

7. Shareholders Information

7.1 Amount of Registered Capital

As of 31 December 2013, the Company has a registered capital of 1,331,716,928 Baht and a paid-up capital of 1,009,743,709 Baht in the amount of 1,331,716,928 ordinary shares (no preferred shares) at a par value of 1 Baht.

7.2 Shareholders

List of major shareholders

The top twenty major shareholders of the Company as of the Book Closing Date on 26 December 2014.

No.	Shareholder	Amount of Shares	Percentage of Registered Capital
1	Mr. Praphol Milindachinla	253,800,000	25.135
2	CREDIT SUISSE AG, SINGAPORE BRANCH	52,027,600	5.153
3	Mr. Tanet Panichewa	45,682,900	4.524
4	Mr. Suthep Sri-intravanit	21,075,050	2.087
5	Mrs. Kingkarn Samitanon	20,000,080	1.981
6	Thai NVDR Company Limited	17,744,400	1.757
7	Ms.Siriwna Panichiwa	12,000,000	1.188
8	Mr.Somchai Jaiyen	11,682,200	1.157
9	P-SAT Corporation Co.,Ltd.	11,109,270	1.100
10	Mr.Sirichai Nuchikajornwut	11,000,000	1.089
11	Ms.Kantakorn Smitanon	11,000,000	1.089
12	Mr.Wanlob Wutpanit	10,250,000	1.015
13	Ms.Vimolwan Milindachinla	9,980,800	0.988
14	Ms.Tunyarat Tungpadungrat	9,897,000	0.980
15	Mr.Kanet Sutantiwarakul	9,272,956	0.918

No.	Shareholder	Amount of Shares	Percentage of Registered Capital
16	Mr.Pailak Wongwaiwan	8,700,080	0.862
17	Mr.Chuchart Jareanudompol	7,570,000	0.750
18	Ms.Yuwadee Wachiraprapa	6,617,900	0.655
19	Mr.Pongchai Lertreerpanya	6,440,000	0.638
20	Ms.Arisa Lertdechdacha	6,200,000	0.614
	Other	467,693,473	46.320
	Total	1,009,743,709	100

Major shareholders with influence on policy-making, management and operation of the Company:

Mr. Praphol Milindachinla (Authorized Director)

7.3 Public Offering

1) Increase of ordinary shares of AEC Securities Public Company Limited

(A) Increase of Capital

During the Extraordinary Meeting of Shareholders No. 1/2014 on Friday 31 January 2014, a resolution to decrease the registered capital of the Company from 860,000,000 Baht to 844,083,520 Baht, and a resolution to increase the registered capital of the Company from 844,083,520 Baht to 1,331,716,928 Baht through the issuance of ordinary shares in the amount of 487,633,408 ordinary shares at 1 Baht in the amount of 487,633,408 Baht.

Type of capital increase	Type of Shares Issued	Number of shares (shares)	Par Value (THB/Share)	Total (THB)
Specifying the use of proceeds	Ordinary	487,633,408	1.00	487,633,408
	Preferred	-	-	-

(B) Allotment of Newly Issued Ordinary Shares

Allotted to	Number of shares (shares)	Ratio (Old : New)	Sale Price (THB/Share)	Subscription and payment period	Note
Existing Shareholders (Right Offering)	168,816,704	5 : 1	1.00	24-28 March 2014	-
General Public	-	-	-	-	-
Private Placement	100,000,000	-	■ Not lower than 90% of the market price ■ Not lower than the Right Offering Price	27-29 January 2015	-
To be reserved for exercising rights of the warrants (AEC-W2) to be issued to the existing shareholders who subscribe for the right offering shares ⁽¹⁾	168,816,704	1:1	0.00	24-28 March 2014	Exercise Price = 2.00 Baht/comm on share
To be reserved for exercising rights of the warrants (AEC-W3) to be issued to the investors who subscribe for the privately placed shares ⁽²⁾	50,000,000	2:1	0.00	27-29 January 2015	Exercise Price = 3.00 Baht/comm on share

- 2) Issuance of warrants to purchase ordinary shares of AEC Securities Public Company Limited (AEC-W2) to be allocated to existing shareholders.

Type of Warrants:	The second series of warrants to purchase the newly issued ordinary shares of the Company ("AEC-W2")
Category of Warrants:	Stated the name of the holder and transferable.
Maturity:	3 years from the Issuance Date
Amounts of Warrants Issued:	168,816,704 units
Selling Price/Unit:	-0-
Offering Method:	The Company will allocate AEC-W2 to the shareholders who subscribe to the Right Offering.
Allocation Method:	AEC-W2 will be allocated to the shareholders who subscribe to the Right Offering. The list of the shareholders who are eligible for the Right Offering will be determined on March 6, 2014 (Record Date) and the book closing date will be March 7, 2014.
Number of Ordinary Shares Reserved for the Exercise of AEC-W2:	168,816,704 common shares with 1.00 Baht par value each, or 20% of the current outstanding common shares as of December 19, 2013.
Conversion Ratio:	1 unit of warrant can be converted to 1 ordinary share
Exercise Price:	2.00 Baht/share (except there is any adjustment to rights)
Exercise Periods:	The warrant holders can exercise their rights on the last business day of every June and December between 9.00 am to 3.30 pm over the tenor of the warrants. The first exercising date is June 30, 2014 and the last exercising date is the date when the warrants are mature. If the exercising date is a holiday, the exercise date will be the last business day before the exercise date.
Declaration of Exercising Rights:	Within 5 days before the exercising period.

Last Declaration of Exercising Rights:	Not fewer than 15 days before the last exercising period.
Conditions on Warrant Exercising Rights:	According to the terms and conditions of AEC-W2, as approved by the Shareholders.
Conditions on Issuing Additional Ordinary Shares in case of Right Adjustments:	When there is an adjustment of exercise price and conversion ratio as stipulated within the terms and conditions of AEC-W2.
Offering Period for AEC-W2:	The allocation of AEC-W2 to the existing shareholders who subscribe to the Right Offering will be made within one year after the Approval of the Shareholders.
Secondary Market for AEC-W2:	Stock Exchange of Thailand
Secondary Market for the Ordinary Shares Issued for the Exercised Warrants:	Stock Exchange of Thailand
Benefits of the New Ordinary Shares Issued for the Conversion of Warrants:	The New Ordinary Shares Issued from the Conversion of Warrants will have the same rights and benefits as the existing ordinary shares.
Conditions for Right Adjustment:	Exercise Price and Conversion Ratio can be adjusted over before the maturity of the warrants, AEC-W2, in order to maintain the rights and benefits of the warrant holders under the following circumstances, 1) when there is a change in the par value of the shares of the Company as a result of the share merger or share splits, 2) when the Company sell newly issued shares at the price below 90% of the market price, 3) when the Company sell convertible securities with the exercise price below 90% of the market price, 4) when the Company pays stock dividends, fully or partially, to the shareholders,

	5) when the Company pays cash dividends at the payout rate which is higher than the rate stipulated in the terms and conditions, and 6) where there are other circumstances similar to the above which worsen the rights and benefits of the warrant holders. The Board of Directors or any assigned Person will make decisions on changes in terms and conditions related to the adjustment in exercise price and conversion ratio.
Remaining Warrants after Expiry Date:	To be cancelled.
Other Conditions:	Assign the Board of Directors or any Person assigned to have the authority to set conditions and details of the AEC-W2, including the offering and allocation methods, negotiation, entering into any contract or agreement, acquiring permission from any state agency (if needed), or any necessary transaction related to the issuance of AEC-W2, and to register the AEC-W2 with the Stock Exchange of Thailand. The Company will not extend the maturity of AEC-W2 or make any adjustment other than those stated herein.
Impacts on the Existing Shareholders:	1. <u>Control Dilution</u> Control Dilution = $1 - (Q_o + Q_{RO} + Q_{WE}) / (Q_o + Q_{RO} + Q_{WE})$ with, Q_o = 844,083,520 shares with the par value of 1.00 Baht each Q_{RO} = The Right Offering amount of 168,816,704 shares Q_{WE} = Number of Shares Reserved for the Exercising of Warrants, i.e. 168,816,704 shares

	Control Dilution = 0% 2. <u>Price Dilution</u> Price Dilution = $(P_o - P_n)/P_o$ Price Dilution after the Right Offering Only = 9.1% Price Dilution after the Right Offering and Warrant Conversion = 9.2% 3. <u>EPS Dilution</u> EPS Dilution = $(EPS_o - EPS_n)/EPS_o$ EPS_o = Net profit of the past four quarters, i.e. (3.78) MBaht, divided by the number of outstanding ordinary shares EPS Dilution from the Right Offering = 16.7% Fully Diluted EPS after the Right Offering and Warrant Conversion = 28.6%
Registrar:	Thailand Securities Depository Co.,Ltd.

- 3) Issuance of warrants to purchase ordinary shares of AEC Securities Public Company Limited (AEC-W3) to be allocated by Private Placement Subscribers.

