partial payment and the Company has followed up and deal with the receivables overdue by having customer relationship management team visit the receivables to examine and ask the reason for overdue payments and find the solutions for the receivables to pay the installment. Different procedures for each case were used depending on their behavior and ability to repay the loans such as planning and set up a due, Adding a collateral and delivery agriculture machinery back to the company. The company set up a down payment at 30 percent of a price of a products. In case of a products delivery from receivables, the company will announce to auction. If the company can not to sell the products, the Company still has an agreement with the partner to return the products.

Personal Loan

The company has grown to provide personal loans, for working capital to customer. The objective is to provide a loan to customers with a good payment records for use in occupation and grown a loan with collateral for customer that suffer from the effects of delays in payment of pledged goods sector and the impact of natural disasters.

Table of Aging of accounts receivable under personal loan contracts.

| Type of Accounts Receivable | For the year ended December 31, 2014 | |
|---|--------------------------------------|-----------|
| | Value | Ratio |
| | (Million Bath) | (Percent) |
| Normal | 15.89 | 95.72 |
| Lower than Standard (more than 0.5 - 1 installment) | 0.71 | 4.28 |
| Total | 16.60 | 100.00 |
| Subtract provision for doubtful accounts | (0.53) | (3.19) |
| Net Accounts Receivable under personal loan contracts | 16.07 | 96.81 |

Remark: The period of payment of installments receivable is at 3 months

Receivables with net collateral during legal proceedings

Receivables with net collateral during legal proceedings is accounts receivable under the hire purchase contract that terminated the contract deducts from income from the right under hire purchase contract that has not yet recognized as revenue at the date of termination and deducts allowance for doubtful accounts. At the end of 2014 and 2013, receivables during legal proceedings secured a net worth Baht 7.02 million and Baht 1.94 million or equivalent to 0.66 percent and 0.21 percent of total assets, respectively. In 2014 account receivable with collateral during the legal proceedings decreased from year 2013 at Baht 5.008 million or 261.86 percent.

Other receivables

Other receivables consist of Revenue Department receivable, employee loans receivable, and other receivables, etc. At the end of 2014 and 2013, the values of other receivables was Baht 4.37 million and Baht 10.35 million or 0.41 percent and 1.11 percent of total assets, respectively.

Receivables during legal proceedings

Receivables during legal proceedings are the debtors that the Company has sued for more because the collateral issued insufficient debt of the receivable. At the end of 2014 and 2013, receivables during the legal action was worth Baht 1.88 million and Baht 0.61 million, respectively.

Equipment

Equipment includes computers and devices, office furniture, appliances and office equipment and vehicles. The equipment value is calculated by cost subtracting accumulated depreciation. The Depreciation is calculated on a straight-line basis over the estimated useful lives approximately five years. By the end of 2014 and 2013, the equipment value was Baht 6.51 million and Baht 5.41 million or 0.62 percent and 0.58 percent of total assets, respectively. In 2014, the equipment increased from 2013 Baht 1.10 million or 20.33 percent due to the the company has rental space usage increased, so has the rise office decor. Due to business expansion.

Deferred in come Tax Assets

Deferred income tax assets are deferred income tax recorded by the calculation of temporary differences arising between the carrying amount of assets and liabilities and the amounts used for taxation purposes. Deferred In come tax accounts are measured using tax rates expected to apply to the temporary differences when they reverse, based on laws enacted or are expected to become effective at the reporting date. In 2014 and 2013, the deferred tax assets were Baht 18.92 million and Baht 15.61 million, equivalent to 1.79 and 1.67 percent of total assets, respectively. The increase in deferred tax assets was a result of the provision increased employee benefit obligations in accordance with accounting standards on employee benefits and the allowance for doubtful accounts at a rate of 2.5 percent of the liability for each month.

Liabilities

Total liabilities in 2014 and 2013 was Baht 752.70 million and Baht 664.54 million, respectively. In 2014, total liabilities increased from 2013 at Baht 88.16 million, representing 13.27 percent due to the company growth.

Trade and Other Payables

Trade accounts payable is trade accounts payable that are the payable for rice harvester combine and other creditors consisting of interest accrual, withholding tax accrual. As of the fiscal year-end 2014 and 2013 trade payables and other payables amounted to Baht 64.80 million and Baht 16.06 million, respectively.

Sources of funds of the Company are as follows:

| Source of funds | For the year ended | | | | | |
|--|--------------------|-----------|----------------|-----------|----------------|-----------|
| | 2014 | | 2013 | | 2012 | |
| | Value | Ratio | Value | Ratio | Value | Ratio |
| | (Million Bath) | (Percent) | (Million Bath) | (Percent) | (Million Bath) | (Percent) |
| Loans | 672.56 | 68.80 | 634.21 | 69.96 | 582.32 | 81.91 |
| Short - term loans from financial institutions | 186.38 | 19.07 | 39.20 | 4.32 | - | - |
| Short-term loans from third parties | 14.85 | 1.52 | 178.85 | 19.73 | 542.31 | 76.28 |
| Short-term unsecured debentures | 164.91 | 16.87 | 266.65 | 29.41 | - | - |
| Current portion of long-term loans from financial institutions | - | - | 49.83 | 5.50 | 40.01 | 5.63 |
| Long-term unsecured debentures | 298.10 | 30.49 | - | - | - | - |
| Long-term loans from financial institutions | 8.32 | 0.85 | 99.68 | 11.00 | - | - |
| Shareholder's equity | 305.01 | 31.20 | 272.34 | 30.04 | 128.58 | 18.09 |
| Total | 977.57 | 100 | 906.55 | 100.00 | 710.90 | 100.00 |

Shareholders' Equity

The Shareholders' Equity of the Company as of 31 December 2014 and 2013 were Baht 305.01 million and Baht 272.34 million, increasing by Baht 32.67 million or equivalent to 12 percent. The cause of the increase of the shareholders' equity was from the increase of company performance and cost of fund management which the Company's return on equity in 2014 and 2013 were 20.58 percent and 21.36 percent, respectively.

Audit Fee

In the fiscal year 2014, the Company paid Audit fee to the auditors to Dharmniti Auditing Co., Ltd. in the amount of Baht 515,000

Liquidity Analysis

Unit : Million

| Items | 2014 | 2013 | 2012 |
|--------------------------------------|--------|----------|----------|
| Cash flow used for operations | 80.45 | (141.84) | (118.80) |
| Cash flow used for investment | (3.04) | (1.22) | (0.81) |
| Cash flows from financial activities | 11.48 | 148.09 | 117.94 |
| Net cash increase (decrease) | 88.88 | 5.02 | (1.67) |

Cash Flows for Operations

The Company's cash to used in operating activities in 2014 and 2013 was Baht 80.45 million and Baht 141.84 million, respectively. The cause is receivable management to more collection from receivables and have a credit term from supplier.

Cash ow used for investment

The Company's cash used in investing activities in 2014 and 2013 were Baht 3.04 million and Baht 1.22 million, respectively. In 2014, the cash flow used in investing activities increased Baht 1.82 million from 2013 because of the company rental an office space to operation and expand business.

Cash ows from nancial activities

The Company's cash flows from financial activities in 2014 and 2013 was Baht 11.48 million and Baht 148.09 million, respectively, The Company had cash flows from financing activities in 2014 less than in 2013 of 136.61 million baht because of the overall of economic slow down.

Source of fund

Capital Structure

Debt to equity shares at the end of 2014 and 2013 were 2.47 times and 2.44 times, respectively.

Responsibilities for the Board of Directors for Financial Report

The Board of Directors of G Capital Public Company Limited is responsible for the preparation, disclosure and presentation of the Company's financial statements including financial information shown in Annual Report of 2014. Such financial statements were prepared according to general accepted accounting principles with thorough consideration in using appropriate, adequate and consistent accounting policies and estimation related to the financial statements to ensure that the financial report had no material incorrect information for the benefit of shareholders and general investors.

The Board of Directors appointed the Audit Committee comprising independent directors to review accounting policies, supervise the quality of financial statements, review internal control system, internal audit and risk management as well as to consider the disclosure of connected transactions which the opinion of Audit Committee of such issue shown in the Audit Committee Report in the Annual Report.

The financial statements have to be audited by a certified public accountant from Dharmniti Auditing Company Limited which conducts the audit in accordance with auditing standards. And the financial statement shall comply with ethical requirements and also plan and perform the audit to obtain reasonable assurance that the financial statements are without of facts that might cause fraud or error. The opinion of the auditor appears in the report of the auditor depicted in the Annual Report.

The Board of Directors has established proper and efficient control system, risk management system including internal control system of various aspects in order to rationally assure that the accounting information was correctly and completely recorded and adequate to sustain the Company's assets as well as to prevent fraud or any material irregular operation.

The Board is of the opinion that the Company has good internal control system that is adequate and appropriate. It is confident that the financial statements of the Company for the year ended 31 December 2014 are reliable and compliance with the financial reporting standards, the right practice and related regulations.



(Mr. Yongyuth Tariyo)

Chairman of the Board



(Mr. Santi Horkittikul)

Manging Director

and Secretary of Board of Directors

Report of the Audit Committee for the year 2014

The Audit Committee of G Capital Public Company Limited is currently comprised of independent directors with requirements and best practices of the Audit Committee of the Stock Exchange of Thailand which was appointed by the Board of Directors. The Audit Committee consists of 3 members as follows:

- | | | |
|-----------------------|---------------|-----------------------------|
| 1) Asst. Prof. Wipada | Tantiprabha | Chairman of Audit Committee |
| 2) Mr. Prameson | Pisitpan | Audit Committee |
| 3) Mr. Tawee | Khositjiranun | Audit Committee |

Remark: Mr. Nitai Chaianate, the company secretary is appointed as the Secretary to the Audit Committee.

