



Annual Report 2015

AIRA Capital Public Company Limited

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VISION & MISSION

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.

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 organizational loyalty. |



Message from the CEO

ensure that
the Company is a
“leading financial group company”

Dear Shareholders

The past year 2015 has been the year of world economic fluctuation which widely affect financial status of all countries, both in the aspect of economic growth, value of money, and currency exchange, including capital movement. This results in the Company's awareness on its careful investment and cautious to risk by focusing on steadily and efficiency growth of the Company.

As regards the key milestone of the Company in the recent year, the Company has invested in the Property business by establishing "AIRA Property Co., Ltd. on July 23, 2015, as a subsidiary of the Company in which company holds 100% of share. AIRA Property has then jointly invested in Aspiration One Co., Ltd. with SENA Development Public Company Limited and Sangfah Construction and Engineering Co., Ltd. by holding 60% of shares of Aspiration One which operates the property development project on the land leased from the Crown Property Bureau to run office building for rent under the name "Aspiration One". The property business is another key business of the Company which we expect the outstanding performance in this coming 2-3 years.

Another success of the Company in 2015 is the rapid advancement of AIRA & AIFUL Public Company Limited, which operates Nano finance and personal loan business under the brand "A Money". Even the business has just started, it gained trust and positive impact feedback from the customer and public which represents of its potential in the long term consistent performance.

Furthermore, the Company has signed declaration to participate Thailand Private Sector Collective Action Coalition against corruption in order to encourage the corporation to prevent corruption and to create a good business standard.

In this year of 2016, the Company focuses on strategic business management by expanding its business through our business alliances in Thailand and other countries for constant business development by creating a rapid growth in the Company's performance and to develop the Company to be a stable for the confidence of the investor.

On behalf of the executives and personnel of AIRA Capital Public Company Limited, I would 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 in 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 full knowledge and capability to drive the Company's success and to achieve its goals, which purports the vision and mission of the Company, and ensure 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. Suphachai Phisitvanich

Age: 75 Years (passed away on January 19, 2016)

Position:

- Chairman and Independent Director

Date of appointment:

- April 22, 2010

Shareholding proportion in the company (%)

- 0.013 %

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
 - Board of Performance Evaluation Program 2004
 - The Role of the Chairman Program (RCP) Class 13/2006

Position in other organization

- 1) Other Listed Companies
 - 2009 – present Independent Director CP ALL Public Company Limited
 - 2004 – present Chairman and Audit Committee Samart I-Mobile Public Company Limited
 - 1999 – present Chairman of Audit Committee and Director Bangkok Expressway Public Company Limited
- 2) Other Organization (non-Listed Companies)
 - 2009 – present Chairman, Easy Golf Company Limited
 - 2007 – present Chairman and Independent Director AIRA Securities Public Company Limited

Criminal-Free Track Record for the past 10 years:

- None



Mr. Nopporn Phicha

Age: 68 Years

Position:

- Chairman of Audit Committee and Independent Director

Date of appointment:

- April 22, 2010

Shareholding proportion in the company (%)

- 0.008 %

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 100/2008
 - Advance Audit Committee Program (AACP) Class 14/2014
 - Corporate Governance for Capital Market Intermediaries Program (CGI) Class 3/2015

Position in other organization

- 1) Other Listed Companies
 - None -
- 2) Other Organization (non-Listed Companies)
 - 2015 – present Director Siam Smile Broker (Thailand) Company Limited
 - 2010 – present Director Ratchaburi World Cogeneration Company Limited
 - 2007 – present Chairman Viet World Company Limited
 - 2007 – present Honorary Advisor Thai Agri-Foods Group
 - 2006 – present Chairman of Audit Committee and Independent Director AIRA Securities Public Company Limited

Criminal-Free Track Record for the past 10 years:

- None



Mrs. Nalinee Ngamsettamais

Age: 57 Years

Position:

- Authorized Director Chairman of the Investment Committee and Chief Executive Officer

Date of appointment:

- April 22, 2010

Shareholding proportion in the company (%)

- 5.793%

Education:

- Bachelor of Science, Srinakharinwirot University
- Certificate Master of Marketing Management, Thammasart University & Gothenberg University
- Master of Business Administration (Financial Management), National Institute of Development Administration
- Honorary Doctorate of Liberal Arts Degree (Finance), Sriatum 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 Class 4

Position in other organization

1) Other Listed Companies

- | | |
|----------------|--|
| 2011 – present | Authorized Director Nomination Committee and Executive Committee AIRA Factoring Public Company Limited |
|----------------|--|

2) Other Organization (non-Listed Companies)

- | | |
|----------------|---|
| 2015 – present | Authorized Director and Chief Executive Officer AIRA Property Company Limited |
| 2015 – present | Authorized Director and Chairman of the Board of Directors Aspiration One Company Limited |
| 2014 – present | Authorized Director and Chairman of Executive Committee AIRA & AIFUL Public Company Limited |
| 2013 – present | Authorized Director and Chairman of the Board of Directors AIRA International Advisory (Singapore) Pte.Ltd. |
| 2007 – present | Authorized Director and Chairman of Executive Committee AIRA Securities Public Company Limited |
| 1998 – present | Authorized Director and Chairman of the Board of Directors AIRA Advisory Company Limited |

Criminal-Free Track Record for the past 10 years:

- None

Mr. Prinya Waiwatana

Age: 68 Years

Position:

- Independent Director, Chairman of the Risk Management Committee, Investment Committee and Nomination and Remuneration Committee

Date of appointment:

- April 22, 2010

Shareholding proportion in the company (%)

- 0.000%

Education:

- Bachelor of Accounting, Chulalongkorn University

Training:

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

Position in other organization

1) Other Listed Companies

- | | |
|----------------|---|
| 2010 – present | Independent Director and Good Governance Committee Samart Corporation Public Company Limited |
| 2005 – present | Independent Director, Audit Committee, Remuneration Committee and Good Governance Committee Thai Steel Cable Public Company Limited |

2) Other Organization (non-Listed Companies)

- None -

Criminal-Free Track Record for the past 10 years:

- None



M.R. Kasemvisuth Visuthi

Age: 73 Years

Position:

- Authorized Director and Chairman of the Nomination and Remuneration Committee

Date of appointment:

- April 22, 2010

Shareholding proportion in the company (%)

- 0.007 %

Education:

- B.Sc. Mechanical Engineering, The Queen's University of Belfast, Northern Ireland, United Kingdom

Training:

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

Position in other organization

- 1) Other Listed Companies
 - None -
- 2) Other Organization (non-Listed Companies)

2015 - Present	Director	AIRA Property Company Limited
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Criminal-Free Track Record for the past 10 years:

- None



Mrs. Kongkeaw Piamduaytham

Age: 64 Years

Position:

- Authorized Director and Chairman of Good Governance Committee

Date of appointment:

- August 27, 2010

Shareholding proportion in the company (%)

- 0.322%

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
- Role of the Nomination and Governance Committee Program (RNG) Class 7/2015
- Capital Market Academy
 - Certificate of the Capital Market Leadership Program Class 1

Position in other organization

- 1) Other Listed Companies

2012 – present	Chairman of Audit Committee	Muangthai Leasing Public Company Limited
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- 2) Other Organization (non-Listed Companies)

2011 – present	Chairman of Audit Committee	PAPOP Company Limited
2009 – present	Advisor	AIRA Securities Public Company Limited

Criminal-Free Track Record for the past 10 years:

- None



Mr. Wisoot Karnchanapunyapong

Age: 56 Years

Position:

- Authorized Director, Director of Investment Committee and Director of Good Governance Committee

Date of appointment:

- April 22, 2010

Shareholding proportion in the company (%)

- 0.006 %

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

Position in other organization

1) Other Listed Companies	
- None -	
2) Other Organization (non-Listed Companies)	
2015 – present	Director The P Sathom Company Limited
2015 – present	Director The P Pak Chong Company Limited
2015 – present	Director
2015 – present	Thai Social Enterprises Company Limited
2015 – present	Authorized Director
2006 – present	Thai Social Business Company Limited
2006 – present	Authorized Director
2003 – present	AIRA Securities Public Company Limited
2003 – present	Authorized Director
2003 – present	Center Interactive Company Limited
2003 – present	Authorized Director
2003 – present	Asia Future International Company Limited
2003 – present	Chairman TAP Valuation Company Limited
1996 – present	Executive Director
1996 – present	Thai Business Consultants Association
1996 – present	The 3rd Authorized Director of the Executive Board of Director
1993 – present	The Dhamniti Public Company Limited
1990 – present	Authorized Director M.B.B.A Company Limited
1990 – present	Authorized Director
1990 – present	Dhamniti Law Office Company Limited
1990 – present	Authorized Director
	Dhamniti International Company Limited

Criminal-Free Track Record for the past 10 years:

- None

Mrs. Chiraporn Chemnasiri

Age: 67 Years

Position:

- Independent Director, Audit Committee and Director of Good Governance Committee

Date of appointment:

- April 22, 2010

Shareholding proportion in the company (%)

- 0.005%

Education:

- Bachelor of Accounting, Chulalongkorn University

Training:

- Thai Institute of Director Association (IOD)
- Director Accreditation Program (DAP) Class 71/2008
- Audit Committee Program (ACP) Class 25/2009
- Director Certification Program (DCP) Class 172/2013
- Advance Audit Committee Program (AACP) Class 14/2014
- Corporate Governance for Capital Market Intermediaries (CGI) Class 0/2014

Position in other organization

1) Other Listed Companies	
- None -	
2) Other Organization (non-Listed Companies)	
2008 – present	Independent Director and Audit Committee
	AIRA Securities Public Company Limited
2005 – present	Director
	SRI Consultant Company Limited
1994 – present	Director
	Grid Business Solution Company Limited
1989 – present	Director
	Managerial Excellent Company Limited
1988 – present	Director
	Taraporn Company Limited

Criminal-Free Track Record for the past 10 years:

- None

**Associate Professor Anchalee Pipatanasern**

Age: 64 Years

Position:

- Independent Director and Audit Committee

Date of appointment:

- April 22, 2010

Shareholding proportion in the company (%)

- 0.005%

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 (AACP) Class 2/2010
- Role of the Chairman Program (RCP) Class 25/2011
- Corporate Governance for Capital Market Intermediaries (CGI) Class 1/2014
- Certificate, Thammasat Leadership Program Class 2/2013

Position in other organization

1) Other Listed Companies

2009 – present Independent Director and Chairman of the Audit Committee PRINSIRI Public Company Limited.

2) Other Organization (non-Listed Companies)

2012 – present Lecturer Contract Thammasat University
2009 – present Independent Director and Audit Committee
AIRA Securities Public Company Limited
Committee of the Real Estate Business
Program Faculty of Commerce and
Accountancy, Thammasat University

Criminal-Free Track Record for the past 10 years:

- None

**Associate Professor Niputh Jitprasonk**

Age: 73 Years

Position:

- Director and Nomination and remuneration Committee

Date of appointment:

- August 27, 2010

Shareholding proportion in the company (%)

- 0.004%

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

Position in other organization

1) Other Listed Companies

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

2) Other Organization (non-Listed Companies)

2008 – present Director
AIRA Advisory Co.,Ltd.

Criminal-Free Track Record for the past 10 years:

- None



Mr. Wutthiphum Jurangkool

Age: 37 Years

Position:

- Authorized Director

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

Position in other organization

- 1) Other Listed Companies

2015 – Present	Director SE-EDUCATION Public Company
2012 – Present	Authorized Director and Executive Committee AIRA Factoring Public Company Limited
- 2) Other Organization (non-Listed Companies)

2015 – present	Authorized Director
	Aspiration One Company Limited
2014 – present	Authorized Director
	AIRA & AIFUL Public Company Limited
2002 – Present	Director and Director of Procurement
	Department of
	SUMMIT Auto Body Industry Company Limited
	SUMMIT Auto Body Industry Company Limited (Ayutthaya branch)
	SUMMIT Laemchabang Auto Body Work Company Limited
	SUMMIT Laemchabang Auto Body Work Company Limited (Rayong branch)
	SUMMIT Auto Tech Industry Company Limited
	Thai Auto Industry Company Limited
	SUMMIT R&D Center Company Limited
	SUMMIT Advanced Materials Company Limited

Criminal-Free Track Record for the past 10 years:

- None

Mr. Anant Sirisaengtaksin

Age: 65 Years

Position:

- Director and Director of Risk Management Committee

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)

Position in other organization

- 1) Other Listed Companies

2012 – present	Chairman of Audit Committee and Independent Director
	Nippon pack (Thailand) Public Company Limited
- 2) Other Organization (non-Listed Companies)

2015 – present	Director
	SCL Tax Consultants Company Limited

Criminal-Free Track Record for the past 10 years:

- None

EXECUTIVE OFFICERS



Mrs. Nalinee Ngamsettamas

Age: 57 Years

Position:

- Authorized Director Chairman of the Investment Committee and Chief Executive Officer

Date of appointment:

- April 22, 2010

Shareholding proportion in the company (%)

- 5.793%

Education:

- Bachelor of Science, Srinakharinwirot University
- Certificate Master of Marketing Management, Thammasart University & Gothenberg University
- Master of Business Administration (Financial Management), National Institute of Development Administration
- Honorary Doctorate of Liberal Arts Degree (Finance), Sripatum 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 Class 4

Position in other organization

- | | |
|--|---|
| 1) Other Listed Companies | |
| 2011 – present | Authorized Director Nomination Committee and Executive Committee AIRA Factoring Public Company Limited |
| 2) Other Organization (non-Listed Companies) | |
| 2015 – present | Authorized Director and Chief Executive Officer AIRA Property Company Limited |
| 2015 – present | Authorized Director and Chairman of the Board of Directors Aspiration One Company Limited |
| 2014 – present | Authorized Director and Chairman of Executive Committee AIRA & AIFUL Public Company Limited |
| 2013 – present | Authorized Director and Chairman of the Board of Directors AIRA International Advisory (Singapore) Pte.Ltd. |
| 2007 – present | Authorized Director and Chairman of Executive Committee AIRA Securities Public Company Limited |
| 1998 – present | Authorized Director and Chairman of the Board of Directors AIRA Advisory Company Limited |

Criminal-Free Track Record for the past 10 years:

- None



Mr. Suttiporn Tanthikul

Age: 54 Years

Position:

- Managing Director and Risk Management Committee

Date of appointment:

- July 1, 2013

Shareholding proportion in the company (%)

- None

Education:

- Bachelor of Economic (1st Class Honours)
The University of the Thai Chamber of Commerce
- Master of Economics program
National Institute of Development Administration (NIDA)

Training:

- Thammasat Leadership Program (Batch#3), Thammasat University
- Risk Management Program (Batch#2), Chulalongkorn University

Experience:

- | | |
|-------------|---|
| 2006 – 2013 | Vice President, Corporate Bank 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

Ms. Netrsine Naksuk

Age: 54 Years

Position:

- Company Secretary and First Executive Vice President

Date of appointment:

- September 24, 2011

Shareholding proportion in the company (%)

- 0.0037%

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



Mr. Ataporn Tragulmalee

Age: 49 Years

Position:

- Executive Vice President, Risk Management Department (IT Risk)

Date of appointment:

- July 15, 2014

Shareholding proportion in the company (%)

- None

Education:

- Bachelor of Science, Computer Science
Chandrakasem 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:

2013 – 2014	Head of Information System Development National ITMX Co.,Ltd.
2009 – 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

Mr. Sampan Chanaburanasak

Age: 39 years

Position:

- Executive Vice President, Investment Department

Date of appointment:

- June 30, 2015

Shareholding proportion in the company (%)

- None

Education:

- Bachelor's Degree in Engineering, Major Civil Engineering
King Mongkut's Institute of Technology Ladkrabang, Thailand
- Master's Degree in Business Administration, Major Finance &
Banking National Institute of Development Administration (NIDA),
Thailand

Experience:

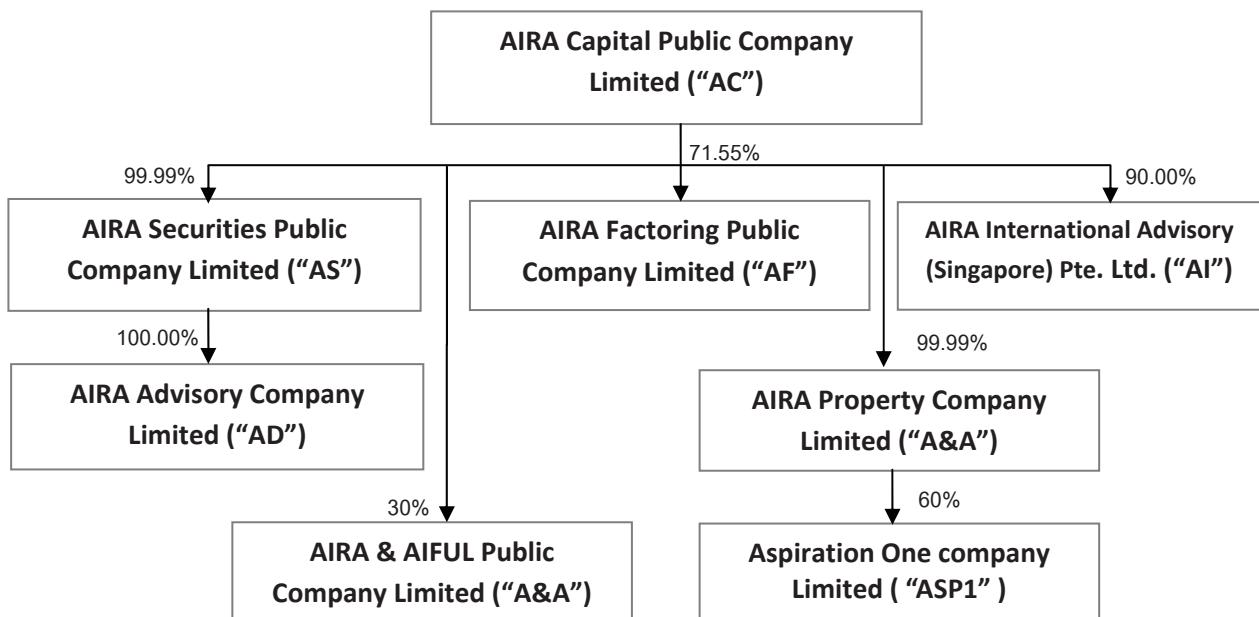
2006 – 2013	Manager, Business Development Department BANPU Public Company Limited
2548 – 2549	Chief of Researcher The Consulting Engineers Association of Thailand (C.E.A.T.)