Type of Warrants:	The third series of warrants to purchase the newly issued ordinary shares of the Company ("AEC-W3")
Category of Warrants:	Stated the name of the holder and non-transferable.
Maturity:	3 years from the Issuance Date
Amounts of Warrants Issued:	50,000,000 units
Selling Price/Unit:	-0-
Allocation Method:	AEC-W3 will be allocated to the Private Placement subscriber at the ratio of 1 unit of warrant for each 2 newly issued ordinary shares.
Number of Ordinary Shares Reserved for the Exercise of AEC-W3:	50,000,000 common shares with 1.00 Baht par value each, or 5.92% of the current outstanding common shares as of December 19, 2013.
Conversion Ratio:	1 unit of warrant can be converted to 1 ordinary share

Exercise Price:	3.00 Baht/share (except there is any adjustment to rights)
Exercise Periods:	The warrant holders can exercise their rights on the last business day of every March and September between 9.00 am to 3.30 pm over the tenor of the warrants. The first exercising date is September 30, 2014 and the last exercising date is the date when the warrants are mature, i.e. 3 years from the Date of Issuance. If the exercising date is a holiday, the exercise date will be the last business day before the exercise date.
Declaration of Exercising Rights:	Within 5 days before the exercising period.
Last Declaration of Exercising Rights:	Not fewer than 15 days before the last exercising period.
Conditions on Warrant Exercising Rights:	According to the terms and conditions of AEC-W3, as approved by the Shareholders.
Conditions on Issuing Additional Ordinary Shares in case of Right Adjustments:	When there is an adjustment of exercise price and conversion ratio as stipulated within the terms and conditions of AEC-W3.
Offering Period for AEC-W3:	The allocation of AEC-W3 to the existing shareholders who subscribe to the Private Placement Offering will be made within one year after the Approval of the Shareholders.
Secondary Market for AEC-W3:	-
Secondary Market for the Ordinary Shares Issued for the Exercised Warrants:	Stock Exchange of Thailand
Benefits of the New Ordinary Shares Issued for the Conversion of Warrants:	The New Ordinary Shares Issued from the Conversion of Warrants will have the same rights and benefits as the existing ordinary shares.
Conditions for Right Adjustment:	Exercise Price and Conversion Ratio can be adjusted over before the maturity of the warrants,

	AEC-W3, in order to maintain the rights and benefits of the warrant holders under the following circumstances, 1) when there is a change in the par value of the shares of the Company as a result of the share merger or share splits, 2) when the Company sell newly issued shares at the price below 90% of the market price, 3) when the Company sell convertible securities with the exercise price below 90% of the market price, 4) when the Company pays stock dividends, fully or partially, to the shareholders, 5) when the Company pays cash dividends at the payout rate which is higher than the rate stipulated in the terms and conditions, and 6) when there are other circumstances similar to the above which worsen the rights and benefits of the warrant holders. The Board of Directors or any assigned Person will make decisions on changes in terms and conditions related to the adjustment in exercise price and conversion ratio.
Remaining Warrants after Expiry Date:	To be cancelled.
Other Conditions:	Assign the Board of Directors or any Person assigned to have the authority to set conditions and details of the AEC-W3, including the offering and allocation methods, negotiation, entering into any contract or agreement, acquiring permission from any state agency (if needed), or any necessary transaction related to the issuance of AEC-W3, and to register the AEC-W3 with the Stock Exchange of

	Thailand. The Company will not extend the maturity of AEC-W3 or make any adjustment other than those stated herein.
Impacts on the Existing Shareholders:	1. <u>Control Dilution</u> Control Dilution = $1 - (Q_o + Q_n) / (Q_o + Q_n)$ with, $Q_o = 844,083,520$ shares with the par value of 1.00 Baht each $Q_n = 150,000,000$, the number of shares offered to the Private Placement subscribers and after the conversion of warrants issued to the Private Placement subscribers Control Dilution = 15.1% 2. <u>Price Dilution</u> Price Dilution = $(P_o - P_n) / P_o$ Price Dilution after the Private Placement Offering and the conversion of warrants issued to the Private Placement subscribers = 7.5% 3. <u>EPS Dilution</u> EPS Dilution = $(EPS_o - EPS_n) / EPS_o$ EPS_o = Net profit of the past four quarters, i.e. (3.78) MBaht, divided by the number of outstanding ordinary shares Fully Diluted EPS after the Private Placement Offering and Warrant Conversion = 36.6%
Registrar:	Thailand Securities Depository Co.,Ltd.

7.4 Payment of Dividends

The Company has a policy of paying dividends to shareholders at 75 percent of the net profit for each year. The Board of Directors has the authority to waive this policy or change the policy at their discretion. However, such actions must be for the maximum benefit of the shareholders, such as the necessary use of capital to service any remaining debt, the use of capital to expand the Company's business or to prepare for any changes in the economy and the market that can have an effect on the liquidity of the Company.

8. Management Structure

The management structure of the Company includes comprises of the Board of Directors, the Board of Executive Directors, the Audit Committee, the Nominations and Remuneration Committee, the Investment Committee and the Credit Limit Committee, with details as follows:

8.1 The Board of Directors

As of 31 December 2014, the Company has 11 directors on the Board of Directors comprising of 4 executive directors (36.36%) and 7 non-executive independent directors (54.54%) as follows:

Name	Board of Director	Date of Appointment
Mom Rajawongse Somlabh Kitiyakara	Chairman and Independent Director	30 Apr 2013
Assoc. Prof. Dr. Chaiya Yimwilai	Chairman of Audit Committee and Independent Director	30 Apr 2013
Mr. Paisit Kaenchan	Audit Committee and Independent Director	30 Apr 2013
Miss Siriporn Thongkam	Audit Committee and Independent Director	30 Apr 2013
Mr. Weerasak Kowsurat	Independent Director	10 Jun 2013
Mr. Praphol Milindhachinda *	Director and Chairman of Executive Committee	30 Apr 2013
Mr. Kobkiat Boontharawara *	Director and Executive Committee	30 Apr 2013
Mr. Polchet Likittanasombat *	Director and Executive Committee	6 Jun 2014
Mr. Chaipant Pongtanakorn *	Director and Executive Committee	19 Aug 2014
Mr. Apichai Taechaubol	Director	22 Sep 2014
Mr. Vichya Krea-ngam	Director	9 Dec 2014
The secretary is Mr. Thaveedej Uyawong		

Authorized Directors

The company's authorized signatory is Mr. Praphol Milindhachinla, Mr. Kobkiat Boontharawara, Mr. Polchet Likittanasombat and Mr. Chaipant Pongtanakorn, 2 of 4 directors' co-sign together with the company's seal affixed.

Authorization and responsibilities of the Board of Directors

All directors are involved in the management of the Company and its business, and are all independent and neutral for the benefit of the shareholders and all stakeholders. The Board of Directors meets at least once a month to consider various agendas and manage the Company to reduce risks. The scope of authority of the Board of Directors is as follows:

1. To manage under the law, objectives and articles of the Company as prescribed at the General Meeting of Shareholders.
2. To manage under the authorities prescribed in the Memorandum of Association.
3. To appoint persons or a group of persons to carry out actions on behalf of the Board of Directors.
4. To formulate policies, goals and plans of the Company, including managing and supervising the management of the Company.
5. To fulfill the roles, responsibilities and duties as directors of the Company as prescribed under the relevant laws such as good faith, code of ethics and accountability to the shareholders.
6. To formulate the management and control of risks in the management of the Company

Knowledge and Experience of Directors

Name	Position	Finance and Capital Markets	Law and Regulations	Accounting and Finance	Management
Mom Rajawongse Somlarb Kitiyakorn	Chairman of the Board of Directors and Independent Director		X		X
Assoc. Prof. Dr. Chaiya Yimwilai	Chairman of the Audit Committee and Independent Director	X	X	X	X
Mr. Paisit Kaenchan	Audit Committee and Independent Director	X		X	X
Miss Siriporn Thongkam	Audit Committee and Independent Director	X		X	X
Mr. Weerasak Kowsurat	Independent Director		X		X
Mr. Praphol Milindachinla	Chairman of the Executive Committee		X	X	X

Name	Position	Finance and Capital Markets	Law and Regulations	Accounting and Finance	Management
Mr. Kobkiat Boontharawara	Executive Director and Chief Executive Officer	X	X	X	X
Mr. Polchet Likittanasombat	Director and Executive Director		X	X	X
Mr. Chaipant Pongtanakorn	Director and Executive Director	X	X	X	X
Mr. Apichai Taechaubol	Director		X	X	X
Mr. Vichya Krea-ngam	Director		X		X

8.2 Sub-Committees

The Board of Directors has established sub-committees with the expertise in various areas in order to assist the Board of Directors and studying and filtering important issues that require close supervision. There are 5 sub-committees established by the Board of Directors as follows:

Audit Committee

Name	Position
Assoc. Prof. Dr. Chaiya Yimwilai	Chairman of the Audit Committee and Independent Director
Mr. Paisit Kaenchan	Audit Committee and Independent Director
Miss Siriporn Thongkam	Audit Committee and Independent Director

The Secretary is Mr. Nakorn Lampaves

Authorization and responsibilities of the Audit Committee

1. To review the Company's financial reporting process to ensure accuracy and adequacy.
2. To ensure that the connected transaction or transaction that may lead to conflict of interest has been done in compliance to the relevant laws and regulations.
3. To ensure that the Company has a suitable and efficient internal control system and internal audit system.
4. To ensure the independency of the Compliance and Internal Audit Department and to approve the appointment, transfer or employment termination of the head of the Compliance and Internal Audit Department or other related department.