In 2014, the Audit Committee has fulfilled its mission as assigned by the Board of Directors and the Charter of the Audit Committee. The Audit Committee has 4 meetings with senior management, auditors and internal auditors. The matters that the Audit Committee has considered and operated can be summarized as follows:

The Audit Committee reviewed financial statements of the Company quarterly and annually and has invited auditors to attend all meetings with agendas to review quarterly and annual financial statements. The Audit Committee has reviewed the financial statements by asking advices from the auditors for the accuracy and completeness of the financial statements. There were enough adequacies of financial statement disclosures affecting the financial statements to ensure that the preparation of financial statements in accordance with applicable law and International Financial Reporting Standards and generally accepted accounting principles. The Audit Committee has agreed with the auditors that the financial statements are accurate and meet financial reporting standards.

The Audit Committee was responsible for internal control and internal audit. The Audit Committee reviewed the Company's internal control system and internal audit to be appropriate and effective, prevented the occurrence of conflict or violation of laws and regulations of the company. The Audit Committee provided recommendations to management to ensure that the operations are concise, thorough and accurate and monitor and improve the recommendations of the result of examination of the internal and external auditors to provide for a more efficient and effective. The Audit Committee is of the opinion that the internal control is adequate and no issue was found to be significant.

In 2014, the Audit Committee has elected Ms. Chaovana Viwatpanachati from Office of Pitisevi Company Limited as the internal auditor of the Company. Ms. Chaovana Viwatpanachati is a CPA who received approval from SEC to assess the adequacy of the internal control and internal audit systems. She assessed the adequacy, appropriateness and effectiveness of the internal control system and provided feedback to the company of which to be modified to operate with transparency consistent with good corporate governance principles.

Compliance with the Securities and Exchange Commission, provision of The Stock Exchange of Thailand and the laws relating to the Company's business. The Audit Committee has conducted a review of compliance with the Securities and Exchange Commission, provision of The Stock Exchange of Thailand and the laws relating to the Company's business. The Audit Committee have the opinion that the Company has complied with the law and no issue was found to be significant.

The Audit committee selected auditors and determine their remunerations by considering the quality and status of Auditors with significant restrictions or regulations of SET or other related organizations and have constructive dialogue between the Committee and the auditors of the Company. On a quarterly basis to discuss the audit and discuss the findings of the inspection and find ways to resolve issues.

However, The Audit Committee has considered the performance of the external auditor, Mr. Pojana Assawasontichai from Dharmniti Auditing Company Limited for the past accounting period and determined the remuneration of the auditor before presenting him to the Board of Directors for approval. The General Meeting of Shareholders of 2014 appointed , Mr. Pojana Assawasontichai from Dharmniti Auditing Company Limited to be CPA as the auditors of the Company.

Risk Management The board of directors and management recognizes the importance carefully manage the risk. The Company's risk management committee to assess risk, planning and strategy The risk is monitored and reviewed regularly to reflect current circumstances.

The Audit Committee has considered and commented on related transaction or transaction with conflict of interest to determine whether the transaction is fair and reasonable according to the criteria of SET and SEC by taking into account the interests of stakeholders every quarter regularly.

Corporate Social Responsibility The board of directors and management recognizes the importance with corporate social responsibility, has set up a Corporate Social Responsibility Committee to consider and propose the policy, plan and sustainability strategy and corporate social responsibility including to communication to employee to understanding at all levels thoroughly. And is responsible for monitor operation plan for company sustainable development for product, productivity and cluster development and to review the effectiveness to the Board of Directors to acknowledge and determine the matter involved.

Anti-Corruption The board of directors and management are aware of the corruption and corrupt. The board has established an anti-corruption committee to consider and propose the system, plan and and monitor the anti-corruption of internal and external to the company. The Company is communicated to the employees to have the knowledge and understanding and aware of the anti-corruption. The Company has set a policy and signed the Declaration of Intention of Collective Action Coalition Against Corruption in Private Sector. At the present is on process to conducted of self assessment of against the corrupt to be certified in the following.

The Committee was operating independently within the scope and responsibilities as assigned by the Board of Directors and the Charter of the Audit Committee. The Audit Committee is of the opinion that the financial report of the Company has been prepared correctly in accordance with generally accepted practices and the disclosure of information was accurate and suitable with no major issues contrary to the facts and financial reporting standards and the regulations of the Government.

The company is operating under a system of internal controls and manage risks effectively and efficiently , compliance with laws and regulations, disclosure is accurate enough, consistent performer with good corporate governance, transparent and credible include responsibility to economic, social and environmental. This assures that G Capital Public Company Limited are ready to grow and maintain an organization with good corporate governance.



(Asst.Prof. Wipada Tantiprabpa)

Chairman of Audit Committee



Financial Statement

G CAPITAL PUBLIC COMPANY LIMITED
AS OF DECEMBER 31, 2014



REPORT OF THE AUDITOR

To **The Shareholders and Board of Directors of**
G Capital Public Company Limited

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

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with the Financial Reporting Standard, 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 the 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 judgment, 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 G Capital Public Company Limited as at December 31, 2014, and its financial performance and cash flows for the year then ended in accordance with the Financial Reporting Standards.

Other Matter

The financial statements of G Capital Public Company Limited for the year ended December 31, 2013, presented herewith for comparative information, were audited by another auditor who expressed an unmodified opinion on those statements in the report dated February 18, 2014.



(Mr. Pojana Asavasontichai)

Certified Public Accountant Registration No. 4891

Dharmniti Auditing Company Limited

Bangkok, Thailand

February 23, 2015

2015/001/0097

G CAPITAL PUBLIC COMPANY LIMITED

STATEMENT OF FINANCIAL POSITION

AS AT DECEMBER 31, 2014

ASSETS

| | Note | Baht | |
|---|------|---------------|-------------|
| | | 2014 | 2013 |
| Current assets | | | |
| Cash and cash equivalents | 4, 5 | 98,620,736 | 9,740,603 |
| Current portion of hire-purchase receivables | 6 | 452,762,675 | 414,085,386 |
| Current portion of personal loan receivables | 7 | 11,285,375 | - |
| Receivables under litigation enforcement process with collateral | 8 | 7,021,065 | 1,944,482 |
| Other receivables | 9 | 4,368,302 | 10,352,875 |
| Total current assets | | 574,058,153 | 436,123,346 |
| Non-current assets | | | |
| Hire-purchase receivables - net of current portion | 6 | 450,144,354 | 477,719,236 |
| Personal loan receivables - net of current portion | 7 | 4,788,609 | - |
| Receivables under litigation enforcement process | 10 | 1,883,512 | 605,000 |
| Equipment | 11 | 6,508,483 | 5,406,674 |
| Deferred tax assets | 12 | 18,918,167 | 15,612,675 |
| Other non-current assets | | 1,413,151 | 1,413,151 |
| Total non-current assets | | 483,656,276 | 500,756,736 |
| Total assets | | 1,057,714,429 | 936,880,082 |

Notes to financial statements form an integral part of these statements.

G CAPITAL PUBLIC COMPANY LIMITED

STATEMENT OF FINANCIAL POSITION [CONT.]

AS AT DECEMBER 31, 2014

LIABILITIES AND SHAREHOLDERS' EQUITY

| | | Baht | |
|---|-------|-------------|-------------|
| | Note | 2014 | 2013 |
| Current liabilities | | | |
| Short - term loans from financial institutions | 13 | 186,379,418 | 39,215,910 |
| Trade and other payables | 4, 14 | 64,798,522 | 16,055,941 |
| Short-term loans from third parties | 15 | 14,853,622 | 178,850,650 |
| Short-term unsecured debentures | 16 | 164,910,863 | 266,646,706 |
| Current portion of liabilities under financial lease agreements | 18 | 793,487 | 860,145 |
| Current portion of long-term loans from financial institutions | 4 | - | 49,831,333 |
| Accrued income tax | | 9,006,750 | 7,381,374 |
| Total current liabilities | | 440,742,662 | 558,842,059 |
| Non-current liabilities | | | |
| Long-term unsecured debentures | 17 | 298,095,521 | - |
| Liabilities under financial lease agreements | 18 | 1,043,035 | 1,836,522 |
| Long-term loans from financial institutions | 4 | 8,321,509 | 99,678,256 |
| Employee benefit obligations | 19 | 4,500,576 | 4,178,401 |
| Total non-current liabilities | | 311,960,641 | 105,693,179 |
| Total liabilities | | 752,703,303 | 664,535,238 |

Notes to financial statements form an integral part of these statements.

G CAPITAL PUBLIC COMPANY LIMITED

STATEMENT OF FINANCIAL POSITION (CONT.)