Criminal-Free Track Record for the past 10 years:

- None

BUSINESS OPERATION

AIRA Capital Public Company Limited has operated as a holding company. At present, the Company has 7 subsidiaries with the shareholding structure of the Company and its subsidiaries as follows:



Characteristic of the Company's operation and its subsidiaries

1) AIRA Securities Public Company Limited

AIRA Securities Public Company Limited ("AS"), was incorporated on 16 February 2004. At present, there is a registered capital of Baht 1,200 million, which consists of the fully-paid up capital of Baht 1,100 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 license 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 seven branches: Surawongse branch; Summit Windmill Golf Club branch; Sri Pratum University branch; Muang Thong Thani branch; Nakhon Sawan branch; Chiangmai branch and Chamchuri Square Building Ground Floor Branch.

1.1) AIRA Advisory Company Limited

AIRA Advisory Company Limited ("AD"), 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 customized internal financial training for any organization, including public

and private sectors, financial institutions, listed companies, SME businesses and individuals in general.

AD has been granted a license 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.

2) AIRA Factoring Public Company Limited

AIRA Factoring Public Company Limited ("AF"), was incorporated on 6 January 1997 with a registered capital of Baht 20 million. At present, AF is listed on the MAI, with a registered capital of Baht 400 million, divided into 1,600 million shares at the par value of Baht 0.25 per share.

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.

3) 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. 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.

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.

4) AIRA & AIFUL Public Company Limited

AIRA & AIFUL Public Company Limited ("A&A") is a joint venture company between the Company and AIFUL CORPORATION, A&A was incorporated on 24 December 2014, with the Company holding 30% of its shares. 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.

A&A has provided Consumer Finance business, is a public company under the laws of Thailand. The destination is to be listed on the Stock Exchange of Thailand.

5) AIRA Property Company Limited

AIRA Property Company Limited ("AIP") was incorporated on 23 July 2015 with the Company holding 99.99% of its shares. At present, with a registered capital of Baht 200 million, divided into 20 million shares at the par value of Baht 10 per share.

AIP has provided property Business and Holding Company which operates the property Business.

5.1) Aspiration One Company Limited

Aspiration One Company Limited ("ASP1") was incorporated on 25 September 2015, AS, which is a subsidiary of the Company, started its shareholding at 60 percent, and its alliances, SENA Development Public Company Limited holds 25% shares and Sang Fah Construction and Engineering Co., Ltd. holds 15% shares, At present, ASP1 has a registered capital of Baht 1,000 million, which consists of the fully-paid up capital of Baht 250,750,000, divided into 100 million shares at the par value of Baht 10 per share.

ASP1 has provided a Property Development Business, have a project to develop the empty intersection of The Crown Property Bureau (CPB) and construction of office buildings for rent, will start this project by the year 2559.

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.

GENERAL INFORMATION OF THE COMPANY

Company name:	AIRA Capital Public Company Limited
Abbreviation:	AIRA
Company registration number:	0107554000216
Type of company:	Holding Company
Registered capital:	Baht 1,790,000,000
Ordinary shares:	5,496,760,513 shares at the value of Baht 0.25 per share (as at 31 December 2015)
Issued and fully-paid up capital:	Baht 1,374,190,128.25, (as at 31 December 2015)

Head office address: 319 Chamchuri Square Building. 12th Floor Phayathai Road, Pathumwan Bangkok
 Website: www.aira.co.th
 Tel: 0 - 2684 - 8981
 Fax: 0 - 2684 - 8980

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

Reference person

- **Securities Registrar** Thailand Securities Depository Co., Ltd.
 1st Floor The Stock Exchange of Thailand Building
 93 Rachadapisek Road, Dindaeng, Bangkok 10400

 Tel: 0 - 2009 - 9000
 Fax: 0 - 2009 - 9991
 Website: www.set.or.th/tsd
- **Auditor** EY Office Limited
 33rd Floor, Lake Rajada Building
 193/136-137 Office Complex, Rajadapisek Road,
 Klongtoey, Bangkok 10110

 Tel: 0 - 2264 - 9090
 Fax: 0 - 2264 - 0789 - 90
 Website: www.ey.com

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

RISK FACTORS

The company has been incorporated as a Holding Company. Currently it holds investments in several companies mainly in financial sectors which consist of Securities Business, Factoring Business, and Advisory Business (including Financial Advisory, Cross-border Mergers and acquisition), Personal Loan Business. Apart from investments in financial sectors, the company has also invested in other business such as Property Development.

Regarding to investment in the company's share, Investors is advised to consider the risk factors caused by the nature of the business. In addition to the risk factors listed in this document, there might be other risks that the company may not be aware of, at this moment, or it might be a risk which the company has considered that no significant impact on the business operations. Therefore, investors should carefully consider the main risk factors. Those main risk factors can be classified as follows:

1. The risk factor from being holding company as core business by holding shares in other companies which performance is based on the operating results and dividends from its subsidiaries and affiliates.

The company's core business by holding shares in the other companies (as Holding Company), by nature, the company has no main operating revenue. The company's main income derives from dividends of subsidiaries and affiliates. Therefore, company performance and business risks of the subsidiaries and affiliates, such as the risk from the threat or disruption of information technology, the risk of employee turnover and/or shortages, the risk of proprietary investment in securities company, the risk of default in customer payment, the risk of employee's mistake or fraud, the risks of the business which is under the governance of the law and relevant authorities, the risk of loss or leakage of customer database, the risk of industry competition, will directly affect the operating performance and financial position of the company. In the future, once the subsidiaries and affiliates cannot pay dividends for the holding company, whether it is due to the operational problems, investment or business expansion, will affect the company's ability to pay dividends to shareholders as well.

However, the company will keep monitoring an investment in subsidiaries and affiliates by the involvement of its directors and / or executives appointed to be representative of the company (by the shareholding proportion in subsidiaries and affiliates) with direct reporting to the Board of Directors. It enables the company an ability to monitor the performance and internal audit/controls through the audit committee of its subsidiaries and affiliates and also implementation of risk management by a Risk Management Committee and/or Risk Management Department of the subsidiary and affiliates.

2. The risk of market conditions

Revenue structure of the company and its subsidiaries from 2013-2015 are as shown below;

Revenue structure of the company and subsidiaries	2013		2014		2015	
	Million baht	percent	Million baht	percent	Million baht	percent
(1) Brokerage Fees	471.11	59.68%	478.24	55.38%	398.80	54.35%
(2) Interest Income from Factoring	171.45	21.72%	147.82	17.12%	155.96	21.26%
(3) Fees and Service	49.22	6.24%	58.07	6.72%	57.91	7.89%

Revenue structure of the company and subsidiaries	2013		2014		2015	
	Million baht	percent	Million baht	percent	Million baht	percent
(4) Gain and Loss from Securities Trading	0.00 *	0.00% *	76.75	8.89%	0.00 *	0.00% *
(5) Interest and Dividend	46.50	5.89%	63.61	7.36%	52.71	7.18%
(6) Interest on margin loans	50.07	6.34%	35.44	4.10%	65.37	8.91%
(7) Other income	1.07	0.14%	3.50	0.43%	2.97	0.41%
Total income	789.43	100.00%	863.46	100.00%	733.72	100.00%

Note: *For the years 2013 and 2015 consolidated financial statements of the Company. Losses from Securities Trading are 9.62 and 53.22 million baht respectively. They are stated as part of the company expenses which totally comes from AS.

The company's main income comes from securities brokerage business and securities dealing, which together accounted for 59.68%, 64.27% and 54.35% of total revenues of the company in financial performance for the year 2013-2015 respectively. Due to the volume of securities trading based on market conditions and the confidence of the investors. In case that the economy is slow down, trading volume is reducing, it will directly affects income of the securities company. Such an income is related to several external factors particularly, government policy to support the development of domestic capital markets, including both domestic and world economic conditions and money market conditions.

However, to minimize such risks that might occur in the future, the company has been trying to mitigate risk by expanding its investment into other business sector such as investment in Factoring Business, Leasing Business, Advisory Business, Expanding Customer Base and Trading in foreign markets (Global Trading) and Investments in non-financial business sector such as Property Development, Energy and etc.

3. The risk of investment and financial support to subsidiaries and affiliates.

The company continues to invest to achieve its business plan, so it still requires investment capital or joint ventures and in some cases, the subsidiaries and affiliates are still in the early stage of business or lack of ability for self-funding. The company, as a shareholder, needs to provide the funding or financing in various forms of support. The company has already considered that the investment in new businesses is to benefit the whole group on consolidated perspective. However, the company will not be able to assure that its subsidiaries and / or affiliates, which had been earlier supported by the company, will not require additional financial support in the future. And the company understands that the return of those businesses may not be achieved as planned, or may be delayed.

Thus, the company is focusing on the investment study before making decision on investments in each business sector, study of risk and rewards, risk assessment of external and internal factors before investing along with the performance of operations of its subsidiaries and affiliates, compliance and good governance, cash flow management without affecting the company's liquidity and diversification of investments in various types of business so that the company has recognized steady and consistent income. The company is also focusing on financial structure, balance of the source of income or seasonal income fluctuations due to external factors such as brokerage fees and recurring income i.e. interest

income from Factoring, fees and services. Besides, the company is also considering both new start up business and operating business including the investments in non-financial business.

4. The risk of operations of the company under the control of a group of major shareholders and major shareholder who appointed as an executive, together holding more than a 50 percent stake in the company.

Group of major shareholders and major shareholder who appointed as an executive in the company, together holding more than 50 percent stake of the company which comprise of; JRK Holdings Limited ("JRK Holdings"), Jurangkool family, Ngamsettamas family and Jungrungreangkit family (This group includes Khun Komol Jungrungreangkit and Summit Footwear Limited) holding shares in the company, as of 30 December 2015, are at 54.41%, 9.10% and 8.77% respectively. It accounted for 72.28% of total stake of the paid-up capital of the company. The Ngamsettamas family is an executive and also company founder, later on, invited JRK Holdings, Jungrungreangkit family (JRK Holdings' shareholders are relatives of Khun Komon Jungrungreangkit) come and join hands together. The risk is that when a group of major shareholder and major shareholders are in the same direction, they can control the votes in the General Meeting of Shareholders of the company over significant issues which laws and regulations requiring that a majority of the votes of the shareholders entitled to vote and presented at the meeting. Therefore, other shareholders may not be able to gather enough votes to balance with a major shareholder and an executive.

However, the company has appointed 5 (five) independent directors; 3 (there) of them are also appointed as Audit Committee. Audit Committee will audit and consider issues of a conflict of interest complied with the laws and regulations of the Stock Exchange of Thailand and the Securities and Exchange Commission (SEC) in order to ensure that such transactions are reasonable and aligned with the interest of the company. Moreover, it will encourage the company's transparency and accountability.

5. Risk in subsidiaries management which the company holding not more than 75 percent

The company has invested in factoring business 71.55 percent of the paid-up capital and made an indirect investment in property development for 60 percent of the share capital which the company will be able to control the voting rights in the shareholders' meeting. However, some specific issues requires at least three fourth of those eligible votes in a shareholders' meeting. In this case, the company will not be able to control the right to vote at the meeting; however, where issues to be approved are beneficial to the subsidiaries, the company believes that the other shareholders would support a vote to approve the transaction in good faith.

Besides, the company also provides a mechanism to manage the subsidiaries to comply with the company management policy. By doing so, it must be approved by the Board of Directors and / or shareholders of the company before entering into significant transactions and / or have a significant impact on the financial position and operations of the subsidiaries as specified in the company's regulations of the subsidiary. Controlling and monitoring the operation of the subsidiary through directors who appointed to be representative of the company in shareholding proportion are also implemented. The company believes that it will be able to control a majority vote in the subsidiary Board of Directors meeting.

6. The risk of a Dilution Effect of issuance And offering of ESOP Warrant

As of June 3, 2013, the company has issued and offered Warrants to purchase ordinary shares of the company to its directors, executives and employees of the company and its subsidiaries (ESOP Warrant) with the issuance of 124.67 million units at the cost of 0 baht (free of charge) at the exercise price at 0.25 baht. Value to the issuance share will not be exceeding 31.17 million baht, and the ratio is 1:1 (one warrant per one ordinary share) with duration of 4 (four) years from the date of offering. The company issued warrants to directors, executives and employees of the company at a ratio of 5:20:75 respectively. A Price dilution, Control dilution and EPS dilution are at 1.32, 3.85 and 3.85 of the paid-up capital before the IPO and at 1.06, 3.12 and 3.12 of the paid-up capital after the IPO. The exercise price of the ESOP Warrant of directors, management and employees of the company is at a lower price offered to IPO. So after the sale of ESOP Warrant, these offered shares have been prohibited for sales (silent period) according to the terms and conditions of the ESOP Warrant.

However, after the expiry of 12 months from the date of issue of the warrant or June 30, 2014, ESOP Warrant holders will be able to gradually exercise every six months by proportion assigned by the company. By December 31, 2015, the remaining Warrants are 90.57 million units of warrants. Moreover, the number of warrants that were not exercised in any period assigned by the company, they can be accumulated and be exercised in the next period until the expiry date of Warrant. Thus, investors who are going to buy shares in the offering will need to incorporate a risk of the share price decrease in case that directors, executives and employees of the company sell their shares after a silent period as mentioned above.

7. Risk of impairment of goodwill.

As of December 31, 2013, 2014 and 2015, the company has goodwill of 134.90 million baht, which is due to the acquisition of AIRA Factoring Public Company Limited higher than its book value. The company has made a review on the valuation of the goodwill. The auditor will also revisit the impairment of goodwill 134.90 million baht in every accounting period and record allowance for impairment (if any). Thus, the company might be at risk, in case, the auditor has determined that goodwill should be impaired. This mentioned impairment will have an impact to income statement of the company in aspect of expenses, equity and ratio of debt to equity.

