



Annual Report 2014

AIRA Capital Public Company Limited

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VISION & MISSION

AIRA GROUP VISION

VISION

We are determined to be a leading financial group company with an international network and alliance which can respond to our customer's demands, providing a diverse and comprehensive range of financial products and services.

AIRA GROUP MISSION

MISSION

Performing a full range of financial services as an investor company in the financial sector, which is ready to create the highest value under the principle of good corporate governance, with the mission to maintain the balance of stakeholder interests, as follows:

To the society:

To be a socially responsible company, with the management of business operations that accords with the principle of good corporate governance, assists the society and protects the environment.

To the shareholders:

To operate the business in a way that produces good returns to the shareholders and with continuous business expansion.

To the customers:

To ensure customer satisfaction at all times.

To the trading partners:

To jointly operate the business in accordance with the principles of honesty, fairness and justice, whilst building trusting relationships and good cooperation in order to develop the potential and effectiveness with regard to long-term business cooperation.

To the personnel:

To support the development of potential, granting confidence in the living quality and promoting organisational loyalty.



Message from the Chairman of the Board of Directors

Prof. Dr. Suphachai Phisitvanich

Dear Shareholder,

AIRA Capital Public Company Limited (the "Company") is a company which provides investment in other companies ("Holding Company"). It constitutes a Holding Company which invests in other companies that operate in the financial business and has been listed as a member of the Market for Alternative Investment (mai). The securities of the Company have undergone the initial public offering stage on 7 July 2014. The Company has five affiliate companies, i.e. AIRA Securities Public Company Limited, AIRA Advisory Company Limited, AIRA Factoring Public Company Limited and AIRA International Advisory (Singapore) Pte. Ltd. Also, recently, the Company has co-invested with AIFUL CORPORATION, which is a large-size financial company from Japan. This results in a formation of a joint venture for personal credit facilities in Thailand under the name of AIRA & AIFUL Public Company Limited.

With extensive vision, the Executive Board and personnel of the Company hold the necessary vital experience and knowledge, expertise in financial areas, as well as having the business operational structure which provides complete financial services. The Company has clear and concrete measures already in place in order to respond to the risks present in the current economic climate and in the business, which are highly volatile. Furthermore, the Executive Board of the Company has the determination and strong confidence and belief that AIRA Capital Public Company Limited, under the

management of the Executive Board and personnel of the Company, can develop the potential of the Company to be a leading company in the financial group sector.

On behalf of the Board of Directors of AIRA Capital Public Company Limited, we hereby thank all groups of stakeholders who have supported and trusted the Company and made the Company continuously successful in its business operation, and for ensuring our readiness to invest in various financial businesses. This will enable us to focus with determination on our vision to become a financial services provider company with an international network and alliances. To ensure that the Company is ready for future growth, the Company will pay attention to the business operation in accordance with the principle of good corporate governance and corporate social responsibility. This will enable the Company to create returns for the stakeholders, securely and sustainably.

A handwritten signature in blue ink, appearing to read "Suphachai Phisitvanich".

(Professor Dr. Suphachai Phisitvanich)
Chairman of the Board of Directors



Message from the Chief Executive Officer

Mrs. Nalinee Ngamsettamas

Dear Shareholder,

Even though there are unclear signs of recovery for the projection of the Thai capital market in the year 2014, for the team of executives and personnel of AIRA Capital Public Company Limited, the year 2014 is deemed as the best year for fully commencing the Holding Company's business operation. On 7 July 2014, the Company was listed as a member of the Market for Alternative Investment (MAI), having the trading name of "AIRA").

Regarding this great opportunity, I would like to congratulate all the new shareholders, as the listing in the Market for Alternative Investment (mai) constitutes an important step for the Company. After the ringing of the bell for trading commencement, the Company received great feedback from investors, both on an institutional level and individual level. Moreover, the overall operational results of the Company and subsidiaries for the year ending 2014 have net profits of Baht 75.95 million. This is deemed as being within a good range. The Board of Directors of the Company approved an interim dividends payment from the net profits for the months of January to September 2014 to the ordinary shareholders at the rate of Baht 0.012 per share. The Company made such dividends payment on 4 December 2014.

Furthermore, another significant milestone of the Company is its success in negotiating and signing the Joint Venture Agreement between the Company and AIFUL CORPORATION, Japan. This results in the formation of AIRA & AIFUL Public Company Limited. Such company will provide personal credit facilities in Thailand. Therefore, the year 2014 constitutes an important year for AIRA Capital Public Company Limited.

By having the vision and mission, with a strong determination in emphasising the development of potential and capability in the management and administration of the organisation, to have its organisational risk management accepted, to satisfy the customers and maximise the returns to the shareholders, the Company places great importance its compliance with the good corporate governance principle for the year 2015, as well as for the following years. It is deemed as a highly challenging time for executives and personnel of the Company to develop the business and organisation in all facets, both in terms of the business expansion, full-fledged services development, creation of business-related solutions and innovations, forming alliances and developing the organisation; with a deep value in social responsibility and towards all stakeholders.

I, on behalf of the executives and personnel of AIRA Capital Public Company Limited, would hereby like to thank all shareholders, the Board of Directors, customers, trading partners and business allies, who have the confidence and trust in the Company and have supported the Company's operations to a great extent. The Company hopes that it will continue to receive such appreciated trust and support continuously.

Lastly, I honestly express my gratitude to all the executives and personnel who have devoted their knowledge and capability to a maximum degree in pushing the Company to be successful in achieving its goals, which purports the vision and mission of the Company, and ensuring that the Company is a "leading financial group company" and securely and sustainably exists in the Thai capital market.

(Mrs. Nalinee Ngamsettamas)
Chief Executive Officer



Board of Directors

Prof. Dr. Suphachai Phisitvanich

Chairman and Independent Director

Age 74 Years

Date of appointment April 22, 2010

Shareholding proportion in the company (%) 0.00385 %

Education

- Bachelor of Business Administration, Thammasat University.
- Bachelor of Accounting, Thammasat University
- M.B.A. Finance, Ohio State University, USA.
- Ph.D (Honorary Degree) in Accounting, Thammasat University

Training

- Thai Institute of Director Association (IOD) Director Accreditation Program (DAP)
Class 1/2003
- Director Certification Program (DCP)
Class 38/ 2003
- The Role of the Chairman Program (RCP)
Class 13/2006
- Board of Performance Evaluation 2004

Experience

- | | |
|----------------|---|
| 2007 – present | Chairman and Independent Director
AIRA Securities Public Company Limited. |
| 2009 – present | Chairman, Easy Golf Co.,Ltd. |
| 2009 – present | Independent Director
CP ALL Public Company Limited. |
| 2004 – present | Chairman and Audit Committee
Samart I-Mobile Public Company Limited. |
| 1998 – present | Chairman of Audit Committee
and Director
Bangkok Expressway Public Company Limited. |
| 2004 – 2008 | Member of the Appellate Committee
The Securities and Exchange Commission (SEC) |
| 2003 – 2005 | Chairman and Chairman of
Audit Committee
Matching Studio Public Company Limited. |
| 2005 – 2013 | Chairman, Sena Golding Sand Co.,Ltd. |

Criminal-Free Track Record for the past 10 years None



Board of Directors

Mr. Nopporn Picha

Chairman of Audit Committee and

Independent Director

Age 67 Years

Date of appointment April 22, 2010

Shareholding proportion in the company (%) 0.00270 %

Education

- Bachelor of Agricultural Science, Kasetsart University
- Master of Economics program, National Institute of Development Administration (NIDA)

Training

- Thai Institute of Director Association (IOD) Director Accreditation Program (DAP)
Class 2/2003
- Director Certification Program (DCP)
Class 100/ 2009

Experience

- | | |
|----------------|---|
| 2006 – present | Chairman of Audit Committee and Independent Director
AIRA Securities Public Company Limited. |
| 2007 – present | Chairman
Viet World Company Limited. |
| 2007 – present | Honorary Advisor
Thai Agri–Foods Group |
| 2010 – present | Director
Ratchaburi World Cogeneration Co.,Ltd. |
| 2004 – 2007 | Vice President for Finance
Thammasat University |
| 1997 – 2006 | Independent Director and Audit Committee
Thai Agri–Foods Public Company Limited. |
| 2004 – 2006 | Chairman of Audit Committee
Oishi Group Public Company |

Criminal-Free Track Record for the past 10 years None



Board of Directors

Mrs. Chiraporn Chamnasiri

Independent Director and Audit Committee

Age 66 Years

Date of appointment April 22, 2010

Shareholding proportion in the company (%) 0.00173 %

Education

- Bachelor of Accounting, Chulalongkorn University

Training

- Thai Institute of Director Association (IOD) Director Accreditation Program (DAP)
Class 71/2008
- Director Certification Program (DCP)
Class 172 / 2013
- Advance Audit Committee Program
Class 2 / 2010
- Corporate Governance for Capital Market Intermediaries (CGI) Class 1/2014

Experience

2008 – present	Independent Director and Audit Committee AIRA Securities Public Company Limited.
1988 – present	Director, Taraporn Co.,Ltd..
1989 – present	Director , Managerial Excellent Co.,Ltd.
2005 – present	Director , SRI Consultant Co.,Ltd.
1994 – present	Director , Grid Business Solution Co.,Ltd.
1986 – 2009	Executive Vice President (Planning and Finance) Airport of Thailand Public Company Limited.

Criminal-Free Track Record for the past 10 years None



Board of Directors

**Associate Professor
Anchalee Pipatanasern**

Independent Director and Audit Committee

Age 63 Years

Date of appointment April 22, 2010

Shareholding proportion in the company (%) 0.00158 %

Education

- Bachelor of Accounting (2nd Honors),
Faculty of Commerce and Accountancy,
Thammasat University
- MS (Accounting) , Thammasat University

Training

- Thai Institute of Director Association (IOD)
Director Certification Program (DCP)
Class 124 / 2009
- Audit Committee Program (ACP)
Class 30 / 2010
- Advance Audit Committee Program
Class 2 / 2010
- Role of the Chairman Program (RCP)
Class 25 / 2011
- Corporate Governance for Capital Market
Intermediaries (CGI) Class 1/2014

Experience

- | | |
|----------------|--|
| 2009 – present | Independent Director and Audit Committee
AIRA Securities Public Company Limited. |
| 2009 – present | Independent Director and Chairman of the Audit Committee
PRINSIRI Public Company Limited. |
| 1995 – present | Committee of the Real Estate Business Program
Faculty of Commerce and Accountancy, Thammasat University |
| 2007 – 2010 | Head of Department of Accounting
Faculty of Commerce and Accountancy, Thammasat University |
| 2004 – 2007 | Vice President for Finance
Thammasat University |

Criminal-Free Track Record for the past 10 years None



Board of Directors

Mr. Prinya Waiwatana

Independent Director , Chairman of the Risk Management Committee, Investment Committee and Nomination and Remuneration Committee
Age 67 Years

Date of appointment April 22, 2010

Shareholding proportion in the company (%) 0.00193 %

Education

- Bachelor of Accounting, Chulalongkorn University

Training

- Thai Institute of Director Association (IOD) Director Accreditation Program (DAP) Class 35/2005
- Director Certification Program (DCP) Class 72/2006
- Audit Committee Program (ACP) Class 9/2005
- Role of Compensation Committee (RCC) Class 10/2010
- Monitoring the System of Internal Control and Risk Management (MIR) Class 2/2008

Experience

- | | |
|----------------|---|
| 2010 – present | Independent Director and Good Governance Committee Samart Corporation Public Company Limited. |
| 2005 – present | Independent Director, Audit Committee and Remuneration Committee Thai Steel Cable Public Company Limited. |
| 2006 – 2011 | Managing partner P & S Associates Office |

Criminal-Free Track Record for the past 10 years None



Board of Directors

Mrs. Nalinee Ngamsettamas

Authorized Director and Chief Executive Ofcer
Age 56 Years

Date of appointment April 22, 2010

Shareholding proportion in the company (%) 6.73123%

Education

- Certificate Master of Marketing Management, Thammasart University & Gothenberg University
- Master of Business Administration (Financial Management), National Institute of Development Administration
- Bachelor of Science, Srinakharinwirot University

Training

- Thai Institute of Director Association (IOD) Director Accreditation Program (DAP) Class 61/ 2007
- Capital Market Academy Certificate of the Capital Market Leadership Program Class 8
- The National Defense College High Level Security Management Program (Batch#3)
- Thammasat University Thammasat Leadership Program (Batch#3)
- Institute of Research and Development for Public Enterprises Leadership Succession Program (Batch#4)

Experience

- | | |
|----------------|--|
| 2007 – present | Authorized Director and Chairman of Executive Committee
AIRA Securities Public Company Limited. |
| 2011 – present | Authorized Director , Executive Director and Director of the Nomination and Remuneration Committee
AIRA Factoring Public Company Limited. |
| 1999 – present | Authorized Director and Chairman of the Board of Directors
AIRA Advisory Company Limited. |
| 2012 – present | Authorized Director, Executive Director and Chairman of the Board of Directors
AIRA International Advisory (Singapore) Pte.Ltd. |
| 2014 – present | Authorized Director and Chairman of the Board of Directors
AIRA & AIFUL Public Company Limited. |

Criminal-Free Track Record for the past 10 years None



Board of Directors

M.R. Kasemvisuth Visuthi

Authorized Director and Chairman of the
Nomination and Remuneration Committee

Age 72 Years

Date of appointment April 22, 2010

Shareholding proportion in the company (%) 0.00250 %

Education

- Bachelor of Science (Mechanical Engineering), Queens University of Belfast

Training

- Thai Institute of Director Association (IOD)
Director Accreditation Program (DAP)
Class 61/2007

Experience

- 2006 – 2010 Authorized Director
AIRA Securities Public Company Limited.
1995 – 2014 Director
S.B Realty Co.,Ltd.

Criminal-Free Track Record for the past 10 years None



Board of Directors

Mr. Wisoot Karnchanapunyapong

Authorized Director, Investment Committee
and Corporate Governance Committee
Age 55 Years

Date of appointment February 23, 2010

Shareholding proportion in the company (%) 0.00193 %

Education

- Bachelor of Laws , Chulalongkorn University

Training

- Thai Institute of Director Association (IOD) Director Accreditation Program (DAP)
Class 71/2008
- Director Certification Program (DCP)
Class 30/2013
- Corporate Governance for Capital Market Intermediaries (CGI) Class 1/ 2014

Experience

- 2006 – present Authorized Director,
AIRA Securities Public Company Limited.
- 2003 – present Authorized Director,
Center Interactive Co.,Ltd.
- 2003 – present Authorized Director,
Asia Future International Co.,Ltd.
- 2003 – present Chairman, TAP Valuation Co.,Ltd.
- 1996 – present Executive Director,
Thai Business Consultants Association
- 1996 – present The 4th Authorized Director of the Executive Board of Director,
The Dharmniti Public Company Limited.
- 1993 – present Authorized Director,
M.B.B.A Co.,Ltd
- 1990 – present Authorized Director ,
Dharmniti Law Office Co.,Ltd.
- 1990 – present Authorized Director ,
Dharmniti International Co.,Ltd.

Criminal-Free Track Record for the past 10 years None



Board of Directors

Mrs. Kongkeaw Piamduaytham

Authorized Director and Chairman of
Corporate Governance Committee
Age 63 Years

Date of appointment August 27, 2010

Shareholding proportion in the company (%) 0.32191%

Education

- Bachelor of Economics (first-class honors), Chiang Mai University
- Bachelor of Laws , Ramkhamhaeng University
- Master of Business Administration (Finance), Washington State University, USA.
- Sasin Senior Executive Program

Training

- Thai Institute of Director Association (IOD) Director Certification Program (DCP)
Class 157/2012
- Advanced Audit Committee Program (AACP)
Class 13/2013
- Capital Market Academy
Certificate of the Capital Market Leadership Program Class 1

Experience

- | | |
|----------------|--|
| 2009 – present | Advisor, AIRA Securities Public Company Limited. |
| 2011 – present | Chairman of Audit Committee, PAPOP Co.,Ltd. |
| 2012 – present | Chairman of Audit Committee, Muangthai Leasing Public Company Limited. |
| 2009 – 2009 | Senior Vice President, The Stock Exchange of Thailand. |
| 2004 – 2009 | Managing Director, Thailand Clearing House Co.,Ltd. |
| 2000 – 2009 | Managing Director, Thai NVDR Company Limited. |
| 1996 – 2009 | Managing Director, Thai Trust Fund Management Company Limited. |

Criminal-Free Track Record for the past 10 years None



Board of Directors

Mr. Wutthiphum Jurangkool

Authorized Director

Age 36 Years

Date of appointment April 23, 2013

Shareholding proportion in the company (%) None

Education

- Bachelor of Laws, Ramkhamhaeng University
- Executive MBA, Sasin Graduate Institute of Business Administration of Chulalongkorn University

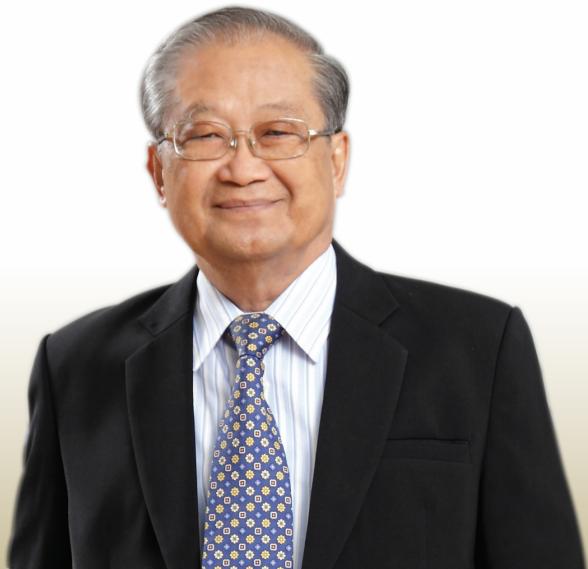
Training

- Thai Institute of Director Association (IOD) Directors Certification Program (DCP)
Class 148/2011
- Finance for Director (FFD)
Class 12/2011

Experience

- 2014 – present Authorized Director,
AIRA & AIFUL Public Company
Limited.
- 2011 – Present Director , Executive Committee
AIRA Factoring Public Company Limited.
- 2002– Present Director and Director of Procurement
Department of
 - SUMMIT Auto Body Industry Co.,Ltd.
 - SUMMIT Auto Body Industry Co.,Ltd.
(Ayutthaya branch)
 - SUMMIT Laemchabang Auto Body Work
Co.,Ltd.
 - SUMMIT Laemchabang Auto Body Work
Co.,Ltd. (Rayong branch)
 - SUMMIT Auto Tech Industry Co.,Ltd.
 - Thai Auto Industry Co.,Ltd.
 - SUMMIT R&D Center Co.,Ltd.
 - SUMMIT Advanced Materials Co.,Ltd.

Criminal-Free Track Record for the past 10 years None



Board of Directors

Associate Professor Niputh Jitprasonk

Director and Nomination and
remuneration Committee

Age 72 Years

Date of appointment August 27, 2010

Shareholding proportion in the company (%) 0.00135 %

Education

- Bachelor of Accounting (Honors). Faculty of Commerce and Accountancy, Thammasat University
- M.B.A. in international Trade & Finance, Gothenburg School of Economics and Business Administration, Sweden.

Training

- Thai Institute of Director Association (IOD) Director Certification Program (DCP)
Class 85/2007
Audit Committee Program (ACP)
Class 25/2009
Monitoring the System of Internal Control and Risk Management (MIR) Class 5/2009
Monitoring the internal Audit Function
Class 5/2009
Monitoring the Quality of Financial Report
Class 9/2009

Experience

- 2008 – present Director
AIRA Advisory Co.,Ltd.
2007 – present Director and Audit Committee
Lalin Property Public Company Limited.
2009 – present Director and Chairman of the
Audit Committee
G J Steel Public Company Limited.
2007 – 2011 Director and Audit Committee
The Stock Exchange of Thailand.

Criminal-Free Track Record for the past 10 years None



Board of Directors

Mr. Anant Sirisaengtaksin

Director and Director of Risk
Management Committee

Age 64 Years

Date of appointment August 14, 2014

Shareholding proportion in the company (%) None

Education

- Bachelor Degree in Accounting,
Chulalongkorn University
- Master of Business Administration /
Commerce, Eastern New Mexico University, USA.
- International Tax Program, Harvard University, USA.

Training

- General Taxation , Japan
- Capital Market Academy
Certificate of the Capital Market Leadership
Program Class (CMA 13)
- The National Defense College
National Defense (NDC 2546)

Experience

- | | |
|-------------|---|
| 2012 – 2014 | Advisor |
| 2011 – 2014 | Advisor , Mass Rapid Transit
Authority of Thailand. |
| 2009 – 2014 | Director and Chairman of Audit
Committee Bangkok Commercial
Asset Management Co.,Ltd. |
| 2011 – 2014 | Director and Audit Committee
The Marketing Organization ,
Ministry of Interior. |
| 2010 – 2011 | Director , Secondary Mortgage
Corporation. |
| 2009 – 2011 | Deputy Director-General ,
The Revenue Department.. |

Criminal-Free Track Record for the past 10 years None



SENIOR DIRECTORS AND SENIOR MANAGEMENT

Mrs. Nalinee Ngamsettamas

Authorized Director and Chief Executive Officer

Age 56 Years

Date of appointment April 22, 2010

Shareholding proportion in the company (%) 6.73123%

Education

- Certificate Master of Marketing Management, Thammasart University & Gothenberg University
- Master of Business Administration (Financial Management), National Institute of Development Administration
- Bachelor of Science, Srinakharinwirot University

Training

- Thai Institute of Director Association (IOD) Director Accreditation Program (DAP) Class 61/ 2007
- Capital Market Academy Certificate of the Capital Market Leadership Program Class 8
- The National Defense College High Level Security Management Program (Batch#3)
- Thammasat University Thammasat Leadership Program (Batch#3)
- Institute of Research and Development for Public Enterprises Leadership Succession Program (Batch#4)

Experience

- 2007 – present Authorized Director and Chairman of Executive Committee
AIRA Securities Public Company Limited.
- 2011 – present Authorized Director , Executive Director and Director of the Nomination and Remuneration Committee
AIRA Factoring Public Company Limited.
- 1999 – present Authorized Director and Chairman of the Board of Directors
AIRA Advisory Company Limited.
- 2012 – present Authorized Director, Executive Director and Chairman of the Board of Directors
AIRA International Advisory (Singapore) Pte.Ltd.
- 2014 – present Authorized Director and Chairman of the Board of Directors
AIRA & AIFUL Public Company Limited.

Criminal-Free Track Record for the past 10 years None



SENIOR DIRECTORS AND SENIOR MANAGEMENT

Mr. Suttiporn Tanthikul

Acting Managing Director and

Risk Management Committee

Age 53 Years

Date of appointment July 1, 2013

Shareholding proportion in the company (%) None

Education

- Bachelor of Arts (Economic)
University of the Thai Chamber of Commerce
- Master of Economics program, National Institute of Development Administration (NIDA)

Training

- Thammasat University
Thammasat Leadership Program (Batch#4)
- Chulalongkorn University
Risk Management Program (Batch#2)

Experience

2006 – June 2013 Vice President ,Corporate Banking Department

CIMB Thai Bank Public Company Limited.

1988 – 2006 Assistant Vice President , Commercial Banking UOB Bank Public Company Limited

Criminal-Free Track Record for the past 10 years None



SENIOR DIRECTORS AND SENIOR MANAGEMENT

Mr. Ataporn Tragulmalee

Executive Vice President

Age 49 Years

Date of appointment July 15, 2014

Shareholding proportion in the company (%) None

Education

- Bachelor of Science, Computer Science, Chadrakasem Teachers' College
- Master of Science in Applied Statistic, National Institute of Development Administration (NIDA)

Training

- IT Service Management
- IT Risk Management
- IT Security ISO27001
- Core Banking Solution and IT infrastructure
- System Development and Design-

Experience

July 2013 – April 2014	Head of Information System Development National ITMX Co.,Ltd.
February 2009 – July 2013	Senior Director of Information Technology Group and Chief Process Innovate Officer Thai Credit Retail Bank Public Company Limited.

Criminal-Free Track Record for the past 10 years None



SENIOR DIRECTORS AND SENIOR MANAGEMENT

Ms. Netrsine Naksuk

Company Secretary and Executive Vice President
Age 53 Years

Date of appointment September 24, 2011

Shareholding proportion in the company (%) 0.00204%

Education

- Bachelor of Finance and Banking,
Ramkamheang University
- M.B.A. Finance, Oklahoma city University , USA.