AS AT DECEMBER 31, 2014

LIABILITIES AND SHAREHOLDERS' EQUITY (CONT.)

| | | Baht | |
|---|------|----------------------|--------------------|
| | Note | 2014 | 2013 |
| Shareholders' equity | | | |
| Share capital | | | |
| Registered share capital | | | |
| 200,000,000 common shares at Baht 0.50 | | | |
| per share | | 100,000,000 | 100,000,000 |
| Issued and paid up share capital | | | |
| 200,000,000 common shares at Baht 0.50 | | | |
| per share | | 100,000,000 | 100,000,000 |
| Premium on common shares | | 105,950,000 | 105,950,000 |
| Retained earnings | | | |
| Appropriated to legal reserve | | 9,210,622 | 6,239,845 |
| Unappropriated | | 89,850,504 | 60,154,999 |
| Total shareholders' equity | | 305,011,126 | 272,344,844 |
| Total liabilities and shareholders' equity | | 1,057,714,429 | 936,880,082 |

Notes to financial statements form an integral part of these statements.

G CAPITAL PUBLIC COMPANY LIMITED

STATEMENT OF COMPREHENSIVE INCOME

FOR THE YEAR ENDED DECEMBER 31, 2014

| | | Baht | |
|--|----------|-------------|-------------|
| | Note | 2014 | 2013 |
| Revenues | 4 | | |
| Income from hire-purchase contracts | | 171,911,927 | 154,715,801 |
| Income from penalty on hire-purchase contracts | | 11,736,036 | 7,581,135 |
| Interest income - personal loans | | 1,272,614 | - |
| Other income | | 1,301,028 | 1,098,545 |
| Total income | | 186,221,605 | 163,395,481 |
| Expenses | | | |
| Selling expenses | | 8,736,515 | 7,409,465 |
| Administrative expenses | | 51,565,765 | 47,416,315 |
| Allowance for doubtful accounts | | 15,041,760 | 16,926,535 |
| Total expenses | | 75,344,040 | 71,752,315 |
| Profit before finance costs and income tax expenses | | 110,877,565 | 91,643,166 |
| Finance costs | 4 | 36,496,534 | 39,104,349 |
| Profit before income tax expenses | | 74,381,031 | 52,538,817 |
| Income tax expenses | 12 | 14,965,486 | 9,724,873 |
| Profit for the year | | 59,415,545 | 42,813,944 |
| Other comprehensive income | | - | - |
| Comprehensive income for the year | | 59,415,545 | 42,813,944 |
| Earnings per share | | | |
| Basic earnings per share (Baht) | | 0.30 | 0.28 |
| Weighted average number of issued and paid-up common shares (shares) | | 200,000,000 | 154,520,548 |

Notes to financial statements form an integral part of these statements.

G CAPITAL PUBLIC COMPANY LIMITED

STATEMENT OF CHANGES

IN SHAREHOLDERS' EQUITY

FOR THE YEAR ENDED DECEMBER 31, 2014

| | | Baht | | | | |
|---|--------|-------------|-------------|-------------------|----------------|--------------|
| | | Share | | Retained earnings | | |
| | | capital | Premium on | | | Total |
| | | issued and | share | Appropriated - | | |
| Note | | paid-up | capital | legal reserve | Unappropriated | |
| Beginning balance as at January 1, 2013 | | 75,000,000 | - | 4,099,148 | 49,481,752 | 128,580,900 |
| Received from increasing common shares | 20 | 25,000,000 | - | - | - | 25,000,000 |
| Premium on common shares | 20 | - | 105,950,000 | - | - | 105,950,000 |
| Legal reserve | 21, 22 | - | - | 2,140,697 | (2,140,697) | - |
| Dividend paid | 22 | - | - | - | (30,000,000) | (30,000,000) |
| Total comprehensive income for the year | | - | - | - | 42,813,944 | 42,813,944 |
| Ending balance as at December 31, 2013 | | 100,000,000 | 105,950,000 | 6,239,845 | 60,154,999 | 272,344,844 |
| Regal reserve | 21, 22 | - | - | 2,970,777 | (2,970,777) | - |
| Dividend paid | 22 | - | - | - | (26,749,263) | (26,749,263) |
| Total comprehensive income for the year | | - | - | - | 59,415,545 | 59,415,545 |
| Ending balance as at December 31, 2014 | | 100,000,000 | 105,950,000 | 9,210,622 | 89,850,504 | 305,011,126 |

Notes to financial statements form an integral part of these statements.

G CAPITAL PUBLIC COMPANY LIMITED

STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED DECEMBER 31, 2014

| | Baht | |
|---|--------------|---------------|
| | 2014 | 2013 |
| Cash flows from operating activities | | |
| Profit before income tax expenses | 74,381,031 | 52,538,817 |
| Adjustment to reconcile profit before income tax expenses to net cash provided by (used in) operating activities: | | |
| Depreciation | 1,943,015 | 1,247,849 |
| Gain on sale of fixed assets | - | (5,129) |
| Allowance for doubtful accounts | 15,041,760 | 16,926,535 |
| Estimation of employee benefit obligations | 1,246,475 | 1,365,679 |
| Finance costs | 36,496,534 | 39,104,349 |
| Profit from operation before changing in operating assets and liabilities | 129,108,815 | 111,178,100 |
| (Increase) decrease in operating assets | | |
| Hire-purchase receivables | (19,512,507) | (202,029,872) |
| Personal loan receivables | (16,604,849) | - |
| Receivables under litigation enforcement process with collateral | (10,935,037) | 4,048,821 |
| Other receivables | 6,003,436 | (1,672,769) |
| Receivables under litigation enforcement process | (1,520,853) | (5,077,224) |
| Other non-current assets | - | (696,601) |
| Increase (decrease) in operating liabilities | | |
| Trade and other payables | 47,148,343 | (2,430,614) |
| Cash provided by (used in) operating activities | 133,687,348 | (96,680,159) |

Notes to financial statements form an integral part of these statements.

G CAPITAL PUBLIC COMPANY LIMITED

STATEMENT OF CASH FLOWS (CONT.)

FOR THE YEAR ENDED DECEMBER 31, 2014

| | Baht | |
|---|---------------|---------------|
| | 2014 | 2013 |
| Cash paid for employee benefit | (924,300) | - |
| Cash paid for finance costs | (35,649,218) | (30,787,452) |
| Cash paid for income tax | (16,664,465) | (14,376,598) |
| Net cash provided by (used in) operating activities | 80,449,365 | (141,844,209) |
| Cash flows from investing activities: | | |
| Cash paid for purchase of fixed assets | (3,044,824) | (1,242,378) |
| Cash received from sales of fixed asset | - | 21,640 |
| Net cash used in investing activities | (3,044,824) | (1,220,738) |
| Cash flows from financing activities | | |
| Increase (decrease) in bank overdrafts and short-term loans from financial institutions | 150,000,000 | (298,530,825) |
| Cash paid for liabilities under financial lease agreements | (860,145) | (830,971) |
| Increase (decrease) in short-term loans from third parties | (165,000,000) | (30,000,000) |
| Cash received from short-term unsecured debentures | 165,000,000 | 277,000,000 |
| Cash paid for short-term unsecured debentures | (267,000,000) | (10,000,000) |
| Cash received from long-term unsecured debentures | 297,750,000 | - |
| Cash received from long-term loans from financial institution | - | 149,509,589 |
| Cash paid for long-term loans from financial institution | (141,665,000) | (40,008,000) |
| Cash received from increased share capital | - | 130,950,000 |
| Cash paid for dividend | (26,749,263) | (30,000,000) |
| Net cash provided by financing activities | 11,475,592 | 148,089,793 |
| Net increase in cash and cash equivalents | 88,880,133 | 5,024,846 |
| Cash and cash equivalents, beginning of the year | 9,740,603 | 4,715,757 |
| Cash and cash equivalents, end of the year | 98,620,736 | 9,740,603 |

Supplemental disclosures of cash flows information

Non-Cash transaction:

| | | |
|---|---|-----------|
| Acquisition of fixed assets under financial lease | - | 2,437,500 |
|---|---|-----------|

Notes to financial statements form an integral part of these statements.

G Capital Public Companylimited

Notes To Financial Statements (Cont.)

December 31, 2014

1. GENERAL INFORMATION

G Capital Public Company Limited ("the Company") was registered as a company limited under the Civil and Commercial Code on August 18, 2004 and become a public company limited on February 29, 2012. The Company's activity is principally as an agent engaged in providing hire-purchase agreements for combine harvester, agent in providing asset and personal loan.

It is located at 161/1, SG Tower, Soi Mahadlekluang 3, Rajdamri Rd., Lumpini, Pathumwan, Bangkok.

The Company was listed on the MAI (Market for Alternative Investment) on December 17, 2013.

2. BASIS FOR PREPARATION OF THE FINANCIAL STATEMENTS

2.1 Basis for preparation of the financial statements

The accompanying financial statements are prepared in accordance with Thai Financial Reporting Standards ("TFRS") including related interpretations and guidelines promulgated by the Federation of Accounting Professions ("FAP") in conformity with generally accepted accounting principles in Thailand and applicable rules and regulations of the Securities and Exchange Commission.

The presentation of the financial statements has been made in compliance with the stipulations of the Notification of the Department of Business Development dated September 28, 2011, issued under the Accounting Act B.E. 2543.

The accompanying financial statements have been prepared in the Thai language and expressed in Thai Baht. Such financial statements have been prepared for domestic reporting purposes. For the convenience of the readers not conversant with the Thai language, an English version of the financial statements has been provided by translating from the Thai version of the financial statements.