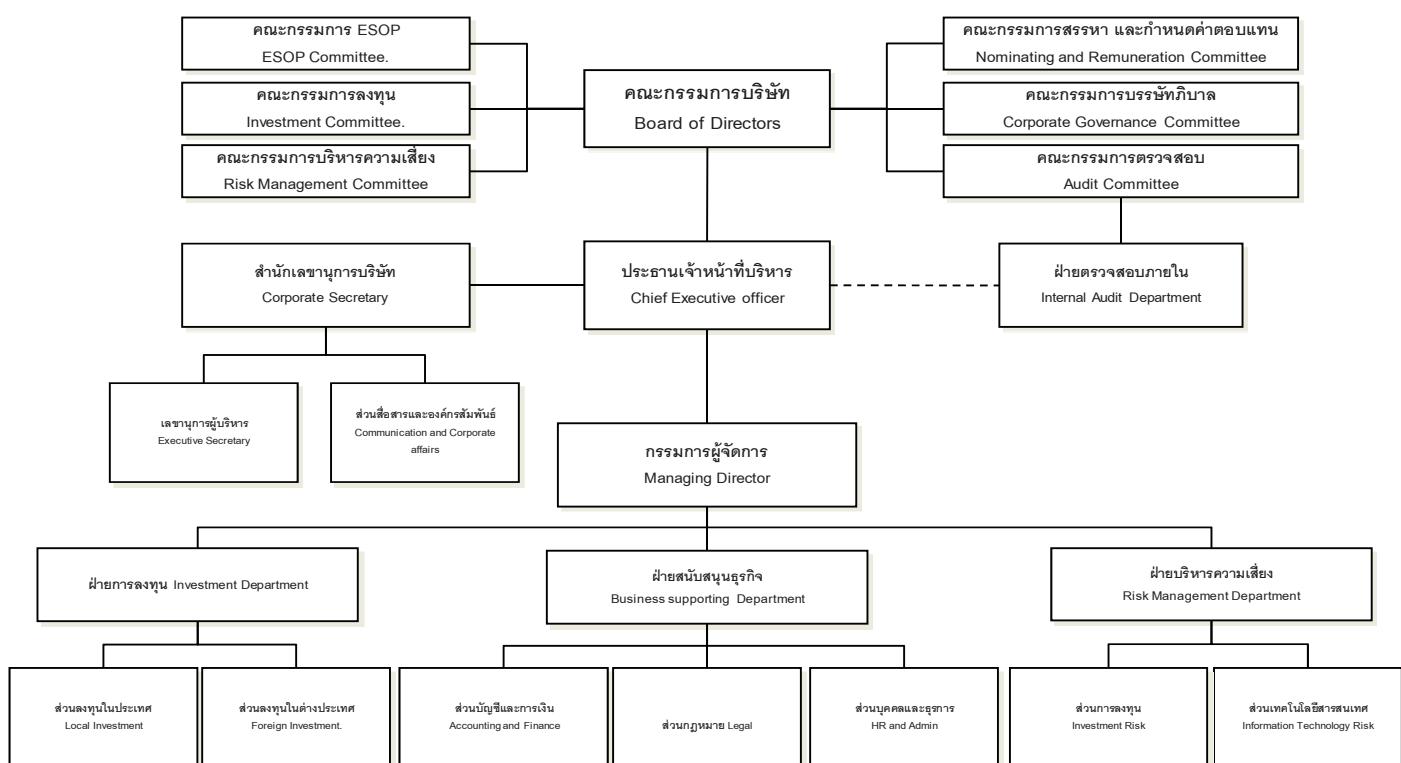
MAJOR SHAREHOLDERS

Information from the last closing date as of 30 December 2015, 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	2,026,935,120	36.875
2	Mr. Thaveechat Jurangkool	696,092,817	12.664
3	Mrs. Nalinee Ngamsettamas	318,426,062	5.793
4	Mr. Komol Jungrungreangkit	289,474,951	5.266
5	Mr. Nutthaphon Jurangkool	267,749,900	4.871
6	Summit Footwear Company Limited	192,401,300	3.500
7	Mrs. Nicha Smithivas	190,750,000	3.470
8	Ms. Ornnicha Ngamsettamas	181,951,041	3.310
9	Ms. Nida Sae-Lee	168,690,700	3.069
10	AIFUL CORPORATION	112,000,000	2.038

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 2015, 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 Ngamsettam	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	Independent Director
10.	Mr. Nopporn Picha	Director and Audit Committee Chairman / Independent Director

No.	Directors	Position
11.	Mrs. Chiraporn Chamnasiri	Director and Audit Committee Member / Independent Director
12.	Associate Professor Anchalee Pipatanasern	Director and Audit Committee Member / Independent Director

Note: Ms. Netrsine Naksuk 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 authorized 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 2015, the executives of the Company comprise of:

1. Mrs. Nalinee Ngamsettamas	Chief Executive Officer
2. Mr. Suttiporn Tanthikul	Acting Managing Director
3. Ms. Netrsine Nakruk	Company Secretary and First Executive Vice President
4. Mr. Ataporn Tragulmalee	Executive Vice President, Risk Management Department (IT Risk)
5. Mr. Sampan Chanaburanasak	Executive Vice President, Investment 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 2015, 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%;
4. AIRA International Advisory (Singapore) Pte. Ltd. ("AI"), in which the Company has a shareholding of 90%.
5. AIRA and AIFUL Public Company Limited ("A&A"), in which the Company has a shareholding of 30%
6. AIRA Property Company Limited ("AIP")), in which the Company has a shareholding of 99.99%
7. Aspiration One Company Limited ("ASP1"), in which the Company has a shareholding of 60%

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 seven 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;

Training and Human Resource development Policy

Human resource is the most valuable asset in providing the business, whereby the company has performed in line with the development policy and the environment by developing the knowledge, skills and personal attributes. Using the tools in development, including coaching (Coaching) assigned project (Project Assignment) and training (Training) to provide personnel with knowledge applications. This will strengthen the organization. And support the growth of sustainable business so that employees at all levels, from senior management to operational level will be developed independently, that for sustainable growth with the organization.

ATTENDANCE AT THE MEETING OF THE BOARD OF DIRECTOR

The Meetings attended by the Board of Directors and Subcommittees for the year 2015 are as follows:

List of Directors	Board of Directors	Audit Committee	Investment Committee	Corporate Governance Committee	Nomination and Remuneration Committee	Risk Management Committee
1. Professor Dr. Suphachai Phisitvanich	8/10	-	-	-	-	-
2. Mr. Anant Sirisaengtaksin	9/10	-	-	-	-	2/2
3. Mr. Nopporn Picha	9/10	4/4	-	-	-	-
4. Mrs. Jiraporn Shamenasiri	9/10	4/4	-	2/2	-	-
5. Associate professor Anchalee Pipatnasern	10/10	4/4	-	-	-	-
6. M.R. Kasemvisuthi Visuthi	9/10	-	-	-	4/2	-
7. Mr. Prinya Waiwatana	10/10	-	8/10	-	4/2	2/2
8. Associate Professor Niputh Jitprasonk	10/10	-	-	-	2/2	2/2
9. Mrs. Kongkeaw Piandumaytham	10/10	-	-	2/2	-	-
10. Mr. Wisoot Karnchanapunyapong	10/10	-	8/10	2/2	-	-
11. Mrs. Nalinee Ngamsettamas	10/10	-	8/10	-	-	-
12. Mr. Wutthiphum Jurangkool	9/10	-	-	-	-	-

SHARES HELD BY MEMBERS OF THE BOARD OF DIRECTORS

*as at December 31, 2015

No.	Board of Directors	Position	Shares Held	Shares Held (%)
1	Prof. Suphachai Phisitvanich	Chairman	715,658	0.0130
2	Mrs. Nalinee Ngamsettamas	Authorized Director / Chief Executive Officer	318,426,062	5.7930
3	M.R. Kasemvisuthi Visuthi	Authorized Director	400,178	0.0073
4	Mr. Wisoot Karnchanapunyapong	Authorized Director	307,829	0.0056
5	Mrs. Kongkeaw Piamduaytham	Authorized Director	17,693,637	0.3219
6	Mr. Wuthiphum Jurangkool	Authorized Director	-	-
7	Mr. Nopporn Picha	Independent Director / Chairman of Audit Committee	430,960	0.0078
8	Mrs. Chiraporn Chamnasiri	Independent Director /Member of Audit Committee	277,046	0.0050
9	Mrs. Anchalee Pipatanasern	Independent Director /Member of Audit Committee	252,815	0.0046
10	Mr. Prinya Waiwatana	Independent Director	8,314	0.0002
11	Mr. Niputh Jitprasonk	Director	215,480	0.0039
12	Mr. Anan Sirisaengtaksin	Independent Director	-	-

LEGAL DISPUTES

As at 31 December 2015, 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.

Moreover, as December 31, 2015, AiRA Factoring Public Company Limited ("Subsidiary"), subsidiary of the Company had a legal dispute with negative effects on the assets of the Subsidiary with a number higher than five percent of the shareholders. The subsidiary has a lawsuit by the plaintiff Subsidiary arising from customer business, which produces printing paper continued, a debt unpaid principal under the loan agreement of Baht 60.62 million customers experiencing financial difficulties. Unable to pay the principal under the loan agreement. But current customers continue to do business. Subsidiary has filed a lawsuit against the customer and the guarantor of this Court on September 15, 2015 and the case is under the consideration of the court. Subsidiary not affect the operations of the Subsidiary anything because Subsidiary set up customers, this entire amount By provisioning policy successfully.

DIVIDEND PAYMENT POLICY

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.

OPERATIONAL RESULTS AND FINANCIAL STATUS FOR THE YEAR

Operational Results

Regarding the results of operations for the year ending 31 December 2015, the Company and its subsidiaries have the total revenue of Baht 733.72 million, which was a decrease of Baht 129.74 million from the year 2014, with the total revenue of Baht 863.46 million, representing dropped by 15.03 percent due to the income decrease from brokerage fees, commissions, 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 2015, the Company and its subsidiaries have the total cost of operations and management of Baht 581.48 million, a decrease of Baht 25.16 million from the year 2014, representing dropped by 4.15 percent.

In terms of revenue, the Company and its subsidiaries have income from brokerage fees, including commissions and services. For the year ending 31 December 2015, the Company and its subsidiaries earned brokerage fees, commissions and services income in the total of Baht 398.80 million and Baht 57.91 million, or equal to 54.35 percent and 7.89 percent of the total revenue, respectively. For the year 2014, the Company and its subsidiaries earned brokerage fees, commissions and fee income in the total of Baht 478.25 million and Baht 58.07 million, or equal to 55.39 percent and 6.73 percent of the total revenue, respectively. Upon consideration, it seems that the brokerage fees for the year 2015 has slightly decreased from the previous year. This is due to the decreasing trade volume of the stock market in 2015.

The income from the fees and services for the year 2015 has decreased from the year 2014, arising from the decreased financial advisory fee income. Other income is from the securities business, which is the interest on the margin loan to purchase securities. The interest on margin loans for the purchase of securities for the year 2015 totaled Baht 65.37 million, which increased by Baht 29.93 million, from Baht 35.44 million, in the year 2014, representing an increase of 84.45 percent. This is due to the economic situation or favorable conditions; thus allowing customers and investors to use loan for purchasing more securities in the stock market.

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 2015, the Company and its subsidiaries had interest income from the acquisition of the claims rights of Baht 155.96 million, which increased by Baht 8.14 million, from Baht 147.82 million, compared to the previous year. This represents a increase of 5.50 percent. The interest on the purchase of claims represents 21.26 percent and 17.12 percent of the total income of the years 2015 and 2014, respectively. This income slightly increase is due to the quite stable in the economy compared to the previous year.

In 2015, the Company and its subsidiaries had losses from investments in securities amounting to Baht 53.22 million. In the year 2014, the Company and its subsidiaries incurred profits from investments in securities amounting to Baht 76.76 million.

For the cost of operation and management, the Company and its subsidiaries have the costs of operation and management for the year 2015 of Baht 581.48 million. The significant cost is the cost related to the employees of Baht 327.51 million, representing 56.32 percent of the cost of operation and management, which decreased by Baht 42.16 million from the year 2014, representing a decrease of 11.41 percent. The employees cost reduction includes salary, bonus, rewards for employees and rewards for marketing officers reduction. Moreover, there are costs related to the building, premises and equipment of Baht 91.46 million, representing 15.73 percent of the cost of operation and management, which increased by Baht 5.10 million from the year 2014, representing a growth of 5.90 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 56.58 million, representing 9.73 percent of the cost of operation and management, which decreased by Baht 5.86 million from the year 2014, representing dropped by 9.39 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 2015, the Company and its subsidiaries have the cost of bad debt and doubtful account totaling Baht 52.38 million, which increased by Baht 23.70 million from the year 2014, representing an increase of 82.61 percent. The cost of bad debt and doubtful account 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 2015 totaled Baht 98.81 million, which decreased by Baht 10.76 million from the year 2014, representing a decrease of 9.82 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 2015, the Company recognised the share of loss of its associate company, AiRA & AIFUL Public Company Limited, which was Baht 33.45 million. In the year 2014, the Company recognised the share of profit of its associate company, 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 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 loss for the year 2015 of Baht 100.83 million. In the year 2014, the Company and its subsidiaries has the net profit, which was Baht 74.22 million. The Company and its subsidiaries have net loss attributable to shareholders equity in the year 2015 of Baht 98.96 million. In the year 2014, the Company and its subsidiaries have net profit attributable to shareholders equity, which was Baht 69.98 million. The said decrease in net profit was a result of the regression in the securities business, as well as the income from commission, fees and services. However, the factoring income small growth compared to the previous year. Moreover, there were profits from investments in the year 2014, which became loss in the year 2015. Regarding these various factors, the total income of the Company and its subsidiaries for the year 2015 decreased from the year 2014. However, at the same time, there is a small decrease in employees cost, including the cost of operations and management, but there were increase cost of bad debt and doubtful account. Therefore, the Company and its subsidiaries has the net loss for the year 2015

Financial Position

The total assets of the Company and its subsidiaries as of 31 December 2015 were Baht 5,828.83 million, an increase of Baht 221.34 million from the total assets as of 31 December 2014, which was in the amount of Baht 5,607.49 million, representing an increase of 3.95 percent. The main assets were derived from cash and cash equivalents and short-term investments in the total of Baht 934.04 million and Baht 564.72 million, which increased by Baht 669.43 million and Baht 158.23 million, representing an increase of 252.98 percent and 158.23 percent respectively. For the year 2014, cash and cash equivalents and short-term investments in the total of Baht 264.61 million and Baht 218.69 million. In this regard, The Company already received the payment for the shares and registered the change in its paid-up capital to Baht 1,370,442,888 (5,481,771,553 ordinary shares of Baht 0.25 each) with the Ministry of Commerce on 23 July 2015 and the additional shares of the Company were traded in the Market for Alternative Investment (MAI) from 28 July 2015.

Securities and derivatives business receivables, which decreased from Baht 1,384.20 million as at 31 December 2014 to Baht 1,169.92 million as at 31 December 2015. This was due to the decrease number of cash balance account receivable. The Company and its subsidiaries have receivables claims, which are a major asset in the factoring business. The receivables claims as at 31 December 2015 amounted to Baht 2,349.17 million, a decrease of Baht 70.15 million from the balance as at 31 December 2014, which was at Baht 2,419.33 million. As of 31 December 2015, both items have the proportion of 20.07 percent and 40.30 percent of the total assets, respectively; as of 31 December 2014, the proportion was 24.68 percent and 43.14 percent of the total assets, respectively.

The receivables from Clearing House on 31 December 2015 totaled Baht 92.54 million, a decrease of Baht 386.77 million compared to the Clearing House receivables as at 31 December 2014 of Baht 479.31 million, representing a decrease of 80.69 percent. The net Clearing House receivables decrease was due to the decreased 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 2015 was a total of Baht 2,531.97 million. This is a decrease of Baht 1,369.31 million from Baht 3,901.28 billion in total liabilities as of 31 December 2014, representing a decrease of 35.10 percent. The decreased liabilities include the securities and derivatives business payables, bill of exchange - related parties and subordinated debentures decreased from 31 December 2014 in the amount of Baht 296.99 million, Baht 906.48 million and Baht 200 million, respectively. While increased liabilities are from Payables to Clearing House, which increased as at 31 December 2014, in the amount of Baht 124.44 million.

The shareholders equity of the Company and its subsidiaries as of 31 December 2015 totaled Baht 3,296.86 million, an increase of Baht 1,590.64 million from 31 December 2014. The shareholders equity was Baht 1,706.21 million, representing an increase of Baht 93.23 million. This is due to increased registered capital and paid-up capital from the ordinary shares of 3,893,595,260 shares as of 31 December 2014 to 5,496,760,513 shares as of 31 December 2015. In addition, issued and paid-up capital and share premium as at 31 December 2015 in the amount of Baht 1,374.19 million and Baht 1,781.41 million, respectively. As of 31 December 2014, issued and paid-up capital and share premium in the amount of Baht 973.40 million and Baht 605.83 million, respectively. Due to an increase of shareholders equity, the ratio of debt to equity as of 31 December 2015 decreased to 0.77 times from the ratio of 2.29 as at 31 December 2014.

GOOD CORPORATE GOVERNANCE REPORT

The Board of Directors of AIRA Capital Public Company Limited has focused on good governance as a management tool to promote sustainable growth and to create confidence to shareholders, investors, stakeholders and all parties concerned by entrusting the Corporate Governance Committee to perform a duty to oversee the Company's operations to accord with the Company's corporate governance policy together with conformance to the requirements and sound practices of the Stock Exchange of Thailand and the Securities and Exchange Commission of Thailand as well as conformity with a practical standard in the international level.

The Corporate Governance Committee has discharged duties pursuant to defined roles and responsibilities. Moreover, it has also encouraged the Company to establish a corporate culture in complying with the Good Corporate Governance Principles and advocate the subsidiary and associated companies to implement the good governance policy. In 2015, the Corporate Governance Committee participated in pushing the Company to observe the Good Corporate Governance Principles in several Chapters below.

Chapter 1 : Rights of Shareholders

The Company recognizes and renders significance on fundamental rights of the shareholders in the capacities of both investors in securities and owners of the Company, such as, the right to sell or transfer securities it held, right to receive a share of profits from the Company, right to sufficiently acquire information of the Company, rights in the meeting of shareholders, right to express a comment, including right to participate in the important decisions of the Company. For instance,

1. The Company provided the opportunity for the shareholders to have a voting right in the meeting of shareholders by which the Meeting of Shareholders for the year 2015 had major Agendas to be considered, namely, the appointment or removal of directors, consideration on remunerations of directors, appointment of auditors, consideration to approve the registered capital increase and amendment to the Company's Memorandum of Association and so on.
2. The Company granted a right to the shareholders in receiving the Company's share of profits in a form of the dividend. In the year 2015, a resolution was passed by the Board of Directors Meeting No. 9/2015 on 12 November 2015 to approve payment of an interim dividend for the year 2015 to the shareholders at the rate of Baht 0.0075 per share with scheduled payment on 9 December 2015.