Training

- Thai Institute of Director Association (IOD)
Company Secretary Program (CSP)
Class 21/ 2007
- Effective Minute Taking (EMT) Class 6/2007

Experience

- | | |
|----------------|--|
| 2010 – present | Company Secretary and
Executive Vice President
AIRA Capital Public
Company limited. |
| 2007 – 2010 | Company Secretary
AIRA Securities Public
Company limited |

Criminal-Free Track Record for the past 10 years None

General Information

Company name	AIRA Capital Public Company Limited
Abbreviation	AIRA
Company registration number	0107554000216
Type of company	Holding Company
Registered capital	Baht 1,000,000,000
Ordinary shares	4,000,000,000 shares at the value of Baht 0.25 per share (as at 31 December 2014)
Issued and fully-paid up capital	Baht 973,398,815.00, comprising of 893,595,260 ordinary shares at the value of Baht 0.25 per share (as at 31 December 2014)

Head office address 319 Chamchuri Square Building, 12th Floor
Phayathai Road, Pathumwan Bangkok

Website: www.aira.co.th

Tel: 0-2684- 8991 - 5
Fax: 0-2684- 8980

Secretary office Tel: 0-2684- 8991
Fax: 0-2684- 8980
E-mail: corporate@aira.co.th

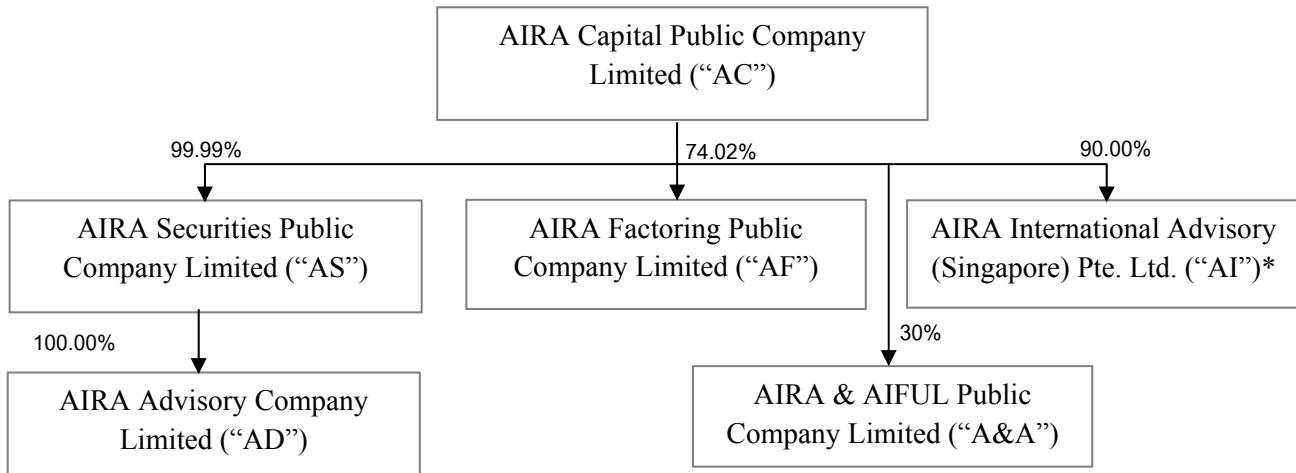
Reference person

Note: the investor may additionally study the securities-issuing Company's information from the annual information display form (Form no. 56-1), which can be seen at www.sec.or.th or on the website of AIRA Capital Public Company Limited www.aira.co.th

Business Operations

Type of Business and Nature of Operation

AIRA Capital Public Company Limited has operated as a holding company. At present, the Company has 5 subsidiaries with the shareholding structure of the Company and its subsidiaries as follows:



Note: *Mr. Tai Chong Yih, who is AS's assistant managing director, holds 10% of AI's shares.

Characteristic of the Company's operation and its subsidiaries

1) AIRA Securities Public Company Limited

AIRA Securities Public Company Limited ("AS"), formerly known as Prudent Siam Securities Public Company Limited, was incorporated on 16 February 2004. At present, there is a registered capital of Baht 1 billion, which consists of the fully-paid up capital of Baht 870 million, divided into 870 million shares at the par value of Baht 1 per share.

The Company became a majority shareholder, with the shareholding of 99.99 percent, as of 24 June 2011 and has had control of AS since 24 June 2011 onwards.

AS operates a securities brokerage business and is a fully licensed security member - No. 48 - of the Stock Exchange of Thailand. AS has been granted a securities brokerage licence to operate eight businesses, i.e. securities brokerage business; marketing business; investment consultant; underwriting services; collective fund management; fund management (private fund); stock borrowing and lending business (principal only); and venture capital business. Moreover, AS is a financial advisory service approved by the Securities and Exchange Commission. AS, currently, has six branches: the head office (Chamchuri Square Building); Surawongse branch; Summit Windmill Golf Club branch; Sri Pratum University branch; Muang Thong Thani branch; and Nakhon Sawan branch.

2) AIRA Advisory Company Limited

AIRA Advisory Company Limited (“AD”), formerly known as Dharmniti and Truth Company Limited, was incorporated on 23 March 1998 with a registered capital of Baht 10 million. In March 2007, AS, which is a subsidiary of the Company, started its shareholding at 100 percent. At present, there is the fully-paid up capital of Baht 50 million, divided into five million shares at the par value of Baht 10 per share.

AD provides a full business with regard to consulting services, focusing on financial and accounting consulting, debt restructuring, mergers and acquisitions, tax consulting and internal training, which provides customised internal financial training for any organisation, including public and private sectors, financial institutions, listed companies, SME businesses and individuals in general.

AD has been granted a licence type A number 822 from the Ministry of Finance to operate a financial advisory service and to perform miscellaneous work in terms of business management. Moreover, its financial advisory service has been approved by the Securities and Exchange Commission. It is also a licensed advisor for the corporate debt restructuring service under the Bank of Thailand’s corporate debt restructuring framework.

3) AIRA Factoring Public Company Limited

AIRA Factoring Public Company Limited (“AF”), formerly known as Dhanamitr Factoring Public Company Limited, was incorporated on 6 January 1997 with a registered capital of Baht 20 million. On 25 February 2011, the Company and SUMMIT jointly submitted the tender offer for 57.35 percent and 22.72 percent of the shares, respectively. Later, in February 2013, there was a shareholder restructuring, which made the Company the majority shareholder at the rate of 74.02 percent.

AF mainly operates the domestic factoring business, which provides a short term financing service by purchasing receivables and assignments of right for money collection at discounted prices from businesses. The target customers are in the retail modern trade and automotive assembly parts sectors.

At present, AF is listed on the MAI, with a registered capital of Baht 200 million, divided into 40 million shares at the par value of Baht 5 per share.

4) AIRA International Advisory (Singapore) Pte. Ltd.

AIRA International Advisory (Singapore) Pte. Ltd. (“AI”) was incorporated on 2 January 2013 with the Company holding 90% of its shares.

AI has provided a domestic and cross-border mergers and acquisitions advisory service, as well as investment in Singapore and the ASEAN Region in general, thus supporting the commencement of the AEC establishment in 2015.

At present, AI has a registered fully-paid up capital of SGD 500,000, divided into 500,000 shares at the par value of SGD 1 per share.

5) AIRA & AIFUL Public Company Limited

AIRA & AIFUL Public Company Limited (“A&A”) was incorporated on 24 December 2014, with the Company holding 30% of its shares.

A&A provides services in domestic personal loan facilities. At present, it is in the process of applying for a licence to operate a personal loan facilities service under supervision, and an individual credit facility for carrying on work under the supervision.

At present, A&A has a registered capital of Baht 1 billion, which consists of the fully-paid up capital of Baht 1 billion, divided into 1 billion shares at the par value of Baht 1 per share.

As the Company operates as a holding company, and has no direct business operation, the majority of the Company’s revenue comes from the subsidiaries’ operations.

Major Shareholders

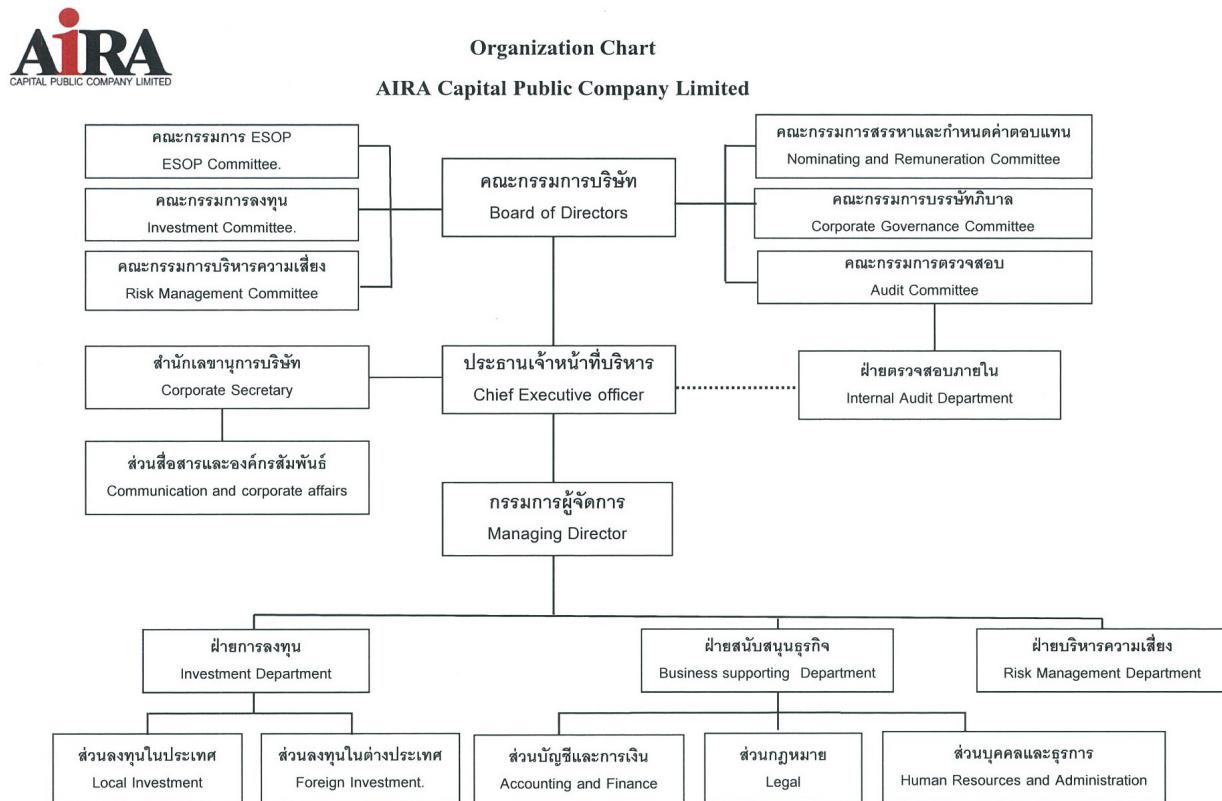
Major Shareholders

Information from the last closing date as of 30 December 2014, AIRA Capital Public Company Limited has its top 10 shareholders with details on the number of shares and shareholding percentage as follows:

No.	Major Shareholders	No. of Shares	Percentage (%)
1	J R K Holding Company Limited	1,447,810,800	37.18
2	Mrs. Nalinee Ngamsettamas	262,086,700	6.73
3	Mr. Thaveechat Jurangkool	241,049,000	6.19
4	Summit Footwear Company Limited	137,429,500	3.53
5	Mrs. Nicha Smithivas	135,250,000	3.47
6	Mr. Ngamsettamas	129,655,900	3.33
7	Mr. Suphasetd Lelanaphaparn	124,520,900	3.20
8	Ms. Nida Sae-Lee	106,713,500	2.74
9	Mr. Nutthaphon Jurangkool	101,562,100	2.61
10	Mr. Komol Jungrungreangkit	90,560,280	2.33

Management Structure

1. Organization Chart



2. Board of Directors of the Company, Sub-committees, Executives and the Supervision of the Subsidiaries

AIRA Capital Public Company Limited has the administrative structure comprising of the Board of Directors and five sub-committees, including the Audit Committee, the Investment Committee, the Corporate Governance Committee, the Nomination and Remuneration Committee, and the Risk Management Committee.

2.1) Board of Directors

As at 31 December 2014, the Board of Directors comprises of 12 persons, as follows:

No.	Directors	Position
1.	Prof. Suphachai Phisitvanich	Chairman of the Board / Independent Director
2.	Mrs. Nalinee Ngamsettamas	Director (authorized signatory) / Chief Executive Officer
3.	M.R. Kasemvisuthi Visuthi	Director (authorized signatory)
4.	Mr. Wisoot Karnchanapunyapong	Director (authorized signatory)
5.	Mrs. Kongkeaw Piamduaytham	Director (authorized signatory)
6.	Mr. Wuthiphum Jurankool	Director (authorized signatory)
7.	Mr. Prinya Waiwatana	Independent Director
8.	Associate Professor Niputh Jitprasonk	Director
9.	Mr. Anan Sirisaengtaksin	Director
10.	Mr. Nopporn Picha	Director and Audit Committee Chairman / Independent Director
11.	Mrs. Chiraporn Chamnasisri	Director and Audit Committee Member / Independent Director
12.	Associate Professor Anchalee Pipatanasern	Director and Audit Committee Member / Independent Director

Ms. Netrsine Naksook holds the position of the Secretary of the Company and acts as the Secretary of the Company's Board of Directors

Term of the Position of Directors

At every Annual General Meeting (“AGM”), a director shall retire from his or her position, at the ratio of 1 in 3. In case the number of directors cannot be divided by three, then the nearest number to one third of the directors shall retire in the first year. As for the second year after the company incorporation, the Board of Directors shall determine the matter amongst themselves and in case an agreement is not reached, there shall be a ballot held to determine who will retire. As for the following years, the Directors who hold the position for

the longest period shall be the retiring director for such period. The retiring directors are eligible for re-election.

Powers and Duties of the Board of Directors

The Board of Directors has the duties and responsibilities in the management and administration for the maximum benefits of the shareholders (Fiduciary Duty), with the four following principles:

1. Duty of care;
2. Duty of loyalty and honesty;
3. Duty of obedience to the law, objectives, Articles of Association and resolutions of shareholders meetings; and
4. Duty of disclosure to shareholders in a correct, complete and transparent manner.

Scope of Duties and Responsibilities of the Board of Directors

1. The Board of Directors has the powers and duties in the management of the Company, according to the laws on public companies, the laws on securities and stock exchange, other relevant laws, objectives, Articles of Association and resolutions of shareholders meetings, as follows:
 - 1.1 Compliance with the laws on public companies, the laws on securities and stock exchange, other relevant laws, objectives, Articles of Association and resolutions of shareholders meetings in a transparent manner according to good, effective management for the benefit of the Company and the shareholders.
 - 1.2 Determine the policy, goals, guidelines and direction for the operation and budget of the Company, to control the supervision of the management and administration of the Sub-committees to be in accordance with the assignment, except for the following: the Board of Directors shall receive approval from the shareholders meeting prior to acting, such as the legal requirement to obtain a prior resolution from the shareholders meeting, such as capital increase; capital decrease; issuance of debentures; sale or transfer of the Company's business; acceptance of the transfer of the business of another company; consolidation of the business with other persons; or amendment of the Memorandum of Association, Articles of Association or directors' remuneration etc.
2. The Board of Directors has the powers concerning investment, as follows:
 - 2.1 the powers and duties in setting the qualifications and appointments of the Investment Committee, as well as providing approval regarding the power and duties of the Investment Committee;
 - 2.2 to consider approving the investment plan of the Company and the power for the Investment Committee to act;
 - 2.3 to supervise the operation according to the plan;

- 2.4 set the structure in the business operation, thus to ensure effectiveness and efficiency in the operation thereof;
 - 2.5 consider the approval of the investment and partial or whole investment disposal according to the relevant authorities' criteria; and
 - 2.6 approve appropriate financial sources.
3. The Board of Directors has the powers and duties to supervise and follow-up with the measurements of the Company's and subsidiaries' operations in order to comply with the set goals. This is to also have the continuous results of operation, including the policy to develop and improve the Company's operation, as well as developing the Company's personnel and setting the guidelines for resolving obstacles to the operation, as follows:
- 3.1 The Board of Directors has the powers to appoint the Company's representative(s) to be the directors or executives in the subsidiaries and joint companies in accordance with the shareholding proportion. The appointed Company's representative has the duty to comply with the scope of duties and responsibilities set in the policy on the Company's and subsidiaries' control of the management;
 - 3.2 follow-up with the Company's and subsidiaries' results of operations to be consistently in accordance with the plan and budget;
 - 3.3 follow-up with the subsidiaries' disclosure on connected transactions, the acquisition and disposal of the material assets to the Company, completely and correctly; and
 - 3.4 in a case where the subsidiaries have conducted a transaction with the connected persons, acquisition and disposal of the material assets to the Company; the Board of Directors - especially the director or the executive representative - shall have the duty to supervise the subsidiaries' compliance with the criteria on the connected persons and the disposal of the assets, *mutatis mutandis*. This includes the key transactions which the Company has set. In addition, the consideration of such transaction by the subsidiaries will be similar to the transaction - having the same criteria, characteristics and size as the Company - which requires the resolutions of the Board of Directors meeting ("BOD") and the shareholders meeting, as the case may be.
4. The Board of Directors has the powers and duties to provide the reports on the Company's general information and the financial information, to report such to the shareholders and stakeholders or general investors correctly and timely, and in accordance with the legal requirements. The Board of Directors has the powers and duties to acknowledge the Audit Committee's reports or the internal audit system, including the auditors and various consultants of the Company, and has the duties to set the guidelines for improvement the material faults detected.
5. The Board of Directors has the powers and duties to inspect the sufficiency and appropriateness of the internal control and risk management of the Company;

6. The Board of Directors has the powers and duties to provide the Succession Plan for the highest level executive of the Company, thus to ensure continuity in succession.
7. The Board of Directors has the powers and duties to set the qualifications, appoint the sub-committees and provide approval on the powers and duties of the appointed sub-committees.
8. There is an annual assessment of the performance of duties of the Board of Directors. The assessment will be based on two grounds, firstly, as a whole (the Board of Directors and the sub-committees); and secondly, as a self-assessment for individuals. These results will be considered together with the number of attendees at the BOD meeting and shareholders meeting. Except for in an event of a force majeure case, the director who cannot attend the meeting will have to inform the Chairperson or the Secretary of the Board of Directors in advance prior to the meeting.
9. The Board of Directors may delegate the powers or assign any person or an authorised juristic body, to act or perform various matters of the Company, except for the power to act in the following matters, which can be made only upon approval of the shareholders meetings; such as the legal requirement for the resolutions of shareholders meetings Resolutions in conducting interested transactions and within the legal framework or the Stock Exchange of Thailand's regulation requirement for a shareholders meeting's approval.

Such delegation of power shall be subject to the following criteria:

- (1) regarding the appointment or delegation of power of any matter, the appointed person or the attorney-in-fact, shall not be an interested person or a person having conflict of interest against the Company or its subsidiaries in such matter;
- (2) the appointment or delegation of power shall not have the characteristics of the appointment or delegation of power which makes the appointed person or the attorney-in-fact able to approve the transaction that he or she, or the person having conflict, has an interest in, or has a conflict of interest in any other way with the Company or its subsidiaries;
- (3) the appointment or delegation of power shall clearly prescribe the scope of powers, duties and responsibilities of the appointed person or the attorney-in-fact. It shall also align with the resolutions of the BOD, which have an independent director attending or a member of the Audit Committee attending, and in case there is any objection by an independent director or a member of the Audit Committee attending such meeting for such delegation of authority, the opinion of the opposing directors shall be clearly recorded in the minutes of the meeting.

Moreover, the director, who may have an interest in the transaction that a director or related person to the director may have an interest in or conflict of interest with the Company; has no right to consider and vote in such particular matter.

Regarding the performance of the duties of the Board of Directors, advice may be sought from external independent directors or experts in other professions, if it is appropriate and suitable.

2.2) Sub-committees

2.2.1) Audit Committee

The term of position of a member of the Audit Committee

The Audit Committee has the term of three years and not more than two consecutive terms, except for any member that has the suitability to hold such position for a longer period. The Board of Directors will consider the independence and effectiveness of the performance of duties of such member in order to reappoint such member and to renew each term. This is not an automatic renewal of term.

Scope of duties and responsibilities

1. Audit Committee's powers and duties:

- 1.1 power to invite the executives, internal auditor, auditor or related person in each meeting to attend the meeting and request information as necessary and appropriate;
- 1.2 power to hire a consultant or external person for the Company to provide independent advice or particular advice in a necessary case. Such hiring shall be in accordance with the Company's regulations, and the Company will be responsible for such costs;
- 1.3 inspect and examine as necessary in various matters, as well as request information from the Company as necessary, in order to perform work according to the responsibilities of the Audit Committee effectively;
- 1.4 have a joint meeting with the auditors to discuss matters without the presence of the executives at least once per year; and
- 1.5 assess the performance of the highest level of the most superior member of staff of the internal audit department and provide an opinion in the designation of the remuneration of the employees in the internal audit department according to the Company's criteria, including giving opinions on the appointment and removal of the employees in the internal audit department.

2. Audit Committee's duties and responsibilities:

- 2.1 examine on behalf of the Company and its subsidiaries, to ensure correct financial statements and that there is sufficient disclosure, by coordinating with the auditors and the executives of the Company to prepare the financial statements, both quarterly and annually;
- 2.2 examine on behalf of the Company and its subsidiaries, to ensure an appropriate and effective internal audit, by having a joint examination with the auditors and internal auditor (if any);
- 2.3 examine on behalf of the Company, to ensure compliance with the Securities and Stock Exchange laws, the Stock Exchange of Thailand's ("SET") regulations or the laws in relation to the Company's business;
- 2.4 consider selection and proposal of the auditors' appointment, including the auditors' fee, by considering the reliability and sufficiency of the

- resources and auditors' audit volume, as well as the experience of the assigned persons to conduct the Company's audit;
- 2.5 consider the connected transactions and the conflict of interest transactions, to ensure compliance with the laws and the SET regulations - to ensure that such transactions are reasonable and for the Company's maximum benefit;
- 2.6 perform any other act assigned by the Board of Directors, which is within the scope of the Audit Committee's duties and responsibilities; and
- 2.7 prepare the Audit Committee's activities, which will be disclosed in the Company's Annual Report. Such report will be signed by the Audit Committee's Chairperson and shall comprise of:
- opinions regarding the preparation process and disclosure of the financial information of the Company regarding the reliability and integrity thereof;
 - opinion regarding the sufficiency of the Company's internal control system;
 - the reason to believe that the Company's auditors should be reappointed for another term;
 - opinion regarding the laws in relation to Securities and Stock Exchange regulations or the laws in relation to the Company's business;
 - any other report which the Audit Committee perceives that the shareholders and general investors should know of and which is under the scope of the duties and responsibilities as assigned by the Board of Directors;
 - opinions regarding the conflict of interest transactions;
 - number of Audit Committee meetings and the attendance rate at each meeting by each member; and
 - overall opinion or observation that the Audit Committee has, which was received from the performance of duties under the Charter.

2.2.2) Investment Committee

The term of position of a member of the Investment Committee

The Investment Committee has the term of three years. The retirement of a member based on said term is done by rotation at the AGM. In such case, upon retirement by rotation, such member may be re-elected for another term.

Investment Committee's Powers, Duties and Responsibilities:

- 1) consider the setting of the policy, criteria and investment plan, to be in accordance with or according to the policy framework which the Board of Directors has prescribed. Moreover, the consideration of the business or operation, which should be a joint venture according to the Company's policy;

- 2) consider the annual investment plan;
- 3) consider the studies of the business information and operation; of which there should be investment according to the Company's policy framework to achieve the maximum benefit to the Company's operation;
- 4) propose the decision-making information in the investment after the studies have been performed and present such to the BOD meeting for its approval;
- 5) to supervise, take care of and control the investment management according to the investment policy framework, and report the results of investment to the Board of Directors;
- 6) consider the making of any juristic act, such as entering into an agreement, amendment of an agreement and/or cancellation of an agreement with the company which the Company intends to invest in;
- 7) power to invite and / or hire an external person with expertise to act as advisor, to provide advice in the investment for which the Company will be responsible for such costs;
- 8) consider proposing the Company's representative as a member or executive of the company which the Company has invested in, and present such to the Board of Directors for its approval;
- 9) to supervise the results of operation of the company which the Company has invested in;
- 10) consider the capital increase, capital decrease, cancellation and disposal of investment in the company which the Company has invested in, and present such to the Board of Directors for its approval;
- 11) consider and present the Company's shares appropriation in the group company or the company which the Company has invested in, and present such to employees, allied companies or trading partners, and present such to the BOD for its approval;
- 12) consider the profit and loss results, present the interim dividend payment or the annual dividend of the Company and the group company, as well as present such to the Board of Directors for its approval;
- 13) any other action to support the abovementioned acts or as assigned by the Board of Directors on a case by case basis; and
- 14) to hold a meeting at least four times per year.

2.2.3) Corporate Governance Committee

The term of position of a member of the Corporate Governance Committee

The Corporate Governance Committee has the term of three years. The term's retirement by rotation is performed at the AGM. In such case, upon retirement by rotation, such member may be re-elected for another term.

Corporate Governance Committee's Powers, Duties and Responsibilities:

- 1) to set the scope and policy on corporate governance of the Company to propose to the Board of Directors, as well as to provide corporate governance guidance to the

- Board of Directors and provide advice on corporate governance to the Board of Directors;
- 2) follow-up with the performance of the Board of Directors and the management in order to comply with the corporate governance policy of the Company;
 - 3) consider revising the practice guidelines on the corporate governance of the Company by comparison with the international company benchmark, and propose such to the Board of Directors in order to always improve and update such guideline;
 - 4) consider and reflect on the independence of the Board of Directors, including any conflict of interest which may occur from the performance of its duties;
 - 5) consider and reflect on the suitability of the Directors to hold their positions, in case there is a change in relation to the required qualifications of the Directors;
 - 6) propose a way to assess the performance of the Board of Directors and various sub-committees, including to follow-up and summarise the assessment results to the Board of Directors for its acknowledgement, and to use such information to consider the improvement in work performance effectiveness; and
 - 7) consider and reflect on the assessment of the performance of the Board of Directors and various sub-committees on an annual basis.

2.2.4) Nomination and Remuneration Committee

The term of position of a member of the Nomination and Remuneration Committee

The Nomination and Remuneration Committee has the term of three years. The term's retirement by rotation is performed at the AGM. In such case, upon retirement by rotation, such member may be re-elected for another term.

Nomination and Remuneration Committee's Powers, Duties and Responsibilities:

- 1) to set the criteria and process for recruiting appropriate person(s) to hold the position of a Director, member of a sub-committee and the Chief Executive Officer;
- 2) nominate and consider selection of the person who should be proposed as a Director, member of a sub-committee and the Chief Executive Officer, according to the prescribed process of nomination, and present such to the Board of Directors or to the shareholders meeting for its approval, as the case may be;
- 3) make the criteria and policy in setting remuneration of the Board of Directors, sub-committee and the Chief Executive Officer of the Company, according to the prescribed process of nomination, and present such to the Board of Directors or to the shareholders meeting for its approval , as the case may be;
- 4) to prescribe the remuneration, in terms of cash and other benefits, of the Chairperson of the Board of Directors, sub-committee and the Chief Executive Officer of the Company, by considering the suitability of such remuneration with the duties and the responsibility to attract, retain and motivate persons of quality,

- and present such to the Board of Directors or to the shareholders meeting for its approval, as the case may be;
- 5) consider annual bonus payment (if any) and other benefits, including the adjustment of the annual bonus payment to the highest level of the executives of the Company, and present such to the Board of Directors for its approval;
 - 6) create the succession plan and continuity of management which is suitable for the Chairperson of the Board of Directors, the Chief Executive Officer, Managing Director and authorized administrator, and present such to the Board of Directors for its approval;
 - 7) to hold a meeting at least twice per year.