2.2 Accounting standards effective for using in current year

The Federation of Accounting Professions (FAP) has issued Notifications to mandate the use of the accounting standards and financial reporting standards revised 2012, and the new issue of accounting standards interpretations and financial reporting standards interpretations which are effective for using in the periods beginning on or after January 1, 2014, as follows.

| | |
|-----------------------|---|
| 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 Rate |
| TAS 24 (revised 2012) | Related Party Disclosures |
| TAS 28 (revised 2012) | Investments in Associates |
| TAS 31 (revised 2012) | Interests in Joint Venture |
| TAS 34 (revised 2012) | Interim Financial Reporting |
| TAS 36 (revised 2012) | Impairment of Assets |
| TAS 38 (revised 2012) | Intangible assets |
| 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 |

| | |
|----------|---|
| TFRIC 1 | Changes in Existing Decommissioning, Restoration and Similar Liabilities |
| TFRIC 4 | Determining whether an Arrangement contains a Lease |
| TFRIC 5 | Right to Interests arising from Decommissioning, Restoration and Environmental Rehabilitation Funds |
| TFRIC 7 | Applying the Restatement Approach under TAS 29 Financial Reporting in Hyperinflationary Economics |
| 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 |
| TSIC 15 | Operating Leases - Incentives |
| TSIC 27 | Evaluating the Substance of Transactions in the Legal Form of a Lease |
| TSIC 29 | Service Concession Arrangements: Disclosure |
| TSIC 32 | Intangible Assets - Web Site Costs |

The management of the Company has assessed the effects of the above accounting standards, and believes that they do not have any significant impact on the financial statements for the current year.

3. SIGNIFICANT ACCOUNTING POLICIES

3.1 Revenues recognition

Income from hire-purchase contracts

The Company records interest income on hire-purchase contracts as unearned interest and recognizes income based on the effective interest rate method. The Company has stopped recognizing income from hire-purchase receivables who are over 3 consecutive installments contractually past due (1 installment equal to 3 months).

Income from penalty on hire-purchase contracts

The Company recognizes the income from penalty on hire-purchase contracts upon invoicing.

3.2 Expenses recognition

Expenses are recognized on the accrual basis.

3.3 Cash and cash equivalents

Cash and cash equivalents comprise cash in hand and deposits at financial institutions with a maturity period not over 3 months and not subject to withdrawal restrictions.

3.4 Hire-purchase receivable - net and allowance for doubtful accounts

Hire-purchase receivables - net are presented net of unearned interest income and allowance for doubtful accounts.

The Company has policy allowance for doubtful accounts at a rate of 2.5% of the hire-purchase contracts receivable and compared to the benchmark of the Company.

The classification of the hire-purchase contracts receivable and policy allowance for doubtful accounts are as follows: (benchmark of the Company)

| Installment of overdue | |
|--|--|
| (Calculated from the amount overdue) | |
| (1 installment = 3 Months) | Percent for allowance |
| Not yet due | 1% of hire-purchase receivables - net |
| Over due: | |
| 0 - 0.5 installments | 2% of hire-purchase receivables - net |
| Over 0.5 installments - 1 installments | 2% of hire-purchase receivables - net |
| Over 1 installments - 2 installments | 2% of hire-purchase receivables - net |
| Over 2 installments - 3 installments | 2% of hire-purchase receivables - net |
| Over 3 installments | 100% of hire-purchase receivables - net and less 62% of appraisal collateral price |

At the end of the accounting period if the allowance for doubtful accounts at a rate of 2.5% of the hire-purchase contracts receivable, occurred at each of accounting period, is not sufficient when compared to the above benchmark, the Company shall provide increase the allowance for doubtful account accordingly.

3.5 Receivables under litigation enforcement process with collateral

Receivables under litigation enforcement process with collateral are account closed hire - purchase receivable less unearned revenue from hire-purchase contract as at the closed contract date and less allowance for doubtful accounts which show as net realisable value of collateral.

3.6 Equipment and depreciation

Equipment are stated at cost less accumulated depreciation, which are computed by the straight-line method basis over the estimated useful lives of the assets as follows:

| | |
|--------------------------------|---------|
| Computer and equipment | 5 Years |
| Office improvements | 5 Years |
| Furniture and office equipment | 5 Years |
| Vehicles | 5 Years |
| Software | 5 Years |

3.7 Income tax

Income tax comprises current income tax and deferred tax.

Current tax

The Company records income tax expense, if any, based on the amount currently payable under the Revenue Code at the income tax rates (year 2014 : 20%, year 2013 : 20%) of profit before income tax, after adding back certain expenses which are non-deductible for income tax computation purposes, and less certain transactions which are exemption or allowable from income tax.

Deferred tax

Deferred tax assets and liabilities are provided on the temporary differences between the carrying amount and the tax bases of assets and liabilities at the end of the reporting period. Changes in deferred tax assets and liabilities are recognized as deferred tax income or deferred tax expense which are recognized in the profit or loss except to the extent that it relates to items recognized directly in shareholders' equity or in other comprehensive income.

The deductible temporary differences are recognized as deferred tax assets when it is probable that the Company will have future taxable profit to be available against which the deferred tax assets can be utilized. The taxable temporary differences on all taxable items are recognized as deferred tax liabilities.

Deferred tax assets and liabilities are measured at the tax rates that the Company expect to apply to the period when the deferred tax assets are realized or the deferred tax liabilities are settled, based on tax rates and tax laws that have been enacted or substantively enacted by the end of the reporting period.

At the end of each reporting period, the carrying amount of deferred tax assets are reviewed and reduced the value when it is probable that the Company will have no longer the future taxable profit that is sufficient to be available against which all or some parts of deferred tax assets are utilized.

Deferred tax assets and deferred tax liabilities are offset when there is the legal right to settle on a net basis and they relate to income taxes levied by the same tax authority on the same taxable entity.

3.8 Long-term leases

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

Lease of assets where a significant portion of the risks and rewards of ownership are retained by the lesser are classified as operating leases. Payments made under operating leases are recognized as expenses in the statements of comprehensive income over the period of the lease.

3.9 Employee benefits

Short-term benefits

The Company recognizes salaries, wages, bonus and social security contribution as expenses on an accrual basis.

Post-employment benefits - defined benefit plan

The obligations under the defined benefit plan are determined by the Company's management, using the projected unit credit method. Such determination is made based on various assumptions, including discount rate, future salary increase rate without using rate of resignation, death and age of employees which is higher than the actuarial valuation. However, there is no significant difference.

When the employee benefits are changed, the portion of the increased benefit relating to past service rendered by employee is recognized in the statements of comprehensive income on a straight-line basis over the average period until the benefits become vested.

When the actuarial assumptions are changed, the Company recognizes actuarial gains or losses in the statements of comprehensive income in the period in which they arise.

3.10 Using of accounting estimation

The preparation of the financial statements in conformity with Thai Financial Reporting Standards ("TFRS") requires management to make judgments, estimates and assumptions that affect the application of policies and reported amounts of assets, liabilities, income and expenses. The estimates and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances, the results of which form the basis of making the judgments about carrying amounts of assets and liabilities that are not readily apparent from other sources. Subsequent actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimate is revised, if the revision affects only that period, and in the period of the revision and future periods, if the revision affects both current and future periods.

3.11 Basic earnings per share

Basic earnings per share are determined by dividing the profit for the year by the weighted-average number of shares issued during the year.

4. TRANSACTIONS WITH RELATED PARTIES

The Company had significant business transactions with related parties. These parties are directly or indirectly related through common shareholding and/or directorship. The financial statements reflect the effects of these transactions on the basis determined by the Company and the parties concerned.

For the years ended December 31, 2014 and 2013, the significant transactions with related parties can be summarized as follows:

| | | Baht | |
|--|---|-----------|------------|
| | Pricing policy | 2014 | 2013 |
| <u>Related through directors</u> | | | |
| Rental vehicles expense - Nature Trans Co., Ltd. | Contract price | - | 240,000 |
| Maintenance server - General Outsourcing Co., Ltd. | Contract price | 120,000 | 120,000 |
| <u>Related through shareholders</u> | | | |
| <u>- Songnam Co., Ltd</u> | | | |
| Dividends paid | As announcement | 8,423,750 | 13,000,000 |
| <u>- Government Saving Bank Fund</u> | | | |
| Dividends paid | As announcement | - | 4,685,625 |
| <u>- Government Saving Bank</u> | | | |
| (Hold by individual fund by Government Savings Bank) | | | |
| Interest income | Interest rate with domestic commercial bank | 135,344 | 137,473 |
| Interest expense | Bank interest rate (MOR or MLR-0.50%) | 6,983,412 | 17,732,736 |
| Bank charge | Fee rate of commercial bank | 785,558 | 254,004 |
| Dividends paid | As announcement | 2,749,443 | 2,905,688 |
| <u>- UOB Bank (Singapore)</u> | | | |
| (Hold by individual fund by Government Savings Bank) | | | |
| Dividends paid | As announcement | 2,749,443 | 2,905,688 |

Management compensation

Management compensation - for key management personnel for the years ended December

| | Baht | |
|-------------------------------|------------|------------|
| | 2014 | 2013 |
| Short-term benefits | 16,722,436 | 14,899,282 |
| Post-employment benefit | 871,357 | 967,421 |
| Total management compensation | 17,593,793 | 15,866,703 |

As at December 31, 2014 and 2013, the Company had significant balances with related parties as follows:

| | Baht | |
|--|------------|--------------|
| | 2014 | 2013 |
| Related through shareholders - Government Savings Bank | | |
| (Hold by individual fund by Government Savings Bank) | | |
| Deposits at bank | 86,288,715 | 3,589,914 |
| Accrued interest expense | 45,129 | 497,774 |
| Long-term loans | | |
| Long-term loans from financial institutions | 8,321,509 | 149,509,589 |
| Current portion of long-term loans | - | (49,831,333) |
| Total long-term portion of loans from financial institutions - net | 8,321,509 | 99,678,256 |

As at December 31, 2014 and 2013, the Company had unsecured credit line for bank overdrafts of Baht 20 million. The interest rate is MOR.