5. To consider, select, nominate, and recommend remunerations of the Company's external auditor to present to the meeting of shareholders to consider and approve.
6. To review the management of the executives to ensure compliance with the recommendations and policies on compliance and internal audit.
7. To review the Company and its compliance with the laws and regulations related to the SEC, SET and other relevant laws and regulations.
8. To review the risk control and management system, as well as the maintenance and safety of the Company's information technology systems.
9. To report important matters to the Board of Directors.
10. To prepare a report of the Audit Committee as required by the SET and disclose it in the annual report of the Company, and have such a report signed by the Chairman of the Audit Committee.
11. To review and adjust the Audit Committee Charter at appropriate times and in case of any changes to the charter, such changes must be approved by the Board of Directors.
12. In case the auditor finds suspicious behavior that the directors or executives of the Company has committed a breach and reported such breach to the Audit Committee, the Audit Committee will immediately review such breach and report the matter to the SEC and the auditor.
13. To perform any other duties assigned by the Board of Directors.

Executive Committee

Name	Position
Mr. Praphol Milindachinla	Chairman of the Executive Committee
Mr. Kobkiat Boontharawara	Executive Director and Chief Executive Officer
Mr. Polchet Likittanasombat	Executive Director
Mr. Chaipant Pongtanakorn	Executive Director
Mr. Angoon Pimpakorn	Executive Director
The secretary is Mr. Thaveedej Uyawong	

Authorization and responsibilities of the Executive Committee

The Executive Committee is responsible for the daily management of the Company's business, decision-making, and minimizing risk in management as well as increasing efficiency. The Executive Committee is responsible in evaluating and analyzing risks, controlling and surveying risks that may cause loss or damage to the Company, such as loss in policy and strategy, credit risk, market risk, liquidity risk and operational risk. The scope of authority must be approved by the Board of Directors.

In addition to working with mobility and appropriate internal controls in accordance with the practices and policies of the Company, so the company set the regulations relating to the expenses as follows;

- A. Purchase Asset Expenses, Chief Executive Officer can approve expenses in amount not exceeding 500,000 baht per time, Executive Committee can approve expenses in amount not exceeding 50,000,000 baht per time. If the cost exceed 50,000,000 baht per time should be advisory to the Board of Director for approval.
- B. Acquisition Expenses (other than (A)) ,Chief Executive Officer can approve expenses in amount not exceeding 100,000 baht per time, Executive Committee can approve expenses in amount not exceeding 50,000,000 baht per time. If the cost exceed 50,000,000 baht per time should be advisory to the Board of Director for approval.
- C. Employee and Director Expense, Chief Executive Officer can approve expenses based on the amount actually paid, Executive Committee can approve expenses in amount not exceeding 50,000,000 baht per time. If the cost exceed 50,000,000 baht per time should be advisory to the Board of Director for approval.
- D. Incidental Expenses, Chief Executive Officer can approve expenses in amount not exceeding 50,000 baht per time, Executive Committee can approve expenses in amount not exceeding 50,000,000 baht per time. If the cost exceed 50,000,000 baht per time should be advisory to the Board of Director for approval.

Investment Committee

Name	Position
Mr. Chaipant Pongtanakorn	Chairman
Mr. Polchet Likittanasombat	Committee
Chief Executive Officer*	Committee
Chief Operating Officer**	Committee
The secretary is Mr. Kijjapat Itthiritthanon	

* Mr. Kobkiat Boontherawara

** Mr. Thada Chanprasit

Authorization and responsibilities of the Investment Committee

1. Determining policies and conditions of investment, including determining the trading limit for the Company's proprietary trading account.
2. Evaluate policies and measures for risk management.

3. Evaluate the approved list of securities and derivatives that can be invested.
4. Set guidelines on punishment for officers who invest not according to the rules and regulations as stipulated by the Company.
5. Evaluate the performance of investment, as well as setting guidelines on punishment for investment officers

Credit Control Committee

Name	Position
Mr. Chaipant Pongtanakorn	Chairman
Mr. Polchet Likittanasombat	Committee
Chief Executive Officer*	Committee
Chief Operating Officer**	Committee
Senior Executive Vice President of Marketing ***	Committee
Head of Risk Management****	Committee
The secretary is Mr. Sataya Rangseekajee	

* Mr. Kobkiat Boontharawara *** Mr. Pisit Pathumban

** Mr. Thada Chanprasit **** Mr. Sataya Rangseekajee

Authorization and responsibilities of the Credit Control Committee

1. Establish the approval authorities of customer credit to be comply with criteria of Association of the Thai Securities Company, SET and SEC
2. Monitor and modified the approval authorities of customer credit to be appropriate level and comply with certain criteria
3. Recommendations to the Credit Committee on matters related to the customers' credit to comply with certain criteria.
4. To perform any other duties assigned by the Credit Control Committee

The Nomination and Remuneration Committee

Name	Position
Mr. Weerasak Kowsurat	Chairman
Mr. Paisit Kaenchan	Director
Miss Siriporn Thongkam	Director
The secretary is Mr. Thada Chanprasit	

Authorization and responsibilities of the Nomination and Remuneration Committee

1. Reviewing the Board of Director's structure to be appropriate to the strategies of the company and proposes a guidelines for improving criteria for prospect candidates to be comply with the company's strategies.
2. Recommend and assess the nominees for directorship or the chief executive officer and set up criteria and selection method of qualified candidates propose to the Board of Director for approval.
3. Determine the remuneration packages for directors and the chief executive officer. Establish, in a fair manner, criteria which will create the expected results to the Board of Director for approval.
4. To perform any other duties assigned by the Board of Director.

Management Executives

As of 31 December 2014 the Company has Management Executives as follows:

Name	Position
Mr. Kobkiat Boontherawara	Chief Executive Officer
Mr. Pisit Pathumban *	President
Mr. Thada Chanprasit *	Chief Operation Officer
Mr.Kanog Wongsarawit*	Senior Executive Vice President
Mr.Paitoon Thamrongkittikun*	Management Director
Mrs.Obom Rattanaol*	Senior Vice President

Note: * The first four positions on the executive level from Chief Executive Officer down and also Position in Financial is Manager level and above in according to SEC requirements.

The Attendance of the Directors in 2014 (as of December 31, 2014)

Name of Director	Board of Director Total 11 Time	Audit Committee Total 4 Time	Executive Committee Total 14 Time	Nomination and Remuneration Committee Total 1 Time	Credit Control Committee 19 Time	Investment Committee Total 15 Time
Mom Rajawongse Somlarb Kitiyakorn	10/11					
Assoc. Prof. Dr. Chaiya Yimwilai	11/11	4/4				
Mr. Paisit Kaenchan	11/11	4/4		1/1		
Miss Siriporn Thongkam	11/11	4/4		1/1		
Mr. Weerasak Kowsurat	10/11			1/1		
Mr. Praphol Milindachinla	11/11		14/14			
Mr. Kobkiat Boontherawara ¹	10/11		12/14		17/19	10/15
Mr. Polchet Likittanasombat ²	4/11		14/14		7/7	8/8
Mr. Apichai Taechaubol ³	1/11					
Mr. Chaipant Pongtanakorn ⁴	2/11		5/14		7/7	8/8
Mr. Vichya Krea-ngam ⁵	1/11					

*1 Resigned on December 30, 2014

*4 Appointment on August 19, 2014

*2 Appointment on June 6, 2014

*5 Appointment on December 9, 2014

*3 Appointment on September 22, 2014

8.3 The Company Secretary

The Board of Directors has appointed Mr. Thaveedej Uyawong, the Senior Executive Vice President, as the Company Secretary due to his high qualifications and experience. He is also the Secretary to the Board of Directors, with the following roles and responsibilities:

1. To organize the meeting of shareholders and the meeting of the Board of Directors under the law and articles of the Company, as well as related rules and regulations.
2. To establish and maintain the register of directors, notice of meetings and minutes of meetings for the meetings of shareholders and the meeting of the Board of Directors, as well as the Company's annual report.

3. To record all parties involved in related and/or conflicted matters as reported by the directors or the executives of the Company, and to report such records as prescribed under the law.
4. To recommend and report to directors about their roles and responsibilities under the law and relevant rules and regulation.
5. To maintain and arrange for the disclosure of information as stipulated under the rules and regulations of the relevant authorities.