2.2.5) Risk Management Committee

The term of position of a member of the Risk Management Committee

The Risk Management Committee has the term of three years. The term's retirement by rotation is performed at the AGM. In such case, upon retirement by rotation, such member may be re-elected for another term.

Risk Management Committee's Powers, Duties and Responsibilities:

- 1) to consider and revise the policy and guidelines for the overall risk management of the Company, which covers various material risks such as strategic risks, credit risks, market risk, liquidity risk and operational risk;
- 2) set a guideline for the overall risk management of the Company and its subsidiaries to align with the risk management policy. This can assess, track and control the risk of the Company at an appropriate level;
- 3) track, follow-up and assess the implementation of the risk management policy during normal times, and to base the unusual times under the guideline and policy which have been approved by the Board of Directors;
- 4) revise the sufficiency of the policy and risk management system, including the effectiveness of the implementation system according to the prescribed policy;
- 5) assess the risks which may occur due to new products or the risk which may occur from transactions which will be created, including setting the ways to prevent risks which may occur on the transactions;
- 6) the Risk Management Committee has the duties and responsibilities in reporting the activities of the Risk Management Committee or any other duties which the Board of Directors have assigned, and to present its opinion to the Board of Directors accordingly; and
- 7) to hold a meeting at least twice per year.

2.2.6) Committee to Consider the Securities Sale Offer to the Directors and Employees

The term of position of a member of the Committee to Consider the Securities Sale Offer to the Directors and Employees

- None -

Powers, Duties and Responsibilities of the Committee to Consider the Securities Sale Offer to the Directors and Employees:

- 1) prepare the criteria and guideline for the appropriation of the Company's securities to offer for sale to directors, executives and employees of the Company and its subsidiaries, and present such to the Board of Directors in order to obtain the approval of the shareholders meeting; and
- 2) set the appropriate proportion in the appropriation of the Company's securities to offer for sale to directors, executives and employees of the Company and its subsidiaries, and present such to the Board of Directors in order to obtain the approval of the shareholders meeting.

2.3) Executives of the Company

As at 31 December 2014, the executives of the Company comprise of:

1. Mrs. Nalinee Ngamsettamas	Chief Executive Officer
2. Mr. Mr. Suttiporn Tanthikul	Acting Managing Director
3. Mr. Ataporn Tragulmalee	Assistant Managing Director
4. Ms. Netrsine Naksuk	Assistant Managing Director and Secretary of the Company
5. Ms. Panjanuch Kitgrongpaibul	Assistant Vice President, Risk Management Department
6. Ms. Nabtong Wanawattanawong	Assistant Vice President , Legal Department

Powers, Duties and Responsibilities of the Chief Executive Officer

1. to take part in the consideration on the setting of the Company's policy and the investment policy, as well as to provide advice in making the strategic business plan of the Company and its subsidiaries to present to the Company's Board of Directors for its approval;
2. follow-up and plan the investment plan according to the investment policy;
3. screen the annual budget, which was made by the group company's executives, and present such to the Board of Directors for its approval;
4. order and assign work according to the strategic business plan which has been approved, which the group company's executives shall comply with according to their scope of power in operation and duties and responsibilities;
5. set the mechanism in audit, control the supervision, control the risk management and follow-up with the work performance of the group company's executives according to the prescribed policy, effectively;

6. provide advice, recommendations and suggestions to resolve problems, including development and improvement of any group companies' work systems;
7. take part in the consideration and advice-making in relation to the issuance of various important regulations, criteria and rules, which have an impact on the entire group companies' work systems;
8. consider the appointment, removal of personnel, work performance assessment, rewards and remuneration of group companies' executives; and
9. conduct other work as assigned by the Company's Board of Directors.

2.4) Control and supervision of subsidiaries

As at 31 December 2014, the Company has the following four subsidiaries:

1. AIRA Securities Public Company Limited ("AS"), in which the Company has a shareholding of 99.99%;
2. AIRA Factoring Public Company Limited ("AF"), in which the Company has a shareholding of 74.02%;
3. AIRA Advisory Company Limited ("AD"), in which the Company has a shareholding of 100%; (through AS) and
4. AIRA International Advisory (Singapore) Pte. Ltd. ("AI"), in which the Company has a shareholding of 90%.

Regarding the Company's mechanism to control and supervise the subsidiaries, apart from the policy to control and supervise the companies which the Company has invested in, these four subsidiaries have amended their regulations to align with the control and supervision of the subsidiaries, thus to ensure that such control is correct and appropriate. Moreover, the content of the management and administration for compliance with the Company's management and administration policy is as follows:

In order to ensure compliance with the Company's management and administration policy, these following cases require approval from the Company's Board of Directors meeting or the shareholders meeting (as the case may be) prior to the approval from the subsidiary's Board of Directors meeting or the shareholders meeting (as the case may be):

- (1) In case there is a requirement for approval from the Company's Board of Directors meeting prior to the subsidiary entering into the following transactions:
 - (a) consider the payment of the annual dividends and interim dividends (if any) of the subsidiary; and
 - (b) Amend the Articles of Association of the subsidiary.

The transactions (c) to (k) are deemed as material transactions and, as such, entering into such transaction will cause a material adverse impact to the financial status and results of operation of the subsidiaries. Prior to the subsidiary's Board of Directors

meeting, the directors and executives, which the Company has appointed to hold a position in the subsidiary, will vote in the following matters, which shall receive prior approval from the Company's Board of Directors meeting. Furthermore, it shall be a case where the calculation of the size of the transaction which the subsidiary has entered into will be compared to the Company's size. This is by applying the criteria prescribed by the Capital Market Supervisory Commission and the Securities and Exchange Commission regulations on the acquisition or disposal of assets to apply, *mutatis mutandis*. This shall be within the criteria which have been approved by the Company's Board of Directors meeting, as follows:

- (c) in case the subsidiary agrees to enter into a transaction with the subsidiary's connected person or transactions which relate to the acquisition or disposal of the subsidiary's assets. This is by applying the criteria prescribed by the Capital Market Supervisory Commission and the Securities and Exchange Commission regulations on the acquisition or disposal of assets to apply, *mutatis mutandis*.

However, it shall be the case where the calculation of the size of the transaction which the subsidiary has entered into will be compared to the Company's size, and according to such criteria, it shall be within the criteria which requires approval by the Company's Board of Directors meeting;

- (d) transfer or waiver of rights and benefits, including the waiver of rights to the person which damages the subsidiary;
- (e) sale or transfer of the whole or an essential part of the subsidiary's business to any other person;
- (f) purchase or acceptance of transfer of the whole or an essential part of the business of the subsidiary to any other person;
- (g) execution, amendment or termination of a contract in relation to the leasing of the whole or an essential part of the subsidiary's business, assignment to any other person to manage the subsidiary's business and/or consolidation of the business with other persons;
- (h) lease or hire purchase of the whole or an essential part of the business or assets of the subsidiary;
- (i) borrowing money, lending money, providing credit facilities, guarantee, making a binding transaction against the subsidiary to incur higher financial obligation or providing financial advice in any manner to any other person which is not a normal business of the subsidiary;
- (j) dissolution of the subsidiary, which is a case where the calculation of the size of the transaction that the dissolved subsidiary has entered into will be compared to the Company's size. This is by applying the criteria prescribed by the Capital Market Supervisory Commission and the Securities and Exchange

Commission's regulations on the acquisition or disposal of assets to apply, *mutatis mutandis*. This shall be within the criteria which have been approved by the Company's Board of Directors meeting; and

(k) any transaction which is not a usual transaction of the subsidiary and where it is a transaction which has a material adverse impact to the subsidiary. However, this is a case with regard to any transaction which is not a usual transaction of the subsidiary, compared to the Company's size. This is by applying the criteria prescribed by the Capital Market Supervisory Commission and the Securities and Exchange Commission's regulations on the acquisition or disposal of assets to apply, *mutatis mutandis*. It shall be the case where calculation of the size of the transaction which the subsidiary has entered into will be compared to the Company's size. This shall be within the criteria which have been approved by the Company's Board of Directors meeting.

(2) Matters requiring the approval of the shareholders meeting prior to entering into a transaction;

(a) in case the subsidiary agrees to enter into a transaction with the subsidiary's connected person or transactions which relate to the acquisition or disposal of the subsidiary's assets. This is by applying the criteria prescribed by the Capital Market Supervisory Commission and the Securities and Exchange Commission's regulations (as the case maybe) to apply, *mutatis mutandis*. However, it shall be the case where the calculation of the size of the transaction which the subsidiary has entered into will be compared to the Company's size, and according to such criteria, it shall be within the criteria which requires approval by the shareholders meeting pursuant to such criteria;

(b) capital increase by issuance of the capital increase shares of the subsidiary, and appropriation of shares, including the registered capital decrease which does not align with the existing shareholding proportion. This may cause the direct and indirect shareholding of the Company in the subsidiary at any level to decrease by more than 10 percent of the registered capital of the subsidiary, or which may cause the direct and indirect shareholding of the Company in the subsidiary at any level to decrease to be less than 50 percent of the registered capital of such subsidiary;

(c) any other act which may cause the direct and indirect shareholding of the Company in the subsidiary at any level to decrease by more than 10 percent of the registered capital of the subsidiary, or which may cause the direct and indirect shareholding of the Company in the subsidiary at any level to decrease to be less than 50 percent of the registered capital of such subsidiary;

(d) dissolution of the subsidiary, which is a case where the calculation of the size of the transaction that the dissolved subsidiary has entered into will be compared to the Company's size. This is by applying the criteria prescribed by

the Capital Market Supervisory Commission and the Securities and Exchange Commission's regulations on the acquisition or disposal of assets to apply, *mutatis mutandis*. This shall be within the criteria which have been approved by the Company's shareholders meeting;

- (e) any transaction which is not a usual transaction of the subsidiary and such transaction has a material adverse impact to the subsidiary. However, this is a case where any transaction which is not a usual transaction of the subsidiary, compared to the Company's size. This is by applying the criteria prescribed by the Capital Market Supervisory Commission and the Securities and Exchange Commission's regulations on the acquisition or disposal of assets to apply, *mutatis mutandis*. It shall be the case where the calculation of the size of the transaction which the subsidiary has entered into will be compared to the Company's size. This shall be within the criteria which have been approved by the Company's shareholders meeting;

Shares Held By Members Of The Board Of Directors

as at December 31st, 2014

No.	Board of Directors		Position	Shares Held	Shares Held (%)
1	Prof. Suphachai	Phisitvanich	Chairman	150,000	0.00385
2	Mrs. Nalinee	Ngamsettamas	Authorized Director / Chief Executive Officer	262,086,700	6.73123
3	M.R. Kasemvisuthi	Visuthi	Authorized Director	97,500	0.00250
4	Mr. Wisoot	Kamchanapunyapong	Authorized Director	75,000	0.00193
5	Mrs. Kongkeaw	Piamduaytham	Authorized Director	12,534,000	0.32191
6	Mr. Wuthiphum	Jurangkool	Authorized Director	-	-
7	Mr. Nopporn	Picha	Independent Director / Chairman of Audit Committee	105,000	0.00270
8	Mrs. Chiraporn	Chamnasiri	Independent Director /Member of Audit Committee	67,500	0.00173
9	Mrs. Anchalee	Pipatanasern	Independent Director /Member of Audit Committee	61,500	0.00158
10	Mr. Prinya	Waiwatana	Independent Director	75,000	0.00193
11	Mr. Niputh	Jitprasonk	Director	52,500	0.00135
12	Mr. Anan	Sirisaeengtaksin	Director	-	-

Dividend Payment Policy

Dividend Payment Policy of the Company

The Company has the dividend payment policy for shareholders at the rate of not less than 50 percent of net profits after tax and various reserve deductions in all categories, as prescribed by law, by considering the separate financial statements. However, such dividend payments will depend on the cash flow, investment plan, conditions and terms which the Company is obligated to, including legal restrictions, suitability and other future necessities. Also, the resolution of the Board of Directors which approves the dividend payments shall be presented for approval from the shareholders meeting, except for interim dividend payments, for which the Board of Directors has the authority to approve such interim dividend payments, and which shall be reported to the next shareholders meeting.

Dividend Payment Policy of the subsidiary

The Company's subsidiaries (comprising of AS, AF, AD and AI) have the dividend payment policy from a separate financial statement to the shareholders at the rate of not less than 50 percent of the net profits after tax and various reserve deductions in all categories, as prescribed by law. However, such dividend distribution depends on the cash flow, investment plan, conditions and terms which the Company is obligated to, including legal restrictions, suitability and other future necessities.

Legal Disputes

As at 31 December 2014, the Company has no legal disputes that may cause damage to the Company which exceeds 5 percent of the shareholders' equity; and there is no other legal dispute which may cause material adverse impact to business operations.

Good Corporate Governance Report

The Board of Directors of AIRA Capital Public Company Limited emphasises the importance of Good Corporate Governance as a tool to manage and promote sustainable growth, as well as to create confidence and trust in the shareholders, investors, stakeholders and all relevant parties. It is assigned that the Corporate Governance Committee shall strictly perform the duty of supervising the Company's business operation in accordance with the good corporate governance policy. This will be in accordance with the regulations and good practices of the Stock Exchange of Thailand and the Office of the Securities and Exchange Commission, including the international practice guidelines.

The Corporate Governance Committee has performed its duties according to the prescribed roles and responsibilities, and has emphasised the importance of the promotion of the Company's corporate culture of good corporate governance. There is also promotion of the subsidiaries and the group company to have a good corporate governance policy. In the year 2014, the Company has complied with various good corporate governance principles, as follows:

Chapter 1: The Rights of Shareholders

The Company is aware and has placed importance on the basic rights of the shareholders, as an investor in securities and as owner of the Company, such as the right to trade or transfer the securities held; the right to have a share of profits from the Company; the right to receive sufficient information of the Company; various rights in the Meeting of Shareholders; the right of expression; and the right to participate in important matters of the Company, such as the appointment or removal of directors, appointment of the auditors, etc. The Board of Directors of the Company passed a resolution no. 8/2557 on 11 November 2014: to approve an interim dividend payment in 2014 to shareholders at the rate of Baht 0.012 per share, with the dividend payment date of 4 December 2014.

Apart from these basic rights, the Company has acted in various matters which promote and facilitate the rights of the shareholders, as follows:

1. In holding the Annual General Meeting of Shareholders for the year 2014 (“AGM”) on 18 March 2014, the Company sent an invitation notice with supplementary information on various agendas to the shareholders and registrar not less than seven days before the meeting. There was also the publication in a newspaper of such meeting appointment for three consecutive days at least three days before the meeting, with the accompanying opinion of the Board of Directors in each agenda.
2. In case the shareholders could not attend the AGM in person, the Company allows the shareholders to provide a proxy to independent directors or any person to attend the meeting on his or her behalf. This will be done using the proxy form, which the Company sent to all shareholders along with the invitation notice.

3. Before the AGM, the Company gave the opportunity for the shareholders to provide comments, suggestions and queries before the meeting, which were sent to www.aira.co.th, or faxed to 02-684-8980.
4. The AGMs has given an equal opportunity for the shareholders to question or provide comments to the meeting on various matters. Regarding the AGM for the year 2014, the directors and executives have emphasised the importance of attendance and replying to the shareholders questions, including recording the questions and opinions in the minutes of the meeting for the shareholders to inspect.
5. After the meeting, the Company executed the minutes within 14 days and displayed the correct information for shareholders to inspect.

Chapter 2: The Equitable Treatment of Shareholders

The Board of Directors has performed its duty to ensure equitable treatment and protection of the rights of shareholders in all aspects, in attending the meeting and voting, to enable the investors to have confidence in investing with the Company, as follows:

1. Regarding the AGM for the year 2014, the Chairman informed the meeting with regard to important information to the shareholders before the commencement of the meeting, including the introduction of the directors, executives and relevant persons attending the meeting; in order to inform of the number/proportion of the shareholders and the proxies attending the meeting. Moreover, the AGM complies with the Articles of Association of the Company and is in accordance with the sequence of the agenda. There was a presentation of details in each agenda, with the opinion of the Board of Directors, as well as clear and sufficient information accompanying such decision. There is no additional agenda except that which is stated in the invitation notice, nor any additional distribution of documents in the meeting, which will infringe the rights of the shareholders who could not attend the meeting in person.
2. The Board of Directors emphasised the importance of the measures to protect the directors and executives from using the internal information of the Company for personal gains. Therefore, the Board of Directors approved the policy of the usage of internal information on trading, transfer or receipt of the Company's shares. It is prohibited that the directors, executives and employees use internal information which has not been disclosed to the public for trading, transfer or receipt of the Company's shares within 30 days before the disclosure of the financial statements to the public.

Chapter 3: The Role of Stakeholders

The Company has emphasised the importance of the rights of all stakeholders groups, regardless of whether or not it is an internal stakeholder - which is an employee and/or executives of the Company - or external stakeholders, such as competitors, customers etc.

The Company is aware that the support and opinion of all stakeholders groups would benefit the operation and development of the Company. Therefore, the Company has complied with the law and relevant rules thus to ensure the protection of such stakeholders' rights. Moreover, the Company has promoted cooperation between the Company and all stakeholders groups. This is to create security to the Company in the following manners:

Shareholders: The Company aims to be a good representative of the shareholders in operating the business to ensure the highest satisfaction of the shareholders by considering the growth of the Company's value in the long-term, including the transparent and reliable disclosure of information.

Employees: The Company is aware of the importance of the employees, who are an important human resource of the Company. The Company thus aims to support and develop the capability of human resources to promote the highest benefit to the Company. In the year 2014, the Company held various seminars in the form of training courses, both internal and external, which is appropriate and in accordance with the performance and increase of knowledge and development of the employees' capacity development.

The Company has given the right to the employees to apply for membership of the "Employee's Provident Fund" equally, and the Company shall pay the same rate of contribution as the employees.

The Company has taken care of the work environment, thus to ensure safety, cleanliness and order, which facilitates better working conditions and productivity, including the promotion of health and sanitation, by ensuring annual health checks and influenza virus vaccinations.

Moreover, the Company supports the employees' participation in creating good corporate culture and teamwork.

Competitors: The Company treats competitors within the fair competition framework and maintains the standard competition practice.

Customers: The Company is dedicated to providing an effective response and services, to ensure the satisfaction and confidence of the customers. The Company has the policy to take care of all customers fairly and equally by keeping the customers secret, and there is a plan to create a system to receive complaints from customers.

Chapter 4: Disclosure and Transparency

The Company emphasises the importance of the correct, complete and transparent disclosure of information, with regard to the financial information and general information report, as

prescribed by the criteria of the Office of the Securities and Exchange Commission and the Stock Exchange of Thailand. The Company is also aware that, at present, there is website information disclosure, which is a fast and convenient channel where the shareholders and relevant persons can access the information easily. There is equal access to information; thus the Company made various disclosures of the Company in its website (www.aira.co.th).

The Board of Directors is responsible for the financial statements of the Company and its subsidiaries, as well as for financial information shown in the annual report. Such financial statements have been prepared in accordance with the general Thai Accounting Standards. There is also the selection of appropriate policy and consistent application, including sufficient information disclosure in the financial statements. Moreover, the Audit Committee has sufficiently examined the quality of the financial reports and internal control, including the disclosure of material information in the ‘Notes to the Financial statements’.

In the year 2014, the Company emphasised the importance of the investor relations unit, which is the main unit for contacting and disseminating information of the Company to the shareholders and general investors. The Board of Directors, in Meeting No. 3/2557 dated 20 October 2014, was held to consider the approval of the investor relations ethics to be used as the framework for the performance of the investor relations personnel of the Company by referring to the investor relations ethics manual 2014 produced by the Stock Exchange of Thailand.

Chapter 5: Responsibilities o0f the Board of Directors

1. Structure of the Board of Directors

The Board of Directors comprise of persons with sufficient knowledge and capability who play an important role in setting the policy and overall structure of the organisation, as well as play an important role in independently supervising, inspecting and evaluating the results of the operation of the Company to coincide with the set plan.

In the year 2014, the Company had 12 directors in the Board of Directors, including six independent directors. There were five non-executive directors and one executive director, which is a suitable proportion and number to the size of the Company. Each director has the required diverse qualifications, skills, experiences and expertise which benefit the Company. The structure is as follows:

- Chairperson of the Board of Directors and the Chief Executive Officer of the Company are not the same person.
- There were six independent directors, which is not less than one third of the total directors, which coincides with the SEC Office’s requirements.
- There were 12 directors who have passed the DAP or DCP training from the Thai Institute of Directors Association (IOD);

- The Company has designated the Company's Secretary to act in advising the directors of various rules and regulations which the directors have to be informed of, including coordinating for compliance with the resolution of the Board of Directors. The Company has appointed Ms. Netrsine Naksook, Assistant Managing Director, who passed the Company Secretary Programme, Class No. 21/2007, and the Effective Minute Taking Class No. 6/2007 from the IOD, who acts as the Company's Secretary.
- The Board of Directors appointed various sub-committees, such as the Audit Committee, the Investment Committee, the Corporate Governance Committee, the Nomination and Remuneration Committee, the Committee on the Consideration of Proposal of Securities Sale to Directors and Employees and the Risk Management Committee. The Chairman of the Board of Directors does not chair or act as a member of these sub-committees in any way whatsoever.

The Company has clearly set the agenda according to the Company's Articles of Association that, at every AGM, a director shall retire from his or her position, at the ratio of one in three. In case the number of directors cannot be divided by three, then the nearest number to one third of the directors shall retire in the first year. As for the second year after the Company's incorporation, the Board of Directors shall determine amongst themselves and in case an agreement is not reached, there shall be a ballot to determine who would retire. As for the following years, the Directors who have held their position the longest shall be the retiring directors for such period. However, the retiring directors are eligible for re-election.

The Company has clearly divided the responsibilities and roles of the Board of Directors and the executives. The Board of Directors has the duty to set the policy and to supervise the operation of the executives on policy-level with the executive manages the Company in various ways according to the set policy. The Chairman of the Board of Directors and Chief Executive Officer are not the same person. Each person who holds these positions has been selected from the Board of Directors as the most suitable person.

2. Roles, Duties and Responsibilities of the Board of Directors

The Board of Directors comprises of persons with knowledge, skills and diverse expertise, and has a widely accepted leadership capability. The Board of Directors contributes to the setting of vision, mission, strategy, policy and business operation guidelines. There is also the supervisory role of the Company's performance in compliance with the law, as well as the objectives, Articles of Association and the resolution of the AGM for the purpose of tracking and supervising the Company's operation closely. The Board of Directors thus passed a resolution to appoint various Committees to track and take care of the Company's operation, as follows:

- **The Audit Committee**

In the year 2014, the Audit Committee comprised of three independent directors, as follows:

Name	Position
1. Mr. Nopporn Picha	Chairman of Audit Committee
2. Mrs. Chiraporn Chamnasisiri	Audit Committee Member
3. Associate Professor Anchalee Pipatnasern	Audit Committee Member

In the year 2014, the Audit Committee convened a total of four meetings, and they performed their duties in taking care of the Company's operation in accordance with the rules, duties and responsibilities requirement of the Audit Committee Charter.

- **The Investment Committee**

In the year 2014, the Investment Committee comprised of four directors, as follows:

Name	Position
1. Mrs. Nalinee Ngamsettamas,	Chairwoman of the Investment Committee
2. Mr. Wisoot Karnchanapunyapong	Member of the Investment Committee
3. Mr. Prinya Waiwatna	Member of the Investment Committee
4. Mr. Pairoj Laungthaleongpong	Member of the Investment Committee

In the year 2014, the Investment Committee convened the total of eight meetings, and they performed their duties in setting the policy, criteria and investment plan in accordance with the policy framework which the Board of Directors has prescribed, as well as creating an annual investment plan according to the requirements of the Investment Committee Charter.

- **The Nomination and Remuneration Committee**

In the year 2014, the Nomination and Remuneration Committee comprised of three directors, as follows:

Name	Position
1. Mr. Kasemvisuthi Visuthi	Chairman of the Investment Committee
2. Mr. Prinya Waiwatana	Member of the Investment Committee
3. Associate Prof. Niputh Jitprasonk	Member of the Investment Committee

In the year 2014, the Nomination and Remuneration Committee convened the total of four meetings, and considered the allocation of the rights instrument to the directors, executives of the Company and its subsidiaries. Moreover, the Committee considers the setting of principle to be a guideline on the practice of the remuneration of the directors of the

Company and its subsidiaries, including performing duties in accordance with the scope, power, duties and responsibilities which are stated in the Nomination and Remuneration Committee Charter.

- **The Corporate Governance Committee**

- In the year 2014, the Corporate Governance Committee comprised of three directors, as follows:

Name	Position
1. Mrs. Kongkeaw Piamduaytham	Chairman of the Corporate Governance Committee
2. Mrs. Chiraporn Chamnasiri	Member of the Corporate Governance Committee
3. Mr. Wisoot Karnchanapunyapong	Member of the Corporate Governance Committee

In the year 2014, the Corporate Governance Committee convened the total of three meetings, and they performed their duties in supervising the operation according to the duties and responsibilities which are stated in the Corporate Governance Committee Charter.

- **The Risk Management Committee**

- In the year 2014, the Risk Management Committee comprised of four Directors, as follows:

Name	Position
1. Mr. Prinya Wiwatna	Chairman of the Risk Management Committee
2. Associate Prof. Nipat Jitprasong	Member of the Risk Management Committee
3. Mr. Anant Sirisaengtaksin	Member of the Risk Management Committee
4. Mr. Suttiporn Tanthikul	Member of the Risk Management Committee

In the year 2014, the Risk Management Committee convened the total of three meetings, and they performed their duties in screening the policy and guideline in the Company's overall Risk Management, as well as taking care of and tracking the performance of the Risk Management Policy under the approved guidelines and policy of the Board of Directors; and performed their duties in reporting the operation and risk status of the group companies.