In addition to the above fundamental rights, the Company has taken actions in several matters that promote and facilitate the exercise of shareholders' rights in the Annual General Meeting of Shareholders for the year 2015 on 30 April 2015 as follows:

1. The Company has delivered the Invitation Letter to the Meeting together with supportive information of the Agendas to the shareholders and Registrar not less than 7 days before the Meeting, published in a newspaper to notify the date of the Meeting for at least 3 consecutive days before the Meeting and explicitly revealed details, substance of the Meeting as well as opinions of the Board of Directors accompanying the Agendas.
2. If the shareholders cannot attend the Meeting in person, the Company provided shareholders with an opportunity to authorize any one of Independent Director or any other person as a proxy to attend the Meeting on their behalf by applying a proxy delivered by the Company to the shareholders together with the Invitation Letter to the Meeting.

3. Before the meeting of shareholders, the Company provided the shareholders and institutional investors with an opportunity to send comments, suggestions and questions prior to the Meeting date by allowing the shareholders to submit advance questions to the Company's website or by the Fax No. 02-684-8980.
4. The Company provided the shareholders with an equal opportunity to ask questions or express comments on issues to the Meeting. In the Meeting of Shareholders for the year 2015, the entire Board of Directors, in particular, Chairman of Subcommittees, Chief Executive Officer, representatives from the auditors, and relevant executives gave importance in attending the Meeting to answer questions of the shareholders.
5. Before the Meeting, the Company has clarified how to vote and count votes. Moreover, during the Meeting, the Chairman allocated appropriate time and encouraged the shareholders and institutional investors to equally ask questions and express comments on issues in respect of the Company to the Meeting in a reasonable period.
6. After the Meeting, the Company completely prepared the Minutes within 14 days from the meeting date. In the Minutes shows accurate and complete information, recorded questions and answers and voting results in each Agenda which is disclosed in the Company's website enabling the shareholders to check on accuracy.

Chapter 2 : Equitable Treatment of Shareholders

The Board of Directors has supervised treatment and protection of fundamental rights equally granted to every shareholder to assure the investors in investment with the Company.

1. Before the Meeting of Shareholders for the year 2015, the Company's Secretary assigned to serve as the secretary in the Meeting of Shareholders informed the shareholders of important information before undertaking the Meeting, i.e., introduced directors, executives and related persons attending the Meeting and notified regulations of the Meeting, number/proportion of shareholders and proxies attending the Meeting. The Meeting of Shareholders was in accordance with the Articles of Association of the Company and orders of Agendas in all respects. Moreover, details in each Agenda together with opinions of the Board of Directors and supportive information for consideration have been fully and clearly presented without adding any Agenda other than those specified in the Invitation Letter to the Meeting or distributing additional documents in the Meeting as a result of which shareholders who could not personally attend the Meeting would be deprived of their rights.
2. In order to protect the rights of the minority shareholders, the Board of Directors therefore provided the minority shareholders with an opportunity to be capable of adding the Agendas and nominating persons to hold office of director 3 months in advance before the Annual General Meeting of Shareholders for the year 2015. The Company has informed information and rule of such provision through the electronic media of the Stock Exchange of Thailand (ELECTRONIC COMPANY INFORMATION DISCLOSURE: ELCID) and on the Company's website on 1 October 2014.
3. The Board of Directors has afforded significance on measures to prevent directors and executives from exploiting internal information of the Company for their personal gain. The Board of Directors in the Meeting No. 5/2014 held on 14 August 2014 approved a policy on utilizing inside information for buying, selling or transferring or receiving the transfer of the Company's shares by which the directors, executives and employees are prohibited from using inside information not publicly disclosed for buying, selling or transferring or receiving the transfer of the Company's shares during the 30-day period before revelation of financial

statements to the public. In the past, the Company's Secretary has regularly notified in advance a notice of such a policy to directors, executives and employees concerned on a quarterly basis. In 2015, directors, executives and employees strictly abided by the said policy.

4. The Board of Directors imposes a duty on directors and executives of the Company to inform the Company's Secretary when having a change on a holding of their securities, including their spouses and underage children. The Company's Secretary will report such change on the holding of securities by directors, executives of the Company, inclusive of their spouses and underage children to the Board of Directors for acknowledgement in every Meeting of the Board of Directors.

Chapter 3 : Roles of Stakeholders

The Company has granted importance to rights of every group of stakeholders whether it be internal stakeholders, namely, employees and executives of the Company or external stakeholders such as competitors, customers, etc. The Company recognized that the support and comments from every group of stakeholders will be useful for operation and development of the Company's business. Furthermore, the Company has also encouraged cooperation between the Company and every group of stakeholders in order to produce stability to the Company in accordance with the principles below.

- Shareholders : The Company has determined to be a good representative of the shareholders in operating the business to create utmost satisfaction to the shareholders by having regard to the growth of the Company's value in the long term as well as the transparent and reliable disclosure of information.
- Employees : The Company recognizes importance of employees who are the extremely valuable resource of the Company. The Company thus aims to accord a support in developing potentiality of its human resources to achieve the maximum benefit to the Company.

In 2015, the Company promoted and took action to have employees attended the trainings from both inside and outside agencies of the Company by considering appropriate courses consistent with performance and capable of increasing knowledge and developing capabilities of employees.

The Company has given employees an equal right to apply for a member of the "the Employee Provident Fund of the Company" with the Company paying contributions for all of the employees in the same percentage rate.

The Company has maintained a safe, clean and orderly workplace environment conducive to work and encouraged employees to have strong health by making available an annual medical examination and injecting employees with the influenza vaccine free of charge.

The Company and its subsidiary companies have also encouraged employees to work as a team and continually participate in building the good corporate culture.

- | | |
|-------------|---|
| Competitors | : The Company has treated its competitors under the rule frame of fair competition by retaining the norm of practices in the competition. |
| Customers | : The Company has determined to fulfill and render good services in order to generate satisfaction and confidence to its customers. The Company has a policy to fairly and equally take care of every customer by keeping confidentiality of its customers and having the plan to establish a system for receiving its customer's complaints. |

Chapter 4 : Disclosure and Transparency

The Board of Directors furnished importance to disclosure of accurate, complete and transparent information concerning a report on financial data and general information under the rules of the Securities and Exchange Commission of Thailand and the Stock Exchange of Thailand as well as other crucial information affecting the decision-making process of the investors and the Company's stakeholders. The Board of Directors recognizes that now disclosure of information via the website is the convenient and rapid channel. Hence, the shareholders and people involved can easily access to information with equality in acknowledging information. Therefore, the Company has demanded the relevant agencies to disclose information on the website of the Company.

In 2015, the Company has undertaken the following disclosure of information and transparency.

1. The Board of Directors is responsible for the consolidated financial statements of the Company and its subsidiary companies and other financial information appearing in the Annual Report. The said financial statements were prepared in accordance with the generally accepted accounting standard in Thailand by adopting the appropriate accounting policies and consistently complying, including disclosure of adequate data in the financial statements. The Audit Committee has reviewed the quality of the financial reports and internal control systems, including disclosure of vital data in the notes to the financial statements.
2. The Company provided importance to the investor-relation department which is the principal department in coordinating and giving the Company's information to third parties, i.e. the shareholders, institutional investors, general investors, analysts and related government agencies. Since the Board of Directors resolved in the Meeting No. 3/2014 on 20 October 2014 to approve the investor-relation code of conduct for applying as a framework of the investor relations accompanying with the disclosure of information regarding the contact with the investor-relation department in the Annual Report and website of the Company, these resulted in the third party being granted with more information that is correct, suitable and in accordance with the corporate governance principles.
3. The Board of Directors has revealed information that is updated, important and ought to be disclosed both in Thai and English languages via the Annual Report Form 56-1, Invitation Letter to the Meeting of Shareholders and Company's website, namely, the Articles of Association, corporate governance policy, character of business operation of the Company and its subsidiary companies, risk management policy, consolidated financial statements of the Company and its subsidiary companies, notes to the financial statements, internal control system, roles of the Board of Directors and Subcommittees, number of Directors' attendances in the Meeting in the previous years, a policy on direct and indirect payment of remuneration to the directors and executives, including a group of major shareholders and direct and indirect shareholding of the directors and top executives, etc. which are in accordance with the corporate governance policies of the Company in all respects.

1. Structure of the Board of Directors

The Board of Directors consists of individuals who are competent and play a significant part in setting forth a policy and overall image of the organization as well as in independently overseeing, examining and evaluating the Company's performance to be in line with the plan.

In 2015, the Company had the Board of Directors consisting of 12 members - comprised of 11 non-executive directors and 1 executive director with a proportion and number suited to the Company's business size. Each director has diverse qualifications in terms of skill, experience and expertise directly beneficial to the Company's business operation by having the structure which is summarized as follows:

- 5 Independent Directors representing a number not less than one third of the whole directors which is a proportion more stringent than the requirements of the Securities and Exchange Commission of Thailand;
- 12 directors who have been trained in DAP or DCP course from the Thai Institute of Director Association: IOD.

The Company clearly designates the term of office of directors under the Articles of Association of the Company that in every Annual General Meeting, one third of the directors shall be retired. If the number of directors cannot be divided exactly into three parts, the number of directors to be retired shall be nearest to one third. For the directors to be retired in the first and second years following registration of the Company, the Board of Directors shall consider and reach an agreement among them. If the agreement cannot be reached, lots shall be drawn to identify who will retire. For subsequent years, the directors with the longest holding of their offices shall retire from such offices. However, the directors who are retired by rotation may be reelected to hold their offices.

The Company has expressly separated the roles and responsibilities between the Chairman of the Board of the Company and Chief Executive Officer. The Board of Directors serves to set the policy and oversee operations by executives at the policy level while the executives serve to manage the company's affairs to conform to the policy prescribed by the Board of Directors. The Chairman of the Board of the Company and Chief Executive Officer shall not be the same person. Both positions shall be subject to selection from the Board of Directors in order to obtain most appropriate individuals.

2. Subcommittees

For the purpose of closely monitoring and supervising the Company's operations, the Board of Directors thus appointed the 5 Subcommittees in order to monitor and oversee the Company's overall operations, namely:

2.1 Audit Committee

In 2015, the Audit Committee consisted of 3 Independent Directors with the following names.

Names	Positions
1. Mr. Nopporn Phicha	Chairman of the Audit Committee
2. Mrs. Chiraporn Chemnasiri	Audit Committee Member
3. Associate Professor Anchalee Pipatanasern	Audit Committee Member

In 2015, the Audit Committee had a total of 4 meetings for discharging duties pursuant to the roles and responsibilities set out in the Charter of the Audit Committee.

2.2 Investment Committee

In 2015, the Investment Committee consisted of 4 members with the following names.

Names	Positions
1. Mrs. Nalinee Ngamsettamas	Chairman of the Investment Committee
2. Mr. Wisoot Karnchanapunyapong	Investment Committee Member
3. Mr. Prinya Waiwatana	Investment Committee Member
4. Mr. Pairoj Laungthaleongpong	Investment Committee Member

In 2015, the Investment Committee had a total of 10 meetings, performing a duty to designate the policy, principle, investment plan to accord with or meet a policy framework prescribed by the Board of Directors, and preparing the annual investment plan as set out in the Charter of the Investment Committee.

2.3 Corporate Governance Committee

In 2015, the Corporate Governance Committee consisted of 3 members with the following names.

Names	Positions
1. Mrs. Kongkeaw Piamduaytham	Chairman of the Corporate Governance Committee
2. Mrs. Chiraporn Chemnasiri	Corporate Governance Committee Member
3. Mr. Wisoot Karnchanapunyapong	Corporate Governance Committee Member

In 2015, the Corporate Governance Committee had a total of 2 meetings, performing a duty of corporate governance in accordance with the roles and responsibilities set out in the Charter of the Corporate Governance Committee.

2.4 Nomination and Remuneration Committee

In 2015, the Nomination and Remuneration Committee consisted of 3 members with the following names.

Names	Positions
1. M.R. Kasemvisuth Visuthi	Chairman of the Nomination and Remuneration Committee
2. Mr. Prinya Waiwatana	Nomination and Remuneration Committee Member
3. Associate Professor Niputh Jitprasonk	Nomination and Remuneration Committee Member

In 2015, the Nomination and Remuneration Committee had 2 meetings to consider the allocation of warrants to the directors as well as executives of the Company and subsidiary companies, establishment of principles to be the practical guideline as to the remuneration of directors of the Company and its subsidiary companies, and perform duties pursuant to a scope of powers, duties and responsibilities contained in the Charter of Nomination and Remuneration Committee.

2.5 Risk Management Committee

In 2015, the Risk Management Committee consisted of 4 members with the following names.

Names	Positions
1. Mr. Prinya Waiwatana	Chairman of the Risk Management Committee
2. Associate Professor Niputh Jitprasonk	Risk Management Committee Member
3. Mr. Anant Sirisaengtaksin	Risk Management Committee Member
4. Mr. Suthiporn Tantikul	Risk Management Committee Member

In 2015, the Risk Management Committee had a total of 2 meetings, performing a duty to scrutinize the Company's overall risk management policy and guideline, take care and monitor the

compliance with the risk management policy under the guidelines and policies approved by the Board of Directors and serve to report the operations and risk status of the Company Group, including to perform duties in accordance with a scope of powers, duties and responsibilities contained in the Charter Risk Management Committee.

3. Roles, duties and responsibilities of the Board of Directors

The Board of Directors consists of individuals with diverse knowledge, skill and expertise with the recognized leadership status. The Board of Directors shall participate in defining the vision, mission, strategy, policy and guideline in the business operations and supervise the Company's performance to be in accordance with the laws, objectives, Articles of Association and resolutions of the shareholders' meeting.

In 2015, the Board of Directors participated in consideration of the important matters as follows:

- 3.1 To approve the Investment Policy Principle for the years 2015 – 2017, including the Business Continuity Plan and investment guidelines in various businesses in order to make the investment policy and direction in conducting the Company's businesses consistent with the current situation of the Company and economic conditions;
- 3.2 To approve the reports of the Subcommittees in order to monitor and oversee the operations of the Subcommittees to be effective;
- 3.3 To approve the appointment of directors and top executives, including approval of dividend payments, additional investment, registered capital increase and disposal of the investments in the subsidiary companies in order to be in accordance with the Company's Articles of Association regarding the supervision and management of subsidiaries and associated companies;
- 3.4 To approve the Company's registered capital increase, issuance of warrants to purchase ordinary shares of the Company (AIRA-W1 and AIRA-W2) and allocation of the Company's increase capital ordinary shares;
- 3.5 To approve the participation in Collective Action Coalition of the Private Sector Against Corruption (CAC);
- 3.6 To approve the internal control policy, including a result of assessment on the sufficiency of internal control for the year 2014 and the assessment form of the sufficiency of internal control system for the year 2015;
- 3.7 To approve the review of the corporate governance policy and the Code of Business Ethics;
- 3.8 To approve the form of self-assessment of the Board of Directors and Subcommittee evaluation form for the year 2015 as well as the annual performance evaluation of the Chief Executive Officer (CEO); and
- 3.9 Audit Committee has performed its responsibility in reviewing the financial reports by having a joint meeting of the Accounting Department and auditors to propose the financial reports to the Board of Directors on a quarterly basis. The Board of Directors is responsible for the consolidated financial statements of the Company and its subsidiary companies as well as financial information (Report on the Board of Director's Responsibility on the Financial Report) appeared in the Annual Report. The said financial statements have been prepared in accordance with the accounting standards certified and audited by the Company's auditors.

4. Board of Directors Meetings

The Meetings attended by the Board of Directors and Subcommittees for the year 2015 are as follows:

List of Directors	Board of Directors	Audit Committee	Investment Committee	Corporate Governance Committee	Nomination and Remuneration Committee	Risk Management Committee
1. Professor Dr. Suphachai Phisitvanich	8/10	-	-	-	-	-
2. Mr. Anant Sirisaengtaksin	9/10	-	-	-	-	1/2
3. Mr. Nopporn Picha	9/10	4/4	-	-	-	-
4. Mrs. Jiraporn Shamenasiri	9/10	4/4	-	2/2	-	-
5. Associate professor Anchalee Pipatnasern	10/10	4/4	-	-	-	-
6. M.R. Kasemvisuthi Visuthi	9/10	-	-	-	2/2	-
7. Mr. Prinya Waiwatana	10/10	-	10/10	-	2/2	2/2
8. Associate Professor Niputh Jitprasonk	10/10	-	-	-	2/2	2/2
9. Mrs. Kongkeaw Piandumaytham	10/10	-	-	2/2	-	-
10. Mr. Wisoot Karnchanapunyapong	10/10	-	9/10	2/2	-	-
11. Mrs. Nalinee Ngamsettamas	10/10	-	10/10	-	-	-
12. Mr. Wutthiphum Jurangkool	9/10	-	-	-	-	-

Chairman of the Board of the Company and Chief Executive Officer jointly determined Agendas by allowing each of directors to propose matters to be considered as Agendas, and the Company's Secretary submitted the documents before the Meeting at least 7 days in advance in order to give the Board of Directors ample time to adequately study information before the Meeting except existence of emergency. In addition, the Minutes have been recorded and documents and certified reports have been collected for use in the reference and ability to be checked.