8.4 The selection of directors and executives

The executive director and management team are from the selection made by the Board of Directors' meeting with the approval from the Nomination and Remuneration Committee. The policy to find and select personnel who can contribute to the company's business by setting criteria in selecting and demoting directors as follows:

Components and appointment of members of the Board of Directors

1. The Board of Director is consisted of at least 5 members by half of the directors must have residence in Thailand. The Board of Directors will consider the qualifications as article 68 of Public Limited Company Act B.E. 2535 and the related announcement of SEC. Besides, the Board of Directors also considers related experience of securities business of the candidates, and then proposes names to shareholders' meeting for an appointment.
2. In every annual shareholder's meeting, one third of the directors have to leave the positions. If the number of leaving directors cannot be exactly divided as one third, the number can be made at the closest to one third. The leaving directors in the first and second year after listing are from drawing by chance. Then, a director who is in the position longest will be forced to leave the year after that. Directors who are out of the positions can be reelected.
3. The shareholders' meeting will appoint directors by using majority votes' criteria as follows:
 - 3.1) One shareholder has number of votes as equal as his/her holding shares
 - 3.2) Each shareholder must use up all his/her number of votes in 3.1 to select 1 person or many persons to be directors but cannot separate the votes to individual candidates.
 - 3.3) Individuals who gain the highest vote respectively are the elected directors as the number required in that election time. In case there are too many candidates of equal votes need for that election, CEO will be the one who makes the ultimate decision.
4. In case the director position is vacant for other reasons than out of its term, the executive committee should find a resolution to a qualified person who does not have legally prohibited qualification to replace

with the three-fourth majority votes. However, the replaced director can be in the position only as long as the term of previous director left except such director's term is left less than 2 months

5. Shareholders' meeting can have a resolution to withdraw a director before his/her term with the votes of not less than three-fourth of a number of shareholders in the meeting who have a voting right and have total shares of not less than half of the shareholders in the meeting who have a voting right.

Selection criteria for independent directors and members of the Audit Committee

The company selects independent directors and members of the Audit Committee by considering the minimum

Qualification set by SEC as follows:

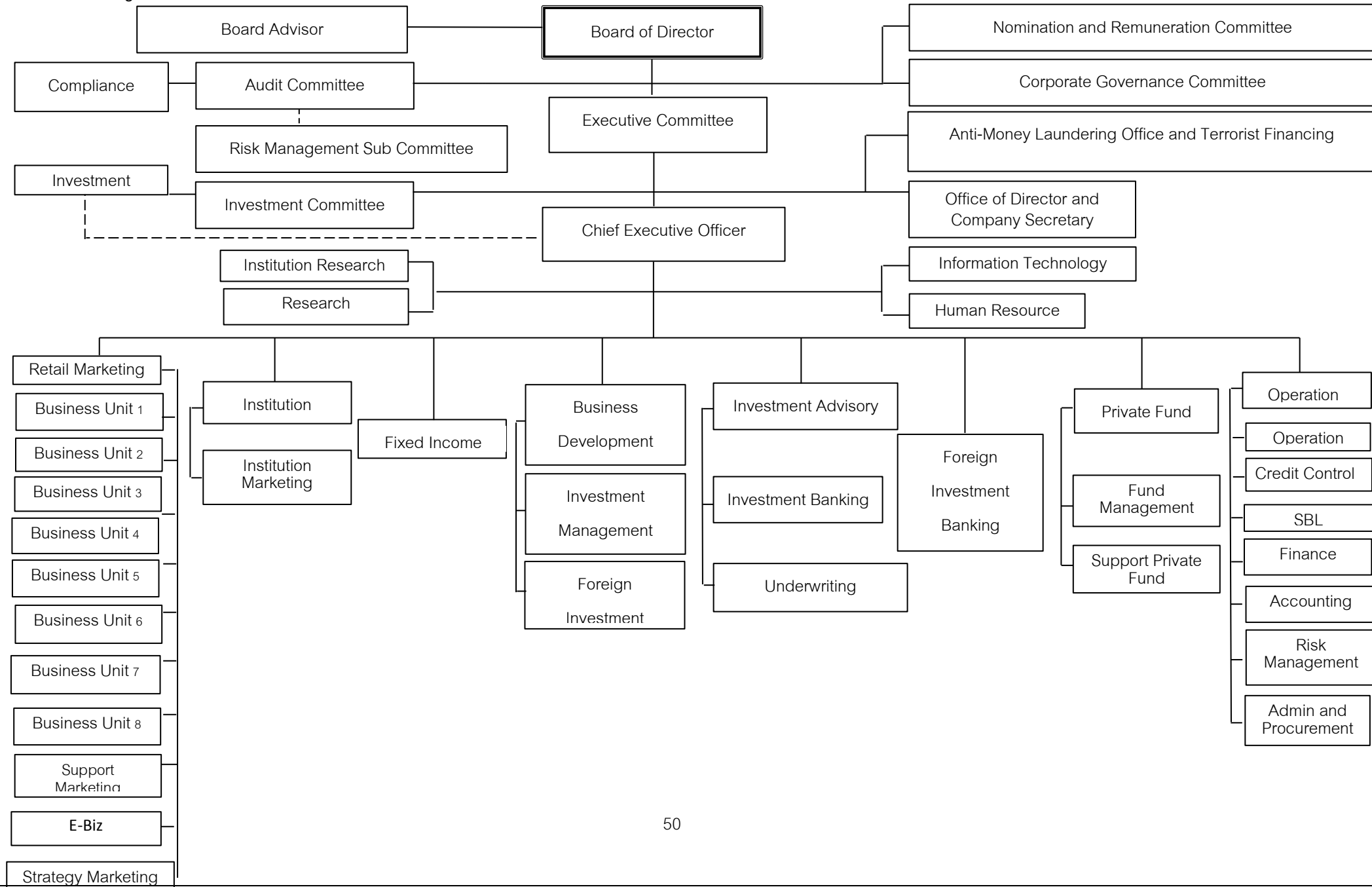
1. Hold not more than 1% of the shares with voting right of the Company, or related company.
2. Not being an employee who gets salary or authorized person of the company, parent company, subsidiary, or related company (at present and within 2 years before appointment).
3. Not being a person who has a lineage or legally relationship in terms of father, mother, spouse, siblings, child, and children's spouse of the executives, major shareholders, controlling persons or persons who will be nominated to be an executive or authorized person.
4. Do not have a business relationship, at and within 2 years before appointment, with the Company, parent company, subsidiary, or related company in terms of obstructing one self's independent decisions and do not have other traits that will lead to inability to independently give opinions about the Company's operation.
5. Not a director who was appointed to represent the company's board, major shareholders, or shareholders who are related to major shareholders of the company.
6. No other characteristics that cannot be seen to be independently.

The case of the nominated persons are presented to be the member of the Audit Committee, the nominated persons are required to qualify additional qualification as follow:

- (A) Not a director who has led the Board of Director to decide on the operations of the company, parent company, subsidiary, or related company.
- (B) Not a director of parent company, subsidiary, and subsidiary in the same sub-order.

In addition, the company also considers experience, understanding of the business, the ability to give opinions that are useful to the company's operation to incorporate the initial qualifications. At least, one of the member of the Audit Committee must have expertise in financial accounting.

8.5 Organization Chart



8.6 Remuneration of Directors and Executive

Name	Position	Monthly Remuneration (Baht)	Allowance per Meeting (Baht)	Total (Baht)
Mom Rajawongse Somlabh Kityakara	Chairman of the Board of Directors	960,000	200,000	1,160,000
Assoc. Prof. Dr. Chaiya Yimwilai	Independent Director	480,000	110,000	590,000
	Chairman of Audit Committee	-	150,000	150,000
Mr. Paisit Kaenchan	Independent Director	480,000	110,000	590,000
	Audit Committee	-	50,000	50,000
Miss Siriporn Thongkam	Independent Director	480,000	110,000	590,000
	Audit Committee	-	50,000	50,000
Mr. Weerasak Kowsurat	Independent Director	480,000	100,000	580,000
Mr. Praphol Milindhachinda	Director	-	-	-
	Chairman of Executive Director	3,600,000	-	3,600,000
Mr. Kobkiat Boontherawara ¹	Director	-	-	-
Mr. Polchet Likittanasombat ²	Director	-	-	-
	Executive Director	3,000,000	-	3,000,000
Mr. Chaipant Pongtanakorn ⁴	Director	-	-	-
	Executive Director	1,570,000	-	1,570,000
Mr. Apichai Taechaubol ³	Director	80,000	10,000	90,000
Mr. Vichya Krea-ngam ⁵	Director	40,000	10,000	50,000
Mr. Angoon Pimpakorn	Executive Director	360,000	-	360,000
Total		11,530,000	900,000	12,430,000

Note: Directors who are also management executives do not receive remuneration as directors of the Company.