In the year 2014, the Board of Directors considered making a policy and considered various important improvements, as follows:

- The Board of Directors, in the meeting no. 5/2557 on 14 August 2014, considered making a policy and considered various important improvements, as follows:

- 1) Agreeing to the revision and correction of the form on sufficiency of the Company's internal control system in terms of the control and maintenance of the Company's and its subsidiaries' internal control systems, which shall align with the criteria of the Office of SEC.
- 2) Approving the policy of internal information to purchase, sell, transfer or receive the transfer of the Company's shares by prohibiting the directors, executives and employees from using the internal information, which has not been publically disclosed to purchase, sell, transfer or receive transfer of the Company's shares within the period of 30 days prior to the public disclosure of the financial statements.
- 3) Approving the principle and material essence of the information securities policy.
- 4) Approving the criteria in advance for providing an opportunity to the minority shareholders to have the right to propose the meeting's agenda and to propose the name of the persons with appropriate qualifications to hold a director's position for the year 2014.

- The Board of Directors, in the meeting no. 8/2557 held on 11 November 2014, considered making a policy and considered various important improvements, as follows:

- 1) Approving the investor relations ethics by referring to the investor relations ethics manual 2014 produced by the Stock Exchange of Thailand to be used as the framework for the performance of the investor relations unit;
- 2) Approving the directors' performance evaluation for the year 2014. There were two types of performance, i.e. the entire Board of Directors' performance and individual director's performance (self-assessment).

The Board of Directors Report

The Audit Committee has performed their duties in examining the financial statements, having the accounting department and auditors attend the meeting to present the financial statements to the Board of Directors in every quarter. The Board of Directors is responsible for the financial statements of the Company and its subsidiaries, including the financial information (Board of Directors report on financial statement responsibilities), which will appear in the annual report. Such financial statements have been prepared according to the recognised accounting and auditing standard by the Company's auditors. The disclosure of material information is required, both financial information and operational information based on the facts, completely and consistently.

3. Meetings of the Board of Directors

Attendance of the Meeting of the Board of Directors as well as sub-committees for the year 2014 is as follows:

Name of Directors	Board of Directors	Audit Committee	Investment Committee	Corporate Governance Committee	Nomination and Remuneration Committee	Risk Management Committee
1. Prof. Suphachai Phisitvanich	6/9	-	-	-	-	-
2. Mr. Anan Sirisaengtaksin *	3/9	-	-	-	-	1/3
3. Mr. Nopporn Picha	7/9	4/4	-	-	-	-
4. Mrs. Chiraporn Chamnasiri	9/9	4/4	-	3/3	-	-
5. Associate Professor Anchalee Pipatanasern	9/9	4/4	-	-	-	-
6. M.R. Kasemvisuthi Visuthi	8/9	-	-	-	4/4	-
7. Mr. Prinya Waiwatana	9/9	-	8/8	-	4/4	3/3
8. Associate Professor Niputh Jitprasonk	7/9	-	-	-	2/4	3/3
9. Mrs. Kongkeaw Piamduaytham **	7/9	-	-	2/3	-	-
10. Mr. Wisoot Karnchanapunyapong	9/9	-	8/8	3/3	-	-
11. Mrs. Nalinee Ngamsettamas	8/9	-	8/8	-	-	-
12. Mr. Wuthiphum Jurangkool	5/9	-	-	-	-	-

Notes:

* Mr. Anan Sirisaengtaksin has been appointed as a director in replacement of Mr. Dumri Tanchiwawong, who has resigned. This is according to the Minutes of the Meeting of the Board of Directors No. 5/2557 dated 14 August 2014.

** Mrs. Kongkeaw Piamduaytham has been appointed as a Chairwoman of the Corporate Governance Committee. This is according to the Minutes of the Meeting of the Board of Directors No. 5/2557 dated 14 August 2014.

The Chairman of the Board of Directors and the Chief Executive Officer has jointly determined the agendas of the meetings by providing an opportunity to each director to freely propose various matters. For some agendas, there may be a high-level executive attending the meeting in order to provide additional details of the beneficial information as a related person, including to be informed of the policy directly in order to apply such policy effectively. Moreover, during the voting in the Meeting of the Board of Directors, there shall be a majority of votes with each director having one vote each. The interested director will not attend the meeting and/or not vote in such matter. In case of an equality of votes, the Chairman will have an additional vote, which is the casting vote.

4. Director's Remuneration

The Nomination and Remuneration Committee has the duty to set the remuneration for the directors and high-level executives at an appropriate rate, as well as consider the results of the operation of the Company and to align with the same business/industry, including the

appropriateness of the duties and responsibilities of each director and executive. Each director's remuneration is in the form of the director meeting attendance fee.

In the year 2014, the Board of Directors received the director meeting attendance fee in the total amount of Baht 1,549,500, which is separated into six committees, as follows:

Board of Directors and sub-committees	Number of Meetings	Meeting Attendance Fee (Baht)
- Board of Directors	9	1,053,000.00
- Audit Committee	4	115,000.00
- Investment Committee	8	158,000.00
- Nomination and Remuneration Committee	4	77,000.00
- Corporate Governance Committee	3	68,000.00
- Risk Management Committee	3	78,000.00

5. Self-evaluation of the Board of Directors

In the year 2014, there was a revision to the self-evaluation form of the Board of Directors. The secretary presented to the Meeting of the Board of Directors No. 8/2557, held on 11 November 2014, requesting it to consider the performance evaluation of the Board of Directors from the said Board of Directors' form. There were two types of performance, i.e. the entire board's performance and individual director performance (self-assessment). This uses the reference from the director's evaluation form produced by the Stock Exchange of Thailand, which is a form that uses the voting procedure for the Board of Directors compared to the results in each category of evaluation, or compared to each year's evaluation results.

6. Development of Directors and Executives

The Company has the policy of promoting and facilitating the training and education of the relevant directors in the Company's supervisory system, such as the directors, Corporate Governance Committee members, Audit Committee members and executives. This is to ensure the continuous improvement of the performance and, in case there is a change of director or a new director appointment, the administration department will ensure that there are documents and information in place and available which benefits the new director's performance, including the business characteristics suggestion, and the Company's operational guidelines, to the new directors.

The Board of Directors consists of 12 directors who have passed the training from the Thai Institute of Directors Association ("IOD"), with the following details:

Course	Number of Directors passing
Director Accreditation Programme (DAP)	6
Director Certification Programme (DCP)	8
The role of Chairperson Programme (RCP)	5
Board Performance Evaluation	1
Audit Committee Programme (ACP)	5

Role of the Compensation Committee (RCC)	2
Advanced Audit Committee Programme	1
Monitoring the System of Internal Control and Risk Management (MIR)	1
Monitoring the Quality of Financial Report	1
Finance for Director	1
Corporate Governance for Capital Market Intermediaries (CGI)	3



(Mrs. Kongkaew Peamduaitham)

Chairman of the Corporate Governance Committee

Operational Results

Regarding the results of operations for the year ending 31 December 2014, the Company and its subsidiaries have the total revenue of Baht 863.46 million, which was an increase of Baht 74.03 million from the year 2013, with the total revenue of Baht 789.43 million, representing a growth rate of 9.38 percent due to the income growth from commission, fees, services, interests and dividends; while the main cost of the Company and its subsidiaries includes the cost of operations and management. For the year ending 31 December 2014, the Company and its subsidiaries have the total cost of operations and management of Baht 604.49 million, an increase of Baht 95.25 million from the year 2013, representing a growth of 18.70 percent.

In terms of revenue, the Company and its subsidiaries have income from securities, including commission, fees and services. For the year ending 31 December 2014, the Company and its subsidiaries earned commissions, fees and services income in the total of Baht 478.25 million and Baht 58.07 million, or equal to 55.39 percent and 6.72 percent of the total revenue, respectively. For the year 2013, the Company and its subsidiaries earned commissions and fee income in the total of Baht 471.11 million and Baht 49.22 million, or equal to 59.68 percent and 6.23 percent of the total revenue, respectively. Upon consideration, it seems that the commission income for the year 2014 has slightly increased from the previous year. This is due to the turnover of the stock market in 2014, which was quite stable compared to the year 2013.

The income from the fees and services for the year 2014 has increased from the year 2013, arising from the increased financial advisory fee income. Other income is from the securities business, which is the interest on the loan to purchase securities. The interest on loans for the purchase of securities for the year 2014 totaled Baht 35.44 million, which decreased by Baht 14.63 million, from Baht 50.07 million, in the year 2013, representing a decrease of 29.22 percent. This is due to investment in the stock market, which was not favorable due to the economic climate or conditions; thus allowing customers and investors to purchase fewer securities in the stock market climate using loans.

The other significant revenue is from the interest received from the purchase of claims rights. This is obtained from the factoring business. For the year 2014, the Company and its subsidiaries had interest income from the acquisition of the claims rights of Baht 147.82 million, which decreased by Baht 23.62 million, from Baht 171.45 million, compared to the previous year. This represents a decrease of 13.78 percent. The interest on the purchase of claims represents 17.12 percent and 21.72 percent of the total income of the years 2014 and 2013, respectively. This income decrease is due to the slowdown in the economy from the political instability situation, which has had an impact on both operators and customers, as well as the more stringent quality control towards customers.

In 2014, the Company and its subsidiaries had profits from investments in securities amounting to Baht 76.76 million. In the year 2013, the Company and its subsidiaries incurred losses from investments in securities amounting to Baht 9.62 million.

For the cost of operation and management, the Company and its subsidiaries have the costs of operation and management for the year 2014 of Baht 604.49 million. The key cost is the cost related to the employees of Baht 367.51 million, representing 60.80 percent of the cost of operation and management, which increased by Baht 56.97 million from the year 2013, representing an increase of 18.34 percent. This employees cost comprises of salary, bonus, rewards for employees and rewards for marketing officers, which increased due to the expansion in trading volume. Such employees cost includes the social security fund, provident fund etc. Moreover, there are costs related to the building, premises and equipment of Baht 86.37 million, representing 14.29 percent of the cost of operation and management, which increased by Baht 11.68 million from the year 2013, representing a growth of 15.63 percent. The cost of the building, premises and equipment include the office building rental, depreciation, electricity and water utilities etc. These payment fees and expenses are Baht 62.44 million, representing 10.33 percent of the cost of operation and management, which increased by Baht 8.16 million from the year 2013, representing a growth rate of 15.04 percent. Most of the payment fees and expenses are fees paid to the Clearing House and Stock Exchange as per the trading volume.

For the year 2014, the Company and its subsidiaries have the cost of bad and doubtful debts totaling Baht 28.68 million. In the year 2013, there was a transfer of the cost of bad debts and doubtful debts in the amount of Baht 2.61 million. The cost of bad debts and doubtful debts were caused mainly by the factoring business, loans and the provision of a reserve for claims receivables.

The financial cost of the Company and its subsidiaries for the year 2014 totaled Baht 109.56 million, which decreased by Baht 14.54 million from the year 2013, representing a decrease of 11.72 percent. This financial costs decrease was due to the decrease in loans from financial institutions and debentures to finance the expansion of the factoring business and the working capital of the securities business.

In the year 2014, the Company recognised the share of profit of its associate company, AIRA & AIFUL Public Company Limited, which was Baht 0.13 million. In this regard, the investment in AIRA & AIFUL Public Company Limited is in accordance with the Board of Directors resolution on 11 November 2014, which approved the joint venture with AIFUL CORPORATION, a company listed on the Tokyo Stock Exchange in Japan. AIRA & AIFUL Public Company Limited has the registered capital of 1 billion shares at the share value of 1 baht per share, totaling Baht 1 billion. The Company holds 30 percent shares in AIRA & AIFUL Public Company Limited, amounting to Baht 300 million.

The Company and its subsidiaries has the net profit for the year 2014 of Baht 75.95 million, which decreased by Baht 31.21 million, from the net profit of the year 2013 of Baht 107.17, or equal to a decrease of 29.13 percent. The Company and its subsidiaries have net profit attributable to shareholders equity in the year 2014 of Baht 71.25 million, which decreased by Baht 18.77 million from Baht 90.02 million in net profit attributable to shareholders equity in the year 2013, representing a decrease of 20.85 percent. The said decrease in net profit was a result of the small growth in the securities business, as well as the income from commission, fees and services. However, the factoring income decreased

significantly compared to the previous year. Moreover, there were losses from investments in the year 2013, which became profit in the year 2014. Regarding these various factors, the total income of the Company and its subsidiaries for the year 2014 increased from the year 2013. However, at the same time, there is an increase in employees cost, including the cost of operations and management, as well as bad and doubtful debts, which have increased to be more than the income. Therefore, the net profit for the year 2014 of the Company and its subsidiaries decreased compared to the net profit for the year 2013.

Financial Position

The total assets of the Company and its subsidiaries as of 31 December 2014 were Baht 5.60749 billion, an increase of Baht 305.88 million from the total assets as of 31 December 2013, which was in the amount of Baht 5.30161 billion, representing an increase of 5.77 percent. The main assets were derived from operating the securities business, including securities and derivatives agreement receivables, which increased from Baht 1.23950 billion as at 31 December 2013 to Baht 1.38420 billion as at 31 December 2014. This was due to the higher number of loans for the purchase of securities, which is consistent with the securities trading volume during the last three days prior to the account closing. The Company and its subsidiaries have receivables claims, which are a major asset in the factoring business. The receivables claims as at 31 December 2014 amounted to Baht 2.41933 billion, a decrease of Baht 242.95 million from the balance as at 31 December 2013, which was at Baht 2.66228 billion as of 31 December 2014. Both items have the proportion of 24.68 percent and 43.14 percent of the total assets, respectively; as of 31 December 2013, the proportion was 23.38 percent and 50.22 percent of the total assets, respectively.

As at 31 December 2014, the Company and its subsidiaries had cash as well as cash equivalents in the amount of Baht 264.61 million, which is a decrease of Baht 465.07 million; in comparison with 31 December 2013, when the cash and cash equivalents were in the amount of Baht 729.68 million, representing a decrease of 63.74 percent. This decrease in cash and cash equivalents was partly due to the Company's partnership with AIFUL CORPORATION, a company listed on the Tokyo Stock Exchange in Japan. The investment in AIRA & AIFUL Public Company Limited is in accordance with the resolution of the Board of Directors on 11 November 2014. AIRA & AIFUL Public Company Limited has registered capital of 1 billion shares at the share value of Baht 1 per share, totaling Baht 1 billion. The Company holds 30 percent shares in AIRA & AIFUL Public Company Limited, amounting to Baht 300 million. As at 31 December 2014, investment in the associate company displays the accounting value, according to the Equity Method, of Baht 300.13 million.

The Clearing House receivables on 31 December 2014 totaled Baht 479.31 million, an increase of Baht 451.20 million compared to the Clearing House receivables as at 31 December 2013 of Baht 28.11 million, representing an increase of 1605.24 percent. The net Clearing House receivables increase was due to the increased price settlement of securities traded on the Stock Exchange.

Regarding the total liabilities of the Company and its subsidiaries, the total liabilities as of 31 December 2014 was a total of Baht 3.90128 billion. This is a decrease of Baht 290.22 million from Baht 4.19149 billion in total liabilities as of 31 December 2013, representing a decrease of 6.92 percent. The decreased liabilities include the short-term loans from financial institutions and the Clearing House decreased from 31 December 2013 in the amount of Baht 487.00 million and Baht 380.60 million, respectively. While increased liabilities are from securities and derivatives agreement creditors and bills of exchange between related persons, which increased as at 31 December 2013, in the amount of Baht 367.41 million and Baht 227.49 million, respectively.

The shareholders equity of the Company and its subsidiaries as of 31 December 2014 totaled Baht 1.70621 billion, an increase of Baht 596.10 million from 31 December 2013. The shareholders equity was Baht 1.11012 billion, representing an increase of Baht 53.70 million. This is due to increased capital and paid-up capital from the number of shares of 3,116,730,360 shares as of 31 December 2013. This comprises of ordinary shares of 3,893,595,260 shares as of 31 December 2014, which were issued and paid-up capital. The share capital as at 31 December 2014 totaled Baht 973.40 million and Baht 605.83 million, respectively. As of 31 December 2013, there was issued and paid-up share capital in the amount of Baht 779.18 million and Baht 230.57 million, respectively. Due to an increase of shareholders equity, the ratio of debt to equity as of 31 December 2014 decreased to 2:29 times from the ratio of 3:78 as at 31 December 2013.

Report Of The Board Of Directors On Financial Statements

The Board of Directors of AIRA Capital Public Company Limited is responsible for the financial statements and financial information appearing in the Annual Report. The financial statements were compiled according to the accepted accounting standards in Thailand, with selection of appropriate accounting policies and consistently applied. Reasonable care was taken into account when compiling the financial statements, and significant information was sufficiently disclosed in the accompanying notes. It was also ensured that the Company has adequate risk management systems, good governance, sufficient internal controls, and adheres to related rules and regulations.

The Board of Directors has appointed an Audit Committee consisting of members who are not Company administrators and who are independent committee members to be in charge of the quality of the financial statements and efficiency of the internal control system. The opinions of the Audit Committee on such issues are included in the Audit Committee's report published in the Annual Report.

The Board of Directors is of the opinion that the overall internal controls of the Company are sufficient and appropriate, with reasonable confidence in the financial statements as at December 31, 2014, which have been audited according to generally accepted accounting standards by the Company's auditor. The auditor has given the opinion that the financial statements correctly indicate the financial status and operational outcomes of the Company in essence and with adherence to generally accepted accounting principles.



(Professor DR. Suphachai Pisittavanich)

Chairman



(Mrs. Nalinee Ngamsettamas)

Chief Executive Officer

Report Of The Audit Committee

The Audit Committee of ARIA Capital Public Company Limited has been appointed from the Board of Directors, which consist of the three independent directors, as follows:

- | | |
|--|-----------------------------|
| 1. Mr. Nopporn Picha | Chairman of Audit Committee |
| 2. Mrs. Chiraporn Chamnasiri | Audit Committee Member |
| 3. Associate Professor Anchalee Pipatanasern | Audit Committee Member |

All Audit Committee members are qualified in accordance with the requirements of the Audit Committee, which aligns with the regulations and guidelines on the conduct for the Audit Committee of the Office of the Securities and Exchange Commission.

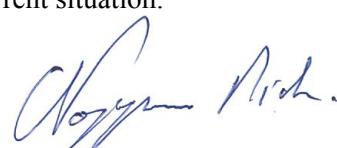
The important scope and duties include the examination of the Company's Financial Statements, to ensure its correctness and sufficiency. There shall also be an examination conducted to ensure that the Company has an internal control system and that such internal control system is suitable and effective, including maintaining that the Company complies with the relevant regulations and laws.

The Audit Committee has performed its duties in accordance within the scope, duties and responsibilities assigned by the Company's Board of Directors, which aligns with the regulations of the Stock Exchange of Thailand. In the year 2014, there were four meetings of the Audit Committee, with all Audit Committee members attending the meeting. There were also joint meetings with the executives, auditor and internal auditor, as appropriate. The essence of such meetings is as follows:

- 1) **Examine the financial information of the Company on a quarterly basis and the 2014 Financial Statements:** there were joint meetings held with the auditor and executives. There was an opinion given that the financial information has been prepared in accordance with the general accounting standard, with appropriate and sufficient information disclosure. The auditor has expressed its unconditional opinion in the audit report and has presented such to the Board of Directors, shareholders and stakeholders in accordance with the prescribed criteria. Furthermore, the Audit Committee has held a joint meeting with the auditor without the executives being present, in order to listen to the opinions and acknowledge the auditor's observations as well as the improvements which benefit the Company, including the independent consultation with regard to the material information in preparation of the financial statement, and disclosure of information in accordance with the standard financial reporting and benefits to the user of the financial statements; including suspicious circumstances according to section 89/25 of the Securities and Exchange Act, BE 2535, as amended by the Securities and Exchange Act (No. 4), B.E. 2551. Furthermore, in the year 2014, the auditor did not have any material opinion and did not detect any suspicious circumstances.
- 2) **Examine the internal control:** to ensure that the Company has an environment which has sufficient and appropriate internal control and has continuous improvement, there is disclosure of information with integrity and without any conflict of interest. There is compliance with legal and regulatory requirements of relevant government bodies, which have been reported to the Board of Directors for notification or consideration as the case may be.

- 3) **Examine the internal audit:** by considering the mission, scope of work, duties and responsibilities, independence, capacity and budget of the internal audit unit, as well as approving the audit plan for the year 2014, which has been prepared on the basis of the evaluation of internal control, and there is scope of coverage in various work systems which are important to the Company. In addition, the Audit Committee has the opinion that the Company has sufficient, appropriate and effective internal control, including continuous development of the audit both for the human resources and performance audit, which aligns with the international standard.
- 4) **Revise the Audit Committee Charter:** the Audit Committee has considered the Audit Committee Charter of the Company to consider its improvement and correction in relation to the power of the Audit Committee and minute so that it aligns with the criteria and guidelines on compliance with the good corporate governance principle, the regulations of the Stock Exchange of Thailand and the Office of the Securities and Exchange Commission.
- 5) **Examine the connected transactions or conflict of interest transactions:** to comply with the law and the criteria, which the Capital Market Supervisory Board and other related bodies prescribed to ensure that such transaction will be appropriate and have the best interest to the Company and the shareholder, having appropriate conditions and price. It is agreed that such transactions shall be proposed to the Board of Directors for consideration, approval and disclosure of such information to the Stock Exchange of Thailand.
- 6) **Self-evaluation of the Audit Committee:** to ensure that the performance of the duties of the Audit Committee is effective and efficient, is able to achieve the assigned objectives of the Board of Directors of the Company, that there is continuous development and improvement and to report the overall evaluation results to the Board of Directors for the year 2014 to be at a good level.
- 7) **To consider the selection of the appointment proposal and proposal of the auditor's remuneration for the year 2015 :** there is proposal of opinion to the Board of Directors of the Company to present to the shareholders meeting for consideration to approve the appointment at the AGM to appoint Ms. Rungnapa Lertsuwankul, Auditor Licence No. 3516; and/or Mr. Sophon Permsirivallop, Auditor Licence No. 3182; and/or Ms. Pimjai Manitkajohnkit, Auditor Licence No. 4521; and/or Mr. Chayapol Suppasedtanon, Auditor Licence No. 3972 of EY Office Limited, (previously named Ernst & Young), as the Company's auditor for the year 2015; and to approve the audit fee in the amount of Baht 285,000, including the acknowledgement of the annual audit fee on an annual and quarterly basis. The said fee for the Company and its subsidiaries and financial statement is Baht 2,435,000 and for AIRA International Advisory (Singapore) Pte. Ltd. it is Singapore Dollars 14,000.

The Audit Committee has performed its duties according to the Audit Committee Charter. There was free expression of opinion and suggestions. Regarding the overall situation of the year 2014, the Audit Committee is of the opinion that the financial statements of the Company have been prepared according to the general accounting standard. There is compliance with laws, regulations and relevant rules concerning operation, good corporate governance, internal control and risk management, which is effective and appropriate to the current situation.



(Mr. Nopporn Picha)

Chairman of Audit Committee

Audit Fee

1. Audit Fee

In the year 2014, the Company and its subsidiaries paid the Audit Fee to EY Office Limited (previously named Ernst and Young Limited) and the related person or business to the auditor and the audit firm, as follows:

Company and its subsidiaries	Auditor's name	Audit Fee (Baht)	Audit Fee (Singapore Dollars)
AIRA Capital Public Company Limited	EY Office Limited	265,000	-
AIRA Securities Public Company Limited	EY Office Limited	1,050,000	-
AIRA Factoring Public Company Limited	EY Office Limited	830,000	-
AIRA Advisory Company Limited	EY Office Limited	150,000	-
AIRA International Advisory (Singapore) Pte. Ltd.	Ernst & Young LLP	-	14,000
Audit Fee		2,295,000	14,000

Note: The Audit Fee does not include other actual expenses which are incurred from the audit - such as travelling and photocopying; for which such expenses the auditor will collect from actual expenses.

1. Non-Audit Fee

In the year 2014, the Company and its subsidiaries have paid the Non-Audit Fee to the related person or business to the auditor and the audit firm, as follows:

Subsidiaries	Type of other services	Business which relates to the auditor and the audit firm	Audit Fee (Singapore Dollars)
AIRA International Advisory (Singapore) Pte. Ltd.	Tax services	Ernst & Young Solutions LLP	6,000
Non-Audit Fee			6,000

Note: The Non-Audit Fee does not include other actual expenses which are incurred from the services, such as traveling and photocopying; for which such expense the service provider will collect from the actual expenses.