In considering matters, the Chairman of the Board of the Company who served as the chairman of the meeting would allow directors to express their opinions freely. In some Agendas, the Executive Director may attend the Meeting in order to provide additionally useful information and detailed data as the people involved and to directly know the policy enabling the effective put into practice. In voting in the Board of Directors Meeting, a resolution shall be made by a majority of votes. Each director has one vote. The director with a conflict of interest would not attend the Meeting and/or exercise a voting right in the said matter. In case of an equality of votes, the chairman in the Meeting shall have an additional vote as a casting vote.

5. Meeting of Non-Executive Directors

The Board of Directors has supported the non-executive directors having a chance of joint meetings in absence of executive directors attending the meeting in order that the non-executive directors could independently debate and discuss various interesting issues relating to managements without participation of the management. Therefore, there shall be the meeting of non-executive directors at once a year.

In 2015, the Board of Directors scheduled to have the meeting of the non-executive directors on 14 December 2015. The 11 non-executive directors of the Company all attended the meeting and considered 2 main issues, namely, external factors affecting businesses of the Company and its subsidiary companies and development of personnel for succession of the top executives.

6. Meetings of Independent Directors

The Board of Directors requires the Independent Directors to have the meeting for debating issues freely by having the requisite Meeting of the Independent Director at least once a year.

In 2015, the Board of Directors scheduled to have the Meeting of Independent Directors on 14 December 2015 in which 5 Independent Directors of the Company attended the Meeting.

7. Nomination and remuneration

The Board of Directors requires having of the Nomination and Remuneration Committee responsible for setting out the nomination policy of directors and top executives and fixing remuneration of the directors and top executives paid in the appropriate level by considering the Company's performance and compliance with the same business or industry, including propriety with duties and responsibilities of directors and each executive. The directors' remuneration shall be in the form of the meeting allowances. The Board of Directors will propose all forms of remunerations to the Meeting of Shareholders for approval annually.

In 2015, the Annual General Meeting of Shareholders for the year 2015 on 30 April 2015 passed a resolution to fix remunerations of the Board of the Company and Subcommittees in the form of the meeting allowances with the following details.

Meeting allowances for the Board of the Company

Chairman of the Board of the Company	received meeting allowances of	Baht 18,000 per time
Members	received meeting allowances of	Baht 12,000 per time

Meeting allowances for Subcommittees

Chairman of the Board of the Company	received meeting allowances of	Baht 12,000 per time
Members	received meeting allowances of	Baht 6,000 per time

Note: If the Chairman and members of the Board of Directors or Subcommittees come from the executives, they will receive the meeting allowances reduced in half from those received by the Chairman and members coming from the third party.

In 2015, the Board of Directors received the meeting allowances totaling Baht 1,668,000.00 divisible into the following 6 Committees.

Board of Directors and Subcommittees of	Number of Meetings (times)	Meeting allowances (Baht)
1. Board of Directors	10	1,200,000.00
2. Audit Committee	4	120,000.00
3. Investment Committee	10	204,000.00
4. Nomination and Remuneration Committee	2	48,000.00
5. Corporate Governance Committee	2	48,000.00
6. Risk Management Committee	2	48,000.00

8. Orientation for new directors

In the event of a change of the directors, the Board of Directors requires to have orientation for all of the new directors before functioning as the directors. The administration shall prepare documents and information beneficial to the performance of new directors in order for new directors to know about the Company's expectations on the roles and responsibilities of directors, policies and practical guidelines in the Company's corporate governance and to create knowledge and understanding in the Company's business and operations for making ready in discharging the duties of directors. In 2015, the Board of Directors did not appoint a new director, thus having no orientation for a new director.

9. Self-assessment of the Board of Directors

The Board of Directors requires that the performance evaluation be committed annually in order for reviewing and analyzing comments in issues related to the Company's operations and performance of the Board of Directors contributing to the continued development of good governance. The Board of Directors will analyze and find conclusion from the assessment result for prescribing the measure in further improving the performance efficiency of the Board of Directors.

In 2015, the Board of Directors' Meeting No. 9/2015 on 12 November 2015 approved the review of the self-assessment forms of the Board of Directors consisted of 2 assessment forms, namely, the assessment form for the entire Board of Directors and the assessment form for individual directors (self-assessment by each director), and approved the assessment form for the Subcommittees used for the Corporate Governance Committee, Nomination and Remuneration Committee, Risk Management Committee and Investment Committee by using data cited from the assessment form for directors prepared by the Stock Exchange of Thailand. The Meeting also approved the performance assessment of the Chief Executive Officer (CEO), the top management of the organization, annually of which the assessment result will be used to determine remunerations of the chief executive.

The Audit Committee will have the self-assessment in a specific pattern in order to assess the performance of the entire Audit Committee with the topics used in assessment coming from the Charter of the Audit Committee and having appropriateness and consistency with the duties of the Audit Committee.

10. Development of directors and executives

The Company has the policy to promote and facilitate in providing the trainings and educating the directors and executives involved in the good governance system of the Company; for example, the Corporate Governance Committee Member, Audit Committee Member and financial and accounting executives, etc. in order to continuously enhance the performance. The Company also required the management preparing the development and succession of business plan in case where the top executives are unable to perform the duties.

In the year 2015, the 12 Board of Directors have been trained in directorate courses of the Thai Institute of Director Association: IOD as detailed below.

Courses	Number of trained directors (persons)
Director Accreditation Program (DAP)	6
Director Certification Program (DCP)	8
The role of Chairman Program (RCP)	5
Board Performance Evaluation	1
Audit Committee Program (ACP)	5

Courses	Number of trained directors (persons)
Role of the Compensation Committee (RCC)	2
Advanced Audit Committee Program	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

11. Communication with the management

The Board of Directors encouraged the top executives of the Company to attend the meeting with the Board of Directors to present the information relating to the Agendas under its responsibility to the Board of Directors Meeting so that the Board of Directors could be informed of opinions from executives directly responsible for the work. At the same time, the executives had the opportunity to learn and understand all viewpoints of the Board of Directors. The meeting and exchange of views between the directors and top executives in other occasions other than the Board of Directors Meeting was also promoted so that the directors had the opportunity to familiarize with the top executives of the Company. The directors could communicate with the individual executives of the Company directly without intervention of the executives' performance.

Company's Secretary

For the Company's Secretary, the Board of Directors No. 1/2554 on 21 September 2011 passed a resolution to appoint Ms. Neutrine Naksook, who completed courses of the 21/2007 Company Secretary Program and the 6/2007 Effective Minute Taking Program from the Thai Institute of Director Association (IOD), to act as the Company's Secretary with duties to provide advices on the rules that the Board of Directors need to know, to perform the duty to oversee activities of the Board of Directors, including to coordinate in order for the compliance with the resolutions of the Board of Directors as well as to correctly and completely perform duties in respect of the rules and regulations of the Securities and Exchange Commission of Thailand and the stock Exchange of Thailand, and to communicate with shareholders and to take care of shareholders appropriately.



(Mrs. Kongkeaw Piamduaytham)
 Chairman of the Corporate Governance Committee
 AIRA Capital Public Company Limited

INTERCOMPANY TRANSACTIONS

1. Transactions between the Company and its subsidiaries and the person who may have conflicts of interest

As AIRA Capital Public Company Limited (“the Company” or “AC”) and its subsidiaries, i.e., AIRA Securities Public Company Limited (“AS”), AIRA Advisory Company Limited (“AD”), AIRA Factoring Public Company Limited (“AF”), AIRA International Advisory (Singapore) Pte. Ltd. (“AI”), AIRA Property Company Limited (“AIP”) and Aspiration One Company Limited (“ASP1”) (collectively referred to as “the group of companies” or “the Company and its subsidiaries”) had a shareholding structure on 31 December 2015 in which JRK Holdings Limited (“JRK”) held shares in AIRA Capital Public Company Limited up to 36.88 percent, thus making the following persons become the person who may have conflicts of interest with the Company and its subsidiaries pursuant to a definition “the person who may have conflicts of interest” under the Notification of the Capital Market Supervisory Board No. TorChor. 28/2551 regarding Application for and Approval of Offer for Sale of Newly Issued Shares and under the Notification of the Securities and Exchange Commission regarding Determination of Definitions in the Notification on the Issuance and Offer for Sale of Securities.

List of JRK's shareholders	Shareholding ratios in JRK (percent)
1. Summit Corporation Company Limited	25.00
2. Khun Sansern Jurangkool	15.00
3. Khun Hathairat Jurangkool	15.00
4. Khun Apichart Jurangkool	7.50
5. Khun Taweechat Jurangkool	7.50
6. Khun Nuttapol Jurangkool	7.50
7. Khun Kornkit Jurangkool	7.50
8. Khun Wutthiphum Jurangkool	7.50
9. Khun Akrapong Jurangkool	7.50
Total	100.00

This includes such persons' spouse and children.

Moreover, this also includes companies in which such persons and such persons' spouse and children are directors, executives, major shareholders or controlling persons.

Relationship between the Company and its subsidiaries, related companies and the persons who may have conflicts of interest in the year 2015 is detailed as follows:

Subsidiaries	Relationship
AIRA Securities Public Company Limited ("AS")	AS is a subsidiary in which the Company holds 99.99 percent of shares, having common directors, namely, Prof. Dr. Suphachai Phisitvanich, Khun Nopporn Picha, Khun Jiraporn Shamenasiri, Assoc. Prof. Anchalee Pipatnasern, Khun Nalinee Ngamsettamas and Khun Wisoot Karnchanapunyapong.
AIRA Factoring Public Company Limited ("AF")	As of 31 December 2015, AF is a subsidiary in which the Company holds 71.55 percent of shares and has common directors, namely, Khun Nalinee Ngamsettamas and Khun Wutthiphum Jurangkool. In addition, a group of major shareholders of the Company holds 2.92 percent of shares in AF through Summit Corporation Company Limited.
AIRA Advisory Company Limited ("AD")	AD is a subsidiary in which the Company indirectly holds 99.99 percent of shares through AS.
AIRA International Advisory (Singapore) Pte. Ltd. ("AI")	AI is a subsidiary in which the Company holds 90.00 percent of shares.
AIRA Property Company Limited ("AIP")	AIP is a subsidiary in which the Company holds 99.99 percent of shares.
Aspiration One Company Limited ("ASP1")	ASP1 is a subsidiary in which the Company indirectly holds 60 percent of shares through AIP.
Related companies	Relationship
Summit Windmill Golf Club Company Limited	The major shareholders are Summit Corporation Company Limited holding a total amount of 5,999,992 shares from 6,000,000 registered shares, representing 99.99 percent. The Summit Corporation Company Limited holds common shares with JRK, namely, the Jurangkool family consisting of Khun Sansern Jurangkool, Khun Hathairat Jurangkool, Khun Apichart Jurangkool, Khun Taweechat Jurangkool, Khun Nuttapol Jurangkool, Khun Kornkit Jurangkool, Khun Wutthiphum Jurangkool and Khun Akrapong Jurangkool.
Summit Corporation Company Limited	There are common shareholders with JRK, namely, Khun Sansern Jurangkool, Khun Hathairat Jurangkool, Khun Apichart Jurangkool, Khun Taweechat Jurangkool, Khun Nuttapol Jurangkool, Khun Kornkit Jurangkool, Khun Wutthiphum Jurangkool and Khun Akrapong Jurangkool.
Alliance Company Limited	Khun Preecha Leelasitorn is the first four top executives of AS and a director of Alliance Company Limited.

Persons who may have conflicts of interest with the Company, namely, executives, directors and shareholders of the group of companies	Relationship	
Khun Hathairat Jurangkool	<p>As of 31 December 2015, Khun Hathairat Jurangkool has been a holder of 15 percent of shares in JRK Holdings Limited ("JRK"), when combined with a holding of shares belonging to Khun Sansern Jurangkool, her husband, thus holding 30 percent of aggregate shares in JRK (in which JRK is a holder of 36.88 percent of shares in AC). In addition, sons of Khun Hathairat Jurangkool, namely, Khun Taweechat Jurangkool, holds 12.66 percent of shares in AC (as of 31 December 2015) and Khun Wutthiphum Jurangkool is a director of AC.</p>	
Khun Taweechat Jurangkool	<p>Khun Taweechat Jurangkool is a holder of 7.5 percent of shares in JRK. Khun Taweechat Jurangkool is a son of Khun Sansern Jurangkool and Khun Hathairat Jurangkool who together hold 30 percent of shares in JRK (in which JRK is a holder of 36.88 percent of shares in AC).</p> <p>As of 31 December 2015, Khun Taweechat Jurangkool has held 12.66 percent of shares in AC. Moreover, Khun Wutthiphum Jurangkool, a younger brother of Khun Taweechat Jurangkool, is also a director of AC.</p>	
Khun Nuttapol Jurangkool	<p>Khun Nuttapol Jurangkool is a holder of 7.5 percent of shares in JRK. Khun Nuttapol Jurangkool is a son of Khun Sansern Jurangkool and Khun Hathairat Jurangkool who together hold 30 percent of shares in JRK (in which JRK is a holder of 36.88 percent of shares in AC).</p> <p>As of 31 December 2015, Khun Nuttapol Jurangkool has held 4.87 percent of shares in AC. Khun Nuttapol Jurangkool is a younger brother of Khun Taweechat Jurangkool who is a holding of 12.66 percent of shares in AC and an older brother of Khun Wutthiphum Jurangkool, a director of AC.</p>	
Khun Komol Jungrungreangkit	<p>Khun Komol Jungrungreangkit is a younger brother of Khun Sansern Jurangkool. Khun Sansern Jurangkool is a holder of 15 percent of shares in JRK, when combined with Khun Hathairat Jurangkool, his wife, thereby holding 30 percent of aggregate shares in JRK (in which JRK is a holder of 36.88 percent of shares in AC). In addition, Khun Taweechat Jurangkool and Khun Wutthiphum Jurangkool, grandchildren of Khun Komol Jungrungreangkit, are also holders of 12.66 percent of shares in AC (as of 31 December 2015) and directors of AC, respectively.</p> <p>As of 31 December 2015, Khun Komol Jungrungreangkit has held 5.27 percent of shares in AC and 97.03 percent of shares in Summit Footwear Public Company Limited (in which as of 31 December 2015, Summit Footwear Public Company Limited has been a holder of 3.50 percent of shares in AC).</p>	

Related companies	Relationship
Khun Sansern Jurangkool	As of 31 December 2015, Khun Sansern Jurangkool has been a holder of 15 percent of shares in JRK, when combined with Khun Hathairat Jurangkool, his wife, thus holding 30 percent of aggregate shares in JRK (which JRK is a holder of 36.88 percent of shares in AC). In addition, Khun Taweechat Jurangkool and Khun Wutthiphum Jurangkool, sons of Khun Sansern Jurangkool, are also holders of 12.66 percent of shares in AC (as of 31 December 2015) and directors of AC, respectively.
Khun Nalinee Ngamsettamas	As of 31 December 2015, Khun Nalinee Ngamsettamas has been the Chief Executive Officer and authorized director of AC and has a shareholding ratio together with her children of 9.10 percent in AC; Chairman of Executive Director and authorized director of AS; Executive Director, Nomination Committee Member and authorized director of AF; Chairman of the Board and authorized director of AD; Chairman of the company's Board, Executive Director and authorized director of AI; Chief Executive Officer and authorized director of AIP; and Chairman of the company's Board and authorized director of ASP1.
M.R. Kasemvisuthi Visuthi	As of 31 December 2015, M.R. Kasemvisuthi Visuthi has been an authorized director of AC and an advisor of the Executive Board of AS. Moreover, M.L. Nusuda Visuthi, his child, has a shareholding ratio of 0.09 percent in AC.
Khun Kongkeaw Piamduaytham	Khun Kongkaew Piamduaytham is an authorized director of AC and a consultant of AS.
Khun Prinya Waiwatana	Khun Prinya Waiwatana is a director of AC.
Khun Anant Sirisaengtaksin	Khun Anant Sirisaengtaksin is a director of AC.
Khun Pairoth Loengtalerngpong	Khun Pairoth Loengtalerngpong is the Chief Executive Officer and authorized director of AS and Investment Committee Member of AC.
Khun Nakorn Kolsrichai	Khun Nakorn Kolsrichai is the Chief Marketing Officer and authorized director of AS.
Khun Visit Vongruamlarp	Khun Visit Vongruamlarp is a director of AF.
Khun Songpon Bunnag	Khun Songpon Bunnag is the performance and support managing director of AS.
Khun Teera Wipuchanin	Khun Teera Wipuchanin is a consultant of AS.
Khun Preeyapan Panawipat	Khun Preeyapan Panawipat is a wife of Khun Nakorn Kolsrichai who is the Chief Marketing Officer and authorized director of AS.