As at December 31, 2014 and 2013, the Company had a credit line for short-term loan of Baht 400 million by issuing the promissory notes with maturity within 6 months commencing the date of drawdown which can be renewed. The interest rate is MLR-0.5% per annum. The loan is secured by transferring the rights on receivables under hire-purchase agreements when the loan is drawn down.

As at December 31, 2014 and 2013, the Company had long - term loans of Baht 8.34 million and Baht 150 million, respectively. The Company issued the promissory note of maturity within 36 months. The interest rate is MLR- 0.5% per annum, secured by transferring the rights on receivables under hire-purchase agreements with net book value of receivables as at December 31, 2014 and 2013 of Baht 131.39 million and Baht 162.70 million, respectively. The Company had to comply with the conditions in the loan agreements.

5. CASH AND CASH EQUIVALENTS

This account consisted of:

| | Baht | |
|------------------------------------|------------|-----------|
| | 2014 | 2013 |
| Cash on hand | 100,000 | 100,000 |
| Deposits at bank - saving account | 97,594,035 | 7,910,859 |
| Deposits at bank - current account | 926,701 | 1,729,744 |
| Total cash and cash equivalents | 98,620,736 | 9,740,603 |

6. HIRE-PURCHASE RECEIVABLES

This account consisted of:

| | Baht | | | | | |
|--|---|---------------|---|---------------|---------------|---------------|
| | Current portion of hire - purchase receivables - net | | Hire - purchase receivables - net of current portion and not exceed 5 years | | Total | |
| | 2014 | 2013 | 2014 | 2013 | 2014 | 2013 |
| Hire-purchase receivables | 614,006,495 | 570,498,552 | 594,487,889 | 618,587,048 | 1,208,494,384 | 1,189,085,600 |
| Less Unearned income from hire-purchase contracts | (142,657,045) | (142,841,863) | (102,139,662) | (102,058,566) | (244,796,707) | (244,900,429) |
| Total | 471,349,450 | 427,656,689 | 492,348,227 | 516,528,482 | 963,697,677 | 944,185,171 |
| Less Allowance for doubtful accounts | (18,586,775) | (13,571,303) | (42,203,873) | (38,809,246) | (60,790,648) | (52,380,549) |
| Hire-purchase receivables - net | 452,762,675 | 414,085,386 | 450,144,354 | 477,719,236 | 902,907,029 | 891,804,622 |

As at December 31, 2014 and 2013, the balances of hire-purchase receivables (net of unearned income) and allowance for doubtful accounts can be classified by installment of overdue by the percentage of allowance for doubtful accounts (calculated from the installment due) as follows: -

| | Baht | | | |
|---|----------------------------------|---------------------------------|---------------------------|-----------------------------------|
| | 2014 | | | |
| | Hire-purchase receivables-net | Based amount For computation | Rate for allowance (%) | Allowance for doubtful account |
| Not yet due | 706,645,352 | 706,645,352 | 1 | 7,066,454 |
| Over due: | | | | |
| 0 - 0.5 installments | 15,433,505 | 15,433,505 | 2 | 308,670 |
| Over 0.5 - 1 installments | 49,700,375 | 49,700,375 | 2 | 994,008 |
| Over 1 - 2 installments | 61,827,166 | 61,827,166 | 2 | 1,236,543 |
| Over 2 - 3 installments | 87,329,406 | 87,329,406 | 2 | 1,746,588 |
| Over 3 installments | 42,761,870 | 27,204,225* | 100 | 27,204,225 |
| Total | <u>963,697,674</u> | <u>948,140,029</u> | | 38,556,488 |
| General reserve more than specific | | | | 22,234,160 |
| Total allowance for doubtful accounts (general reserve) | | | | <u>60,790,648</u> |

* Amounts of hire-purchase receivables net from the value of 62% of collateral appraisal value.

| | Baht | | | |
|---|----------------------------------|---------------------------------|---------------------------|-----------------------------------|
| | 2013 | | | |
| | Hire-purchase receivables-net | Based amount For computation | Rate for allowance (%) | Allowance for doubtful account |
| Not yet due | 671,350,931 | 671,350,931 | 1 | 6,713,509 |
| Over due: | | | | |
| 0 - 0.5 installments | 37,229,297 | 37,229,297 | 2 | 744,586 |
| Over 0.5 - 1 installments | 90,112,071 | 90,112,071 | 2 | 1,802,241 |
| Over 1 - 2 installments | 90,478,983 | 90,478,983 | 2 | 1,809,580 |
| Over 2 - 3 installments | 26,921,314 | 26,921,314 | 2 | 538,427 |
| Over 3 installments | 28,092,575 | 18,047,053* | 100 | 18,047,053 |
| Total | <u>944,185,171</u> | <u>934,139,649</u> | | 29,655,396 |
| General reserve more than specific | | | | 22,725,153 |
| Total allowance for doubtful accounts (general reserve) | | | | <u>52,380,549</u> |

* Amounts of hire-purchase receivables net from the value of 62% of collateral appraisal value.

Receivable under litigation enforcement process and related allowance for doubtful accounts are separately presented (Note 8 and 10).

As at December 31, 2014 and 2013, the Company has transferred the rights on hire-purchase receivables to Government Savings Bank, net book value of Baht 131.39 million and Baht 162.70 million, respectively, to secure short-term loans and long-term loans from Government Savings Bank of Baht 8.34 million and Baht 150 million, respectively (Note 4).

On April 30, 2004, the Institute of Certified Accountants and Auditors of Thailand, with the approval of the Office of the Securities and Exchange Commission, stipulated an accounting guideline for the consumer finance business, whereby full allowance for doubtful accounts is to be recorded, recognition of revenue is to cease for accounts receivable which are overdue by more than 3 installments, and general allowance is to be provided for accounts receivable which are not overdue or overdue not more than 3 installments.

However, this accounting guideline provides an alternative, if a company believes that the guideline is not appropriate, the company shall disclose its accounting guideline with relevant reasons. The Company has a policy to cease recognizing revenue from hire - purchase receivables which are overdue by more than 3 installments and to set up allowance based on consideration of the current status of receivables, their ability to make payment, past experience and historical data on actual losses on collection. As at December 31, 2014, the Company had an allowance for doubtful accounts based on 2.5 percent of the hire-purchase contracts receivable that occurred in each year which was the average rate of the allowance for doubtful accounts of the Company. The past average rate was calculated from the allowance for doubtful accounts during the years 2006-2008.

As at December 31, 2014, the outstanding hire - purchase receivables excluding unrecognized income from hire-purchase receivables which are over 3 consecutive installments contractually past due amounted to Baht 42.76 million and the recognition of revenue had stopped for Baht 1.73 million.

7. PERSONAL LOAN RECEIVABLES

This account consisted of:

| | Baht | | |
|---|--|--|------------|
| | 2014 | | |
| | Current portion of personal loan receivables-net | Personal loan receivables-net of current portion and not exceed 5 years | Total |
| Personal loan receivables | 11,451,503 | 4,949,339 | 16,400,842 |
| Accrued interest income | 204,007 | - | 204,007 |
| | 11,655,510 | 4,949,339 | 16,604,849 |
| Less Allowance for doubtful accounts | (370,135) | (160,730) | (530,865) |
| Hire-purchase receivables - net | 11,285,375 | 4,788,609 | 16,073,984 |

As at December 31, 2014, the personal loan receivable is an additional loan to the Company's hire-purchase agreement receivable with the objective to support the liquidity to the hire-purchase receivable, which is binding with the hire-purchase agreement and the credit loan to the hire-purchase receivable with the full amount of collateral securities. The allowance for doubtful accounts is classified by the overdue installments by the percentage used in providing an allowance for doubtful accounts (calculated from the overdue installment amount) as follows:-

| | Baht | | | |
|---|------------------------------------|---------------------------------|---------------------------|-----------------------------------|
| | 2014 | | | |
| | Personal loan receivables - net | Based amount for computation | Rate for allowance (%) | Allowance for doubtful account |
| Not yet due | 15,895,105 | 15,895,105 | 1 | 158,951 |
| Over due | | | | |
| Over 1-2 installments | 709,744 | 709,744 | 2 | 14,195 |
| | <u>16,604,849</u> | <u>16,604,849</u> | | <u>173,146</u> |
| General reserve more than specific reserve | | | | <u>357,719</u> |
| Total allowance for doubtful accounts (general reserve) | | | | <u>530,865</u> |

8. RECEIVABLES UNDER LITIGATION ENFORCEMENT PROCESS WITH COLLATERAL

This account consisted of:

| | Baht | |
|---|--------------------|------------------|
| | 2014 | 2013 |
| Receivables under litigation enforcement process with collateral | 13,766,833 | 2,831,794 |
| <u>Less Allowance for doubtful accounts</u> | <u>(6,745,768)</u> | <u>(887,312)</u> |
| Receivables under litigation enforcement process with collateral - net | <u>7,021,065</u> | <u>1,944,482</u> |