To the Shareholders of AIRA Capital Public Company Limited

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

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

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

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

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

Opinion

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

Rungnapa Lertsuwankul
Certified Public Accountant (Thailand) No. 3516

EY Office Limited
Bangkok: 2 March 2015

AIRA Capital Public Company Limited and its subsidiaries

Statement of financial position

As at 31 December 2014

(Unit: Baht)

Assets	Note	Consolidated financial statements		Separate financial statements		
		As at		As at		
		31 December 2014	31 December 2013	31 December 2014	31 December 2013	
Current assets						
Cash and cash equivalents						
Cash and cash equivalents	7	264,612,211	729,680,611	19,983,585	51,456,576	
Short-term investments	8	218,693,439	132,342,025	-	-	
Receivables from Clearing House	9	479,307,788	28,107,964	-	-	
Securities and derivatives business receivables	10	1,384,202,507	1,239,503,607	-	-	
Factoring receivables	11	2,419,326,742	2,662,275,556	-	-	
Current portion of loans receivable	12	50,816,016	34,566,839	-	-	
Short-term loans to related party	6	-	-	99,563,399	-	
Other receivables	6, 13	18,878,994	17,341,473	147,460	-	
Other current assets		9,199,388	8,750,246	324,573	740,802	
Total current assets		4,845,037,085	4,852,568,321	120,019,017	52,197,378	
Non-current assets						
Loans receivable	12	64,100,254	73,547,446	-	-	
Investment in associate	14	300,129,707	-	300,000,000	-	
Investments in subsidiaries	15	-	-	1,339,667,869	1,067,894,117	
Other long-term investment	8	3,000,000	3,000,000	-	-	
Equipment	16	97,198,007	91,510,669	5,529,308	6,773,326	
Goodwill		134,896,425	134,896,425	-	-	
Other intangible assets	17	106,568,518	103,376,306	69,269	71,325	
Deferred tax assets	30	4,741,505	5,725,135	-	-	
Assets held for sale	18	11,150,000	-	-	-	
Other non-current assets		40,668,750	36,987,391	1,285,774	629,353	
Total non-current assets		762,453,166	449,043,372	1,646,552,220	1,075,368,121	
Total assets		5,607,490,251	5,301,611,693	1,766,571,237	1,127,565,499	

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

AIRA Capital Public Company Limited and its subsidiaries

Statement of financial position (continued)

As at 31 December 2014

(Unit: Baht)

Note	Consolidated financial statements		Separate financial statements	
	As at 31 December 2014	As at 31 December 2013	As at 31 December 2014	As at 31 December 2013
Liabilities and shareholders' equity				
Current liabilities				
Short-term loans from financial institutions	19	1,250,000,000	1,737,000,000	-
Payables to Clearing House	20	1,854,356	382,457,046	-
Securities and derivatives business payables	21	492,525,307	125,116,197	-
Other payables	22	8,230,815	13,459,274	1,304,881
242,313		220,605		829,063
Current portion of liabilities under finance lease				-
Current portion of subordinated debentures	23	200,000,000	-	-
Bill of exchange - related parties	24	1,543,722,056	1,316,227,875	149,096,649
Retention from factoring		47,366,120	52,840,137	-
Income tax payable		31,610,026	8,495,092	-
Other current liabilities	25	96,444,878	127,565,907	9,280,338
Total current liabilities		3,671,995,871	3,763,382,133	159,681,868
				101,255,483
Non-current liabilities				
Liabilities under finance lease		457,112	680,167	-
Subordinated debentures	23	200,000,000	400,000,000	-
Provision for long-term employee benefits	26	15,160,767	17,292,792	1,037,925
Deferred tax liabilities	30	9,969,534	7,872,193	-
Other non-current liabilities		3,693,453	2,266,069	233,860
Total non-current liabilities		229,280,866	428,111,221	1,271,785
				707,506
Total liabilities		3,901,276,737	4,191,493,354	160,953,653
				101,962,989
Shareholders' equity				
Share capital	27			
Registered				
4,000,000,000 ordinary shares of Baht 0.25 each		1,000,000,000	1,000,000,000	1,000,000,000
Issued and paid-up				
3,893,595,260 ordinary shares of Baht 0.25 each				
(31 December 2013: 3,116,730,360 ordinary shares of Baht 0.25 each)		973,398,815	779,182,590	973,398,815
Share premium		605,832,205	230,566,100	605,832,205
Capital reserve for share-based payment transactions	28	2,707,825	1,605,843	2,707,825
Advance receipt of share subscription	27	3,957,275	-	3,957,275
Retained earnings				
Appropriated - statutory reserve	29	8,946,137	6,336,400	8,946,137
Unappropriated		77,172,460	55,250,047	10,775,327
Other component of shareholders' equity		(56,421,272)	(55,981,530)	-
Equity attributable to shareholders of the Company		1,615,593,445	1,016,959,450	1,605,617,584
Non-controlling interests of the subsidiaries		90,620,069	93,158,889	-
Total shareholders' equity		1,706,213,514	1,110,118,339	1,605,617,584
Total liabilities and shareholders' equity		5,607,490,251	5,301,611,693	1,766,571,237
		0	0	0
The accompanying notes are an integral part of the financial statements.				

----- Directors -----

AIRA Capital Public Company Limited and its subsidiaries

Statement of comprehensive income

For the year ended 31 December 2014

(Unit: Baht)

	Note	Consolidated financial statements		Separate financial statements	
		2014	2013	2014	2013
Revenues					
Brokerage fees	31	478,245,523	471,112,518	-	-
Fees and services income	32	58,074,879	49,224,359	-	-
Gain on securities		76,758,220	-	34,247	-
Interest and dividend		63,614,004	46,501,322	108,095,526	99,902,681
Interest on margin loans		35,439,835	50,073,131	-	-
Interest income from factoring		147,823,964	171,448,336	-	-
Other incomes		3,506,580	1,069,423	220	711
Total revenues		863,463,005	789,429,089	108,129,993	99,903,392
Expenses					
Operating and administrative expenses					
Personnel expenses		367,514,550	310,547,289	29,262,963	22,315,732
Premises and equipment expenses		86,367,460	74,691,453	4,802,954	5,001,862
Fees and services expenses		62,444,991	54,280,368	5,340,144	6,113,358
Other expenses		88,159,014	69,716,526	10,547,207	5,410,138
Total operating and administrative expenses		604,486,015	509,235,636	49,953,268	38,841,090
Bad debt and doubtful accounts (reversal)		28,684,725	(2,605,433)	-	-
Loss on securities		-	9,620,711	-	483
Total expenses		633,170,740	516,250,914	49,953,268	38,841,573
Profit before share of loss from investment in associate, finance costs and income tax expenses					
Share of gain from investment in associate		129,707	-	-	-
Profit before finance costs and income tax expenses		230,421,972	273,178,175	58,176,725	61,061,819
Finance costs		(109,564,171)	(124,103,274)	(5,981,971)	(3,398,613)
Profit before income tax expenses		120,857,801	149,074,901	52,194,754	57,663,206
Income tax expenses	30	(44,907,677)	(41,909,885)	-	-
Profit for the year		75,950,124	107,165,016	52,194,754	57,663,206

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

AIRA Capital Public Company Limited and its subsidiaries

Statement of comprehensive income (continued)

For the year ended 31 December 2014

(Unit: Baht)

	Note	Consolidated financial statements		Separate financial statements	
		2014	2013	2014	2013
Other comprehensive income:					
Loss on re-measuring available-for-sell investments		(990,071)	(24,753,991)	-	-
Exchange differences on translation of financial statement in foreign currency		391,461	450,144	-	-
Income tax relating to the components of other comprehensive income	30	198,014	4,950,798	-	-
Other comprehensive income for the year		(400,596)	(19,353,049)	-	-
Total comprehensive income for the year		75,549,528	87,811,967	52,194,754	57,663,206
Profit attributable to:					
Equity holders of the Company		71,253,417	90,023,531	52,194,754	57,663,206
Non-controlling interests of the subsidiary		4,696,707	17,141,485		
		75,950,124	107,165,016		
Total comprehensive income attributable to:					
Equity holders of the Company		70,813,675	70,625,468	52,194,754	57,663,206
Non-controlling interests of the subsidiary		4,735,853	17,186,499		
		75,549,528	87,811,967		
Earnings per share	34				
Basic earnings per share/Diluted earnings per share					
Profit attributable to equity holders of the Company		0.02	0.03	0.01	0.02

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

Directors

(Unit: Baht)

Consolidated financial statements

Equity attributable to shareholders of the Company										
Other component of shareholders' equity										
	Issued and paid-up share capital	Share premium	Capital reserve for share-based payment transactions	Advance receipt of share subscription	Retained earnings Appropriated - statutory reserve	Capital surplus (deficit)	Revaluation surplus	Exchange differences on translation of financial statement in foreign currency	Total other component of shareholders' equity	Equity attributable to non-controlling interest of the subsidiaries
Balance as at 1 January 2013	779,182,590	230,566,100	-	-	3,453,239	17,977,363	419,549	-	419,549	1,031,598,841
Profit for the year	-	-	-	-	-	90,023,531	-	-	90,023,531	17,141,485
Other comprehensive income for the year	-	-	-	-	-	-	-	-	-	107,165,016
Total comprehensive income for the year	-	-	-	-	-	-	-	-	-	(19,353,049)
Share-based payment transactions	28	-	-	1,605,843	-	-	-	-	-	144,368,473
Dividend paid	35	-	-	-	-	(49,867,686)	-	-	-	1,605,843
Appropriation retained earnings	29	-	-	-	-	2,883,161	(2,883,161)	-	-	(49,867,686)
Capital deficit from change in shareholding in subsidiary	15.1	-	-	-	-	-	-	-	-	-
Decrease in equity attributable to non-controlling interest of subsidiary from change in shareholding in subsidiary	-	-	-	-	-	-	-	-	-	(56,086,984)
Subsidiary ordinary shares for non-controlling interest of the subsidiary	-	-	-	-	-	-	-	-	-	(56,086,984)
Dividend paid for non-controlling interest of the subsidiary	-	-	-	-	-	-	-	-	-	1,201,000
Balance as at 31 December 2013	779,182,590	230,566,100	1,605,843	-	6,336,400	55,250,047	(36,583,467)	(19,803,193)	405,130	(55,981,530)
Profit for the year	-	-	-	-	-	71,253,417	(36,583,467)	(19,803,193)	405,130	(55,981,530)
Other comprehensive income for the year	-	-	-	-	-	-	-	-	-	(13,510,099)
Total comprehensive income for the year	-	-	-	-	-	-	-	-	-	(13,510,099)
Share-based payment transactions	28	-	-	-	-	-	-	-	-	2,234,381
Dividend paid	35	-	-	-	-	-	(46,721,287)	-	-	(46,721,287)
Increase share capital	27	189,650,100	374,133,706	-	-	-	-	-	-	563,783,806
Appropriation retained earnings	29	-	-	-	-	2,609,737	(2,609,737)	-	-	-
Advance receipt of share subscription	28	-	-	-	-	3,957,275	-	-	-	3,957,275
Capital deficit from change in shareholding in subsidiary	15.1	-	-	-	-	-	-	-	-	-
Decrease in equity attributable to non-controlling interest of subsidiary from change in shareholding in subsidiary	-	-	-	-	-	-	-	-	-	(7,274,673)
Subsidiary ordinary shares for non-controlling interest of the subsidiary	-	-	-	-	-	-	-	-	-	-
Dividend paid for non-controlling interest of the subsidiary	-	-	-	-	-	-	-	-	-	-
Capital increase due to convert warrants to shares	27	4,566,125	1,132,369	(1,132,369)	-	3,957,275	8,946,137	77,172,480	(36,583,467)	56,421,272
Balance as at 31 December 2014	973,398,815	605,832,205	2,707,825	-	-	-	-	(20,595,250)	757,445	90,620,069

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

AIRA Capital Public Company Limited and its subsidiaries

Statement of changes in shareholders' equity (continued)

For the year ended 31 December 2014

(Unit: Baht)

	Note	Separate financial statements							Total shareholders' equity	
		Issued and paid-up		for share-based payment transactions	of share subscription	Retained earnings				
		share capital	Share premium			statutory reserve	Unappropriated			
Balance as at 1 January 2013		779,182,590	230,566,100	-	-	3,453,239	2,999,218	1,016,201,147		
Profit for the year		-	-	-	-	-	-	57,663,206	57,663,206	
Other comprehensive income for the year		-	-	-	-	-	-	-	-	
Total comprehensive income for the year		-	-	-	-	-	-	57,663,206	57,663,206	
Share-based payment transactions		-	-	1,605,843	-	-	-	-	1,605,843	
Dividend paid	35	-	-	-	-	-	-	(49,867,686)	(49,867,686)	
Appropriation retained earnings	29	-	-	-	-	2,883,161	(2,883,161)	-	-	
Balance as at 31 December 2013		<u>779,182,590</u>	<u>230,566,100</u>	<u>1,605,843</u>	<u>-</u>	<u>6,336,400</u>	<u>7,911,577</u>	<u>1,025,602,510</u>		
Balance as at 1 January 2014		779,182,590	230,566,100	1,605,843	-	6,336,400	7,911,577	1,025,602,510		
Profit for the year		-	-	-	-	-	-	52,194,754	52,194,754	
Other comprehensive income for the year		-	-	-	-	-	-	-	-	
Total comprehensive income for the year		-	-	-	-	-	-	52,194,754	52,194,754	
Share-based payment transactions	28	-	-	2,234,381	-	-	-	-	2,234,381	
Dividend paid	35	-	-	-	-	-	-	(46,721,267)	(46,721,267)	
Increase share capital	27	189,650,100	374,133,706	-	-	-	-	-	563,783,806	
Advance receipt of share subscription	28	-	-	-	-	3,957,275	-	-	3,957,275	
Capital increase due to convert warrants to shares	27	4,566,125	1,132,399	(1,132,399)	-	-	-	-	4,566,125	
Appropriation retained earnings	29	-	-	-	-	2,609,737	(2,609,737)	-	-	
Balance as at 31 December 2014		<u>973,398,815</u>	<u>605,832,205</u>	<u>2,707,825</u>	<u>3,957,275</u>	<u>8,946,137</u>	<u>10,775,327</u>	<u>1,605,617,584</u>		

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

AIRA Capital Public Company Limited and its subsidiaries

Cash flow statement

For the year ended 31 December 2014

(Unit: Baht)

	Consolidated financial statements		Separate financial statements	
	2014	2013	2014	2013
Cash flows from operating activities				
Profit before tax	120,857,801	149,074,901	52,194,754	57,663,206
Adjustments to reconcile profit before tax to net cash provided by (paid for) operating activities:				
Depreciation	25,062,442	24,703,286	1,859,249	2,873,857
Amortisation of intangible assets	2,778,388	1,863,323	36,146	31,312
Amortisation of other assets	534,284	1,459,413	-	-
Interest and dividend income	(63,614,004)	(46,501,321)	(108,095,526)	(99,902,681)
Interest on margin loans income	(35,439,835)	(50,073,131)	-	-
Finance costs	109,564,171	124,103,274	5,981,971	3,398,613
Provision for long-term employee benefits	1,857,975	3,460,637	423,963	258,108
Share-based payment transactions	2,234,381	1,605,843	460,629	331,052
Gain on disposal of equipment	(50,509)	(824,523)	(492)	-
Allowance for impairment loss on asset held for sale	1,150,000	-	-	-
Loss (gain) on exchange rate	(181,000)	-	919,326	-
Loss (gain) on changing in fair value of investments	(4,417,537)	6,263,463	-	-
Gain on sales of investments	-	(109,755)	-	-
Share of gain from investment in associate	(129,707)	-	-	-
Bad debt and doubtful accounts (reversal)	28,684,725	(2,605,433)	-	-
Profit (loss) from operating activities before changes in operating assets and liabilities	188,891,575	212,419,977	(46,219,980)	(35,346,533)
Decrease (increase) in operating assets				
Investments in trading securities	(81,964,577)	80,955,452	-	-
Receivables from Clearing House	(451,199,825)	152,901,544	-	-
Securities and derivatives business receivables	(145,333,189)	(206,727,888)	-	-
Factoring receivables	202,903,251	(250,466,558)	-	-
Loans receivable	(6,917,124)	17,204,020	-	-
Other receivables	(114,848)	(8,260,859)	-	1,888,394
Other current assets	(569,260)	(1,632,072)	467,869	19,981
Other non-current assets	(4,030,443)	(7,753,722)	(656,420)	133,460
Increase (decrease) in operating liabilities				
Payables to Clearing House	(380,602,690)	185,575,732	-	-
Securities and derivatives business payables	367,409,110	(309,259,162)	-	-
Retention from factoring	(5,474,018)	2,010,031	-	-
Other payables	(650,300)	646,473	720,174	(3,104)
Other current liabilities	(31,679,860)	22,462,129	8,429,552	112,617
Provision for long-term employee benefits	(3,990,000)	(557,769)	-	-
Other non-current liabilities	1,427,385	821,757	140,316	93,544
Cash flows used in operating activities	(351,894,813)	(109,660,915)	(37,118,489)	(33,101,641)
Cash received from interest and dividend	98,036,381	94,882,687	5,115,642	1,437,481
Cash paid for interest expenses	(99,787,896)	(98,789,528)	-	-
Cash paid for corporate income tax	(18,829,926)	(46,535,122)	(50,665)	(656,421)
Net cash flows used in operating activities	(372,476,254)	(160,102,878)	(32,053,512)	(32,320,581)

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

AIRA Capital Public Company Limited and its subsidiaries

Cash flow statement (continued)

For the year ended 31 December 2014

(Unit: Baht)

	Consolidated financial statements		Separate financial statements	
	2014	2013	2014	2013
Cash flows from investing activities				
Increase in short-term loan to subsidiary	-	-	(100,482,725)	-
Cash paid for purchase of available-for-sale investments	(959,371)	(69,100,130)	-	-
Cash received from sales of available-for-sale investments	-	71,332,804	-	-
Cash paid for acquisitions of equipment and intangible assets	(37,082,433)	(74,935,308)	(893,685)	(6,071,548)
Increase in investments in subsidiary	-	(93,090,000)	(270,000,000)	(103,899,000)
Increase in investments in associate	(300,000,000)	-	(300,000,000)	-
Dividend received from subsidiaries	-	-	102,925,330	98,489,901
Cash received from disposal of equipment	65,646	1,390,880	500	-
Net cash flows used in investing activities	(337,976,158)	(164,401,754)	(568,450,580)	(11,480,647)
Cash flows from financing activities				
Decrease in short-term loans from financial institutions	(470,556,689)	(397,830,035)	-	-
Cash paid for finance lease	(277,772)	(504,276)	-	-
Cash received from bill of exchange	4,037,515,743	4,479,231,303	663,445,162	196,270,903
Cash paid for bill of exchange	(3,840,000,000)	(3,200,000,000)	(620,000,000)	(100,000,000)
Proceeds from increase in capital	563,783,806	-	563,783,806	-
Proceeds from increase in share capital of subsidiary from non-controlling interest	-	1,201,000	-	-
Proceeds from exercise warrant	8,523,400	-	8,523,400	-
Dividend paid	(46,721,267)	(81,034,991)	(46,721,267)	(81,034,989)
Dividend paid to non-controlling interest by subsidiary	(7,274,670)	(13,510,098)	-	-
Net cash flows from financing activities	244,992,551	787,552,903	569,031,101	15,235,914
Differences on transaction of financial statement	391,461	450,144	-	-
Net increase (decrease) in cash and cash equivalents	(465,068,400)	463,498,415	(31,472,991)	(28,565,314)
Cash and cash equivalents at beginning of the year	729,680,611	266,182,196	51,456,576	80,021,890
Cash and cash equivalents at end of the year	264,612,211	729,680,611	19,983,585	51,456,576

Supplemental cash flow information

Non-cash items

Purchase of equipment and intangible assets recorded as liabilities	5,820,505	6,068,922	482,201	726,557
Gain (loss) on re-measuring available-for-sale investments - net of income tax	792,057	(19,803,193)	-	-
Transfer of trading securities to available-for-sale securities (at cost)	86,230,021	84,172,840	-	-

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

AIRA Capital Public Company Limited and its subsidiaries
Notes to consolidated financial statements
For the year ended 31 December 2014

1. General information

1.1 General information of the Company

AIRA Capital Public Company Limited ("the Company") is a public company incorporated and domiciled in Thailand. J R K Holding Company Limited, which was incorporated in Thailand, is the major shareholder. The Company is principally engaged in investment in other companies. The registered office of the Company is at 319 Chamchuri Square, 12th Floor, Phayathai Road, Pathumwan Sub-district, Pathumwan District, Bangkok.

The Market for Alternative Investment (MAI) approved the listing of the ordinary shares of the Company, to be traded from 7 July 2014.

1.2 General information of AIRA Securities Public Company Limited and its subsidiary

- a) AIRA Securities Public Company Limited operates its business in Thailand and undertakes securities business licenses as follows:
 1. Securities brokerage
 2. Securities trading
 3. Investment advisory
 4. Underwriting
 5. Financial advisory
 6. Securities borrowing and lending
 7. Derivatives brokerage
 8. Private fund management
- b) AIRA Advisory Company Limited is a subsidiary of AIRA Securities Public Company Limited, domiciled in Thailand, and is principally engaged in the provision of financial advisory services. The Office of the Securities and Exchange Commission has permitted this company to operate as a financial advisor from 8 December 2014 to 7 December 2019.

1.3 General information of AIRA Factoring Public Company Limited

AIRA Factoring Public Company Limited is a public company incorporated and domiciled in Thailand and was listed on the Market for Alternative Investment (MAI) of Thailand on 25 August 2004. Its principal activity is engaged in receivable factoring.

1.4 General information of AIRA International Advisory (Singapore) Pte. Ltd.

AIRA International Advisory (Singapore) Pte. Ltd. domiciled in Singapore and its principal activity is engaged in the financial services industry.

2. Basis of preparation

- 2.1 The financial statements have been prepared in accordance with Thai Financial Reporting Standards enunciated under the Accounting Professions Act B.E. 2547 and their presentation has been made in compliance with the stipulations of the Notification of the Department of Business Development dated 28 September 2011, issued under the Accounting Act B.E. 2543 and in conjunction with the Notifications of the Office of the Securities and Exchange Commission.

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

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

2.2 Basis of consolidation

- a) The consolidated financial statements include the financial statements of AIRA Capital Public Company Limited ("the Company") and the following subsidiary companies ("the subsidiaries"):

Company's name	Nature of business	Country of incorporation	(Unit: Percent)	
			2014	2013
<u>Held by the Company</u>				
AIRA Securities Plc. and its subsidiary	Securities	Thailand	99.99	99.99
AIRA Factoring Plc.	Factoring	Thailand	74.02	74.02
AIRA International Advisory (Singapore) Pte. Ltd.	Financial services industry	Singapore	90.00	90.00
<u>Held by subsidiary</u>				
AIRA Advisory Co., Ltd.	Financial advisory	Thailand	99.99	99.99

- b) Subsidiaries are fully consolidated, being the date on which the Company obtains control, and continue to be consolidated until the date when such control ceases.
 - c) The financial statements of the subsidiaries are prepared using the same significant accounting policies as the Company.
 - d) The assets and liabilities in the financial statements of overseas subsidiary companies are translated to Baht using the exchange rate prevailing on the end of reporting period, and revenues and expenses translated using monthly average exchange rates. The resulting differences are shown under the caption of "Exchange differences on translation of financial statements in foreign currency" in the statements of changes in shareholders' equity.
 - e) Material balances and transactions between the Company and its subsidiaries companies have been eliminated from the consolidated financial statements.
 - f) Non-controlling interests represent the portion of profit or loss and net assets of the subsidiaries that are not held by the Group and are presented separately in the consolidated profit or loss and within equity in the consolidated statement of financial position.
- 2.3 The separate financial statements, which present investments in subsidiaries and associate under the cost method, have been prepared solely for the benefit of the public.

3. New financial reporting standards

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

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

Conceptual Framework for Financial Reporting (revised 2014)

Accounting Standards:

TAS 1 (revised 2012)	Presentation of Financial Statements
TAS 7 (revised 2012)	Statement of Cash Flows
TAS 12 (revised 2012)	Income Taxes
TAS 17 (revised 2012)	Leases
TAS 18 (revised 2012)	Revenue
TAS 19 (revised 2012)	Employee Benefits
TAS 21 (revised 2012)	The Effects of Changes in Foreign Exchange Rates
TAS 24 (revised 2012)	Related Party Disclosures

TAS 28 (revised 2012)	Investments in Associates
TAS 31 (revised 2012)	Interests in Joint Ventures
TAS 34 (revised 2012)	Interim Financial Reporting
TAS 36 (revised 2012)	Impairment of Assets
TAS 38 (revised 2012)	Intangible Assets
Financial Reporting Standards:	
TFRS 2 (revised 2012)	Share-based Payment
TFRS 3 (revised 2012)	Business Combinations
TFRS 5 (revised 2012)	Non-current Assets Held for Sale and Discontinued Operations
TFRS 8 (revised 2012)	Operating Segments
Accounting Standard Interpretations:	
TSIC 15	Operating Leases - Incentives
TSIC 27	Evaluating the Substance of Transactions Involving the Legal Form of a Lease
TSIC 29	Service Concession Arrangements: Disclosures
TSIC 32	Intangible Assets - Web Site Costs
Financial Reporting Standard Interpretations:	
TFRIC 1	Changes in Existing Decommissioning, Restoration and Similar Liabilities
TFRIC 4	Determining whether an Arrangement contains a Lease
TFRIC 5	Rights to Interests arising from Decommissioning, Restoration and Environmental Rehabilitation Funds
TFRIC 7	Applying the Restatement Approach under TAS 29 <i>Financial Reporting in Hyperinflationary Economies</i>
TFRIC 10	Interim Financial Reporting and Impairment
TFRIC 12	Service Concession Arrangements
TFRIC 13	Customer Loyalty Programmes
TFRIC 17	Distributions of Non-cash Assets to Owners
TFRIC 18	Transfers of Assets from Customers
Accounting Treatment Guidance for Stock Dividend	

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

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

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

TAS 19 (revised 2014) Employee Benefits

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

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

TFRS 10 Consolidated Financial Statements

TFRS 10 prescribes requirements for the preparation of consolidated financial statements and replaces the part dealing with consolidated financial statements as included in TAS 27 *Consolidated and Separate Financial Statements*. This standard changes the principles used in considering whether control exists. Under this standard, an investor is deemed to have control over an investee if it has rights, or is exposed, to variable returns from its involvement with the investee, and it has the ability to direct the activities that affect the amount of its returns, even if it holds less than half of the shares or voting rights. This important change requires the management to exercise a lot of judgement when reviewing whether the Company and its subsidiaries have control over the investees and determine which entities have to be included for preparation of the consolidated financial statements.

The management of the Company and its subsidiaries believes that this standard will not have any significant impact on the Company and its subsidiaries' financial statements.

TFRS 11 Joint Arrangements

TFRS 11 supersedes TAS 31 *Interests in Joint Ventures*. This standard requires an entity to account for an investment in a jointly controlled entity using the equity method, while TAS 31 allows the entity to apply either the proportionate consolidation method or the equity method to account for such an investment.

The management of the Company and its subsidiaries believes that this standard will not have any impact on the Company and its subsidiaries' financial statements.

TFRS 12 Disclosure of Interests in Other Entities

This standard stipulates disclosures relating to an entity's interests in subsidiaries, joint arrangements and associates, including structured entities. This standard therefore has no financial impact to the financial statements of the Company and its subsidiaries.

TFRS 13 Fair Value Measurement

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

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

4. Significant accounting policies

4.1 Revenue and expense recognition

a) Brokerage fees

Brokerage fees on securities and derivatives trading are recognised as income on the transaction dates.

b) Fees and services income

Fees are recognised as income on an accrual basis. Service income is recognised on the basis of percentage of completion, which is measured based on service performed to date as a percentage of total service to be performed. Revenue is recognised when it is probable that the amount will be collected.