**Transactions between the Company and its subsidiaries, related companies and persons who may have conflicts of interest
in the year 2014 and year 2015 are detailed as follows:**

Natural/Juris tic persons who may have conflicts of interest	Transactions	Book value (million Baht)			Characters and details of transactions	Opinions of the Audit Committee: necessity and reasonableness of the transactions / pricing and conditions
		Value during the year 2014	Accrued value as at 31 December 2014	Value during the year 2015		
Transactions between AC and its subsidiaries	AC has bought investments in the bonds of AS.	1,847.09	5.00	941.85	-	AC has invested in short-term bonds and government bonds through AS with the purpose of managing short-term liquidity.
Transactions between AC and AS						The Audit Committee is of the opinion that such transaction is a normal transaction falling within a delegation power of the Board of Directors to the Chief Executive Officer for investment and liquidity management with interest rates conformable with market conditions, in which the transaction each time is an auction of government bonds.
Profits from investments	0.41	-	-	-	AC has invested in short-term bonds and government bonds through AS with the purpose of managing short-term liquidity.	Profits arising from a normal margin charged from general people.
AS has paid the dividend to AC.	82.20	-	66.10	-	Transactions in the year 2014 are in accordance with a resolution of the 2014 Annual General Meeting of Shareholders of AS on 17 April 2014 by paying a dividend for the year 2013 at a rate of 0.05 Baht per share on 30 April 2014 in a total value of 30 million Baht and a resolution of the Board of	The Audit Committee is of the opinion that such transaction is a normal transaction and is a rate paid to a person in general, which is in accordance with the resolution of the Meeting of Shareholders or of Board of Directors of AS.

Natural/Juris tic persons who may have conflicts of interest	Transactions	Book value (million Baht)			Opinions of the Audit Committee: necessity and reasonableness of the transactions / pricing and conditions
		Value during the year 2014	Accrued value as at 31 December 2014	Accrued value as at 31 December 2015	
					Transactions in the year 2015 are in accordance with the resolution of the Annual General Meeting of Shareholders of AS on 17 March 2015, allowing payment of a dividend for the year 2014 at a rate of 0.03 Baht per share in the amount of 26.10 million Baht and of the Board of Directors on 11 August 2015, allowing payment of the interim dividend for the year 2015 at a rate of 0.04 Baht per share, totaling 40 million Baht.
AC made loans to AS which are unsecured loans with an interest rate of 2.20 - 2.50 percent per annum and repayable in January and February 2016.		79.83	79.83	249.69	Being related party loans The Audit Committee is of the opinion that such transaction has reasonableness as the rate of interest is in accordance with market conditions.

Natural/Juris tic persons who may have conflicts of interest	Transactions	Book value (million Baht)			Opinions of the Audit Committee: necessity and reasonableness of the transactions / pricing and conditions
		Value during the year 2014	Accrued value as at 31 December 2014	Accrued value as at 31 December 2015	
Interest received from loans made to AS	Interest received from loans made to AS	0.07	-	3.00	Interest received from loans made to AS
Other expenses paid to AS	Other expenses paid to AS	0.04	0.003	0.04	Being telephone bills charged from AC by AS because of the usage of telephone lines of AS in a normal rate.
Commission expense	Commission expense	-	-	0.05	Commission expense transaction is for the trading of securities to AS; however, such transactions arose from those in the normal business operations with general commercial conditions.
Transactions between AC and AF	AF has paid the dividend to AC	20.73	-	14.80	In the year 2014, in accordance with a resolution of the Annual General Meeting of Shareholders on 28 April 2015 at 0.70 Baht per share. In the year 2015, in accordance with a resolution of the Annual General Meeting of Shareholders on 10 April 2015 at 0.50 Baht per share.

Natural/Juris tic persons who may have conflicts of interest	Transactions	Book value (million Baht)			Opinions of the Audit Committee: necessity and reasonableness of the transactions / pricing and conditions
		Accrued value as at 31 December 2014	Value during the year 2014	Accrued value as at 31 December 2015	
Transactions between AC and AI	AC made loans to AI which are unsecured loans with the interest rate of 4 percent per annum and repayable on 10 Feb 16, 22 Mar 16, 15 Mar 16, 13 May 16, 16 Jun 16, 31 July 16 and 26 Aug 16 respectively.	19.73	19.73	37.87	Being related party loans The Audit Committee is of the opinion that such transaction has reasonableness as the rate of interest is in accordance with market conditions.
Interest received from loans paid to AI		0.40	0.15	1.18	0.55 Interest received from loans The Audit Committee is of the opinion that such transaction has reasonableness as the rate of interest is in accordance with market conditions.
Transactions between AC and AIP	AC made short-term loans to AIP which are unsecured loans with the interest rate of 2.20 percent per annum.	-	-	60.00	- Being related party loans by issuing an instrument on 13 Oct 15 and that were repaid on 12 Nov 15. The Audit Committee is of the opinion that such transaction has unreasonableness as the rate of interest is in accordance with market conditions.
Interest received from loans paid to AIP		-	-	0.03	- Interest received from loans The Audit Committee is of the opinion that such transaction has reasonableness as the rate of interest is in accordance with market conditions.

Natural/Juris tic persons who may have conflicts of interest	Transactions	Book value (million Baht)				Opinions of the Audit Committee: necessity and reasonableness of the transactions / pricing and conditions
		Value during the year 2014	Accrued value as at 31 December 2014	Value during the year 2015	Accrued value as at 31 December 2015	
Transactions between AC and major shareholders of its affiliated companies						
Transactions between AC and Khun Komol Jung rungreangkit	AC issued and offered to sell bill of exchange to Khun Komol Jung rungreangkit.	100.00	-	-	-	In the year 2014, AC took out a loan from Khun Komol Jung rungreangkit by issuing bills of exchange in the amount of 100 million Baht per each bill of exchange and performed repayment without renewal of the bill of exchange.
Interest paid to Khun Komol Jungrungreangkit		2.07	-	-	-	Interest for bill of exchange
						The Audit Committee is of the opinion that such transaction has reasonableness as the rate of interest is in accordance with market conditions with reference to the interest rates of the companies issuing bonds with similar terms and conditions by comparison with companies receiving the credit rating BBB - and BBB + in the bond market of Thai BMA.
						The Audit Committee is of the opinion that such transaction has reasonableness as the rate of interest is in accordance with market conditions with reference to the interest rates of the companies issuing bonds with similar terms and conditions.

Natural/Juris tic persons who may have conflicts of interest	Transactions	Book value (million Baht)			Opinions of the Audit Committee: necessity and reasonableness of the transactions / pricing and conditions
		Value during the year 2014	Accrued value as at 31 December 2014	Value during the year 2015	
Transactions between AC and Khun Hathairat Jurangkool	AC issued and offered to sell bill of exchange to Khun Hathairat Jurangkool	570.00	149.10	300.00	-
					In the year 2014, AC took out loans from Khun Hathairat Jurangkool by issuing and offering to sell three bills of exchange in the amount of 150 million Baht per each bill of exchange and one bill of exchange in the amount of 120 million Baht, totaling 570 million Baht to be used as a funding source. At the end of 31 December 2014, the fund had the accrued book value at 149.10 million Baht.
Interest paid to Khun Hathairat Jurangkool		3.91	-	3.06	-
					Interest for bill of exchange
					The Audit Committee is of the opinion that such transaction has reasonableness as the rate of interest is in accordance with market conditions with reference to the interest rates of the companies issuing bonds with similar terms and conditions.

Natural/Juris tic persons who may have conflicts of interest	Transactions	Book value (million Baht)			Characters and details of transactions	Opinions of the Audit Committee: necessity and reasonableness of the transactions / pricing and conditions
		Value during the year 2014	Accrued value as at 31 December 2014	Accrued value as at 31 December 2015		
Transactions between AS and its affiliated companies						
Transactions between AS and AF	AS has bought investments in a transferable bill of exchange of AF for management of the short-term liquidity and AF has resolved to take out loans from AS for use as its working capital in the business.	2,183.56	1,195.75	1,983.13	-	AS has invested in the bonds of AF with a purpose of managing the short-term liquidity.
Car rental income		-	-	0.14	-	AF has rented cars from AS for use in conducting its business.
Transactions between AS and AD	AS has made loans to AD	(7.00)	-	-	Being related party loans	The Audit Committee is of the opinion that such transaction has reasonableness as the rate of interest is in accordance with market conditions. AS took out loans in the interest rate of loans as that of the financial institution.
AS has received interest from AD		0.36	-	-	Interest received from loans	The Audit Committee is of the opinion that such transaction has reasonableness as the rate of interest is in accordance with market conditions. AS took out loans in the interest rate of loans as that of the financial institution.

Natural/Juris tic persons who may have conflicts of interest	Transactions	Book value (million Baht)			Characters and details of transactions	Opinions of the Audit Committee: necessity and reasonableness of the transactions / pricing and conditions
		Value during the year 2014	Accrued value as at 31 December 2014	Value during the year 2015		
Transactions between AS and major shareholders of its affiliated companies						
Transactions between AS and Khun Hathairat Jurangkool	AS has sold investments in the bonds (issued and offered to sell bill of exchange) to Khun Hathairat Jurangkool.	3,374.38	198.88	2,976.07	99.69	AS has sold investments in the bond of AS with an aim to be a source of its working capital to support the overall liquidity and accommodate payment of securities traded with customers.
AS has offered to sell a transferable bill of exchange of AF to Khun Hathairat Jurangkool.		2,183.56	1,195.75	1,983.13	-	AS has sold all of transferable bills of exchange of AF to Khun Hathairat Jurangkool.
Gain on sales of investments		0.24	-	0.24	-	Profit arising from a margin of selling bill of exchange is a normal profit margin charged from general people.

Natural/Juris tic persons who may have conflicts of interest	Transactions	Book value (million Baht)			Opinions of the Audit Committee: necessity and reasonableness of the transactions / pricing and conditions
		Value during the year 2014	Accrued value as at 31 December 2014	Value during the year 2015	
	AS has issued and offered to sell subordinated debentures to Khun Hathairat Jurangkool.	-	280.00	(140.00)	Transactions of issuing and offering to sell subordinated debentures
					The Audit Committee is of the opinion that such transaction has reasonableness as the rate of interest is in accordance with market conditions with reference to the interest rates of the companies issuing bonds with similar terms and conditions by comparison with companies receiving the credit rating BBB - and BBB + in the bond market of Thai BMA.
	Brokerage fees income in trading securities	-	-	0.11	Concerning the brokerage fees for trading securities through AS, such transactions arose from undertaking transactions in the normal operation of businesses with general commercial terms.
	Interest expense / accrued interest payable of subordinated debentures and bill of exchange which AS has not paid to Khun Hathairat Jurangkool.	25.41	4.70	19.17	Being transactions of interest expense of subordinated debentures, bill of exchange and investments in the bonds. Such transactions arose from undertaking transactions in the normal operation of businesses with general
				1.76	The Audit Committee is of the opinion that such transaction has reasonableness as the rate of interest is in accordance with market conditions with reference to the interest rates of the

Natural/Juris tic persons who may have conflicts of interest	Transactions	Book value (million Baht)			Opinions of the Audit Committee: necessity and reasonableness of the transactions / pricing and conditions
		Value during the year 2014	Accrued value as at 31 December 2014	Accrued value as at 31 December 2015	
					commercial terms. / accrued interest payable for subordinated debentures of AS which is not due.
Received fees and service charges of AS resulting from AS managing personal funds of Khun Hathairat Jurangkool.		0.67	-	0.69	Being income from a personal fund management fee of Khun Hathairat Jurangkool managed by AS, which is the charging of fees in accordance with prices stated in the contract.
Transactions between AS and Khun Sansern Jurangkool	Cash security in trading of securities	-	7.04	(4.98)	For cash security in trading of securities, such transactions arose from undertaking transactions in the normal operation of businesses with general commercial terms.
	Brokerage fees income in trading securities	-	-	0.10	Concerning the brokerage fees for trading securities through AS, such transactions arose from undertaking transactions in the normal operation of businesses with general commercial terms.

Natural/Juris tic persons who may have conflicts of interest	Transactions	Book value (million Baht)			Opinions of the Audit Committee: necessity and reasonableness of the transactions / pricing and conditions
		Value during the year 2014	Accrued value as at 31 December 2014	Accrued value as at 31 December 2015	
	Interest expense as customer deposits in securities trading	0.05	-	0.08	For interest expense from deposits in accounts, such transactions arose from undertaking transactions in the normal operation of businesses with general commercial terms.
	AS has issued and offered to sell subordinated debentures to Khun Komol Jung rungreangkit.	-	80.00	(40.00)	Transactions of issuing and offering to sell subordinated debentures
	AS has sold investments in the bond (issued and offered to sell bill of exchange) to Khun Komol Jung rungreangkit	-	-	79.35	AS has sold investments in the bond of AS with an aim to be a source of its working capital to support the overall liquidity and accommodate payment of securities traded with customers.
					The Audit Committee is of the opinion that such transaction has reasonable as the rate of interest is in accordance with market conditions with reference to the interest rates of the companies issuing bonds with similar terms and conditions by comparison with companies receiving the credit rating BBB - and BBB + in the bond market of Thai BMA.
					The Audit Committee is of the opinion that such transaction has reasonable as the rate of interest is in accordance with market conditions with reference to the interest rates of the companies issuing bonds with

Natural/Juris tic persons who may have conflicts of interest	Transactions	Book value (million Baht)			Opinions of the Audit Committee: necessity and reasonableness of the transactions / pricing and conditions
		Value during the year 2014	Accrued value as at 31 December 2014	Value during the year 2015	
Securities and derivatives business receivables	-	14.53	(12.29)	2.24	Such transactions arose from undertaking transactions in the normal operation of businesses with general commercial terms.
Securities and derivatives business payables	-	58.49	(41.57)	16.92	Securities business payables are transactions of selling securities which is not due in paying money to customers. However, such transactions arose from undertaking transactions in the normal operation of businesses with general commercial terms.
Cash security in trading of securities	-	37.40	1.39	38.79	Being transactions arising from trading securities through AS since before 2010. However, such transactions arose from undertaking transactions in the normal operation of businesses with general commercial terms.

Natural/Juris tic persons who may have conflicts of interest	Transactions	Book value (million Baht)				Opinions of the Audit Committee: necessity and reasonableness of the transactions / pricing and conditions
		Value during the year 2014	Accrued value as at 31 December 2014	Value during the year 2015	Accrued value as at 31 December 2015	
Interest payable to Khun Komol Jungrungreangkit	Interest expense / accrued interest payable to Khun Komol Jungrungreangkit	4.45	1.34	4.12	0.50	Being transactions of interest expense of subordinated debentures, bill of exchange and investments in the bonds. Such transactions arose from undertaking transactions in the normal operation of businesses with general commercial terms / accrued interest payable for subordinated debentures of AS which is not due.
Brokerage fees income in trading securities	Brokerage fees income in trading securities	-	11.31	-	7.40	Concerning the brokerage fees for trading securities through AS, such transactions arose from undertaking transactions in the normal operation of businesses with general commercial terms.
Transactions between AS and Khun Taweechat Jurangkool	Securities and derivatives business receivables	-	51.84	(26.63)	25.21	Such transactions arose from undertaking transactions in the normal operation of businesses with general commercial terms.

Natural/Juris tic persons who may have conflicts of interest	Transactions	Book value (million Baht)				Opinions of the Audit Committee: necessity and reasonableness of the transactions / pricing and conditions
		Value during the year 2014	Accrued value as at 31 December 2014	Value during the year 2015	Accrued value as at 31 December 2015	
Cash security in trading of securities	-	11.50	32.38	43.88	For cash security in trading of securities, such transactions arose from undertaking transactions in the normal operation of businesses with general commercial terms.	The Audit Committee is of the opinion that such transaction is a normal transaction with the general commercial terms with policy which deposited rates of security that are charged to general customers.
Brokerage fees income in trading securities	16.13	-	14.51	-	Concerning the brokerage fees for trading securities through AS, such transactions arose from undertaking transactions in the normal operation of businesses with general commercial terms.	The Audit Committee is of the opinion that such transaction is a normal transaction with the general commercial terms with policy which brokerage rates are charged to general customers.
Interest expense as customer deposits in securities trading	0.47	-	0.35	-	For interest expense from deposits in accounts, such transactions arose from undertaking transactions in the normal operation of businesses with general commercial terms.	The Audit Committee is of the opinion that such transaction is a normal transaction with the general commercial terms with policy which rates are charged to general customers.