9. OTHER RECEIVABLES

This account consisted of:

| | Baht | |
|-------------------------------|------------------|-------------------|
| | 2014 | 2013 |
| Loans to employees | 166,625 | 120,785 |
| Revenue department receivable | 3,092,400 | 7,436,137 |
| Deposit | 5,500 | 1,480,000 |
| Others | 1,103,777 | 1,315,953 |
| Total other receivables | <u>4,368,302</u> | <u>10,352,875</u> |

10. RECEIVABLES UNDER LITIGATION ENFORCEMENT PROCESS

This account consisted of:

| | Baht | |
|--|------------------|----------------|
| | 2014 | 2013 |
| Receivables under litigation enforcement process | 29,773,834 | 29,327,664 |
| <u>Less</u> Allowance for doubtful accounts | (27,890,322) | (28,722,664) |
| Receivables under litigation enforcement process - net | <u>1,883,512</u> | <u>605,000</u> |

11. EQUIPMENT

This account consisted of:

| | Baht | | | |
|----------------------------------|----------------------------------|---------------------------|-----------|------------------------------------|
| | Balance as at January 1, 2014 | Movements during the year | | Balance as at December 31, 2014 |
| | | Additions | Disposals | |
| Cost | | | | |
| Computer and equipment | 3,919,289 | 145,440 | - | 4,064,729 |
| Office improvements | 3,084,507 | 2,311,462 | - | 5,395,969 |
| Furniture and office equipment | 2,403,366 | 587,922 | - | 2,991,288 |
| Vehicles | 8,900,402 | - | - | 8,900,402 |
| Software | 221,500 | - | - | 221,500 |
| Total | <u>18,529,064</u> | <u>3,044,824</u> | <u>-</u> | <u>21,573,888</u> |
| Accumulated depreciations | | | | |
| Computer and equipment | 3,175,642 | 231,254 | - | 3,406,896 |
| Office improvements | 2,941,309 | 359,954 | - | 3,301,263 |
| Furniture and office equipment | 2,196,827 | 159,400 | - | 2,356,227 |
| Vehicles | 4,587,115 | 1,192,407 | - | 5,779,522 |
| Software | 221,497 | - | - | 221,497 |
| Total | <u>13,122,390</u> | <u>1,943,015</u> | <u>-</u> | <u>15,065,405</u> |
| Equipment - net | <u>5,406,674</u> | | | <u>6,508,483</u> |

| | Baht | | | |
|--------------------------------|-----------------|---------------------------|-----------|-------------------|
| | Balance as at | Movements during the year | | Balance as at |
| | January 1, 2013 | Additions | Disposals | December 31, 2013 |
| Cost | | | | |
| Computer and equipment | 3,973,456 | 349,833 | (404,000) | 3,919,289 |
| Office improvements | 3,084,507 | - | - | 3,084,507 |
| Furniture and office equipment | 2,339,821 | 63,545 | - | 2,403,366 |
| Vehicles | 5,650,402 | 3,250,000 | - | 8,900,402 |
| Software | 221,500 | - | - | 221,500 |
| Total | 15,269,686 | 3,663,378 | (404,000) | 18,529,064 |
| Accumulated depreciations | | | | |
| Computer and equipment | 3,386,124 | 193,507 | (403,989) | 3,175,642 |
| Office improvements | 2,903,609 | 37,700 | - | 2,941,309 |
| Furniture and office equipment | 2,112,941 | 83,886 | - | 2,196,827 |
| Vehicles | 3,681,419 | 905,696 | - | 4,587,115 |
| Software | 194,437 | 27,060 | - | 221,497 |
| Total | 12,278,530 | 1,247,849 | (403,989) | 13,122,390 |
| Equipment - net | 2,991,156 | | | 5,406,674 |

Depreciation for the years ended December 31, 2014 and 2013 of Baht 1.94 million and Baht 1.25 million, respectively, were recorded in the statements of comprehensive income.

As at December 31, 2014 and 2013, the Company's equipment amounting to Baht 11.16 million and Baht 10.87 million, respectively, are fully depreciated but are still in use.

12. DEFERRED TAX ASSETS

Movements in deferred tax assets during the year were as follows :

| | Baht | | |
|----------------------------------|----------------------------|---|----------------------------|
| | As at December 31, 2013 | Movement in the statements of comprehensive income | As at December 31, 2014 |
| Deferred tax assets | | | |
| Allowance for doubtful account | 14,542,284 | 2,871,547 | 17,413,831 |
| Employee benefit obligations | 835,680 | 64,435 | 900,115 |
| In the litigation process | - | 258,600 | 258,600 |
| Unrecognized revenue | 234,711 | 110,910 | 345,621 |
| Total deferred tax assets | 15,612,675 | 3,305,492 | 18,918,167 |

Tax expenses for the years ended December 31, 2014 and 2013 were as follows:

| | Baht | |
|---|------------|------------|
| | 2014 | 2013 |
| Profit before income tax | 74,381,031 | 52,538,817 |
| Income tax rate | 20% | 20% |
| Income tax expense as income tax rate | 14,876,206 | 10,507,763 |
| Non-deductible expenses by the Revenue Code | 261,297 | 206,931 |
| Double expenses by the Revenue Code | (172,017) | (989,821) |
| Income tax expense | 14,965,486 | 9,724,873 |
| The average effective tax rate | 20.12% | 18.51% |

13. SHORT-TERM LOANS FROM FINANCIAL INSTITUTION

This account consisted of:

| | Baht | |
|--|-------------|------------|
| | 2014 | 2013 |
| Bill of exchange | 190,000,000 | 40,000,000 |
| <u>Less</u> Discount of bill of exchange | (3,620,582) | (784,090) |
| Bill of exchange - net | 186,379,418 | 39,215,910 |

As at December 31, 2014 and 2013, the Company issued unsecured bills of exchange of Baht 190 million and Baht 40 million, respectively, with a financial institution, which is bearing fixed interest rate based on the interest rates in the future with the maturity period of 267 - 270 days and 183 days, respectively.

14. TRADE AND OTHER PAYABLES

This account consisted of:

| | Baht | |
|--------------------------------|------------|------------|
| | 2014 | 2013 |
| Trade payables | 50,208,850 | 3,397,314 |
| Other payables | | |
| Accrued interest | 7,841,992 | 6,247,754 |
| Accrued expenses | 1,290,133 | 2,416,886 |
| Accrued withholding tax | 1,803,315 | 1,219,725 |
| Others | 3,654,232 | 2,774,262 |
| Total other payables | 14,589,672 | 12,658,627 |
| Total trade and other payables | 64,798,522 | 16,055,941 |

15. SHORT-TERM LOANS FROM THIRD PARTIES

This account consisted of:

| | Baht | |
|---|------------|-------------|
| | 2014 | 2013 |
| Promissory notes | - | 120,000,000 |
| <u>Less</u> Prepayment fee | - | (226,649) |
| Promissory notes - net | - | 119,773,351 |
| Bill of exchange | 15,000,000 | 60,000,000 |
| <u>Less</u> Discount of bill of exchange | (146,378) | (922,701) |
| Bill of exchange - net | 14,853,622 | 59,077,299 |
| Total short-term loans from third parties | 14,853,622 | 178,850,650 |

As at December 31, 2014 and 2013, the Company issued unsecured bills of exchange of Baht 205 million and 60 million, respectively, to private investors by two financial institution as the appointed representative of the Company, bearing fixed interest rate based on the interest rates in the future, the maturity for period of 270 days and 266 - 270 days, respectively.

As at and December 31, 2013, the Company issued unsecured promissory notes of Baht 120 million to private investors with advice of a financial institution, bearing fixed interest rate based on the interest rates in the future, the maturity for period of 70 - 266 days, respectively.

16. SHORT-TERM UNSECURED DEBENTURES

This account consisted of:

| Debentures | Due date | Baht | |
|--|--------------------|--------------------|--------------------|
| | | 2014 | 2013 |
| Debentures # 1/2013 | February 10, 2014 | - | 50,000,000 |
| Debentures # 1/2013 | February 14, 2014 | - | 18,000,000 |
| Debentures # 1/2013 | March 17, 2014 | - | 49,000,000 |
| Debentures # 1/2013 | March 17, 2014 | - | 10,000,000 |
| Debentures # 1/2013 | June 13, 2014 | - | 50,000,000 |
| Debentures # 1/2013 | July 4, 2014 | - | 50,000,000 |
| Debentures # 1/2013 | July 18, 2014 | - | 40,000,000 |
| Debentures # 1/2014 | February 16, 2015 | 10,000,000 | - |
| Debentures # 1/2014 | March 10, 2015 | 50,000,000 | - |
| Debentures # 1/2014 | March 31, 2015 | 25,000,000 | - |
| Debentures # 1/2014 | April 10, 2015 | 30,000,000 | - |
| Debentures # 1/2014 | September 11, 2015 | 50,000,000 | - |
| Total unsecured debentures, at face value | | 165,000,000 | 267,000,000 |
| <u>Less</u> Unamortized costs relating to the debentures | | (89,137) | (353,294) |
| Total unsecured debentures - net | | <u>164,910,863</u> | <u>266,646,706</u> |

The Company issued unsecured debentures which are unsubordinated and have specified holder's name; the unsecured debentures carry fixed interest rate based on the interest rates in the future.