Management fees of the subsidiary are calculated as a percentage of the net asset value of the funds managed by the subsidiary and recognised as income when services have been rendered.

c) Gain (loss) on investments

Gain (loss) on investments is recognised as income or expense on the transaction dates.

d) Interest and dividend on investments

Interest on investments is recognised as income on an accrual basis based on the effective interest rate. Dividends from investments are recognised when the right to receive the dividends is established.

e) Interest on margin loans

Interest is recognised as income on an accrual basis based on the effective interest rate. Except there is uncertainty as to the collectability of loans and interest, the subsidiary ceases accrual.

The following cases are considered as uncertainty of collectability of loans and interest.

- (1) Loans are not fully covered with collateral.
- (2) Installment loans with repayments scheduled no more than 3 months for each installment, which principal or interest is overdue more than 3 months.
- (3) Installment loans with repayments scheduled no less than 3 months for each installment, unless there is a clear evidence and high degree of certainty that full repayment is recovered.
- (4) Problem financial institution debtors.
- (5) Other receivables of which interest payment is overdue 3 months or more.

These conditions are based on the guidelines stipulated by the Office of the Securities and Exchange Commission.

f) Interest income from factoring

Interest income from factoring is recognised in the profit or loss using the effective interest rate method, over the period of debts being factored.

g) Expenses

Expenses are recognised on an accrual basis.

4.2 Cash and cash equivalents

Cash and cash equivalents consist of cash in hand, all bank deposit accounts with an original maturity less than 3 months and not subject to withdrawal restrictions, promissory notes and term notes with an original maturity less than 3 months and exclude deposits used as collateral.

4.3 Recognition and amortisation of customers' deposits

Cash collateral received from customers for trading in securities of cash balance accounts, credit balance accounts and placed as margin for derivatives trading are recorded as assets and liabilities of the subsidiary for the internal control purposes. As at the end of reporting period, the subsidiary excludes these amounts from both the assets and liabilities and presents only the assets which belong to the subsidiary.

4.4 Investments

- a) Investments in securities held for trading are stated at fair value. Changes in the fair value of these securities are recorded in profit or loss.
- b) Investment in available-for-sale securities are stated at fair value. Changes in the fair value of these securities are recorded in other comprehensive income, and will be recorded in profit or loss when the securities are sold.
- c) Investments in non-marketable equity securities, which the subsidiary classifies as other investments, are stated at cost net of allowance for impairment loss (if any).
- d) Investments in debt securities, both due within one year and expected to be held to maturity, are recorded at amortised cost. The premium/discount on debt securities is amortised/accreted by the effective rate method with the amortised/accreted amount presented as an adjustment to the interest income.
- e) Investment in associate is accounted for in the consolidated financial statements using the equity method.
- f) Investments in subsidiaries and associate are accounted for in the separate financial statements using the cost method.

The fair value of marketable securities is based on the latest bid price of the last working day of the year. The fair value of debt instruments is determined based on yield rates quoted by the Thai Bond Market Association. The fair value of unit trusts is determined from their net asset value.

Loss on impairment (if any) of investments in debt securities expected to be held to maturities, other investments and investments in subsidiaries are included in profit or loss.

The weighted average method is used for computation of the cost of investments.

In the event the Company reclassifies investments from one type to another, such investments will be readjusted to their fair value as at the reclassification date. The difference between the carrying amount of the investments and the fair value on the date of reclassification are recorded in profit or loss or recorded as other component of owners' equity, depending on the type of investment that is reclassified.

On disposal of an investment, the difference between net disposal proceeds and the carrying amount of the investment is recognised in profit or loss.

4.5 Receivables from Clearing House

Receivables from Clearing House comprises the net receivable from Thailand Clearing House (TCH) for settlement of equity securities trading made through the Stock Exchange of Thailand, net receivables for TCH from derivatives trades, included cash collateral pledged with TCH for derivatives trades, and net receivable from foreign securities trade settlement with the overseas brokers.

4.6 Securities and derivatives business receivables and allowance for doubtful accounts

Securities and derivatives business receivables are the net balances of securities business receivables and derivatives business receivables after deducting allowance for doubtful accounts.

In addition, securities business receivables include the net receivable balance of cash accounts, credit balance accounts, securities borrowings receivable, collateral receivables (which comprise cash placed as security with securities lenders) and other receivables such as overdue cash accounts and securities receivables which are the subject of legal proceedings, are undergoing restructuring or are being settled in installments.

The subsidiary has provided an allowance for doubtful debts based on a review of debtor's repayment capability, taking into consideration in recovery risk and value of collateral. An allowance will be set aside for doubtful debts that are not fully covered by collateral and/or debtors that cannot be recovered in full amount. Such debt classifications and provisions are in accordance with the following criteria:

a) Debt classified as bad debt is defined as follows:

- (1) Debts which the subsidiary has made effort to follow up, but could not collect the repayment. The subsidiary has written them off in accordance with tax law.
- (2) Debts which the subsidiary has forgiven them.

- b) Doubtful debt is defined as the uncollateralised portion of the debt which meets the following criteria:
 - (1) Debtors in general, problem financial institution loans, and other debtors which the collateral value is less than the debts.
 - (2) Installment loans with repayments scheduled no more than 3 months for each installment, which the principal or interest is overdue more than 3 months.
 - (3) Installment loans with repayments scheduled no less than 3 months for each installment, unless there is a clear evidence and high degree of certainty that the full payment is recovered.
- c) Substandard debt is defined as the collateralised portion of loans which meet the criteria in b).

Loans classified as bad debt will be written off when identified. Full provision of the loan balance will be set aside for loans classified as doubtful. These conditions are complied with the guidelines stipulated by the Office of the Securities and Exchange Commission.

4.7 Factoring receivables and allowance for doubtful accounts

Factoring receivables are stated at the amount net of allowance for doubtful accounts and discount on factoring in advance.

The allowance for doubtful accounts for factoring receivables is set at the higher of:

- (1) A percentage of net factoring receivables (i.e. factoring receivables less factoring payables) as follows:

Factoring receivables	%
Not yet due	Nil
Past due up to 3 months	Nil
Past due over 3 months but within 6 months	20
Past due over 6 months	100

- (2) 0.25% of total net factoring receivables

In addition, the subsidiary considers to set up additional allowance for doubtful accounts for each debtor based on collection experience and analysis of debt aging.

Allowance for doubtful accounts for loans receivable and other receivables is provided for the estimated losses that may be incurred in collection of receivables. The allowance is generally based on collection experience and analysis of debt aging.

Bad debts are written-off as incurred.

4.8 Loans receivable

Loans receivable are stated at principal amount net of allowance for doubtful accounts.

4.9 Troubled debt restructuring

In cases where the debt restructuring involves modifications of the terms, the fair value of the receivables after restructuring is based on the net present value of expected future cash flows, discounted by the interest rate under the modified terms which forms the basis for making collection from the debtor. Differences between the fair values of receivables as of the restructuring date and their previous book values is recorded in "Revaluation allowance for debt restructuring", and recognised as an expense in profit or loss in the statements of comprehensive income in the year in which the restructuring takes place. The subsidiary reviews such revaluation allowance based on the net present value of future cash flows over the remaining period to maturity, recognising adjustments to the allowance against impairment of loan receivable.

4.10 Equipment and depreciation

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

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

Building improvement	10 years
Office equipment	3 and 5 years
Furniture and fixtures	3, 5 and 10 years
Motor vehicles	4 and 5 years

Depreciation is included in determining income.

No depreciation is provided on work under installation.

An item of equipment is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on disposal of an asset is included in profit and loss when the asset is derecognised.

4.11 Intangible assets and amortisation

Intangible assets acquired through business combination are initially recognised at their fair value on the date of business acquisition while intangible assets acquired in other cases are recognised at cost. Following the initial recognition, the intangible assets are carried at cost less any accumulated amortisation and any accumulated impairment losses (if any).

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

A summary of the intangible assets with finite useful lives is as follows:

Computer software	3, 5 and 10 years
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Intangible assets with indefinite useful lives are not amortised, but are tested for impairment annually either individually or at the cash generating unit level. The assessment of indefinite useful lives of the intangible assets is reviewed annually.

4.12 Business combination

The cost of an acquisition is measured at fair value which is the amount of cash or cash equivalents, or the fair market value of any other consideration given as determined at the date of acquisition.

The Company accounted for acquisition-related costs such as professional fee and other consulting fees, as expenses in the period in which the costs are incurred and the services are received.

At the acquisition date, the Company measures components of non-controlling interests in the recognises at the present ownership instruments' proportionate share in the recognised amounts of the acquiree's identifiable net assets.

4.13 Goodwill

Goodwill is initially recorded at cost, which equals to the excess of cost of business combination over the fair value of the net assets acquired. If the fair value of the net assets acquired exceeds the cost of business combination, the excess is immediately recognised as gain in profit or loss.

Goodwill is carried at cost less any accumulated impairment losses. Goodwill is tested for impairment annually and when circumstances indicate that the carrying value may be impaired.

For the purpose of impairment testing, goodwill acquired in a business combination is allocated to each of the Company's cash-generating units (or group of cash-generating units) that are expected to benefit from the synergies of the combination. The Company estimates the recoverable amount of each cash-generating unit (or group of cash-generating units) to which the goodwill relates. Where the recoverable amount of the cash-generating unit is less than the carrying amount, an impairment loss is recognised in profit or loss. Impairment losses relating to goodwill cannot be reversed in future periods.

4.14 Related party transactions

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

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

4.15 Long-term leases

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

4.16 Foreign currencies

The consolidated and separate financial statements are presented in Baht, which is also the Company's functional currency. Items of each entity included in the consolidated financial statements of each entity are measured using the functional currency of that entity.

Transactions in foreign currencies are translated into Baht at the exchange rate ruling at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies are translated into Baht at the exchange rate ruling at the end of reporting period.

Gains and losses on exchange are included in determining income.

4.17 Impairment of assets

At the end of each reporting period, the Company and its subsidiaries perform impairment reviews in respect of the equipment and other intangible assets whenever events or changes in circumstances indicate that an asset may be impaired. The Company and its subsidiaries also carries out annual impairment reviews in respect of goodwill and intangible assets with indefinite useful lives. An impairment loss is recognised when the recoverable amount of an asset, which is the higher of the asset's fair value less costs to sell and its value in use, is less than the carrying amount. In determining value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. In determining fair value less costs to sell, an appropriate valuation model is used. These calculations are corroborated by a valuation model that, based on information available, reflects the

amount that the Company and its subsidiaries could obtain from the disposal of the asset in an arm's length transaction between knowledgeable, willing parties, after deducting the costs of disposal.

An impairment loss is recognised in profit or loss.

4.18 Employee benefits

Short-term employee benefits

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

Post-employment benefits

Defined contribution plans

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

Defined benefit plans

The Company and its subsidiaries have obligations in respect of the severance payments it must make to employees upon retirement under labor law. The Company and its subsidiaries treat these severance payment obligations as a defined benefit plan.

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

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

For the first-time adoption of TAS 19 Employee Benefits in 2011, the Company and its subsidiaries elected to recognise the transitional liability, which exceeds the liability that would have been recognised at the same date under the previous accounting policy, through an adjustment to the beginning balance of retained earnings in 2011.

4.19 Payables to Clearing House

Payables to Clearing House comprises the net payable to Thailand Clearing House (TCH) for settlement of equity securities trades made through the Stock Exchange of Thailand, net payable for derivatives trades, and net payable to foreign securities trade settlement with overseas brokers.

4.20 Securities and derivatives business payables

Securities and derivatives business payables are the obligations of the subsidiary in respect of its securities and derivatives business with outside parties, such as the net payable balances of cash accounts, securities delivery obligations as a result of short sales or securities borrowing, and obligations to return assets held by the subsidiary as collateral for securities lending.

4.21 Provisions

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

4.22 Share-Based Payment

The Company and its subsidiaries recognises share-based payment transactions when services from employees are rendered, based on the fair value of the share options on the grant date. The expenses are recorded over the vesting period, in accordance with the conditions regarding length of service rendered by employees stipulated in the share-based payment plan, together with a corresponding increase in “capital reserve for share-based payment transactions” in owners' equity.

Estimating fair value for share-based payment transactions requires management to exercise judgement, and to apply assumptions, including as to the expected life of the share options, share price volatility and dividend yield.

4.23 Income tax

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

Current tax

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

Deferred tax

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

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

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

The Company and its subsidiaries record deferred tax directly to shareholders' equity if the tax relates to items that are recorded directly to shareholders' equity.

5. Significant accounting judgments and estimates

The preparation of financial statements in conformity with financial reporting standards at times requires management to make subjective judgments and estimates regarding matters that are inherently uncertain. These judgments and estimates affect reported amounts and disclosures; and actual results could differ from these estimates. Significant judgments and estimates are as follows:

Recognition and derecognition of assets and liabilities

In considering whether to recognise or to derecognise assets or liabilities, the management is required to make judgment on whether significant risk and rewards of those assets or liabilities have been transferred, based on their best knowledge of the current events and arrangements.

Impairment of investments

The Company and its subsidiaries treat investments as impaired when there has been a significant or prolonged decline in the fair value below their cost or where other objective evidence of impairment exists. The determination of what is "significant" or "prolonged" requires judgment of the management.

Allowance for doubtful accounts of securities and derivatives business receivables

Allowance for doubtful accounts of securities and derivatives business receivables are intended to adjust the values of receivables for probable credit losses. In determining an allowance for doubtful accounts of securities and derivatives business receivables, the management needs to make judgment and estimates based upon, among other things, past collection history, the value of the securities collateral, aging profile of outstanding debts and the prevailing economic condition.

Allowance for doubtful accounts

In determining an allowance for doubtful accounts of factoring receivables, loans receivable and other receivables, the management needs to make judgment and estimates based upon, among other things, past collection history, aging profile of outstanding debts and the prevailing economic condition.

Equipment/Depreciation

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

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

Goodwill and intangible assets

The initial recognition and measurement of goodwill and intangible assets, and subsequent impairment testing, require management to make estimates of cash flows to be generated by the asset or the cash generating units and to choose a suitable discount rate in order to calculate the present value of those cash flows.

Leases

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

Post employment benefits under defined benefit plans

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

Fair value of financial instruments

In determining the fair value of financial instruments that are not actively traded and for which quoted market prices are not readily available, the management exercise judgment, using a variety of valuation techniques and models. The input to these models is taken from observable markets, and includes consideration of liquidity, correlation and longer-term volatility of financial instruments.

Deferred tax assets

Deferred tax assets are recognised for deductible temporary differences and unused tax losses to the extent that it is probable that taxable profit will be available against which the temporary differences and losses can be utilised. Significant management judgement is required to determine the amount of deferred tax assets that can be recognised, based upon the likely timing and level of estimate future taxable profits.

6. Related party transactions

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

(Unit: Baht)

	Consolidated financial statements		Separate financial statements		Transfer Pricing Policy	
	2014	2013	2014	2013		
Transactions with subsidiaries						
(Eliminated from the consolidated financial statements)						
Dividend income	-	-	102,925,330	98,489,901	Normal rate declared to ordinary investors	
Interest income	-	-	473,222	-	Market rate	
Brokerage expenses	-	-	-	158,396	Normal rate charged to ordinary customers	
Purchase of debt securities	-	-	1,847,094,747	538,623,858	Market rate	
Other expenses	-	-	39,211	31,195	Agreed upon basis	
Transactions with related parties						
Brokerage fees income	64,601	109,325	-	-	Normal rate charged to ordinary customers	
Fees and services income	2,897,948	2,326,153	-	-	Price stated in contract	
Premises expenses	464,934	482,011	-	-	Price stated in contract	
Transactions with the directors and shareholders of the Company's group						
Sales of debt securities	3,374,379,530	3,196,268,741	-	196,270,903	Market rate	
Gain on investments	239,967	197,024	-	-	Market rate	
Brokerage fees income	43,817,679	46,687,197	-	-	Normal rate charged to ordinary customers	
Interest expenses	36,890,882	59,277,777	5,981,971	3,398,613	Market rate	

The balances of accounts as at 31 December 2014 and 2013 between the Company and its subsidiaries and those related parties are as follows:

	(Unit: Baht)			
	Consolidated financial statements		Separate financial statements	
	2014	2013	2014	2013
Subsidiary				
(Eliminated from the consolidated financial statement)				
Short-term loans	-	-	99,563,399	-
Interest receivable	-	-	147,460	-
Other payables	-	-	3,000	3,000
Related parties				
Rental deposits	200,000	200,000	-	-
Directors and shareholders of the				
Company's group				
Securities business receivables	154,610,412	340,849,534	-	-
Cash collateral	88,785,478	69,210,908	-	-
Securities business payables	58,487,535	24,809,111	-	-
Subordinated debentures	360,000,000	360,000,000	-	-
Bill of exchange	1,543,722,056	1,316,227,875	149,096,649	99,669,516
Accrued interest	6,041,096	6,041,096	-	-

Loans to related parties

As at 31 December 2014 and 2013, the balance of loans between the Company and those related companies and the movement are as follows:

Short-term loans	Related by	Separate financial statements			
		Balance as at 1 January		Balance as at 31 December	
		2014	Increase	Translation	2014
AIRA Securities Public Company Limited	Subsidiary	-	79,831,879	-	79,831,879
AIRA International Advisory (Singapore) Pte. Ltd.	Subsidiary	-	20,649,200	(917,680)	19,731,520
		-	100,481,079	(917,680)	99,563,399

Short-term loans to related party of Baht 80 million is in the form of an unsecured loan, carrying interest at rate of 3.5% per annum and mature on 23 January 2015.

Short-term loans to related party of Baht 5 million or SGD 0.2 million, Baht 8 million or SGD 0.3 million, Baht 3 million or SGD 0.1 million and Baht 5 million or SGD 0.2 million are in the form of an unsecured loan, carrying interest at rate of 4% per annum and mature on 12 February 2015, 15 May 2015, 23 September 2015 and 17 December 2015, respectively.

Directors and management's benefits

During the year ended 31 December 2014 and 2013, the Company and its subsidiaries had employee benefit expenses payable to their directors and management as below.

	(Unit: Thousand Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	2014	2013	2014	2013
Short-term benefits	103,704	77,093	25,976	21,879
Post-employment benefits	2,404	1,800	424	258
Share-based payment benefits	1,094	786	451	324
Total	<u>107,202</u>	<u>79,679</u>	<u>26,851</u>	<u>22,461</u>

7. Cash and cash equivalents

	(Unit: Baht)			
	Consolidated financial statements		Separate financial statements	
	2014	2013	2014	2013
Cash, deposits at financial institutions, notes receivables and bonds with maturity less than three months	1,968,236,938	1,623,163,534	19,983,585	51,456,576
Less: Deposits, notes receivables and bonds of customers' account of subsidiary	<u>(1,703,624,727)</u>	<u>(893,482,923)</u>	-	-
Total cash and cash equivalents	<u>264,612,211</u>	<u>729,680,611</u>	<u>19,983,585</u>	<u>51,456,576</u>

8. Investments

8.1 Cost and fair value

	(Unit: Baht)			
	Consolidated and Separate financial statements			
	2014	2013	Cost	Fair value
Trading securities				
Listed securities	74,756,325	73,586,604	79,021,768	76,508,250
Less: Changes in fair value of securities	<u>(1,169,721)</u>	-	<u>(2,513,518)</u>	-
Total trading securities - net	<u>73,586,604</u>	<u>73,586,604</u>	<u>76,508,250</u>	<u>76,508,250</u>

(Unit: Baht)

	Consolidated and Separate financial statements			
	2014		2013	
	Cost	Fair value	Cost	Fair value
Available-for-sale securities				
Listed securities	169,239,313	145,106,835	82,049,921	55,833,775
Less: Changes in fair value of securities	(24,132,478)	-	(26,216,146)	-
Total available-for-sale securities - net	145,106,835	145,106,835	55,833,775	55,833,775
Total short-term investments	218,693,439	218,693,439	132,342,025	132,342,025
Other investment				
Equity securities	3,000,000		3,000,000	
Total other investment	3,000,000		3,000,000	
Total investments - net	221,693,439		135,342,025	

8.2 Unrealised loss on re-measuring available-for-sale investment recognised in owners' equity

(Unit: Baht)

	Consolidated and Separate financial statements	
	2014	2013
Balance - beginning of the year	(19,803,193)	-
Changes during the year (net of income tax)		
- revaluation	(792,057)	(24,947,605)
- sale	-	5,144,412
Balance - end of the year	(20,595,250)	(19,803,193)

9. Receivables from Clearing House

(Unit: Baht)

	Consolidated financial statements	
	2014	2013
Receivables from Clearing House	502,900,385	38,014,278
Receivables from overseas securities company	112,340,907	90,268,930
Less: Receivables from Clearing House for customers' account of subsidiary	(135,933,504)	(100,175,244)
Total receivables from Clearing House	479,307,788	28,107,964

10. Securities and derivatives business receivables

(Unit: Baht)

	Consolidated financial statements	
	2014	2013
Securities business receivables		
Cash accounts	519,246,527	588,945,836
Credit balance accounts	860,475,328	646,266,854
Total	1,379,721,855	1,235,212,690
Add: Accrued interest receivables	4,480,652	4,290,917
Total securities business receivables	<u>1,384,202,507</u>	<u>1,239,503,607</u>
Derivatives business receivables		
Derivatives business receivables	824,024	-
Less: Allowance for doubtful accounts	(824,024)	-
Total derivatives business receivables	-	-
Total securities and derivatives business receivables	<u>1,384,202,507</u>	<u>1,239,503,607</u>

10.1 The subsidiary has classified securities business receivables in accordance with the Notification of the Office of the Securities and Exchange Commission governing accounting for doubtful debts of securities companies. As at 31 December 2014 and 2013, securities business receivables are classified as follows:

	Consolidated financial statements					
	2014		2013			
	Allowance for doubtful accounts	Net securities business receivables	Allowance for doubtful accounts	Net securities business receivables		
Securities business receivables	set up by the subsidiary	after allowance for doubtful accounts	Securities business receivables	set up by the subsidiary	after allowance for doubtful accounts	
Normal debts	1,384	-	1,384	1,239	-	1,239
Doubtful debts	1	(1)	-	-	-	-
Total	<u>1,385</u>	<u>(1)</u>	<u>1,384</u>	<u>1,239</u>	<u>-</u>	<u>1,239</u>

10.2 Allowance for doubtful accounts

(Unit: Baht)

	Consolidated financial statements	
	2014	2013
Balance at beginning of the year	-	-
Add: Allowance for doubtful accounts during the year	824,024	-
Balance at end of the year	<u>824,024</u>	<u>-</u>

11. Factoring receivables

	(Unit: Baht)	
	Consolidated financial statements	
	2014	2013
Factoring receivables	2,918,711,707	3,155,049,113
Accrued interest income from factoring	7,110,609	7,115,182
Total	<u>2,925,822,316</u>	<u>3,162,164,295</u>
Less: Factoring payables	(434,582,604)	(447,613,054)
Unearned interest income	(14,601,772)	(14,445,200)
Total	<u>2,476,637,940</u>	<u>2,700,106,041</u>
Less: Allowance for doubtful accounts	(57,311,198)	(37,830,485)
Factoring receivables - net	<u>2,419,326,742</u>	<u>2,662,275,556</u>

The balances of factoring receivables as at 31 December 2014 and 2013, aged on the basis of due dates, are summarised below.

	(Unit: Baht)	
	Consolidated financial statements	
Age of factoring receivables	2014	2013
Not yet due	2,773,063,244	3,016,120,727
Past due		
Up to 3 months	51,497,979	62,543,476
3 - 6 months	1,706,385	25,271,773
Over 6 months	92,444,099	51,113,137
Total factoring receivables	<u>2,918,711,707</u>	<u>3,155,049,113</u>

As at 31 December 2014, factoring receivables which were overdue for over 6 months presented amounting to Baht 92 million (2013: Baht 51 million) before setting off the amount repayable to the transferor upon settlement of the factored debts amounting to Baht 29 million (2013: Baht 14 million). The subsidiary has provided a full amount of allowance for doubtful accounts for such net receivables.

12. Loans receivable

(Unit: Thousand Baht)

	Current portion of loans receivable		Loans receivable		Total	
	31 December 2014	31 December 2013	31 December 2014	31 December 2013	31 December 2014	31 December 2013
Loans receivable	50,816	34,567	64,215	73,547	115,031	108,114
Less : Allowance for doubtful accounts	-	-	(115)	-	(115)	-
Loans receivable - net	50,816	34,567	64,100	73,547	114,916	108,114

The subsidiary has restructured factoring receivables by means of modification of terms. The balance before restructuring amounted to Baht 73 million and the repayment period was about 7 years. However, this restructuring by modification of terms does not result in any loss. During the year 2014, the subsidiary received principal and interest payments totaling Baht 3 million and 4 million, respectively (2013: the subsidiary received principal and interest payments totaling Baht 7 million and Baht 4 million, respectively).

As at 31 December 2014, the loan receivable balance amounted to Baht 61 million. (2013: Baht 64 million).

13. Other receivables

The balances as at 31 December 2014 and 2013 consist of: -

(Unit: Baht)

	Consolidated		Separate	
	financial statements		financial statements	
	2014	2013	2014	2013
Accrued fee income	17,179,995	7,061,830	-	-
Employee receivables	-	9,265,485	-	-
Others	1,698,999	1,014,158	147,460	-
Total	18,878,994	17,341,473	147,460	-

14. Investment in associate

14.1 Details of associate:

AIRA & AIFUL Public Company Limited

On 11 November 2014, a meeting of the Board of Directors of the Company approved to enter into the Joint Venture Agreement with AIFUL CORPORATION, which is a company listed on Tokyo Stock Exchange in Japan, to establish a new company under the name AIRA & AIFUL Public Company Limited. The Company has a 30% shareholding or Baht 300 million in such company, with has a registered share capital comprised of 1,000 million shares at Baht 1 per share, totaling Baht 1,000 million.

AIRA & AIFUL Public Company Limited registered with the Ministry of Commerce on 24 December 2014.