The Annual General Meeting of Shareholders year 2014 has set the remunerations of the Board of Directors and the Sub Committees as the following rate :

Board / Committee	Position	Remunerations (Baht/Month)	Allowance (Baht/Meeting)
Board of Directors	Chairman of the Board of Director	80,000	20,000
	Vice Chairman of the Board of Directors	60,000	10,000
	Member of the Board Directors	40,000	10,000
Audit Committee	Chairman of Audit Committee	-	30,000
	Member of Audit Committee	-	10,000
Nomination and Remuneration Committee	Chairman of Nomination and Remuneration Committee	-	10,000
	Member of Nomination and Remuneration Committee	-	7,500
Corporate Governance and Social Responsibility Committee	Chairman of Corporate Governance and Social Responsibility Committee	-	10,000
	Member of Corporate Governance and Social Responsibility Committee	-	7,500

Note: Directors who are also management executives do not receive remuneration as directors of the Company.

The Remuneration of Personnel

The remuneration of personnel for 2014 is as follows;

Salary	198.22	Million Baht
Provident Fund Contribution	5.80	Million Baht
Social Security Contribution	2.83	Million Baht
Marketing Officers' Benefit	154.84	Million Baht
Total	361.69	Million Baht

Information from Financial Statement as of 31 December 2014

Expenses Related to Personnel	366.82	Million Baht
Remuneration to Directors and Executives	47.55	Million Baht

8.7 Personnel

As of 31 December 2014, there were 411 officers in the following departments:

Department	Amount (Person)
The Office of the Board of Director and Company Secretary	16
Department of Information Technology	13
Department of Investment	2
Department of Compliance and Internal Audit	6
Department of Credit Control	7
Department of Human Resource	3
Department of Administration and Procurement	4
Department of Investment Management	7
Department of Risk Management	3
Department of Accounting	5
Department of Finance	4
Department of Operation	8
Department of Business Development	5
Department of Private Fund	5
Department of Bond Management	2
Department of Developing Marketing Strategy	6
Department of Electronic Marketing (E-Biz)	3
Department of Research	9
Department of Securities Borrowing and Lending	3
Department of Investment Banking	7
Department of Foreign Investment Banking	2
Department of Branch Administration	3
Department of Retail Business	288
Total	411

9. Corporate Governance

9.1. Policies on Corporate Governance

As the Company is listed on the Stock Exchange of Thailand, the Company acknowledges the significance of corporate governance in order to demonstrate that the Company has efficient management, is transparent and open to review, which will increase confidence in the Company for shareholders, investors and stakeholders. Therefore, corporate governance increases value and supports sustainable growth for the company. The Company has 5 categories of corporate governance according to the guidelines for corporate governance of listed companies as determined by SET, which are rights of the shareholders, equality of treatment to shareholders, role of stakeholders, disclosure and transparency, and responsibilities of the Board.

9.2 Supervision of Business Operation in Subsidiaries Company

The Company has its mechanisms to control the operations of its subsidiaries, to protect the Company's investment as follows:

1. Appoint a Company's representative to act as director in subsidiary company; the appointment shall be approved by the Board
2. The representative appointed as director in subsidiary companies has duties as follows:
 - 2.1 Get the Company's Board approval prior to a vote on significant matters of the subsidiary.
 - 2.2 Act for the best benefit of that subsidiary company.
 - 2.3 Participate in the significant policy of the subsidiary.
 - 2.4 Oversee the subsidiary company to ensure it discloses accurate and complete information, such as financial statements, operating results, connected transactions and acquisition & disposition of assets.
 - 2.5 Oversee the subsidiary company to ensure it has appropriate internal control systems.

9.3 Controlling Inside Information

The Company has measures of protection on using inside information for personal gain or for other persons through abusive self-dealing, such as directors, executives and officers involved in compiling financial information before disclosure to the public (i.e. accounting and finance, executive office and audit and compliance departments). The Company (AECS) will be included on the Watched List on every 15th of the month following the last month of each quarter, until the date that the Company

discloses financial information to the public. Directors, executives and officers shall strictly follow this policy and the Company shall appoint a Committee on Discipline and Punishment in case of such breaches of the rules, regulations and articles of the Company. In addition, the Company has measures to protect acknowledgment of inside information between departments and personnel of the Company as follows:

- The Front Office and Back Office are physically separated from each other.
- The Research department and Investment Banking department are clearly separated from each other to protect marketing officers from knowing vital information before they are disclosed to the public for personal gain and/or for the gain of customers and/or other persons.
- The Proprietary Investment department is clearly separated from Retail Marketing department.
- The Company actively controls a Watched List, Restricted List and Research List to control inside information.
- The Company allows directors, executives and officers to open securities trading and/or derivatives trading accounts with the Company. Related persons to officers such as spouse and offspring that have not reached the legal age must allow other Securities Companies to disclose trading information and activities to the Company so that the Company can control and prohibit the use of inside information for the gain of officers and/or related persons.

Guidelines for keeping confidential information and the use of internal information

Employees must not disclose the clients' or potential clients' confidential information except allowed by them or required by laws. Also, they must not use the Company's and clients' internal information for their own or related persons' benefits. In addition, they must not use the information in securities trading recommendation.

9.4 Remuneration of the External Auditor

Fee of auditing the Company for the year 2014 is 1,300,000 Baht

The Company acknowledges the significance of accurate information in providing confidence for investors and consumers in the financial statements of the Company, and has provided the fee for the external auditor for the year 2014 in the amount of 1,300,000 Baht to Deloitte Touche Tohmatsu Jaiyos Company Limited.

9.5 Principles of Corporate Governance

Rights of shareholders

1. Right to obtain profit sharing in the form of dividends

The Company's dividend policy requires the Board of Directors to consider the dividend payment based on performance. If the Company has profits, it will pay dividends of at least 75 percent of net profits to shareholders. Such payment of dividends requires the resolution of the shareholders.

2. Right to attend the Annual General Meeting of Shareholders (AGM)

Before the meeting date

- The Company delivers the notice of the AGM together with related documents in hard copies and annual report CDs to all shareholders (annual reports in document format also provided upon request), prior to the meeting. The Company assigned the Thailand Securities Depository Co., Ltd., as the Company's Registrar in order to send the invitation to its shareholders by registered mail over 14 days prior to the meeting.
- The Company published notice of the AGM with related documents in both Thai and English language on its website, www.aecs.com, under the topic 'AEC News', 30 days before the meeting so that shareholders can access such information more conveniently and quickly. Such information are the same as the documents sent to the shareholders.
- The Company allows the shareholders to propose agendas and questions prior to the AGM to be considered and answered in the AGM at www.aecs.com. In the notice of the AGM 2012, the Company disclosed sufficient information in every agenda to support decision in voting of shareholders.
- In the notice of the AGM 2012, the Company disclosed sufficient information in every agenda to support decision in voting of shareholders.

On the meeting date

- The Company schedules the date, time and venue of the AGM by concerning the convenience of the shareholders, including the elderly and disabled using wheelchairs. The Company provided adequate staff and technology to facilitate the convenience of the shareholders such as staff with expertise in foreign language to assist foreign shareholders, the preparation of a secondary meeting room, communication systems in the meeting room, safety and security in the meeting room, the review of shareholders' documents as well as provided duty stamps to affix the shareholders' proxy forms and

providing a reception for shareholders. The Company did not restrict the right to attend the meeting of the late show-up shareholders.

- The AGM was arranged in compliance to the best practice of the Principles of Good Corporate Governance for Listed Companies as follows:
 1. All the Company's directors and management attended the meeting to explain and answer questions to the shareholders. The Chairman of the Board of Directors as chairman of the meeting welcomed the shareholders and asked the Company Secretary to introduce the members of the Board of Directors, Audit Committee, Executive Directors, the Executives of the Company, the Head of Accounting and Finance and the representatives from the Company's independent auditor. The Company notified a list of directors who had no voting rights in any agendas for the meeting.
 2. Before starting the meeting, the Company announced the proportion of shareholders and grantees of proxy attending the meeting, the counting and voting method. All votes of 'disapprove' and 'abstain' were recorded by the shareholders in the voting sheets provided by the company, Regarding the election of Directors agenda, all shareholders have to submit their voting cards which will be kept as evidence.
 3. The Company conducted the meeting respectively as specified in the notice of the AGM. There was no further or switching agendas other than those specified in the notice.
 4. The Chairman allowed the shareholders full opportunity to express their opinions in the meeting to comment and ask related questions during the end of each agenda before voting or the last agenda which availed for consideration of other business.
 5. The Company provided to the shareholders the transparency of voting rights and separate voting for each agenda so that the shareholders can exercise their rights independently for each agenda. For the agenda on the election of Directors to replace those retired by rotation, the shareholders were able to vote for individual Director by using the voting sheet for every vote cast and all of those sheets were kept for records.
 6. The Company conducted and disclosed the vote count on each agenda of the AGM with transparency by specifying number and percentage of all vote casts – approve, disapprove or abstain with representatives from the Company's independent auditor as witness in the votes counting.