And at the ordinary shareholders' meeting No.1/2014 held on April 22, 2014, the shareholders unanimously approved to increase the credit loan from Baht 300 million to Baht 800 million and the Company has been approved from The office of securities and Exchange Commission on June 10, 2014, for the increased loan, the Company issued long-term unsecured debentures (Note 17).

17. LONG-TERM UNSECURED DEBENTURES

This account consisted of:

| | Baht | |
|--|--------------------|----------|
| | 2014 | 2013 |
| Long-term unsecured debentures, at face value | 300,000,000 | - |
| <u>Less</u> Unamortized costs relating to the debentures | (1,904,479) | - |
| Total long-term unsecured debentures-net | <u>298,095,521</u> | <u>-</u> |

On October 9, 2014, the Company issued unsecured debentures which are unsubordinated and have specified holder's name ; Maturity less than 1 year 6 months (547 days) maturity on April 9, 2015 with a credit line of Baht 300 million (300,000 units of Baht 1,000 per unit), carrying interest at 5.20% per annum, payment interest in every 3 months.

18. LIABILITIES UNDER FINANCIAL LEASE AGREEMENTS

This account consisted of:

| | Baht | |
|--|------------------|------------------|
| | 2014 | 2013 |
| Due within 1 year | | |
| Minimum payments | 854,532 | 954,004 |
| Deferred interest | (61,045) | (93,859) |
| Present value of minimum payment | <u>793,487</u> | <u>860,145</u> |
| Due over 1 year not over 5 years | | |
| Minimum payments | 1,075,610 | 1,930,142 |
| Deferred interest | (32,575) | (93,620) |
| Present value of minimum payment | <u>1,043,035</u> | <u>1,836,522</u> |
| Total present value of minimum payment | <u>1,836,522</u> | <u>2,696,667</u> |
| Net book value of vehicle under finance lease agreements | <u>2,702,129</u> | <u>4,296,166</u> |

19. EMPLOYEE BENEFIT OBLIGATIONS

This account consisted of:

| | Baht | |
|--|-----------|-----------|
| | 2014 | 2013 |
| Post-employment benefit plan | | |
| Employee benefit obligations as at beginning of the year | 4,178,401 | 2,812,722 |
| Benefit paid by the plan | (924,300) | - |
| Past service cost on a straight-line basis | 102,443 | 255,502 |
| Current service cost recognition | 986,579 | 984,076 |
| Cost of interest | 157,453 | 126,101 |
| Net employee benefit obligations as at the end of the year | 4,500,576 | 4,178,401 |

The Company has recognized the employee benefit obligations in the transition period as an expense on a straight-line basis for five years from the date of adoption. As at December 31, 2014, the unrecognized balance of the employee benefit obligations amounted to Baht 0.10 million.

The Company made defined benefits plan in accordance with severance payment under the compensation of the Thai labor law which entitled retired employees who have completed the specified service period such as over 10 years to receive severance payment not less than 300 days or 10 months of the latest salary.

Employee benefits expenses for the years ended December 31, 2014 and 2013 as shown in the statements of comprehensive income are as follows:

| | Baht | |
|--|-----------|-----------|
| | 2014 | 2013 |
| Selling expenses | 70,692 | 96,709 |
| Administrative expenses | 1,175,783 | 1,268,970 |
| Total employee benefits expenses | 1,246,475 | 1,365,679 |
| Past service cost on a straight-line basis | 102,443 | 255,502 |
| Current service cost recognition | 986,579 | 984,076 |
| Cost of interest | 157,453 | 126,101 |
| Total employee benefits expenses | 1,246,475 | 1,365,679 |

Principal actuarial assumptions as at December 31, 2014 and 2013 (expressed as weighted average) are as follows:

| | Baht | |
|------------------------|------|------|
| | 2014 | 2013 |
| Discount rate | 4.30 | 4.03 |
| Future salary increase | 6.00 | 6.00 |

The actuarial assumption of discount rate is estimated from the weighted average of yield rate of government bonds as at the end of the reporting date that reflects the estimated timing of benefit payments.

20. SHARE CAPITAL

During November 26-28, 2013, the Company offered its new common shares to the sponsor and the public by issuing 50 million shares at a price of Baht 2.70 per share and the shares of the Company began trading in the Market for Alternative Investment on December 17, 2013. Directly attributable expenses of the initial public offering amounted to Baht 4.05 million were deductible from the premium on share capital.

21. LEGAL RESERVE

The Company is required to set aside a legal reserve at least 5% of its net profit until the reserve reaches 10 % of the registered share capital in accordance with the Public Company Limited Act B.E. 2535. The legal reserve is not available for dividend distribution.

22. DIVIDEND PAYMENT

At the ordinary shareholders' meeting No.1/2014 held on April 22, 2014, approved to pay dividend from the Company's operation year 2013 to shareholders at Baht 0.13 per share, amounted Baht 26.00 million. The dividend paid amounted Baht 11.25 million, appropriated for 150 million shares at the rate of Baht 0.075 per share, was paid on August 29, 2013, and the remaining amounted Baht 14.75 million, appropriated for 200 million shares at the rate of Baht 0.07375 per share, The dividend was paid to the shareholders on May 19, 2014.

And at the Board of Directors' meeting No.3 /2014 held on August 7, 2014, approved to pay interim dividend from the Company's operation ending June 30, 2014 in the amount of Baht 12.00 million, appropriated for 200 million shares of Baht 0.06 per share. The dividend was paid to the shareholders on September 5, 2014 and legal reserve was set at Baht 1.61 million.

Total dividend payment in the year 2014 in the amounted Baht 26.75 millions.

At the ordinary shareholders' meeting No. 1/2013 held on April 4, 2013, approved to pay dividend from its operation for the year 2012 to shareholders of 150 million shares at the rate of Baht 0.125 per share, amounted Baht 18.75 million. The dividend was paid to the shareholders on April 9, 2013.

And at the Board of Director's Meeting No. 3/2013, held on August 14, 2013 approved to pay an interim dividend from its operations for the first half year 2013 of the 150 million shares at Baht 0.075 per share, amounted Baht 11.25 million and legal reserve was set at Baht 1.13 million. The dividend was paid to the shareholders on August 29, 2013.

Total dividend payment in the year 2013 in the amounted Baht 30.00 million

23. EXPENSES BY NATURE

The Company has significant expenses by nature for the years ended December 31, 2014 and 2013, comprised of the following:

| | Baht | |
|--------------------------------------|------------|------------|
| | 2014 | 2013 |
| Management and employee compensation | 38,114,288 | 35,263,490 |
| Rental and service expenses | 6,221,930 | 3,940,320 |
| Sales promotion expenses | 2,230,014 | 1,197,567 |
| Depreciation | 1,943,015 | 1,247,849 |
| Allowance for doubtful account | 15,041,760 | 16,926,535 |

24. OPERATING SEGMENT

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 and assess its performance to the company's operating segment.

The one main operating segment of the Company is the hire-purchase for the agriculture machinery and the single geographical area of its operations is Thailand. Segment performance is measured based on operating profit or loss, on a basis consistent with that used to measure operating profit or loss in the financial statements. As a result, all of the revenues, operating profits and assets as reflected in these financial statements pertain to the aforementioned reportable operating segment and geographical area.

25. FINANCIAL INSTRUMENTS

The Company has no policy to speculate or engage in the trading of any derivative financial instruments.

Fair value

Fair value is the estimated value that the Company could receive from selling its financial assets or the estimated cost for redeeming its financial liabilities. Fair values are generally based on market values, or estimated values that can be derived from using general market principles of calculation.

The following methods and assumption were used by the Company in estimating the fair value of financial assets and liabilities:

- Cash and cash equivalents have fair values approximating their carrying values in the statements of financial position.
- For hire-purchase receivables, fair values are the carrying amount of hire-purchase receivables net of unearned income and allowance for doubtful accounts add value added tax due.
- For long-term loans, fair value is approximated the carrying amount since it carries interest at the floating rates.

Credit Risk

Credit risk refers to the risk that a counter party may default on its contractual obligations and agreements. Such default may be caused by the counterparty's inability to pay its debt when due or its intention not to comply to the contractual agreement, resulting in a loss to the Company.

In the credit approval process, the Company considers the customer's ability to repay its debt and the credits objectives as key factors in the approval of credit as well as considering the collateral in order to mitigate the risk of financial losses from defaults. In addition, The Company also has credit review procedures and credit monitoring regularly on all approved transactions.

Interest rate risk

Interest rate risk refers to risk that arises from changes in interest rates which may affect the value of the Company's financial instruments or may cause volatilities in the Company's earning or fluctuations in the value of the Company's financial assets and liabilities, both in the current reporting period and in the future years. Interest rate risk also arises from the structure and characteristic of the Company's assets, liabilities and equities.

The Company has interest rate risk on deposits at financial institution and borrowings. The Company does not use derivative financial instruments to hedge such risk.