Natural/Juris tic persons who may have conflicts of interest	Transactions	Book value (million Baht)				Opinions of the Audit Committee: necessity and reasonableness of the transactions / pricing and conditions
		Value during the year 2014	Accrued value as at 31 December 2014	Value during the year 2015	Accrued value as at 31 December 2015	
Transactions between AS and Khun Nuttapol Jurangkool	Securities and derivatives business receivables	-	88.24	(71.41)	16.83	Such transactions arose from undertaking transactions in the normal operation of businesses with general commercial terms.
	Cash security in trading of securities	-	31.62	(5.39)	26.23	For cash security in trading of securities, such transactions arose from undertaking transactions in the normal operation of businesses with general commercial terms.
	Brokerage fees income in trading securities	16.33	-	13.72	-	Concerning the brokerage fees for trading securities through AS, such transactions arose from undertaking transactions in the normal operation of businesses with general commercial terms.
	Interest expense as customer deposits in securities trading	0.54	-	0.34	-	For interest expense from deposits in accounts, such transactions arose from undertaking transactions in the normal operation of businesses with general commercial terms.

Natural/Juris tic persons who may have conflicts of interest	Transactions	Book value (million Baht)			Opinions of the Audit Committee: necessity and reasonableness of the transactions / pricing and conditions
		Accrued value as at 31 December 2014	Value during the year 2014	Accrued value as at 31 December 2015	
	Cash security in trading of securities	-	-	0.008	For cash security in trading of securities, such transactions arose from undertaking transactions in the normal operation of businesses with general commercial terms.
Transactions between AS and Khun Wuttiphum Jurangkool	Brokerage fees income in trading securities	-	-	0.17	Concerning the brokerage fees for trading securities through AS, such transactions arose from undertaking transactions in the normal operation of businesses with general commercial terms.
	Interest expense as customer deposits in securities trading	-	-	0.01	For interest expense from deposits in accounts, such transactions arose from undertaking transactions in the normal operation of businesses with general commercial terms.

Natural/Juris tic persons who may have conflicts of interest	Transactions	Book value (million Baht)			Opinions of the Audit Committee: necessity and reasonableness of the transactions / pricing and conditions
		Accrued value as at 31 December 2014	Value during the year 2014	Accrued value as at 31 December 2015	
Transactions between AS , directors and executives in its affiliated companies					
Transactions between AS and Khun Nalinee Ngamsetta mas	Cash security in trading of securities	-	1.04	0.30	1.34 For cash securities, such transactions arose from undertaking transactions in the normal operation of businesses with general commercial terms.
	Interest expense as customer deposits in securities trading	-	-	0.0005	- For interest expense from deposits in accounts, such transactions arose from undertaking transactions in the normal operation of businesses with general commercial terms.
	Brokerage fees income in trading securities	-	-	0.09	- Concerning the brokerage fees for trading securities through AS, such transactions arose from undertaking transactions in the normal operation of businesses with general commercial terms.

Natural/Juris tic persons who may have conflicts of interest	Transactions	Book value (million Baht)			Opinions of the Audit Committee: necessity and reasonableness of the transactions / pricing and conditions
		Value during the year 2014	Accrued value as at 31 December 2014	Accrued value as at 31 December 2015	
Transactions between AS and Khun Pairoth Loengtalem gpong	Cash security in trading of securities	-	0.008	(0.008)	For cash security in trading of securities, such transactions arose from undertaking transactions in the normal operation of businesses with general commercial terms.
	Brokerage fees income in trading securities	-	-	0.03	Concerning the brokerage fees for trading securities through AS, such transactions arose from undertaking transactions in the normal operation of businesses with general commercial terms.
	Securities and derivatives business payables	-	-	5.80	Securities business payables are transactions of selling securities which is not due in paying money to customers. However, such transactions arose from undertaking transactions in the normal operation of businesses with general commercial terms.
	Interest expense as customer deposits in securities trading	0.0001	-	0.0001	For interest expense from deposits in accounts, such transactions arose from undertaking transactions in the normal operation of businesses with general commercial terms.

Natural/Juris tic persons who may have conflicts of interest	Transactions	Book value (million Baht)			Opinions of the Audit Committee: necessity and reasonableness of the transactions / pricing and conditions
		Value during the year 2014	Accrued value as at 31 December 2014	Accrued value as at 31 December 2015	
Transactions between AS and Khun Visit Vongruamla rp	Brokerage fees income in trading securities	0.02	-	0.001	Concerning the brokerage fees for trading securities through AS, such transactions arose from undertaking transactions in the normal operation of businesses with general commercial terms.
	Cash security in trading of securities	-	0.18	(0.1797)	For cash security in trading of securities, such transactions arose from undertaking transactions in the normal operation of businesses with general commercial terms.
	Interest expense as customer deposits in securities trading	0.0008	-	0.0002	For interest expense from deposits in accounts, such transactions arose from undertaking transactions in the normal operation of businesses with general commercial terms.

Natural/Juris tic persons who may have conflicts of interest	Transactions	Book value (million Baht)			Opinions of the Audit Committee: necessity and reasonableness of the transactions / pricing and conditions
		Value during the year 2014	Accrued value as at 31 December 2014	Accrued value as at 31 December 2015	
Transactions between AS and Khun Nakorn Kolsrichai	Brokerage fees income in trading securities	0.02	-	0.005	Concerning the brokerage fees for trading securities through AS, such transactions arose from undertaking transactions in the normal operation of businesses with general commercial terms.
AS has paid the rent of its Chiang Mai branch.	-	-	0.47	-	The Chiang Mai branch, which is one of branches of AS, has been opened since 2015 with the objective of expanding its customer base to major customers. It is located on Sri Phoom Road with a rental price of 45,000 Baht per month for a rental period of 3 years from February 2015 to January 2018. However, such transactions arose from undertaking transactions in the normal operation of businesses with general commercial terms.
AS had a deposit of rent due to its leasing of the space of the Chiang Mai branch	-	-	0.13	0.13	Concerning the brokerage fees for trading securities through AS, such transactions arose from undertaking transactions in the normal operation of businesses with general commercial terms.
Transactions between AS and Khun Songpon Bunnag	Brokerage fees income in trading securities	0.007	-	0.02	Concerning the brokerage fees for trading securities through AS, such transactions arose from undertaking transactions in the normal operation of businesses with general commercial terms.

Natural/Juris tic persons who may have conflicts of interest	Transactions	Book value (million Baht)			Opinions of the Audit Committee: necessity and reasonableness of the transactions / pricing and conditions
		Value during the year 2014	Accrued value as at 31 December 2014	Value during the year 2015	
Transactions between AS and Khun Prinya Waiwattana	Brokerage fees income in trading securities	-	-	0.02	Being transactions arising from trading securities through AS. Such transactions arose from undertaking transactions in the normal operation of businesses with general commercial terms.
Transactions between AS and Khun Preeyapan Panawipat	Brokerage fees income in trading securities	0.0001	-	-	Being transactions arising from trading securities through AS. Such transactions arose from undertaking transactions in the normal operation of businesses with general commercial terms.

Natural/juris tic persons who may have conflicts of interest	Transactions	Book value (million Baht)			Opinions of the Audit Committee: necessity and reasonableness of the transactions / pricing and conditions
		Value during the year 2014	Accrued value as at 31 December 2014	Value during the year 2015	
Transactions between AS and its related companies					
Transactions between AS and Summit Windmill Golf Club Company Limited	AS had a deposit of rent due to its leasing of the space of Summit Windmill Golf Club Company Limited	-	0.20	-	0.20 The Windmill Branch, which is one of branches of AS, has been opened since 2010 with the objective of expanding its customer base to major customers. It is located at the Summit Windmill Golf Club Building. The Company has leased 40 sqm. with a rental price of 35,000 Baht per month for a period of 2 years from the 1 January 2014 to 31 December 2015. Such transactions arose from undertaking transactions in the normal operation of businesses with general commercial terms.
	AS had a rent due to its leasing of the space of Summit Windmill Golf Club Company Limited	0.46	-	0.46	
Transactions between AS and Alliance Company Limited	AS had a deposit of rent due to its leasing of the space of Wall Street Building, Surawong Branch.	-	1.15	-	1.15 The Surawong Branch, which is one of branches of AS, has been located in the Wall Street building with the objective of expanding its customer base to major customers. The Company has leased 510.03 sqm. with a rental price of 382,522.50 Baht per month for a period of 3 years from August 2013 to July 2016. Such transactions arose from undertaking transactions in the normal operation of businesses with general commercial terms.
	AS had a rent due to its leasing of the space of Wall Street Building, Surawong Branch.	-	-	4.59	-

Natural/Juris tic persons who may have conflicts of interest	Transactions	Book value (million Baht)				Opinions of the Audit Committee: necessity and reasonableness of the transactions / pricing and conditions
		Value during the year 2014	Accrued value as at 31 December 2014	Value during the year 2015	Accrued value as at 31 December 2015	
Transactions between AF and its affiliated companies						
Transactions between AF and AS	AF has issued and offered to sell a transferable bill of exchange.	2,183.56	1,195.75	1,983.13	497.65	AS has bought investments in the transferable bill of exchange of AF in order to manage the short-term liquidity.
Interest expense		12.52	-	18.78	-	Being the interest expense from bill of exchange

Natural/Juris tic persons who may have conflicts of interest	Transactions	Book value (million Baht)			Opinions of the Audit Committee: necessity and reasonableness of the transactions / pricing and conditions
		Value during the year 2014	Accrued value as at 31 December 2014	Accrued value as at 31 December 2015	
					similar terms and conditions by comparison with companies receiving the credit rating BBB - and BBB + in the bond market of Thai BMA.

Natural/Juristic persons who may have conflicts of interest	Transactions	Book value (Baht)		Characters and details of transactions	Opinions of the Audit Committee: necessity and reasonableness of the transactions / pricing and conditions
		Value during the year 2014	Value during the year 2015		
Transactions between its affiliated companies and consultants of its affiliated companies					
Khun Taweechat Jurangkool (as of 31 December 2014, Khun Taweechat Jurangkool has not the advisor of AC and AS due to his resignation from such post during the year 2014).	Meeting allowances as the consultants of AC	10,000	-	Khun Taweechat Jurangkool had served as the consultant of AC and received meeting allowances from providing consultations on imposing a policy and direction for the business operations of AC (as of 31 December 2014, Khun Taweechat Jurangkool has not the advisor of AC due to his resignation from such advisory position of AC during 2014).	The Audit Committee is of the opinion that the current transaction is appropriate since appointment of the consultant is for the utmost benefit to the Company, and those who was invited to serve as consultants are well competent in performing business operations of the Company. Moreover, it is a rate that is determined by quantity of works, duration of work and responsibility just as hiring external consultants.
Meeting allowances as the consultants of AS	20,000	-		Khun Taweechat Jurangkool had served as the consultant of AS and received meeting allowances from providing consultations on imposing a policy and direction for the business operations of AS (As of 31 December 2014, Khun Taweechat Jurangkool has not the advisor of AS due to his resignation from such advisory position of AS during 2014).	The Audit Committee is of the opinion that the current transaction is appropriate since appointment of the consultant is for the utmost benefit to the Company, and those who was invited to serve as consultants are well competent in performing business operations of the Company. Moreover, it is a rate that is determined by quantity of works, duration of work and responsibility just as hiring external consultants.

Natural/Juristic persons who may have conflicts of interest	Transactions	Book value (Baht)		Opinions of the Audit Committee: necessity and reasonableness of the transactions / pricing and conditions
		Value during the year 2014	Value during the year 2015	
Khun Anant Sirisaengtaksin (as of 31 December, Khun Anant Sirisaengtaksin has not the advisor of AC due to his resignation from such post during the year 2014).	Meeting allowances as the consultants of AC	96,000	-	Khun Anant Sirisaengtaksin had served as the consultant of AC and received meeting allowances from providing consultations on imposing a policy and direction for the business operations of AC (as of 31 December 2014, Khun Anant Sirisaengtaksin has not the consultant of AC due to his resignation from such post during the year 2014)
Khun Kongkaew Piamduaytham AS	Remuneration and meeting allowances as the consultant of AS	1,100,000	1,040,000	Khun Kongkeaw Piamduaytham, as a director (an authorized director) of AC and consultant of the Credit Committee of AF, has held office of the consultant of AS and received meeting allowances from providing consultation to AS by receiving remuneration in the form of the monthly salary and meeting allowances.

Natural/Juristic persons who may have conflicts of interest	Transactions	Book value (Baht)	Characters and details of transactions	Opinions of the Audit Committee: necessity and reasonableness of the transactions / pricing and conditions
		Value during the year 2014	Value during the year 2015	
Khun Kongkaew Piamduaytham (as of 31 December 2014, Khun Kongkaew Piamduaytham has not the consultant of AF)	Meeting allowances as the consultants of AF	85,000	-	Khun Kongkeaw Piamduaytham, as a director (an authorized director) of AC and consultant of the Credit Committee of AF, has served as the consultant of AF and received meeting allowances from being the qualified consultant of the Credit Committee to AF (for considering the provision of credit facilities and risk management in the purchase) by receiving remuneration as meeting allowances (as of 31 December 2014, Khun Kongkeaw Piamduaytham has not the consultant of AF).
M.R. Kasemvisuthi Visuthi	Remuneration and meeting allowances as the consultant of AS	960,000	960,000	M.R. Kasemvisuthi Visuthi, as a director (an authorized director) of AC, has held office of the advisor of the Executive Board of AS and received remuneration from rendering consultation to AS by receiving remuneration in the form of the monthly salary without meeting allowances.

Natural/Juris c persons who may have conflicts of interest	Transactions	Book value (Baht)		Characters and details of transactions	Opinions of the Audit Committee: necessity and reasonableness of the transactions / pricing and conditions
		Value during the year 2014	Value during the year 2015		
Khun Visit Vongruamlarp (as of 31 December 2014, Khun Visit Vongruamlarp has not the director of AS and consultant of AF)	Meeting allowances as the consultants of AF	200,000	-	Khun Visit Vongruamlarp, as a director of AS and sub-committee of AF, had served as the consultant of AF and received meeting allowances from being the qualified consultant of the Credit Committee to AF (for considering the provision of credit facilities and risk management in the purchase) by receiving remuneration as meeting allowances (as of 31 December 2014, Khun Visit Vongruamlarp has not the director of AS and consultant of AF).	The Audit Committee is of the opinion that the current transaction is appropriate since appointment of the consultant is for the utmost benefit to the Company, and those who was invited to serve as consultants are well competent in performing business operations of the Company. Moreover, it is a rate that is determined by quantity of works, duration of work and responsibility just as hiring external consultants.
Khun Teera Wipuchanin	Meeting allowances as the consultants of AS	100,000	80,000	Khun Teera Wipuchanin has held office of the consultant of AS and received meeting allowances from providing consultations on imposing a policy and direction for the business operations of AS by receiving remuneration in the form of meeting allowances.	The Audit Committee is of the opinion that the current transaction is appropriate since appointment of the consultant is for the utmost benefit to the Company, and those who was invited to serve as consultants are well competent in performing business operations of the Company. Moreover, it is a rate that is determined by quantity of works, duration of work and responsibility just as hiring external consultants.

2. Pricing policy for related business

Consideration to make the related party transactions had paid substantial regard to the Company's interests. In making the related party transactions, the Company shall bring such related party transactions for seeking approval by the Audit Committee and/or the Board of Directors concerning the reasonableness in making the transactions, for checking the prices and conditions of the transactions as to whether or not the transactions are in accordance with the normal business practices. Moreover, the Company's Board of Directors must oversee the Company to practice in accordance with the laws regarding the Securities and Stock Exchange, Notifications of the Capital Market Supervisory Board, including the regulations, notifications, orders or requirements of the Stock Exchange of Thailand as well as the compliance with the requirement on the disclosure of information, making of connected transactions and acquisition or disposal of the Company's or its subsidiaries' assets, including compliance with accounting standards set by the Institute of Certified Accountants and Auditors of Thailand.

If there is occurrence of the Company's related party transactions with a person who may have conflicts of interest or benefits, or may have the conflict of interest in the future, the Company has entrusted the Audit Committee to afford opinions on necessity in making the transactions and appropriateness on the price of such transactions by considering conditions to be in accordance with a nature of its normal business practices in the market and by comparing the prices incurred to a third party. In case where the Audit Committee has no expertise in considering the related party transactions that are likely to happen, the Company shall allow the Company's independent expert or auditor to grant a comment on such related party transactions for application in support of a decision of the Audit Committee and/or the Company's Board of Directors and/or shareholders, as the case may be. The Company will reveal such related party transactions in the notes to the financial statements audited by the Company's auditor.

3. Necessity and reasonableness of related party transactions

In order for the Company to enter into related party transactions or agreements, the Company must consider carefully and prudently, then viewing that such related party transactions are those necessary and appropriate for the normal course of business, and must execute for the equal benefits of the Company and its shareholders.