After the meeting date

- The Company disclosed the AGM resolution via the Stock Exchange of Thailand's Electronic Company Information Disclosure system before 09.00 hrs. of the business day after the day of the meeting. For the AGM, the Company also disclosed the number of all vote casts – approve, disapprove and abstain.
- The Company provided AGM minutes containing entire important information; date, beginning and closing time, list of present and absent directors, significant explanation, questions and answers, comment summaries, resolutions of individual agenda with number of all vote casts – approve, disapprove and abstain.
- The Company submitted minutes of AGM in both Thai and English language to the Stock Exchange of Thailand and posted on the Company's website within 14 days after the meeting.

3. Right to receive information

The Company ensures that its shareholders receive important information such as the Board of Directors and profiles, major shareholder list, annual report, financial statements, as well as other significant events by posting on its website and always keeping such information updated.

Equitable Treatment of Shareholders

1. Shareholders who cannot attend the meeting themselves are able to grant proxy to others to come to the Meeting and vote on their behalf or the proxy may be granted to the Company's independent directors without any cost on mailing the proxy back or any other costs.
 - The shareholders who cannot attend the meeting by themselves are able to grant proxy to others. The Company encourages its shareholders to use the Proxy Form A, B or C (both Thai and English) in which the shareholders can specify comments in the voting, which can be downloaded from the Company's website.
 - In the Annual General Meeting of the Shareholders, the Company will provide the Minutes of Meeting to SET and on the Company's website in both Thai and English within 14 days commencing from such meeting.
 - In case shareholders who wish to grant proxy to others, the Company will provide the names, profiles and details of the independent directors in the notice sent to the shareholders for the consideration of shareholders who wish to grant proxy.

2. Minor shareholders are able to propose agendas or nominate qualified candidates for the Company's director position to replace the directors who were retired by rotation by an advance submission.
3. Preventive measure against the use of inside information by directors and executive.

The Company set up rules to prevent and report the abusive self-dealing and related party transactions of directors and executives as well as the staff in the related departments. Directors, managing directors and the first four management level executives below the managing director, including the manager of the accounting and finance department with the equivalent position of head director, must disclose the connected transactions of him/herself, spouse and/or minor children and/or close relatives as follows:

- Shareholding in other firm in which the reporter, their spouse, children and/or close relative hold the shares collectively more than 10 percent of the paid-up capital shares with voting right of such firm, must be reported by using the Company's form on 31 January of every year. The report shall be updated to the Company Secretary annually within 15 February of every year.
- Position holding as director or management with controlling power in any other firm by the reporter, their spouse, children and close relative must be reported by using the Company's form on 31 January of every year. The report shall be updated to the Company Secretary annually within 15 February of every year.
- Report without delay if there are any changes of shareholding and/or position holding as director or management of the reporter, their spouse, children and close relative occurring during the year.

The Company has complied with Section 89/16 of the Securities and Exchange Act B.E. 2551, requiring the Company Secretary to submit a copy of the above reports (according to Section 89/14) to the Chairman of the Board of Directors and the Chairman of the Audit Committee within seven business days from the date on which the Company has received such reports, which are used when the Board considers transaction between the Company and its directors or executives. The directors or executives having interest or involvement cannot participate in the decision-making process of such transaction, but may be present at the meeting only to provide additional information only.

Role of Stakeholders

1. Treatment of Stakeholders

The company emphasizes the importance and respects the rights of all stakeholders such as shareholders, customers, employees, suppliers, creditors, competitors, environment and society, etc.

All stakeholders mentioned above are well taken care of and treated right according to the related laws or agreement made with the Company. The Company always strengthens the cooperation among all stakeholders in compliance to the related regulations for its optimal performance and sustainable growth detailed as follows:

- Shareholders:

The Company aims to perform the best to create maximum satisfaction to its shareholders by concerning the growth of its value in the long term including the disclosure of accountable information with transparency.

- Customers:

The Company aims to fully satisfy their customers with good care and responsibility. New forms of services and channel / choices were developed to serve the customers through accurate and complete information without any distortion and without any breaches of the rules, regulations and articles of external regulators.

Customers' confidential information were kept confidential except on permission or enforced by law to disclose. In addition, complaint receiving system from the customers has been set up which the audit and compliance department will oversee the procedure and guidelines of investigation aiming for immediate best and justified solutions in accordance with the specified period set by SEC.

- Employees:

Employees are the most valuable and important factors to the Company's success. The Company aims to develop and promote a good working atmosphere and encourage teamwork as well as encourage employees to continuously improve knowledge. The Company is always responsible for maintaining a safe working environment to secure all employees' lives and properties and strictly adhering to comply with labor laws for employment, appointment and transfer of employees which it applies on a moral and merit basis in the consideration process and treats employees fairly and equally, as well as providing suitable compensation.

- Suppliers:

Business with any suppliers must not bring about any infamous reputation of the Company or against any law, especially regarding breaches of intellectual property, copyright or patents. The Company treats its suppliers according to the framework of honest business competition and concerns the equality in operating business and mutual benefits with suppliers by complying with the fair trading terms and fair selection.

- Creditors:

The Company has commitment in contract and complies with the terms and conditions set forth in the agreement with creditors in the repayment of principal, interest and collateral custody.

- Competitors:

The Company promotes fair competition policy without monopoly and follows the related rules set by the regulators particularly regulations concerning the rate of brokerage fee in securities trading and remuneration of marketing staff.

- Environment and Society:

The Company aims to comply with environmental laws and regulations, effectively provides a safety environment, promotes employees' awareness of environmental protection such as switching off unnecessary lights, shutting down unused electric office appliances during lunch time, using both sides of printing papers, separate recycle trashes as well as allocates some budget for public charity.

- Human Rights:

The Company ensures that its business is not involved in human rights violations and the Company treats all stakeholders with utmost respect for human rights with an emphasis on non-discrimination on the grounds of race, religion, ethnicity, gender, age, health, social status, class affiliations and political opinions.

2. Notice of clues or complaints

The Company provides a channel for all stakeholders to send the notice of complaint to the Company's Compliance and Internal Audit Department at No. 63, Athenee Tower, Floor 15,17, Wireless Road, Lumpini, Pathumwan, Bangkok 10330, Tel. 02-836-0160 or to compliance@aece.com. The Compliance and Internal Audit Department will propose to the Audit Committee for consideration and report to the Board of Directors.

Disclosure and Transparency

The Company's disclosure policy is to disclose clear, accurate, sufficient and timely information, both financial and non-financial, to all concerns in relation to the rules set by the SET and SEC and with transparency that is able to be inspected. The Company's information will be disclosed through the Company's annual report and the important information will be disclosed through the SET's electronic system (ELCID) and also posted on the Company's website under "AEC News" topic. Such information will be updated regularly including the

Company's quarterly financial information. Such financial statements are prepared by the Certified Public Accountant who has no relationship whatsoever with the Company and in accordance with the generally accepted accounting standard. Before each disclosure, the financial statement is reviewed and audited by the Company's Audit Committee who is the Company's Independent Director and the Board of Directors.

Besides financial information, other significant non-financial information was also disclosed such as related party transactions, list of top 20 shareholders of each quarter, Board of Directors' and Audit Committee's Charter and other Board's resolutions. In addition, 30 days in advance of the AGM, the AGM documents are disclosed in the Company website in both Thai and English language so that the shareholders are able to study the information before the meeting date. There was also an announcement to allow the minor shareholders to submit the proposal for special agenda and nominate qualified candidates for Directors position in advance to be considered in the AGM. All information disclosed was put in both Thai and English languages and posted on the Company's website and the news was also disclosed on the SET's electronic system to ensure the shareholders of its clear, accurate and sufficiency of the information and to provide sufficient time for them to study the information in each agenda before attending the Meeting by themselves or by granting a proxy to attend the Meeting or to vote on their behalf. Other information which was not able to be put on the Company's website such as remunerations policy as well as types of remunerations was included in the Form 56-1 and the annual report of the Company.

The Company has not officially set up an Investor Relations Department as the Company is still considered as relatively small. Nevertheless, shareholders or other investors may reach the Company or contact the executives of the Company by visiting the office of the Company, or contracting through the telephone or by electronic mail.

Responsibilities of the Board

The Company focuses significantly on the role, duties and responsibilities of the Board of Directors as being the one who determines policies and direction of the Company and reveals them to the management who uses them as a direction in operating the Company's businesses towards profit achievement for the benefit of the shareholders. Therefore, the Board's structure and qualifications including the efficiency in carrying out their duties are important factors that the Company are always concerned with. The Company has provided guidelines to Directors and has supported the Directors to attend seminar on the roles, responsibilities and duties of Directors in listed companies organized by the SET and/or other relevant authorities such as the Institute of Directors (IOD), of which all of the Company's directors have attended and completed their course.

1. Structure of the Directors

The Company concerns the appropriateness of structure of the Directors with respect to the Board's responsibilities. As for the Board of Directors' structure of 2014, the Company's Board of Directors consisted of 10 members comprising 4 executive directors, 6 non-executive independent directors, and 3 independent directors acting as directors on the Audit Committee or over one-third of all directors whereby the Chairman of the Board of Directors is not the same person as the Managing Director or the highest management of the Company to assure that the Board can actively perform its duties as shareholders' representative and a balance of power is properly exercised. The Board believes that the Board of Directors' composition is appropriate in terms of number of members compared to the Company's size. The qualifications of the Board especially the Audit Committee members all of which are experts in areas of accounting, finance and law.