Significant financial assets and liabilities classified by type of interest rates and those financial assets and liabilities that carry fixed interest rates further classified based on the maturity date, or the date of re-pricing interest rate (if re-pricing date occurs before the maturity date), are summarized in the table below;

| | Baht | | | | |
|--|-------------------------|------------------------|---------------|--------------|-------------|
| | As at December 31, 2014 | | | | |
| | Fixed interest rates | | Floating | Non-interest | Total |
| | Within 1 year | More than 1-5 years | interest rate | bearing | |
| Financial assets | | | | | |
| Cash and cash equivalents | 97,594,034 | - | - | 1,026,702 | 98,620,736 |
| Hire-purchase receivables | 452,762,675 | 450,144,354 | - | - | 902,907,029 |
| Personal loan receivables | 11,285,375 | 4,788,609 | - | - | 16,073,984 |
| Receivables under litigation enforcement process | - | - | - | 1,883,512 | 1,883,512 |
| Financial liabilities | | | | | |
| Short-term loans from third parties | 201,233,040 | - | - | - | 201,233,040 |
| Short-term unsecured debentures | 164,910,863 | - | - | - | 164,910,863 |
| Long-term unsecured debentures | - | 298,095,521 | - | - | 298,095,521 |
| Liabilities under financial lease agreements | 793,487 | 1,043,035 | - | - | 1,836,522 |
| Long-term loan from financial institutions | - | - | 8,321,509 | - | 8,321,509 |

| | Baht | | | | |
|---|-------------------------|------------------------|---------------|--------------|-------------|
| | As at December 31, 2013 | | | | |
| | Fixed interest rates | | Floating | Non-interest | Total |
| | Within 1 year | More than 1-5 years | interest rate | bearing | |
| Financial assets | | | | | |
| Cash and cash equivalents | 7,920,147 | - | - | 1,820,456 | 9,740,603 |
| Hire-purchase receivables | 414,085,386 | 477,719,236 | - | - | 891,804,622 |
| Receivables under litigation enforcement process | - | - | - | 2,549,482 | 2,549,482 |
| Financial liabilities | | | | | |
| Short-term loans from third parties | 218,066,560 | - | - | - | 218,066,560 |
| Short-term unsecured debentures | 266,646,706 | - | - | - | 266,646,706 |
| Liabilities under financial lease agreements | 860,145 | 1,836,522 | - | - | 2,696,667 |
| Long-term loan from financial institutions | - | - | 149,509,589 | - | 149,509,589 |

26. COMMITMENT AND CONTINGENT LIABILITIES

The Company has commitments with regard to operating lease agreements which the Company is the lessee with the lease term of 1-3 years. As at December 31, 2014, the Company had obligations to pay the lease and service payments in the future as follows:

| | Baht |
|---|-----------|
| Due within 1 year | 2,784,000 |
| Due over 1 year but not exceeding 3 years | 2,552,000 |
| Total | 5,336,000 |

27. CAPITAL MANAGEMENT

The Company has policy is to manages its capital position with reference to its debt-to-equity ratio as each situation in order to maintain a strong capital base so as to maintain assurance of shareholder, investor, creditor and capital market confidence, with regard to return on capital, payment of dividends to shareholders. The Company was engrossed in maintains debt-to-equity ratio is not higher than the same business in capital market.

28. EVENTS AFTER THE REPORTING PERIOD

At the Board of Director's meeting No. 1/2015 held on February 23, 2015, approved to pay dividend from its operation for last half year 2014 of the 200 million shares at Baht 0.10 per share, amounted Baht 20 million.

29. THE NEW AND REVISED ACCOUNTING STANDARDS ARE NOT YET EFFECTIVE IN THE CURRENT YEAR

The Federation of Accounting Professions (FAP) has issued Notifications to mandate the new and revised accounting standards, financial reporting standards, and interpretations of accounting and financial reporting standards.

These new and revised accounting standards which are effective for the fiscal year beginning on or after January 1, 2015 are as follows:

| | |
|-----------------------|--|
| TAS 1 (revised 2014) | Presentation of Financial Statements |
| TAS 2 (revised 2014) | Inventories |
| TAS 7 (revised 2014) | Statement of Cash Flows |
| TAS 8 (revised 2014) | Accounting Policies, Changes in Accounting Estimates and Errors |
| TAS 10 (revised 2014) | Events After the Reporting Period |
| TAS 11 (revised 2014) | Construction Contracts |
| TAS 12 (revised 2014) | Income Taxes |
| TAS 16 (revised 2014) | Property, Plant and Equipment |
| TAS 17 (revised 2014) | Leases |
| TAS 18 (revised 2014) | Revenue |
| TAS 19 (revised 2014) | Employee Benefits |
| TAS 20 (revised 2014) | Accounting for Government Grants and Disclosure of Government Assistance |
| TAS 21 (revised 2014) | The Effects of Changes in Foreign Exchange Rates |
| TAS 23 (revised 2014) | Borrowing Costs |
| TAS 24 (revised 2014) | Related Party Disclosures |
| TAS 26 (revised 2014) | Accounting and Reporting by Retirement Benefit Plans |
| TAS 27 (revised 2014) | Separate Financial Statements |
| TAS 28 (revised 2014) | Investments in Associates And Joint Ventures |
| TAS 29 (revised 2014) | Financial Reporting in Hyperinflationary Economies |

| | |
|------------------------|--|
| TAS 33 (revised 2014) | Earnings Per Share |
| TAS 34 (revised 2014) | Interim Financial Reporting |
| TAS 36 (revised 2014) | Impairment of Assets |
| TAS 37 (revised 2014) | Provisions, Contingent Liabilities and Contingent Assets |
| TAS 38 (revised 2014) | Intangible assets |
| TAS 40 (revised 2014) | Investment Property |
| TFRS 2 (revised 2014) | Share-based Payment |
| TFRS 3 (revised 2014) | Business Combinations |
| TFRS 5 (revised 2014) | Non-current Assets Held for Sale and Discontinued Operations |
| TFRS 6 (revised 2014) | Exploration for and Evaluation of Mineral Assets |
| TFRS 8 (revised 2014) | Operating Segments |
| TFRS 10 | Consolidated Financial Statements |
| TFRS 11 | Joint Arrangements |
| TFRS 12 | Disclosure of Interests in Other Entities |
| TFRS 13 | Fair Value Measurement |
| TSIC 10 (revised 2014) | Government Assistance - No Specific Relation to Operating Activities |
| TSIC 15 (revised 2014) | Operating Leases - Incentives |
| TSIC 25 (revised 2014) | Income Taxes - Changes in the Tax Status of an Entity or its Shareholders |
| TSIC 27 (revised 2014) | Evaluating the Substance of Transactions in the Legal Form of a Lease |
| TSIC 29 (revised 2014) | Service Concession Arrangements: Disclosure |
| TSIC 31 (revised 2014) | Revenue-Barter Transactions Involving Advertising Services |
| TSIC 32 (revised 2014) | Intangible Assets - Web Site Costs |

| | |
|-------------------------|---|
| TFRIC 1 (revised 2014) | Changes in Existing Decommissioning, Restoration and Similar Liabilities |
| TFRIC 4 (revised 2014) | Determining whether an Arrangement contains a Lease |
| TFRIC 5 (revised 2014) | Right to Interests arising from Decommissioning, Restoration and Environmental Rehabilitation Funds |
| TFRIC 7 (revised 2014) | Applying the Restatement Approach under TAS 29 Financial Reporting in Hyperinflationary Economics |
| TFRIC 10 (revised 2014) | Interim Financial Reporting and Impairment |
| TFRIC 12 (revised 2014) | Service Concession Arrangements |
| TFRIC 13 (revised 2014) | Customer Loyalty Programmes |
| TFRIC 14 (revised 2014) | IAS 19 - The Limit on a Defined Benefit Asset, Minimum Funding Requirements and their Interaction |
| TFRIC 15 (revised 2014) | Agreements for the Construction of Real Estate |
| TFRIC 17 (revised 2014) | Distributions of Non-cash Assets to Owners |
| TFRIC 18 (revised 2014) | Transfers of Assets from Customers |
| TFRIC 20 (revised 2014) | Stripping Costs in the Production Phase of a Surface Mine |

The new accounting standard which is effective for the fiscal year beginning on or after January 1, 2016 is as follows:

TFRS 4

Insurance Contracts

The management of the Company is evaluating the impact of these new and revised accounting standards when they are initially applied.

30. RECLASSIFICATION

The Company has reclassified certain accounts in the statement of financial position as at December 31, 2013 to conform with the presentation of the financial statements of this period which consisted of:

| | Baht | | |
|---|----------------------------|------------------|---------------------------|
| | Financial statements | | |
| | Before Reclassification | Reclassification | After Reclassification |
| Statement of financial position | | | |
| Short-term loans from financial institution | - | 39,215,910 | 39,215,910 |
| Short-term loans from third parties | 218,066,560 | (39,215,910) | 178,850,650 |

31. APPROVAL OF INTERIM FINANCIAL STATEMENTS

These financial statements were authorized for issue by the Board of Directors on February 23, 2015.

Auditor's Fee

Fee for the review of interim and fee for audit nancial statement;

In 2014, the company paid the following fee to its auditor, Dharmniti Auditing Company Limited that is the auditors of the Company as follows;

- ◆ Fee for the audit of the annual financial statement in the amount of 275,000 Baht.
- ◆ Fee for the review of interim financial statements in the amount of 240,000.Baht (for 3 quarter at Baht 80,000 each)

Total audit fee for year 2014 in the amount of 515,000 Baht.

In 2013, the company paid the following fee to its auditor, ANS Audit Company Limited that is the auditors of the Company as follows;

- ◆ Fee for the audit of the annual financial statement in the amount of 250,000 Baht.
- ◆ Fee for the review of interim financial statements in the amount of 195,000.Baht (for 3 quarter at Baht 65,000 each)
- ◆ The expense to prepare working papers and interviews with auditors by The Securities and Exchange Commission in the amount of 50,000 Baht.

Total audit fee for year 2013 in the amount of 495,000 Baht.

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