(Unit: Thousand Baht)

Company's name	Nature of business	Country of incorporation	Consolidated financial statements					
			Shareholding percentage		Cost		Carrying amounts based on equity method	
			2014 (%)	2013 (%)	2014	2013	2014	2013
AIRA & AIFUL Public Company Limited	Consumer finance	Thai	30	-	300,000	-	300,130	-

(Unit: Thousand Baht)

Company's name	Nature of business	Country of incorporation	Separate financial statements					
			Shareholding percentage		Cost		Allowance for impairment of investment	
			2014 (%)	2013 (%)	2014	2013	2014	2013
AIRA & AIFUL Public Company Limited	Consumer finance	Thai	30	-	300,000	-	-	-
							300,000	-

14.2 Share of gain and dividend received

During the years, the Company has recognised its share of gain from investment in associate company in the consolidated financial statements and dividend income in the separate financial statements as follows:

Company's name	(Unit: Thousand Baht)			
	Consolidated financial statements		Separate financial statements	
	Share of gain from investment in associate during the year		Dividend received during the year	
	<u>2014</u>	<u>2013</u>	<u>2014</u>	<u>2013</u>
AIRA & AIFUL Public Company Limited	130	-	-	-

14.3 Financial information of the associated company

Financial information of the associated company is summarised below.

Company's name	(Unit: Million Baht)									
	Paid-up capital as at 31 December		Total assets as at 31 December		Total liabilities as at 31 December		Total revenues for the year ended 31 December		Profit for the year ended 31 December	
	<u>2014</u>	<u>2013</u>	<u>2014</u>	<u>2013</u>	<u>2014</u>	<u>2013</u>	<u>2014</u>	<u>2013</u>	<u>2014</u>	<u>2013</u>
AIRA & AIFUL Public Company Limited	1,000	-	1,001	-	0.2	-	0.7	-	0.4	-

15. Investments in subsidiaries

Details of investments in subsidiaries as presented in separate financial statements are as follows:

Company's name	(Unit: Million Baht)							
	Paid-up share capital		Shareholding percentage		Cost		Dividend received by the Company for the year	
	<u>2014</u>	<u>2013</u>	<u>2014</u>	<u>2013</u>	<u>2014</u>	<u>2013</u>	<u>2014</u>	<u>2013</u>
			(Percent)	(Percent)				
AIRA Securities Plc.	870	600	99.99	99.99	901	629	82	60
AIRA Factoring Plc.	200	200	74.02	74.02	428	428	21	38
AIRA International Advisory (Singapore) Pte. Ltd.	12	12	90.00	90.00	11	11	-	-
Total					1,340	1,068	103	98

During the year, the Company recognises share-based payment transactions when services from its subsidiaries' employees are rendered. The Company recorded investment in subsidiaries amounting to Baht 1.8 million.

15.1 AIRA Securities Public Company Limited

On 12 May 2014, a meeting of the Board of Directors of the Company passed the following resolutions.

- 1) Approve investment of Baht 120 million in the additional ordinary shares of AIRA Securities Public Company Limited (a subsidiary), consisting of 120 million ordinary shares of Baht 1 each. Its percentage shareholding in the subsidiary was unchanged. The Company made payment for the shares on 12 May 2014.
- 2) Approve investment of Baht 150 million in the additional ordinary shares of AIRA Securities Public Company Limited (a subsidiary), consisting of 150 million ordinary shares of Baht 1 each, with no change to its proportionate shareholding in the subsidiary. The Company made payment for the shares on 9 June 2014.

16. Equipment

(Unit: Baht)

Consolidated financial statements

	Building improvement	Office equipment	Furniture and fixtures	Motor vehicles	Work under installation	Total
Cost						
1 January 2013	30,404,842	42,958,658	17,708,766	25,781,667	-	116,853,933
Additions	25,890,201	13,438,592	14,559,160	9,817,200	9,456,222	73,161,375
Disposals	(17,199,832)	(1,592,401)	(4,131,525)	(1,967,900)	-	(24,891,658)
Transfer in (out)	2,288,980	540,478	5,738,817	-	(9,192,665)	(624,390)
31 December 2013	41,384,191	55,345,327	33,875,218	33,630,967	263,557	164,499,260
Additions	6,009,721	6,906,045	1,013,312	14,929,500	1,906,340	30,764,918
Disposals	-	(5,213,702)	(2,647,250)	-	-	(7,860,952)
Transfers in (out)	1,188,557	-	-	-	(1,188,557)	-
31 December 2014	48,582,469	57,037,670	32,241,280	48,560,467	981,340	187,403,226
Accumulated depreciation						
1 January 2013	12,263,011	32,461,186	11,715,445	16,717,420	-	73,157,062
Depreciation for the year	8,460,847	7,027,088	4,771,669	4,443,682	-	24,703,286
Depreciation on disposals	(17,199,832)	(2,158,435)	(4,021,905)	(1,491,585)	-	(24,871,757)
31 December 2013	3,524,026	37,329,839	12,465,209	19,669,517	-	72,988,591
Depreciation for the year	5,327,288	9,243,912	4,540,206	5,951,036	-	25,062,442
Depreciation on disposals	-	(5,198,568)	(2,647,246)	-	-	(7,845,814)
31 December 2014	8,851,314	41,375,183	14,358,169	25,620,553	-	90,205,219

(Unit: Baht)

	Consolidated financial statements					
	Building improvement	Office equipment	Furniture and fixtures	Motor vehicles	Work under installation	
Net book value					Total	
31 December 2013	37,860,165	18,015,488	21,410,009	13,961,450	263,557	91,510,669
31 December 2014	39,731,155	15,662,487	17,883,111	22,939,914	981,340	97,198,007

Depreciation included in profit or loss for the year

2013	24,703,286
2014	25,062,442

(Unit: Baht)

	Separate financial statements			
	Office equipment	Furniture and fixtures	Assets under installation	
Cost			Total	
1 January 2013	2,412,936	2,830,671	-	5,243,607
Additions	284,034	761,450	5,738,817	6,784,301
Transfer in (out)	-	5,738,817	(5,738,817)	-
31 December 2013	2,696,970	9,330,938	-	12,027,908
Additions	489,901	125,338	-	615,239
Write off	(102,050)	(2,635,955)	-	(2,738,005)
31 December 2014	3,084,821	6,820,321	-	9,905,142
Accumulated depreciation				
1 January 2013	1,126,180	1,254,546	-	2,380,726
Depreciation for the year	619,559	2,254,297	-	2,873,856
31 December 2013	1,745,739	3,508,843	-	5,254,582
Depreciation for write off	(102,044)	(2,635,953)	-	(2,737,997)
Depreciation for the year	521,532	1,337,717	-	1,859,249
31 December 2014	2,165,227	2,210,607	-	4,375,834
Net book value				
31 December 2013	951,231	5,822,095	-	6,773,326
31 December 2014	919,594	4,609,714	-	5,529,308
Depreciation included in profit or loss for the year				
2013	2,873,856			
2014	1,859,249			

As at 31 December 2014, certain equipment items of the Company and its subsidiaries have been fully depreciated but are still in use. The gross carrying amount before deducting accumulated depreciation of those assets amounted to approximately Baht 41 million (2013: Baht 43 million) (The Company only: Baht 0.5 million, 2013: Baht 3 million).

17. Intangible assets

(Unit: Baht)

	Consolidated financial statements					
	Computer software	business license fee	Securities member fee	TFEX member fee	Bond member fee	Total
Cost						
1 January 2013	15,318,567	129,500,000	50,000,000	15,000,000	1,200,000	211,018,567
Additions	7,842,855	-	-	-	-	7,842,855
31 December 2013	23,161,422	129,500,000	50,000,000	15,000,000	1,200,000	218,861,422
Additions	6,013,156	-	-	-	-	6,013,156
Transfer out	(42,556)	-	-	-	-	(42,556)
31 December 2014	29,132,022	129,500,000	50,000,000	15,000,000	1,200,000	224,832,022
Accumulated amortisation						
1 January 2013	8,295,107	77,956,823	27,369,863	-	-	113,621,793
Amortisation for the year	1,863,323	-	-	-	-	1,863,323
31 December 2013	10,158,430	77,956,823	27,369,863	-	-	115,485,116
Amortisation for the year	2,778,388	-	-	-	-	2,778,388
31 December 2014	12,936,818	77,956,823	27,369,863	-	-	118,263,504
Net book value						
31 December 2013	13,002,992	51,543,177	22,630,137	15,000,000	1,200,000	103,376,306
31 December 2014	16,195,204	51,543,177	22,630,137	15,000,000	1,200,000	106,568,518
Amortisation included in profit or loss for the year						
2013						1,863,323
2014						2,778,388

(Unit: Baht)

Separate

financial statements

Computer software

Cost	
1 January 2013	152,027
Additions	13,803
31 December 2013	165,830
Additions	34,090
31 December 2014	199,920

(Unit: Baht)
 Separate
financial statements
Computer software

Accumulated amortisation

1 January 2013	63,193
Amortisation for the year	31,312
31 December 2013	94,505
Amortisation for the year	36,146
31 December 2014	130,651
Net book value	
31 December 2013	71,325
31 December 2014	69,269
Amortisation included in profit or loss for the year	
2013	31,312
2014	36,146

As at 31 December 2014, certain computer software items of subsidiaries have been fully amortised but are still in use. The gross carrying amount before deducting accumulated amortisation of those assets amounted to approximately Baht 8 million (2013: Baht 7 million).

18. Assets held for sale

Details of assets held for sale are as follows:

	Consolidated financial statements	
	31 December 2014	31 December 2013
Machinery	12,300,000	-
Less: Allowance for impairment loss		
on asset held per sale	(1,150,000)	-
Machinery - net	11,150,000	-

A factoring receivable made partial settlement by transferring machinery to the Company. The Company is in the process of selling these assets.

19. Short-term loans from financial institutions

(Unit: Baht)

	Interest rate (% per annum)	Consolidated financial statements	
		2014	2013
Promissory notes	2.90 - 5.30	1,250,000,000	1,737,000,000
Total short-term loans from financial institutions		1,250,000,000	1,737,000,000

As at 31 December 2014, the subsidiaries had credit facilities for bank overdrafts and short-term loans from financial institutions. Under these credit facilities, the subsidiaries have to comply with certain terms and conditions prescribed in the agreements such as not to mortgage, pledge or create of commitment over any fixed assets (Negative pledge) or maintain the financial ratio, etc.

As at 31 December 2014, the subsidiaries had unutilised credit facilities totalling Baht 1,290 million (2013: Baht 1,553 million).

20. Payables to Clearing House

(Unit: Baht)

	Consolidated financial statements	
	2014	2013
Payables to Clearing House	-	381,960,924
Payables to overseas securities company	1,854,356	496,122
Total payables to Clearing House	1,854,356	382,457,046

21. Securities and derivatives business payables

(Unit: Baht)

	Consolidated financial statements	
	2014	2013
Securities business payables		
Cash accounts	492,525,307	125,116,197
Derivatives business payables		
Derivatives business payables	-	-
Total securities and derivatives business payables	492,525,307	125,116,197

22. Other payables

(Unit: Baht)

	Consolidated financial statements		Separate financial statements	
	31 December 2014	31 December 2013	31 December 2014	31 December 2013
Other payables - related parties	-	-	3,000	3,000
Other payables - non related parties	8,230,815	13,459,274	1,301,881	826,063
Total	<u>8,230,815</u>	<u>13,459,274</u>	<u>1,304,881</u>	<u>829,063</u>

23. Subordinated debentures

(Unit: Baht)

Issue date	(shares)	Interest rate per annum	Age	Maturity date	Consolidated financial statements	
					2014	2013
1 August 2012	200,000	Year 1 - 3 Fixed rate 5.0%	3 years	1 August 2015	200,000,000	200,000,000
1 April 2013	200,000	Year 1 - 3 Fixed rate 5.0%	3 years	1 April 2016	<u>200,000,000</u>	<u>200,000,000</u>
Total					<u>400,000,000</u>	<u>400,000,000</u>

These debentures are unsecured debentures.

On 15 March 2013, the meeting of the Management Committee of AIRA Securities Public Company Limited passed a resolution approving the issue and offering of Baht 200 million of subordinated, unsecured debentures carrying interest at rate 5.0% per annum on 1 April 2013 with a term of 3 years. These debentures mature on 1 April 2016.

As at 31 December 2014, the balance of the above subordinated debentures of the subsidiary included related parties of Baht 360 million (2013: Baht 360 million).

24. Bill of exchange - related parties

(Unit: Baht)

	Interest rate (% per annum)	Consolidated financial statements		Separate financial statements	
		31 December 2014	31 December 2013	31 December 2014	31 December 2013
Bill of exchange - related parties	3.3% - 3.75%	1,550,000,000	1,320,000,000	150,000,000	100,000,000
Less: Prepaid interest expenses		<u>(6,277,944)</u>	<u>(3,772,125)</u>	<u>(903,351)</u>	<u>(330,484)</u>
Total bill of exchange - related parties		<u>1,543,722,056</u>	<u>1,316,227,875</u>	<u>149,096,649</u>	<u>99,669,516</u>

On 7 November 2014, the Company issue bill of exchange totaling Baht 150 million for related party, carrying interest at rate 3.50% per annum and is due for repayment on 6 March 2015.

25. Other current liabilities

(Unit: Baht)

	Consolidated financial statements		Separate financial statements	
	2014	2013	2014	2013
Accrued expenses	20,837,217	16,741,292	105,000	159,400
Marketing incentive fees payables	20,694,834	10,712,674	-	-
Deposits and cheque in transit awaiting to transfer	24,693,479	85,570,915	1,175,292	174,723
Other current liabilities	30,219,348	14,541,026	8,000,046	422,781
Total	96,444,878	127,565,907	9,280,338	756,904

26. Provision for long-term employee benefits

Provision for long-term employee benefits, which is compensations on employees' retirement, was as follows:

(Unit: Baht)

	Consolidated		Separate	
	financial statements	2014	financial statements	2013
Defined benefit obligation at beginning of year	17,292,792	14,389,924	613,962	355,854
Current service cost	3,335,188	3,213,050	360,741	207,643
Interest cost	679,046	549,116	63,222	50,431
Profit paid during the year	(3,990,000)	(557,769)	-	-
Actuarial loss (gain)	(2,156,259)	(301,529)	-	34
Defined benefit obligation at end of year	15,160,767	17,292,792	1,037,925	613,962

Long-term employee benefit expenses included in the profit or loss was as follows:

(Unit: Baht)

	Consolidated		Separate	
	financial statements	2014	financial statements	2013
Current service cost	3,335,188	3,213,050	360,741	207,643
Interest cost	679,046	549,116	63,222	50,431
Actuarial loss (gain) recognised during the year	(2,156,259)	(301,529)	-	34
Total expense recognised in profit or loss	1,857,975	3,460,637	423,963	258,108

Principal actuarial assumptions at the valuation date were as follows:

(Unit: % per annum)

	Consolidated financial statements		Separate financial statements	
	2014	2013	2014	2013
Discount rate	3.5 - 3.9	3.5 - 3.9	3.9	3.9
Future salary increase rate	3.0 - 8.0	3.0 - 8.0	5.0	5.0
Staff turnover rate (depending on age)	26.7 - 36.2	26.7 - 36.2	26.7	26.7

Amounts of defined benefit obligation for the current and previous three periods are as follows:

(Unit: Baht)

	Experience adjustments			
	Defined benefit obligation		on the obligation	
	Consolidated financial statements	Separate financial statements	Consolidated financial statements	Separate financial statements
Year 2014	15,160,767	1,037,925	2,156,259	-
Year 2013	17,292,792	613,962	301,529	-
Year 2012	14,389,924	355,854	977,572	-
Year 2011	10,175,502	474,435	-	-
Year 2010	1,021,074	277,720	-	-

27. Share capital

On 11 March 2013, the Extraordinary General Meeting of the Company's shareholders passed a resolution to approve a Baht 220.8 million increase the Company's registered share capital, from Baht 779.2 million to Baht 1,000 million. The Company registered the increase in its share capital with the Ministry of Commerce on 22 March 2013.

On 30 June 2014, the warrant holders exercised 17,510,000 warrants to purchase ordinary shares at an exercise price of Baht 0.25 per share, totaling Baht 4,377,500. In June 2014, the Company received full payment for the shares and on 26 to 27 and 30 June 2014, the Company made a rights offering of 124,668,200 shares to the existing shareholders at a price of Baht 0.75 per share, totaling Baht 93,501,150. In June 2014, the Company received full payment for the shares.

On 26 to 27 and 30 June 2014, the Company made an initial public offering of 633,932,200 shares of Baht 0.75 each, totaling Baht 475,449,150. On 3 July 2014, the Company received all payment for the initial public offering.

The Company registered the change in its paid-up capital from Baht 779,182,590 (3,116,730,360 ordinary shares of Baht 0.25 each) to Baht 973,210,190 (3,892,840,760 ordinary shares of Baht 0.25 each) with the Ministry of Commerce on 3 July 2014.

On 30 September 2014, the warrant holders exercised 754,500 warrants to purchase ordinary shares at an exercise price of Baht 0.25 per share, totaling Baht 188,625. In September 2014, the Company received full payment for the shares. As a result, the Company registered the increase in its share capital with the Ministry of Commerce on 10 October 2014.

On 31 December 2014, the warrant holders exercised 15,829,100 warrants to purchase ordinary shares at an exercise price of Baht 0.25 per share, totaling Baht 3,957,275. In December 2014, the Company received full payment for the shares. As a result, the Company registered the increase in its share capital with the Ministry of Commerce on 8 January 2015.

28. Warrant/Capital reserve for share-based payment transactions

On 3 June 2013, the Company allotted warrants under Employee Stock Option Plan to employees of the Company and its subsidiaries for 124,669,240 units. The details are as follows:

No. of securities offered:	124,669,240 units
No. of shares reserved for exercise:	124,669,240 shares
Term:	4 years from the issuance date of warrants
Offering date:	3 June 2013
Expiry date:	3 June 2017
Offering price:	0 Baht
Exercise price:	0.25 Baht per share
Exercise ratio:	1 ordinary share per 1 warrant. The exercise ratio may be changed following the conditions for adjustment of right.
Allotment method:	The Company allotted all warrants to directors : management : employees in the proportion of 5 : 20 : 75.
Exercise period:	

Exercise date no.1

Upon completion of a period of 12 months from the offering date the warrant holders can exercise 15 % of warrant allotted, on the exercise date and every 3 months after the exercise date throughout the term of the warrants.

Exercise date no.2

Upon completion of a period of 18months from the offering date the warrant holders can exercise 15 % of warrant allotted, on the exercise date and every 3 months after the exercise date throughout the term of the warrants.

Exercise date no.3

Upon completion of a period of 24months from the offering date the warrant holders can exercise 15 % of warrant allotted, on the exercise date and every 3 months after the exercise date throughout the term of the warrants.

Exercise date no.4

Upon completion of a period of 30 months from the offering date the warrant holders can exercise 15 % of warrant allotted, on the exercise date and every 3 months after the exercise date throughout the term of the warrants.

Exercise date no.5

Upon completion of a period of 36 months from the offering date the warrant holders can exercise 20 % of warrant allotted, on the exercise date and every 3 months after the exercise date throughout the term of the warrants.

Exercise date no.6

Upon completion of a period of 42 months from the offering date the warrant holders can exercise 20% of warrant allotted, on the exercise date and every 3 months after the exercise date throughout the term of the warrants.

The estimated fair value of each share option granted is Baht 0.06. This was calculated using the Black-scholes Merton formula. The model inputs were the share price at the price determination date of Baht 0.34, the exercise price of Baht 0.25, expected volatility of 17.14%, an expected dividend yield of 5.00%, the life of the share options of 4 years, and a risk-free interest rate of 2.86%.

During the year, the Company and its subsidiaries recorded expenses amounting to Baht 2.23 million (the Company only: Baht 0.46 million) as personnel expenses. As at 31 December 2014, the Company has capital reserves for share-based payment of Baht 2.71 million.

During the current year, the warrant holders exercised their rights to purchase ordinary shares as follow:

	Numbers of warrant units	Cash receipt from exercise of warrants	The Company's paid-up capital which increase from exercise of warrants	Registration date of increase in paid-up capital with the Ministry of Commerce
		(Baht)	(Baht)	
Exercise in June 2014	17,510,000	4,377,500	4,377,500	3 July 2014
Exercise in September 2014	754,500	188,625	188,625	10 October 2014
Exercise in December 2014	<u>15,829,100</u>	<u>3,957,275</u>	<u>3,957,275</u>	8 January 2015
	<u>34,093,600</u>	<u>8,523,400</u>		

As at 31 December 2014, 5,440 warrants remain unallocated.

Movements in the number of warrants, ESOP during the period are as follows:

Number of warrants original issued	124,669,240	Units
Exercise	(34,093,600)	Units
Cancelled	(3,186,900)	Units
Outstanding number of warrants	<u>87,388,740</u>	Units

Up to 31 December 2014, the Company cancelled a total of 3,186,900 warrants to purchase ordinary shares of the Company that had been allocated to the directors and management of the Company, because the directors and management who held those warrants had resigned, thus breaching the conditions under which the warrants were received.

29. Statutory reserve

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

30. Income tax

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

	(Unit: Thousand Baht)	
	Consolidated	
	financial statements	
	<u>2014</u>	<u>2013</u>
Current income tax:		
Current income tax charge	41,629	40,358
Adjustment in respect of current income tax of previous year	-	(5)
Deferred tax:		
Relating to origination and reversal of temporary differences	<u>3,279</u>	<u>1,557</u>
Income tax expense reported in the statement of comprehensive income	<u>44,908</u>	<u>41,910</u>

The amounts of income tax relating to each component of other comprehensive income for the years ended 31 December 2014 and 2013 are as follows:

	(Unit: Thousand Baht)	
	Consolidated	
	financial statements	
	<u>2014</u>	<u>2013</u>
Deferred tax relating to loss on change in value of available-for-sale investments	<u>198</u>	<u>4,951</u>
	<u>198</u>	<u>4,951</u>

Reconciliation between income tax expenses and the product of accounting profit multiplied by the applicable tax rates for the years ended 31 December 2014 and 2013

	(Unit: Thousand Baht)	
	Consolidated	
	financial statements	
	<u>2014</u>	<u>2013</u>
Accounting profit before tax	<u>120,858</u>	<u>149,075</u>
Applicable tax rate	17%, 20%	17%, 20%
Accounting profit before tax multiplied by applicable tax rate	24,704	30,097
Adjustment in respect of current income tax of previous year	-	(5)
Deductible temporary differences and unused tax losses	18,025	7,725
Tax losses used in current year	(1,252)	-

(Unit: Thousand Baht)

Consolidated
financial statements

Effects of:

Promotional privileges	
Non-deductible expenses	
Additional expense deductions allowed	
Others	
Total	

2014 2013

(887)	(400)
4,553	3,383
(203)	(183)
(32)	1,293
3,431	4,093

Income tax expenses reported in the statement of comprehensive income	
	44,908 41,910

(Unit: Thousand Baht)
Separate financial statements

Accounting profit before tax

2014 2013

52,195	57,663
--------	--------

Applicable tax rate

20% 20%

Accounting profit before tax multiplied by applicable tax rate	
	10,439 11,533

Deductible temporary differences and unused tax losses	
	9,709 5,949

Effects of:

Promotional privileges	
Non-deductible expenses	
Additional expense deductions allowed	
Total	

2014 2013

(20,585)	(18,414)
503	976
(66)	(44)
(20,148)	(17,482)

Income tax expenses reported in the statement of comprehensive income	
	- -

The components of deferred tax assets and deferred tax liabilities are as follows:

(Unit: Thousand Baht)

Statements of financial position

Consolidated financial statements

As at As at
31 December 31 December
2014 2013

Deferred tax assets

Allowance for doubtful accounts		2,396	2,717
Allowance for impairment loss on asset held for sale		230	-
Provision for long-term employee benefits		2,824	3,336
Unrealised loss on re-measuring available-for-sale investments		5,441	5,243
Others		453	191
Total		11,344	11,487

	(Unit: Thousand Baht)	
	Statements of financial position	
	Consolidated financial statements	
	As at 31 December 2014	As at 31 December 2013
Deferred tax liabilities		
Amortisation of intangible assets	(16,572)	(13,634)
Total	<u>(16,572)</u>	<u>(13,634)</u>
Deferred tax liabilities, net	<u>(5,228)</u>	<u>(2,147)</u>

Reflected in the statements of financial position as follows:

Deferred tax assets	4,742	5,725
Deferred tax liabilities	(9,970)	(7,872)
Deferred tax liabilities, net	<u>(5,228)</u>	<u>(2,147)</u>

As at 31 December 2014 the Company and its subsidiaries have deductible temporary differences and unused tax losses totaling Baht 209 million (2013: Baht 120 million) (the Company only 2014: Baht 129 million 2013: Baht 81 million), on which deferred tax assets have not been recognised as the Company and its subsidiaries believe future taxable profits may not be sufficient to allow utilisation of the temporary differences and unused tax losses.

31. Brokerage fees income

(Unit: Baht)

	Consolidated financial statements	
	2014	2013
Brokerage fees from securities business	436,903,990	439,267,640
Brokerage fees from derivatives business	35,842,754	27,196,653
Other brokerage fees	5,498,779	4,648,225
Total	<u>478,245,523</u>	<u>471,112,518</u>

32. Fees and services income

(Unit: Baht)

	Consolidated financial statements	
	2014	2013
Financial advisory	24,314,507	10,646,282
Private fund management	2,897,948	2,326,153
Service and front-end	30,371,366	33,405,322
Others	491,058	2,846,602
Total	<u>58,074,879</u>	<u>49,224,359</u>

33. Provident fund

The Company and its employees, and the subsidiaries and its employees have jointly established provident funds in accordance with the Provident Fund Act B.E. 2530. The Company, subsidiaries and employees of each company contribute to the funds monthly at the rate of 3 - 10 percent of basic salary. The funds, which are managed by Kasikorn Asset Management Company Limited and SCB Asset Management Company Limited, will be paid to employees upon termination in accordance with the fund rules.

During the years, the Company and its subsidiaries contributed to the funds as follows:

	(Unit: Million Baht)				
	Consolidated financial statements		Separate financial statements		
	2014	2013	2014	2013	
Contributions to provident funds	9.6	7.9	0.8	0.6	

34. Earnings per share

Basic earnings per share is calculated by dividing profit for the period (excluding other comprehensive income) by the weighted average number of ordinary shares which issued during the period.