The Company has established the Audit Committee, the Executive Committee, the Nominations and Remuneration Committee, the Investment Committee and the Credit Committee in order to help screen information to facilitate the Board of Directors' decision-making or it is able to make its own decision concerning the normal business operations of the Company which is in line with the pre-determined approval authority and along the policies of Company determined by the Board of Directors

2. The Meeting of the Board of Directors

The Company arranges its Board of Directors Meeting and Audit Committee Meeting regularly on a quarterly basis or at least 4 times a year. Before the meeting date, the directors will receive the agenda and documents about 3-7 days in advance which is a sufficient time for the members to study and prepare for the meetings. The quarterly meetings for the Board of Directors and the Audit Committee is appropriate and sufficient to oversee that the Company's operations has been running successfully.

In addition to approving the minutes of the previous meeting of the Board of Directors, each meeting of the Board of Directors consists of regular agendas, such as:

- Summary of the minutes of the meeting of the Executive Committee which divided into matters for acknowledgement and matters required further approval from the Board of Directors including the report on each department's performance of the previous month which serves as a form of monitoring of the Company's management operations efficiency.
- Summary of the minutes of the meeting of the Audit Committee which consists of the auditing results in terms of compliance to the rules and regulations of the regulators and the Company's

rules as well as internal control and various risk done by the Compliance and Internal Audit Department.

- The approval of disclosing and reporting quarterly financial statements (F45-1) and the notes and descriptions of any 20 percent change in the operation of the Company's business in comparison to the same quarter of the previous year.
- Update the Company's securities holding of Directors and Executives.

The Board of Directors has established the Executive Board consisting of the Chairman of the Executive Board, the Managing Director and the top management from the Company's core departments, in order to help screen information to facilitate the Board of Directors' decision-making or it is able to make its own decision concerning the normal business operations of the Company which is in line with the pre-determined approval authority and along the policies of Company determined by the Board of Directors.

10. Corporate Social Responsibility

The Company operates its business with responsibility for all groups of stakeholders. The Company strives towards this by strictly complying with all applicable laws and regulations. The principles and guidelines consisting of 7 aspects as follows:

1. Fair business operation

The Company is committed to doing business in compliance with the law, giving respect to social rules as well as not committing acts that infringe or degrade the rights of the interested individuals.

2. Anti-corruption

The Company has policies to fight against corruption of all forms directly and indirectly. The Company implements work reviews, financial reports, internal controls and internal audits to ensure proper control systems, which is enough for the risk of any possible corruption.

3. Giving respect to human rights

The Company realizes the importance of humanitarian rights and provides all employees the rights, freedoms and equality in working as well as advancement without discrimination against employee because of position, race, religion, sex, class or political opinions.

4. Fair labor treatment

The Company sets wages at a proper level for the Thai industry. It also provides welfare to its employees in different forms and creates a safe working environment.

5. Responsibilities to the customer

The Company focuses on good services to ensure the highest satisfaction of the customer, adhering to the fairness of price and quality of service and honesty in negotiation and conclusion of the contract, sincere management of customer complaints as well as any attempt to solve any possible deficiencies in activity or services in order to maintain a permanent relationship with the customer.

6. Environmental protection

The Company regularly encourages employees to be environmentally aware.

7. Joint development of the community or society

The Company supports social and community activities and encourages and supports employees to be trainers on investment to investors and students.

Corporate Social Responsibility Operations

Product design

The Company's products are based on the principle of conducting business fairly and responsibly with the consumers. The Company proposes products relevant to clients' needs and that do not impose unfair trade terms with customers or competitors. The Company will disclose complete, accurate, and fair information about the products without any

distortion to clients. When the Company launches a new product, it will educate clients and investors in order to enhance their knowledge and build confidence in the Company's product.

Sources of Funding

If the Company requires new funds, the policy is to try to procure the cheapest source of funds available and not depend upon just a single source of funds. The Company has a policy to maintain a Net Capital Rule and a Net Capital Ratio (NCR) that are the requirements under the SEC regulations,

Operational laws and regulations

The Company shall strictly abide by all laws and regulations concerning the securities business. The Compliance and Internal Audit Department and Legal Department are responsible for ensuring the Company has effective internal control systems and that the systems are used properly and comply with SEC/SET regulations.

Risk Management

At the heart of the business operation is the question of how to maximize profits while keeping risk at a reasonable level. Under this concept, the Company, who has developed various new financial products, knows that the risk factors must be handled effectively. Therefore, the Company has established an Risk Management Committee as well as other components to see that risk is always balanced with return.

The Company's Risk Management Department is responsible for monitoring all trading positions by systematically calculating Value at Risk (VaR) and also monitoring all the clients' positions by computerized systems. The Company has been able to analytically identify risk and thereby fully realize the full potential of the capital in question. Other innovations by the Company include a variety of standard operational procedures that have been developed to reduce risk in routine operations.

Fair treatment to employees

The Company takes action to ensure that qualified applicants are given equal opportunity to be employed with regards to the required qualification, educational background, experience and other requirements on a non-discriminatory basis regarding gender, age, nationality or religion. The Company ensures fair employment and offers fair career advancement opportunities.

Fair competition policy

The Company practices under the international competition rules, commercial practices, and does not seek competitors' information using fraudulent methods. The Company does not seek any competitors' confidential information in a dishonest or improper manner and does not destroy the reputation of competitors by accusing them without honest and factual data.

Anti - Corruption Practices

The Company's staff must not ask or receive any bribes which can lead to misbehavior or omit to do any duties or cause the Company to lose its benefits. The Company's staff must omit to propose, or give benefit or assets to third parties to encourage such third parties to do illegal practices or behavior.

In addition, the Company has taken actions to prevent fraud and corruption as follows:

- The Company has communicated the policy to all levels of management and employees to ensure they strictly comply with the policy.
- The Company also provides a channel to inform of violations or corruption and has protective measures for the person who reports the violation or corruption to the Company, by report to Compliance and Internal Audit Department, at Telephone number: 02-836-0160 or Email compliance@aece.com
- The Company will propose to Board of director to review the anti-corruption policy every year.

11. Internal Control and Risk Management

11.1 Internal Control

Summary of Internal Control

AEC Securities Public Company Limited understands the importance of internal control in order to protect against potential loss and risks that may arise against the Company and stakeholders. Executives and officers must follow these guidelines:

- Assist and support the internal control process to create a good working relationship and understanding of the roles between executives and officers
- Assist and support all departments to have self-control and internal control according to the Committee of Sponsoring Organizations of the Treadway Commission (COSO) of which there are 5 (five) categories:
 1. Internal Environment
 2. Risk Management
 3. Control of Operations of Management Executives
 4. Communication and Information Systems
 5. Tracking and Review System

Internal Environment

AEC Securities Public Company Limited has a policy of efficient self-control and regulation, internal control and risk management, which the Audit Committee and Management Executives constantly review. Such policies include financial control and control of operations according to the law and regulations, and to constantly develop such policies and procedures.

The Company promotes directors, executives and officers to understand the necessity of internal control systems, where the Board of Directors supervises and sets clear guidelines for the Company to follow and to allow efficient management. Professional codes of conduct and ethics are instilled in the principles prescribed in the Compliance Manual to prohibit management executives and officers from engaging in conflicts of interests with the Company and to punish those who breach such duties.

Corporate structure also supports efficient and effective management to reach the goals of the Company, where the Board of Directors provides policies for the Company and the Executive Committee provides management direction and operations for the management executives. Furthermore, the Company has an audit and compliance department, and a risk management and control department, to efficiently and effectively regulate and control the internal environment and potential risks. Such guidelines are provided in writing to protect against corruption issues. Nomination of qualified personnel by considering knowledge, experience and qualifications to meet each job description, where each job requires different roles and responsibilities, is essential to the Company, its business and its corporate culture. Orientation of new personnel

is important so that new personnel understand the vision and mission of the Company. The control of each department is controlled by the heads of each department, who creates a check and balance system for all types of business that the Company is engaged in.

Risk Management

AEC Securities Public Company Limited has clear objectives that coincide with the visions, missions and strategies of the Company. Such objectives are at a satisfactory level to allow for efficient and effective management, as well as at an acceptable rate of risk. Stress scenarios are used to prepare against possible negative scenarios and to evaluate potential damage and loss that may occur. The Company constantly develops and prepares against stress scenarios under careful risk management.

The Company has a policy of risk management and is constantly evaluating internal and external risks that may affect the Company, as well as establishing measures to review causes of risk factors and measures to decrease such risks under the management and control of the Executive Committee. Such measures are communicated to all the departments of the Company to prepare against any potential risks in protection against potential damage and/or loss. Audit and review of the internal environment to ensure that operations of each department are proceeding as planned by the risk management and control plan, especially regarding the Net Capital Rule (NCR) for Credit Balance accounts and proprietary trading accounts of the Company.

Control of Operations of Management Executives

The Company has established and separated the scope of roles and responsibilities, as well as the authorization limit, of management executives and committees at each level. Issues such as recording information, accounting information and communication information are separated from each other to allow for checks and balances. In case the Company engages in related party transactions or acquisition and disposition of assets, the Company has provided written regulations where related parties must disclose to the Company as soon as possible and such related parties shall not be involved or vote on that transaction. Such information shall also be disclosed to public with the interests of the Company and shareholders regarded as highest.

Information and Communication

The Company has established clear, accurate and efficient information and communication systems throughout the Company to aid quick reactions and decision-making. Information are separated from each other to allow for clear and concise understanding, increasing efficiency and effectiveness in process, coupled with developing personnel to understand their roles further in providing information to customers, investors, business partners and related persons. The Company has established policies to secure and protect information and communication as follows:

- Segregation of duties to support checks and balances of personnel in the Company to reduce infrastructure risk.
- Creating physical security for computers and server rooms in case of emergencies from fire, electricity failure and temperature malfunction.
- Establishing information and network security to restrict unauthorized persons from knowing and modifying computer information.
- Creating change management in information systems management in the Company so information systems are constantly developing to facilitate users, which will reduce integrity risks.
- Establishing backup and information technology continuity plan so information systems can work continuously and effectively, reducing availability risks.
- Creating continuous computer operation for increased accuracy, continuity and efficiency.
- Establishing control and management of IT outsourcing for efficient and effective management of outsourcing, thus controlling risks in the process.

Tracking and Review System

The Company has created steps, procedure and tools to assist and support management executives and various subcommittees to track and review operations to ensure efficiency in operations and internal control. The track and review system allows for the Company to adapt to changing situations and problems to be easily fixed. The Company has established a report system where business and operations are reported quarterly or monthly, depending on the situation, to assess the impacts and loss towards the Company. Through evaluating the reports, the Company is able to reassess the procedure, operations and efficiency of risk management methods. Such reports are carried out by the audit and compliance department and the risk management and control department, including reviews by an external auditor and the Board of Directors according to the Committee of Sponsoring Organizations of the Treadway Commission (COSO), to increase confidence that the Company has an internal control mechanism that can fulfill the objectives of the Company.

11.2 Report of the Audit Committee

As attached in the "Report of the Audit Committee" (Attachment 5).

11.3 Summary of the Opinions of the Board of Directors of AEC Securities Public Company Limited on Internal Control and Environment

The Board of Directors considers that the internal control of the Company is satisfactory and appropriate, which protects the assets of the Company against unauthorized use and abuse of power by management executives. The Company has not had any issues on internal control and the external auditor has not raised any issues on internal control of the Company. The Company has also established guidelines for

internal control according to the Committee of Sponsoring Organizations of the Treadway Commission (COSO), which has been considered and approved by the Board of Directors.

The Audit Committee agrees with the Board of Directors.

11.4 Head of Internal Control and Compliance of the Company

Details of the Head of internal control and compliance of the Company as follows;

Details	Head of Internal Control and Compliance		
Name	Mr. Nakorn Lumpaves		
Position	Executive Vice President		
Education	Master Degree - MBA (Finance), Dhurakij Pundit Universtiy		
Experience	AEC Securities PCL.	Executive Vice President	May 2014 – Feb 2015
	CIMB Securities Co.,Ltd.	Deputy Managing	2011 – 2014
	JF Thanakom Securities Co.,Ltd	Senior Vice President	1999– 2001
Training	- Auditing to know the facts about the customer according to the Law on the Prevention and Money Laundering Office Course (by AMLO) - Preparation of the securities and asset Management Company for requesting a certificate of compliance alignment of the private sector in the fight against corruption. (by SEC)		
Responsibility	- Control and responsibility on auditing results accordance with the plan and objective are determinate, which is conformity with policy of the Company. Reporting on operation of the department to supervisor and management. - Consultant comments and recommend on the internal control and system development to be effective and adapt to changing business environments. Including to legal compliance regulations of the Company along with ethics of member companies - Consulting and training and evaluate the performance of employee in the department.		

The Audit Committee has considered the head of internal control and compliance of the Company as knowledgeable, experienced and qualified for the position. In 2014, training on Auditing to know the facts about the customer according to the Law on the Prevention and Money Laundering Office Course (by AMLO) and Preparation of the securities and asset Management Company for requesting a certificate of compliance alignment of the private sector in the fight against corruption (by SEC).

Appointment, dismissal and transfer of the head of internal control and compliance of the Company require approval from the Audit Committee.

12. Connected Transactions

12.1 Connected Transactions between the Company and related persons (Related Party Transaction) in 2013 and 2014

Related Person	Relationship	Transaction	Value		Necessity and reasons
			2013	2014	
Directors	Directors has securities trading transactions through the company.	Commission fees	-	94,672	Directors of the company opened accounts and traded through the company, however, commission rate and condition of transaction are accordance with normal business and general commercial condition. <u>Tendency of future transactions</u> Transactions in similar manner may take place again in the future under the commercial conditions that can be compared with similar transactions with the outsiders since it is the company's normal business conduct.
AAMC Asset Management Company Limited	Subsidiary Company	Interest Income	-	6,918,904	A Subsidiary Company can borrow cash from the Company under general commercial conditions. <u>Tendency of future transactions</u> Transactions in similar manner may take place again in the future under the commercial conditions that can be compared with similar transactions with the outsiders since it is the company's normal business conduct.

Related Person	Relationship	Transaction	Value		Necessity and reasons
United Overseas Bank (Thai) Public Company* Limited	Same group company	Interest Income	1,058,359	-	The Company has opened its account and deposit money with UOB Bank. However, Interest Income and conditions of transactions are accordance with normal business and general commercial condition.
		expenses fee	1,500	-	As expenses fee uunder service agreement which is in normal business operation However, service fee rate market conditions are accordance with normal business and general commercial condition. <u>Tendency of future transactions</u> Transactions in similar manner may take place again in the future under the commercial conditions that can be compared with similar transactions with the outsiders since it is the company's normal business conduct.

Related Person	Relationship	Transaction	Value		Necessity and reasons
			2013	2014	
UOB (Thai) Assets Management Company Limited*	Same group company	Advisory and service income	4,137	-	As a consulting fee for advisory and service of fund management. However, service fee rate market conditions are accordance with normal business and general commercial condition <u>Tendency of future transactions</u> Transactions in similar manner may take place again in the future under the commercial conditions that can be compared with similar transactions with the outsiders since it is the company's normal business conduct.
UOB Kay Hian Securities (Thailand) Public Company Limited *	Same group company	Rental and service expense	391,853	-	As a rental and service of lease agreement. The rate determined under the agreement However, rental and service rate are accordance with normal business and general commercial condition <u>Tendency of future transactions</u> Transactions in similar manner may take place again in the future under the commercial conditions that can be compared with similar transactions with the outsiders since it is the company's normal business conduct.

Note : * Such companies were no longer the related companies since May 2, 2013 because the major shareholder of the Company has been changed.

12.2 Measures or approval process for connected transactions

The Board of Directors had considered the above connected transactions and agreed that they were for the highest benefits of the company and were normal businesses. For similar transactions in the future, the Board of Directors stated that if they are the company's normal transactions which are transactions of brokerage, securities dealing, investment advisory, and securities underwriting such as the approval of securities trading credit line as in the company's regulations, the company can process by following the approval procedure and report to Audit Committee. or the Board of Directors for acknowledgement.

For connected transactions that are not normal business transactions, there must be a presentation of details, transactions, relationship, appropriateness, and expert opinions from the third person such as auditor, property valuer, independent engineer, or legal office (if any) to the Audit Committee and the Board of Directors for consideration, then submit to the shareholders' meeting for approval before actually making the transactions.

Nonetheless, directors who will be affected by the transactions are not allowed to approve the transactions and have to reveal relationship with the counter party to the company.

12.3 Policies and tendency of connected transactions

The Board of Directors, with the opinion of the Audit Committee, will consider policies of connected transactions and reasons of such transaction by considering conditions of price setting and conditions of transactions as normal business. However, related persons will not participate in the approval consideration. The Board of Directors to be complies with the laws of securities and exchange, regulations, notifications, and SET's regulations. This includes the cooperation in information disclosure about connected transactions and the acquisition or sale of important asset of the company or subsidiary company and in accordance with accounting standard set by Institute of Certified Accountants and Auditors of Thailand in case there are connected transactions taking place with individuals who may have conflicts of interest, impacts, or future conflicts of interest. The company will assign the Audit Committee to give opinions about necessity and appropriateness of such transactions whether they are complied with normal business conduct and compare the price setting with the outsiders. In case the Audit Committee does not have expertise in consideration of possible connected transactions, the Company will find independent expertise or the company's auditors to give opinions about such transactions to increment the decision making of the Board of Directors or shareholders. However, the company will disclose connected transactions in note to financial statement audited by the auditor.