Diluted earnings per share is calculated by dividing profit for the period attributable to equity holders of the Company (excluding other comprehensive income) by the sum of the weighted average number of ordinary shares which issued during the period and the weighted average number of ordinary shares which would need to issued to convert all dilutive potential ordinary shares into ordinary shares. The calculation assumes that the conversion took place either at the beginning of the year or on the date the potential ordinary shares were issued.

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

Consolidated financial statements						
	Weighted average					
	Profit for the year		number of ordinary shares		Earnings per share	
	<u>2014</u>	<u>2013</u>	<u>2014</u>	<u>2013</u>	<u>2014</u>	<u>2013</u>
	(Thousand	(Thousand	(Thousand	(Thousand	(Baht)	(Baht)
	Baht)	Baht)	shares)	shares)		
Basic earnings per share						
Profit attributable to equity holders of the parent	71,253	90,024	3,508,313	3,116,730	0.02	0.03
Effect of dilutive potential ordinary shares						
Warrant	-	-	79,636	24,772		
Diluted earnings per share						
Profit attributable to ordinary shareholders assuming the conversion of warrants to ordinary shares	<u>71,253</u>	<u>90,024</u>	<u>3,587,949</u>	<u>3,141,502</u>	0.02	0.03
Separate financial statements						
	Weighted average					
	Profit for the year		number of ordinary shares		Earnings per share	
	<u>2014</u>	<u>2013</u>	<u>2014</u>	<u>2013</u>	<u>2014</u>	<u>2013</u>
	(Thousand	(Thousand	(Thousand	(Thousand	(Baht)	(Baht)
	Baht)	Baht)	shares)	shares)		
Basic earnings per share						
Profit attributable to equity holders of the parent	52,195	57,663	3,508,313	3,116,730	0.01	0.02
Effect of dilutive potential ordinary shares						
Warrant	-	-	79,636	24,772		
Diluted earnings per share						
Profit attributable to ordinary shareholders assuming the conversion of warrants to ordinary shares	<u>52,195</u>	<u>57,663</u>	<u>3,587,949</u>	<u>3,141,502</u>	0.01	0.02

35. Dividends

(Unit: Baht)

Dividend	Authorised by	Dividend paid	Dividend paid per share
Interim dividend from retained earnings and the first quarter of 2013 profit	The meeting of the Company's Board of Directors on 9 May 2013	49,867,686	0.016
Interim dividend from profit for January - September of 2014	The meeting of the Company's Board of Directors on 11 November 2014	46,721,267	0.012

36. Commitments and contingent liabilities

As at 31 December 2014 and 2013, the Company and its subsidiaries have the following outstanding commitments.

- 1) The Company and its subsidiaries have entered into operating lease agreements in respect of the lease of area in the building and equipment. The terms of the agreements are generally between 1 and 9 years.

Future minimum lease payments required under these operating leases contracts and service contracts were as follows:

(Unit: Million Baht)

	Consolidated financial statements		Separate financial statements	
	2014	2013	2014	2013
Payable:				
In up to 1 year	34	34	3	3
In over 1 and up to 5 years	110	116	11	11
In over 5 years	69	97	7	10

- 2) The subsidiary has commitments to pay the fees related to its securities business to the Stock Exchange of Thailand, Thailand Clearing House Company Limited and Thailand Securities Depository Company Limited. These comprise a monthly fixed amount, a percentage of trading volume each month and/or a percentage of net settlements each month.

- 3) The subsidiary has commitments to pay the fees related to its derivatives business to Thailand Futures Exchange Public Company Limited and Thailand Clearing House Company Limited. These comprise a monthly fixed amount and/or at the fixed payment for each purchase or sale of a futures contract transacted.
- 4) The subsidiary has commitments to pay fee to the Office of the Securities and Exchange Commission in relation to securities business licenses for securities brokerage, securities trading, investment advisory, securities underwriting, securities borrowing and lending and private fund asset management. The fee is charged at the certain rate from the aforesaid activities.
- 5) The subsidiary has commitments to pay certain service fees to Thailand Securities Depository Company Limited (TSD), as its Back Office Service Bureau. These comprise a monthly fixed amount and certain other fees specified in the agreement.

37. Litigation

As at 31 December 2014, a civil lawsuit was filed against the subsidiary with an amount in dispute of Baht 3 million. At present, the case is under the taking of evidence and the making of statement. The subsidiary's being testimony and witness the litigation will have no significant impact on the financial position and operating results of the subsidiary.

38. Segment information

Operating segment information is reported in a manner consistent with the internal reports that are regularly reviewed by the chief operating decision maker in order to make decisions about the allocation of resources to the segment and assess its performance. The chief operating decision maker has been identified as Company's Board of Directors.

For management purposes, the Company and its subsidiaries are organised into business units based on its products and services and have three reportable segments as follows:

- Securities business segment, which services a securities and derivatives brokerage, securities trading and investment.
- Advisory and investment banking segment, which services an investment and financial advisory, underwriting and private fund management.
- Factoring segment, which purchases account receivables.

The chief operating decision maker monitors the operating results of the business units separately for the purpose of making decisions about resource allocation and assessing performance. Segment performance is measured based on operating profit or loss and total assets and on a basis consistent with that used to measure operating profit or loss and total assets in the financial statements.

The basis of accounting for any transactions between reportable segments is consistent with that for third party transactions.

The following tables present revenue, profit and total assets information regarding the Company and its subsidiaries' operating segments for the year ended 31 December 2014 and 2013, respectively.

(Unit: Million Baht)

Year ended 31 December 2014	Securities and investment business	Advisory and investment banking	Factoring	Total reportable segments	Adjustments and eliminations	Consolidated
Revenue from external customers	565	31	178	774	-	774
Inter-segment revenue	103	-	-	103	(103)	-
Interest revenue	41	-	8	49	(1)	48
Interest expenses	(25)	(1)	(53)	(79)	(1)	(80)
Depreciation and amortization	(8)	(1)	(5)	(14)	-	(14)
Segment profit	361	(11)	38	388	(103)	285
Unallocated revenue (expenses)						
Interest revenue						36
Other revenue						6
Interest expenses						(32)
Operating expenses						(174)
Income tax expenses						(45)
Profit for the year						<u>76</u>
Segment total assets	2,574	37	2,610	5,658	-	5,607
Additions to non-current assets other than financial instruments, deferred tax assets	17	-	4	21	-	37

(Unit: Million Baht)

Year ended 31 December 2013	Securities and investment business	Advisory and investment banking	Factoring	Total reportable segments	Adjustments and eliminations	Consolidated
Revenue from external customers	575	16	205	796	(99)	697
Inter-segment revenue	-	-	-	-	-	-
Interest revenue	51	-	9	60	-	60
Interest expenses	(35)	-	(65)	(100)	-	(100)
Depreciation and amortization	(7)	(1)	(4)	(12)	-	(12)
Loss on securities	(9)	-	-	(9)	-	(9)
Segment profit	322	(13)	81	390	(98)	292
Unallocated revenue (expenses)						
Interest revenue						26
Other revenue						6
Interest expenses						(24)
Operating expenses						(151)
Income tax expenses						(42)
Profit for the year						107
Segment total assets	1,622	18	2,880	4,520	-	5,301
Additions to non-current assets other than financial instruments, deferred tax assets	22	2	13	37	-	81

Geographic information

The Company and its subsidiaries are operated in Thailand only. As a result, all of the revenues and assets as reflected in these financial statements pertain to the aforementioned geographical reportable.

39. Financial instruments

39.1 Financial risk management

The Company and its subsidiaries' financial instruments, as defined under Thai Accounting Standard No.107 "Financial Instruments: Disclosure and Presentations", principally comprise cash and cash equivalents, deposits at financial institutions, receivables from Clearing House, securities and derivatives business receivables, factoring receivables, loans receivable, other receivables, short-term loans, payables to Clearing House, securities and derivatives business payables, other payables, factoring payables, retention from factoring and subordinated debentures. The financial risks associated with these financial instruments and how they are managed is described below.

Credit risk

The Company and its subsidiaries are exposed to credit risk primarily with respect to deposits at financial institutions, receivables from Clearing House, securities and derivatives business receivables, factoring receivables, loans receivable and other receivables. The management manages the credit risk with respect to deposits at financial institutions, receivables from Clearing House, securities and derivatives business receivables and other receivables by setting up various measures to evaluate credit risks of all new customers when apply for new accounts to determining a proper credit line. The subsidiary also reviews customers' credit lines continuously. To control risk in lending for securities purchase, the subsidiary evaluates the customers' financial status and ability to repay as well as the customers' current trading patterns. The subsidiary also limits the list of securities that can be purchased on margin, and considers the securities fundamentals and liquidity. In addition, the management limits the amount of securities that can be purchased and its concentration in any particular securities. In addition, the management manages the credit risk with respect to retention from factoring and loans receivable by adopting appropriate credit control policies and procedures whereby the subsidiary analyses credit details of customers and follows up customers with overdue accounts in accordance with credit control practices, and considers the amount of retention from factoring and other obligation assets as collateral for each customer according to the assessed credit risk. Therefore, the Company and its subsidiaries do not expect to incur material financial losses.

In addition, the subsidiaries do not have high concentrations of credit risk of retail client since they have a large customer base. The maximum exposure to credit risk is limited to the carrying amounts as follows:

(Unit: Baht)

	Consolidated		Separate	
	financial statements		financial statements	
	2014	2013	2014	2013
Financial assets				
Deposits at financial institutions in the name of Company, subsidiaries and on behalf of customers of subsidiary	1,968,097,478	1,621,364,871	19,972,297	51,453,997
Receivables from Clearing House	479,307,788	28,107,964	-	-
Securities and derivatives business receivables	1,384,202,507	1,239,503,607	-	-
Factoring receivables	2,419,326,742	2,662,275,556	-	-
Loans receivable	114,916,270	108,114,285	-	-
Loans to related parties	-	-	99,563,399	-
Other receivables	18,877,129	8,075,988	147,460	-

Interest rate risk

The Company and its subsidiaries' exposure to interest rate risk relate primarily to deposits at financial institutions, securities business receivables - credit balance accounts, factoring receivables, loans receivable, borrowings and subordinated debentures. However, since the Company and its subsidiaries' financial assets and liabilities bear floating interest rates or fixed interest rates which are close to the market rate, the interest rate risk is expected to be minimal.

Significant financial assets and liabilities as at 31 December 2014 and 2013 classified by type of interest rates are summarised in the table below, with those financial assets and liabilities that carry fixed interest rates further classified based on the maturity date, or the repricing date if this occurs before the maturity date.

(Unit: Million Baht)

Consolidated financial statements									
As at 31 December 2014									
Outstanding balances of financial instruments									
Floating interest rate		Repricing or maturity dates						Interest rate (Percent per annum)	
interest rate	At call	Within 1 year	1 - 5 years	Over 5 years	No interest	Total	Floating rate	Fixed rate	
Financial instruments - assets									
Cash and cash equivalents	130	-	53	-	-	81	264	0.5 - 1.5	1.96 - 2.50
Receivables from Clearing House	-	-	-	-	-	479	479	-	-
Securities and derivatives									
business receivables	865	-	-	-	-	519	1,384	5.75 - 18.00	-
Factoring receivable	-	-	2,419	-	-	-	2,419	-	6.00 - 15.00
Loans receivable	-	45	6	64	-	-	115	-	6.00 - 9.925
Other receivables	-	-	-	-	-	19	19	-	-
Financial instruments - liabilities									
Short-term loans from financial institutions	970	280	-	-	-	-	1,250	-	2.90 - 4.25
Payables to Clearing House	-	-	-	-	-	2	2	-	-
Securities and derivatives									
business payables	-	-	-	-	-	493	493	-	-
Other payables	-	-	-	-	-	8	8	-	-
Retention from factoring	-	-	-	-	-	47	47	-	-
Subordinated debentures	-	-	200	200	-	-	400	-	5.00
Bill of exchange	-	-	1,544	-	-	-	1,544	-	3.30 - 3.50

(Unit: Million Baht)

Separate financial statements									
As at 31 December 2014									
Outstanding balances of financial instruments									
Floating	Repricing or maturity dates							Interest rate (Percent per annum)	
interest	Within	1 - 5 years	Over	No	interest	Total	Floating	Fixed	
rate	At call	1 year	years	5 years	interest	Total	rate	rate	
Financial instruments - assets									
Cash and cash equivalents	13	-	5	-	-	2	20	0.5	1.96
Loans to related parties	-	-	100	-	-	-	100	-	3.50 - 4.00
Financial instruments - liabilities									
Other payables	-	-	-	-	-	1	1	-	-
Bill of exchange	-	-	149	-	-	-	149	-	3.50

Consolidated financial statements									
As at 31 December 2013									
Outstanding balances of financial instruments									
Floating	Repricing or maturity dates							Interest rate (Percent per annum)	
interest	Within	1 - 5 years	Over	No	interest	Total	Floating	Fixed	
rate	At call	1 year	years	5 years	interest	Total	rate	rate	
Financial instruments - assets									
Cash and cash equivalents	60	200	386	-	-	83	729	0.50-2.00	1.65-2.53
Receivables from Clearing House	-	-	-	-	-	28	28	-	-
Securities and derivatives									
business receivables	650	-	-	-	-	589	1,239	5.75-18.00	-
Factoring receivable	-	-	2,662	-	-	-	2,662	-	6.00-15.00
Loans receivable	-	18	17	60	13	-	108	-	6.00-12.00
Other receivables	-	-	-	-	-	17	17	-	-
Financial instruments - liabilities									
Short-term loans from financial institutions	1,737	-	-	-	-	-	1,737	-	3.40-5.30
Payables to Clearing House	-	-	-	-	-	382	382	-	-
Securities and derivatives									
business payables	-	-	-	-	-	125	125	-	-
Other payables	-	-	-	-	-	13	13	-	-
Retention from factoring	-	-	-	-	-	53	53	-	-
Subordinated debentures	-	-	-	400	-	-	400	-	3.40-3.65
Bill of exchange	-	-	1,316	-	-	-	1,316	-	3.40-5.00

(Unit: Million Baht)

Separate financial statements									
As at 31 December 2013									
Outstanding balances of financial instruments									
Floating interest	Repricing or maturity dates							Interest rate (Percent per annum)	
rate	At call	1 year	1 - 5 years	Over 5 years	No interest	Total	Floating rate	Fixed rate	
Financial instruments - assets									
Cash and cash equivalents	6	-	45	-	-	-	51	0.63	2.48
Financial instruments - liabilities									
Other payables	-	-	-	-	-	1	1	-	-
Bill of exchange	-	-	100	-	-	-	100	-	3.75

Liquidity risk

Liquidity risk is the risk that the Company and its subsidiaries will be unable to liquidate its financial assets and/or procure sufficient funds to discharge their obligations in a timely manner, resulting in the Company and its subsidiaries incurring a financial loss.

The Company and its subsidiaries' cash inflow and outflow are monitored by the treasury department in order to prepare daily cash usage plan. The Company and its subsidiaries control size of any business transaction which may increase our risk of incurring unexpected liability to make cash payment and also considers the impact to internal liquidity and net capital ratio of the Company and its subsidiaries. The subsidiary maintains a net capital ratio in accordance with the rules laid down by the Office of the Securities and Exchange Commission. In addition, the Company and its subsidiaries have a policy to manage its liquidity to ensure that it has sufficient liquidity to meet both present and future requirements, under the supervision of the Risk Management Committee.

As at 31 December 2014 and 2013, the subsidiary was able to maintain a net capital ratio exceeding the requirement laid down by the Office of Securities and Exchange Commission.

The periods of time from the end of reporting date to the maturity dates of financial instruments as of 31 December 2014 and 2013 follows:

(Unit: Million Baht)

Consolidated financial statements						
As at 31 December 2014						
Outstanding balances of financial instruments						
	Within At call	1 year	1 - 5 years	Over 5 years	No maturity	Total
Financial instruments - assets						
Cash and cash equivalents	211	53	-	-	-	264
Receivables from Clearing						
House	-	479	-	-	-	479
Securities and derivatives						
business receivables	-	519	-	-	865	1,384
Factoring receivable	-	2,419	-	-	-	2,419
Loans receivable	45	6	64	-	-	115
Other receivables	14	5	-	-	-	19
Financial instruments - liabilities						
Short-term loans from						
financial institutions	280	970	-	-	-	1,250
Payables to Clearing House	-	2	-	-	-	2
Securities and derivatives						
business payables	-	493	-	-	-	493
Other payables	1	5	-	-	2	8
Retention from factoring	-	-	-	-	47	47
Subordinated debentures	-	200	200	-	-	400
Bill of exchange	-	1,544	-	-	-	1,544

(Unit: Million Baht)

Separate financial statements						
As at 31 December 2014						
Outstanding balances of financial instruments						
	Within At call	1 year	1 - 5 years	Over 5 years	No maturity	Total
Financial instruments - assets						
Cash and cash equivalents	15	5	-	-	-	20
Loans to related parties	-	100	-	-	-	100
Financial instruments - liabilities						
Other payables	-	1	-	-	-	1
Bill of exchange	-	149	-	-	-	149

(Unit: Million Baht)						
Consolidated financial statements						
As at 31 December 2013						
	Within At call	1 year	1 - 5 years	Over 5 years	No maturity	Total
Financial instruments - assets						
Cash and cash equivalents	343	386	-	-	-	729
Receivables from Clearing House	-	28	-	-	-	28
Securities and derivatives						
business receivables	-	589	-	-	650	1,239
Factoring receivable	-	2,662	-	-	-	2,662
Loans receivable	18	17	60	13	-	108
Other receivables	15	2	-	-	-	17
Financial instruments - liabilities						
Short-term loans from financial institutions	-	1,737	-	-	-	1,737
Payables to Clearing House	-	382	-	-	-	382
Securities and derivatives						
business payables	-	125	-	-	-	125
Other payables	4	3	-	-	6	13
Retention from factoring	-	-	-	-	53	53
Subordinated debentures	-	-	400	-	-	400
Bill of exchange	-	1,316	-	-	-	1,316

(Unit: Million Baht)

Separate financial statements						
As at 31 December 2013						
Outstanding balances of financial instruments						
	Within At call	1 year	1 - 5 years	Over 5 years	No maturity	Total
Financial instruments - assets						
Cash and cash equivalents	6	45	-	-	-	51
Financial instruments - liabilities						
Other payables	-	1	-	-	-	1
Bill of exchange	-	100	-	-	-	100

Market risk

Factors of political and economic issues both internally and externally have an impact on the capital market conditions. Especially, the volatility of price movement affects on the gain or loss on the investment. However, the Company and its subsidiaries manage market risk to maintain it at an acceptable level, by setting investment and risk management policies that stipulate appropriate maximum risk exposure limits and require the existence of a unit responsible for monitoring and managing market risk in accordance with the Company and its subsidiaries' policies.

39.2 Fair values of financial instruments

Since the majority of the Company and its subsidiaries' financial instruments are short-term in nature or bear interest rates which are close to the market rates, their fair values are not expected to be materially different from the amounts presented in statement of financial position.

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

The Company and its subsidiaries have estimated the fair value of financial instruments as follows:

a) Financial assets

The methodology used for determining the fair value is dependent upon the characteristics of the financial instruments. The fair values of financial assets are presented as the amount stated in the statement of financial position (including cash and deposits at financial institutions) which are considered to approximate their respective carrying value since the financial instruments are predominantly subject to market interest rates. The fair values of receivables from Clearing House presents at book values since the maturity dates are in short-term period. The fair values of securities and derivatives business receivables, factoring receivables, loans receivable and other receivables present at book value after deducting of allowance for doubtful accounts.

b) Financial liabilities

The fair values of loans from financial institutions, payables to Clearing House, securities and derivatives business payables, other payables, factoring payables and retention from factoring present at book value since the maturity dates are in short-term period. For subordinated debentures carrying interest approximate to the market rate, their carrying amounts in the financial position approximates their fair value.

As at 31 December 2014 and 2013, there are no material differences between the book value of financial instruments and their fair values.

40. Capital management

The primary objective of the Company's capital management is to ensure that it has appropriate capital structure in order to support its business and maximise shareholder value. As at 31 December 2014, the Group's debt-to-equity ratio was 2.29:1 (2013: 3.78:1) and the Company's was 0.10:1 (2013: 0.10:1).

41. Events after the reporting period

- 1) On 2 February 2015, AIRA Securities Public Company Limited issued a promissory note for Baht 75 million, which bears interest at 3.5% per annum and mature on 2 March 2015.
- 2) On 12 February 2015, AIRA International Advisory (Singapore) Pte. Ltd. issued a promissory note for SGD 200,000, which bears interest at 4% per annum and mature on 12 February 2016.

- 3) On 25 February 2015, the Board of Directors of AIRA Factoring Public Company Limited ("the subsidiary") passed a resolution to propose a dividend payment for the year 2014 of Baht 0.50 per share, or a total of Baht 20 million, to the Company's Board of Directors. The payment of such dividend is to be made pending an approval from a resolution of the meeting of the Company's Board of Directors and the subsidiary's shareholders.
- 4) On 26 February 2015, the Board of Directors of AIRA Securities Public Company Limited ("the subsidiary") passed a resolution to propose a dividend payment for the year 2014 of Baht 0.09 per share, or a total of Baht 78.30 million, to the Company's Board of Directors. The subsidiary paid the interim dividend of Baht 0.06 per share, amounting to Baht 52.20 million. The remaining dividend payment of Baht 0.03 per share, amounting to Baht 26.10 million, has not been made. The payment of such dividend is to be made pending an approval from a resolution of the meeting of the Company's Board of Directors and the subsidiary's shareholders.

42. Approval of financial statements

These financial statements were authorised for issue by the Company's Board of Directors on 2 March 2015.

Activities In 2014



Mrs. Nalinee Ngamsettamas ,Chief Executive Officer and Mr. Sunsurin Jurangkool, major shareholder of AIRA Capital Plc., Mr. Pairoj Laungthaleongpong, Chief Executive Officer of AIRA Securities Plc., together with Ms. Kesara Manchusree, President of the Stock Exchange of Thailand, Mr. Prapan Charoenprawatt, President of the Market Alternative Investment and Mr. Montree Sornpaisarn Co-Chief Executive Officer of Maybank Kim Eng Securities (Thailand) Plc. as the financial advisor and the manager of common stock trading and warranty, had attended the opening ceremony of the first-day trading of AIRA Capital Plc., in the Market Alternative Investment on 7 July 2014. The opening price of AIRA is at 1.90 Baht, higher than the reserved price 0.75 Baht or 153.33%.

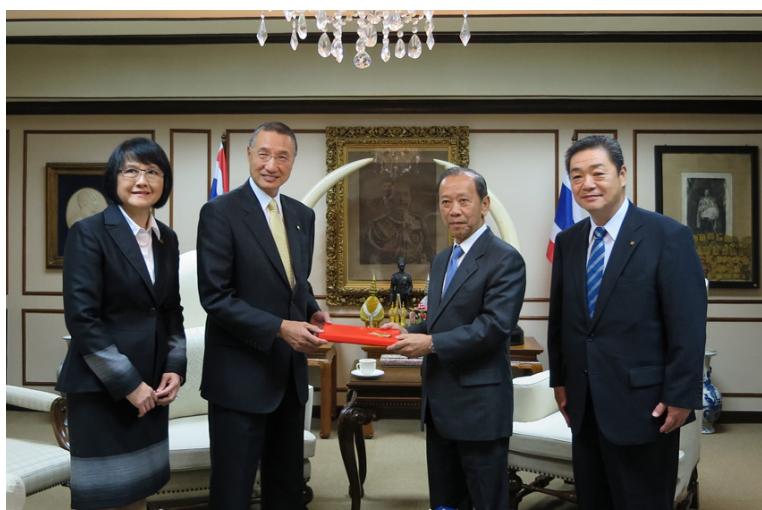


The Korean Stock Exchange (KRX) had welcomed the executives from AIRA Securities Plc. leading by Khun Nalinee Ngamsettamas, Director and Chairman of the Executive Board, Mr. Pairoj Laungthaleongpong, Chief Executive Officer, Mr. Nakorn Kolsrichai, Chief Marketing Officer, together with Mr. Young-Sun Kim, Senior Managing Director of Eugene Investment & Securities Co., Ltd., to consult on investment in Korea in August 2014.



Mrs. Nalinee Ngamsettamas (second right), Chief Executive Officer of AIRA Capital Plc, and Mr. Yoshitaka Fukuda (second left), President and CEO of AIFUL Corporation, a leading Japanese financial group specialising in consumer loans, recently signed a memorandum of understanding on business partnership to jointly provide consumer loan service in Thailand, on 5 September 2014.

With his great honour, Dr. Sathit Limpongpan, Chairman of the Stock Exchange Market of Thailand, had been the president in the signing ceremony of the Joint Venture Agreement between AIRA Capital Plc. (AIRA) and AIFUL CORPORATION (AIFUL), leading by Mrs. Nalinee Ngamsettamas, Chief Executive Officer of AIRA together with Mr. Yoshitaka Fukuda, President and CEO of AIFUL, in the newly-established company named "AIRA & AIFUL Public Company Limited" for the purpose of running personal loan business in Thailand with their goal set to have the company listed in the Stock Exchange of Thailand on 7 November 2014.



Mrs. Nalinee Ngamsettamas, Chief Executive Officer of AIRA Capital Plc. (AIRA) together with the executives of AIFUL CORPORATION from Japan leading by Mr. Yoshitaka Fukuda, President and CEO, and Mr. Masayuki Sato, Managing Director, had visited Mr. Sommai Pasi, Minister of the Ministry of Finance in the occasion of establishment of the joint venture AIRA & AIFUL Public Company Limited in Thailand for the purpose of carrying on personal loan business on 5 November 2014.



On behalf of AIRA Securities Plc., Mr. Pairoj Launghaleongpong, Chief Executive Officer, had joined the scholarship granting ceremony for Sripatum University at Convention 1 Room, Sripatum University, on 18 November 2014.



Mrs. Nalinee Ngamsettamas, Chief Executive Officer of AIRA Capital Plc., had met and discussed with Ms. Hena Hoda, Managing Director of J.SAFRA SARASIN, a private banking business operator from Switzerland that has been established for over 173 years, for the purpose of negotiation on business cooperation in the future, at Singapore in December 2014.