4. Measures or procedures for approving to make the related party transactions

The Company has placed importance on prevention of the conflict of interest from making the related party transactions or connected transactions. With respect to procedures to approve execution of transactions, the Company has considered the conflict of interest with circumspection, integrity, honesty, rationality and independence within a framework of good ethics and by adhering to the Company's ethical business practices and corporate governance, taking into consideration the Company's maximum interests and those of its shareholders received from approval of the related party transactions.

5. Related party transactions that may occur in the future and trend of prospective related party transactions

5.1 Related party transactions that may occur in the future

The related party transactions that may occur in the future shall be normal commercial transactions that the Company has a clear policy in equal treatment of connected persons and general trading partners under consideration of precise practices and ethics in business operations. Moreover, there shall be an approval process under the Company's rules which comply with regulations of the Stock Exchange of Thailand and the Securities and Exchange Commission (SEC), Notifications of the Capital Market Supervisory Board as well as compliance with regulations on disclosure of information, connected transactions and acquisition or disposal of the Company's or its subsidiaries assets, including compliance with accounting standards as defined by the Federation of Accounting Professions regarding the related party transactions.

Making the related party transactions between the Company and its affiliated companies or related persons shall be the transactions caused by engaging in the normal business operations as well as provision of supportive services between its affiliated companies to create benefits to shareholders under the framework of ethics.

Making the related party transactions or connected transactions in the future, the Company shall adhere to the same guidelines as the transactions made with general customers, having commercial conditions not distinct from those requiring the general business or business in the same category to act. Remuneration paid or received from execution of transactions shall be in accordance with the market price or fair value.

5.2 Trend of prospective related party transactions

For the tendency of prospective related party transactions in the future, the Company expects ongoing availability of related party transactions since the related party transactions are those resulting from the Company's normal business operations and for the benefit of the Company and its shareholders. However, there may be certain transactions that are in decline; for instance, transactions as to loans taken out from a group of shareholders of the Company. Since the Company has changed its status from a company limited to a public company limited listed on the SET, the Company thus has more channels for raising funds and become more widely known among investors, thus making the Company less necessary to raise funds from the shareholders in the original way.

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, 2015, 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

AUDIT COMMITTEE REPORT

The Audit Committee of AIRA 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 Chamnasisri	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 2015, 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 2015 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.
- 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 2015, 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 2015 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.

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 2015, 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)

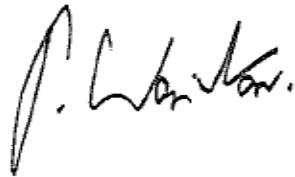
Chairman of Audit Committee

REPORT OF THE RISK MANAGEMENT COMMITTEE

The Risk Management Committee of AiRA Capital Public Company Limited has been appointed by the Board of Directors. The Risk Management Committee's members are qualified in accordance with the Risk Management Committee Charter and have performed duties as the scope, obligation responsibility assigned by the Board of Directors

In the year 2015, there were two meetings of the Risk Management Committee and the involving executives and officers had been requested to attend the meetings as appropriate. The meetings was to consider the Enterprise Risk Management guidelines and major risks of the Company including risk evaluation, risk monitoring, and risk control in order to maintain such risks within acceptance levels. In addition, the Risk Management Committee oversees the actual progress are conducted in line with the designated risk management policy and framework to ensure that risks are systematically and efficiently managed. According to that, the risk management department is assigned to examine and review the risk management to accomplish the indicated objectives.

The Risk Management Committee aims to support the company's operation and sustainable strength. It also intends to continuously develop and improve risk management procedures to be more efficient in order to assist the group of Company expansion in the future.



(Mr. Prinya Waiwatana)

The chairman of the Risk Management Committee

AUDIT'S FEE

1. Audit Fee

In the year 2015, 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	285,000	-
AIRA Securities Public Company Limited	EY Office Limited	1,125,000	-
AIRA Factoring Public Company Limited	EY Office Limited	850,000	-
AIRA Advisory Company Limited	EY Office Limited	175,000	-
AIRA International Advisory (Singapore) Pte. Ltd.	Ernst & Young LLP	-	14,000
AIRA Property Company Limited	EY Office Limited	70,000	
Aspiration One Company Limited	EY Office Limited	80,000	
Audit Fee		2,585,000	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.

2. Non-Audit Fee

In the year 2015, the Company and its subsidiaries have not paid the Non-Audit Fee to the related person or business to the auditor and the audit firm.

AUDIT'S REPORT

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 2015, 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 2015, 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: 25 February 2016

FINANCIAL STATEMENT

AIRA Capital Public Company Limited and its subsidiaries

Statement of financial position

As at 31 December 2015

(Unit: Baht)

	Note	Consolidated financial statements		Separate financial statements		
		As at 31 December 2015	As at 31 December 2014	As at 31 December 2015	As at 31 December 2014	
Assets						
Current assets						
Cash and cash equivalents	8	934,040,039	264,612,211	270,366,645	19,983,585	
Short-term investments	9	564,721,670	218,693,439	400,600,000	-	
Receivables from Clearing House	10	92,537,623	479,307,788	-	-	
Securities and derivatives business receivables	11	1,169,920,429	1,384,202,507	-	-	
Factoring receivables	12	2,349,173,186	2,419,326,742	-	-	
Current portion of loans receivable	13	5,421,046	50,816,016	-	-	
Short-term loans to related parties	7	-	-	287,559,982	99,563,399	
Other receivables	14	22,932,800	18,878,994	696,311	147,460	
Other current assets		12,894,400	9,199,388	628,636	324,573	
Total current assets		5,151,641,193	4,845,037,085	959,851,574	120,019,017	
Non-current assets						
Restricted deposit		4,400,000	-	4,400,000	-	
Loans receivable	13	-	64,100,254	-	-	
Investment in associate	15	266,690,660	300,129,707	300,000,000	300,000,000	
Investments in subsidiaries	16	-	-	1,926,303,713	1,339,667,869	
Other long-term investment	9	3,000,000	3,000,000	-	-	
Equipment	17	96,307,014	97,198,007	5,199,331	5,529,308	
Goodwill		134,896,425	134,896,425	-	-	
Other intangible assets	18	111,176,637	106,568,518	66,000	69,269	
Deferred tax assets	31	5,277,843	4,741,505	-	-	
Assets held for sale	19	9,853,200	11,150,000	-	-	
Other non-current assets		45,584,222	40,668,750	1,294,273	1,285,774	
Total non-current assets		677,186,001	762,453,166	2,237,263,317	1,646,552,220	
Total assets		5,828,827,194	5,607,490,251	3,197,114,891	1,766,571,237	

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 2015

(Unit: Baht)

	Note	Consolidated financial statements		Separate financial statements		
		As at 31 December 2015	As at 31 December 2014	As at 31 December 2015	As at 31 December 2014	
Liabilities and shareholders' equity						
Current liabilities						
Short-term loans from financial institutions	20	1,229,637,225	1,250,000,000	-	-	
Payables to Clearing House	21	126,289,449	1,854,356	-	-	
Securities and derivatives business payables	22	195,533,711	492,525,307	-	-	
Other payables	23	6,065,459	8,230,815	926,285	1,304,881	
Current portion of liabilities under finance lease		457,112	242,313	-	-	
Current portion of subordinated debentures	24	200,000,000	200,000,000	-	-	
Bill of exchange - related parties	25	637,238,007	1,543,722,056	-	149,096,649	
Retention from factoring		46,278,533	47,366,120	-	-	
Income tax payable		5,806,636	31,610,026	-	-	
Other current liabilities	26	53,447,780	96,444,878	8,680,855	9,280,338	
Total current liabilities		2,500,753,912	3,671,995,871	9,607,140	159,681,868	
Non-current liabilities						
Liabilities under finance lease		-	457,112	-	-	
Subordinated debentures	24	-	200,000,000	-	-	
Provision for long-term employee benefits	27	22,047,005	15,160,767	3,862,217	1,037,925	
Deferred tax liabilities	31	4,048,505	9,969,534	-	-	
Other non-current liabilities		5,120,837	3,693,453	374,176	233,860	
Total non-current liabilities		31,216,347	229,280,866	4,236,393	1,271,785	
Total liabilities		2,531,970,259	3,901,276,737	13,843,533	160,953,653	

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 2015

(Unit: Baht)

	Note	Consolidated financial statements		Separate financial statements	
		As at	As at	As at	As at
		31 December 2015	31 December 2014	31 December 2015	31 December 2014
Shareholders' equity					
Share capital	28				
Registered					
7,160,000,000 ordinary shares of Baht 0.25 each					
(31 December 2014: 4,000,000,000 ordinary shares					
of Baht 0.25 each)		1,790,000,000	1,000,000,000	1,790,000,000	1,000,000,000
Issued and paid-up					
5,496,760,513 ordinary shares of Baht 0.25 each					
(31 December 2014: 3,893,595,260 ordinary shares					
of Baht 0.25 each)		1,374,190,128	973,398,815	1,374,190,128	973,398,815
Share premium		1,781,411,439	605,832,205	1,781,411,439	605,832,205
Capital reserve for share-based payment transactions	29	1,422,513	2,707,825	1,422,513	2,707,825
Advance receipt of share subscription	29	4,734,791	3,957,275	4,734,791	3,957,275
Retained earnings					
Appropriated - statutory reserve	30	11,209,551	8,946,137	11,209,551	8,946,137
Unappropriated		(68,890,975)	77,172,460	10,302,936	10,775,327
Other component of shareholders' equity		(66,175,857)	(56,421,272)	-	-
Equity attributable to shareholders of the Company		3,037,901,590	1,615,593,445	3,183,271,358	1,605,617,584
Non-controlling interests of the subsidiaries		258,955,345	90,620,069	-	-
Total shareholders' equity		3,296,856,935	1,706,213,514	3,183,271,358	1,605,617,584
Total liabilities and shareholders' equity		5,828,827,194	5,607,490,251	3,197,114,891	1,766,571,237
		0	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 2015

(Unit: Baht)

Note	Consolidated financial statements		Separate financial statements	
	2015	2014 (Restated)	2015	2014
Revenues				
Brokerage fees	32	398,803,134	478,245,523	-
Fees and services income	33	57,914,837	58,074,879	-
Gain on securities		-	76,758,220	-
Interest and dividend		52,705,565	63,614,004	92,717,310
Interest on margin loans		65,368,524	35,439,835	-
Interest income from factoring		155,960,934	147,823,964	-
Other incomes		2,971,835	3,506,580	6,204,545
Total revenues		733,724,829	863,463,005	220
Expenses				
Operating and administrative expenses				
Personnel expenses		327,506,318	369,670,809	32,179,966
Premises and equipment expenses		91,463,748	86,367,460	4,784,686
Fees and services expenses		56,583,093	62,444,991	3,898,708
Other expenses		105,931,419	88,159,014	9,731,133
Total operating and administrative expenses		581,484,578	606,642,274	50,594,493
Bad debt and doubtful accounts		52,381,591	28,684,725	-
Loss on securities		53,219,878	-	-
Total expenses		687,086,047	635,326,999	50,594,493
Profit before share of gain (loss) from investment in associate, finance costs and income tax expenses		46,638,782	228,136,006	48,327,362
Share of gain (loss) from investment in associate		(33,439,046)	129,707	-
Profit before finance costs and income tax expenses		13,199,736	228,265,713	48,327,362
Finance costs		(98,805,906)	(109,564,171)	(3,059,089)
Profit (loss) before income tax expenses		(85,606,170)	118,701,542	45,268,273
Income tax expenses	31	(15,221,530)	(44,476,425)	-
Profit (loss) for the year		(100,827,700)	74,225,117	45,268,273
The accompanying notes are an integral part of the financial statements.				

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 2015

(Unit: Baht)

Note	Consolidated financial statements		Separate financial statements					
	2015	2014	2015	2014				
	(Restated)							
Other comprehensive income:								
<i>Other comprehensive income to be reclassified to profit or loss in subsequent periods:</i>								
Loss on re-measuring available-for-sale investments	(29,149,065)	(990,071)	-	-				
Exchange differences on translation of financial statement in foreign currency	(843,753)	391,461	-	-				
Income tax relating to the components of other comprehensive income	31 5,829,813	198,014	-	-				
Other comprehensive income to be reclassified to profit or loss in subsequent periods - net of income tax	(24,163,005)	(400,596)	-	-				
<i>Other comprehensive income not to be reclassified to profit or loss in subsequent periods:</i>								
Actuarial gain (loss)	(3,946,440)	2,156,259	(2,252,671)	-				
Income tax relating to the components of other comprehensive income	31 333,715	(431,252)	-	-				
Other comprehensive income not to be reclassified to profit or loss in subsequent periods - net of income tax	(3,612,725)	1,725,007	(2,252,671)	-				
Other comprehensive income for the year	(27,775,730)	1,324,411	(2,252,671)	-				
Total comprehensive income for the year	(128,603,430)	75,549,528	43,015,602	52,194,754				
Profit (loss) attributable to:								
Equity holders of the Company	(98,962,717)	69,976,583	45,268,273	52,194,754				
Non-controlling interests of the subsidiaries	(1,864,983)	4,248,534						
	(100,827,700)	74,225,117						
Total comprehensive income attributable to:								
Equity holders of the Company	(126,654,072)	70,813,675	43,015,602	52,194,754				
Non-controlling interests of the subsidiaries	(1,949,358)	4,735,853						
	(128,603,430)	75,549,528						
Earnings per share	35							
Basic earnings per share								
Profit (loss) attributable to equity holders of the Company	(0.021)	0.020	0.010	0.015				
Diluted earnings per share								
Profit (loss) attributable to equity holders of the Company		0.020	0.009	0.015				

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

Directors

Consolidated financial statements

Note	Issued and paid-up share capital	Share premium	Capital reserve for share-based payment transactions	Advance receipt of statutory reserve	Retained earnings	Equity attributable to shareholders of the Company						
						Appropriated -	Capital surplus (deficit)	from change in shareholding	Revaluation surplus (deficit)	Total other component of shareholders' equity	Equity attributable to non-controlling interest of the subsidiaries	Total equity attributable to shareholders'
Balance as at 31 December 2013												
Profit for the year	779,162,590	230,566,100	1,605,843	-	6,336,400	55,250,047	(36,583,467)	(19,803,193)	405,130	(55,981,530)	1,016,854,650	93,158,889
Other comprehensive income for the year	-	-	-	-	-	69,976,383	-	-	-	-	69,976,583	4,248,534
Total comprehensive income for the year	-	-	-	-	-	1,276,834	-	(792,057)	352,315	(439,742)	83,092	487,319
Share-based payment transactions	29	-	-	-	-	71,253,417	-	(792,057)	352,315	(439,742)	70,815,675	4,735,853
Dividend paid	36	-	-	2,234,391	-	-	(46,721,267)	-	-	-	-	2,234,381
Increase share capital	28	189,650,100	374,133,706	-	-	-	-	-	-	(46,721,267)	-	(46,721,267)
Appropriation retained earnings	30	-	-	-	-	2,609,737	(2,609,737)	-	-	-	563,783,806	-
Advance receipt of share subscription	28	-	-	-	-	3,957,275	-	-	-	-	-	-
Dividend paid for non-controlling interest of the subsidiary	28	4,566,125	1,132,399	(1,132,399)	-	-	-	-	-	3,957,275	-	3,957,275
Capital increase due to current warrants to shares	28	973,398,815	605,632,205	2,707,825	3,957,275	8,946,137	77,172,460	(36,583,467)	(20,595,250)	757,445	(56,421,272)	1,615,993,445
Balance as at 31 December 2014	973,398,815	605,632,205	2,707,825	3,957,275	8,946,137	77,172,460	(36,583,467)	(20,595,250)	757,445	(56,421,272)	1,615,993,445	90,620,369
Balance as at 31 December 2015												
Loss for the year	-	-	-	-	-	(98,962,717)	-	(23,319,252)	(758,378)	(24,078,630)	(27,69,356)	(1,864,983)
Other comprehensive income for the year	-	-	-	-	-	(3,612,725)	-	(23,319,252)	(758,378)	(24,078,630)	(128,654,072)	(27,775,730)
Total comprehensive income for the year	-	-	-	-	-	(102,575,442)	-	-	-	-	(1,949,358)	(128,603,430)
Share-based payment transactions	29	-	-	1,136,514	-	-	(41,224,579)	-	-	-	-	1,136,514
Dividend paid	36	-	-	-	-	-	-	-	-	(41,224,579)	-	(41,224,579)
Increase share capital	28	390,943,486	1,172,580,456	-	-	-	-	-	-	1,563,523,944	-	1,563,523,944
Appropriation retained earnings	30	-	-	-	-	2,263,414	(2,263,414)	-	-	-	-	-
Advance receipt of share subscription	28	-	-	-	11,202,283	-	-	-	-	11,202,293	-	11,202,283
Capital surplus from change in shareholding in subsidiaries of subsidiaries from change in shareholding in subsidiaries of the subsidiaries	16	-	-	-	-	-	14,324,045	-	-	14,324,045	-	14,324,045
Dividend paid for non-controlling interest of the subsidiary	28	9,847,827	2,998,776	(2,421,826)	(10,424,777)	-	-	-	-	-	8,400,454	8,400,454
Capital increase due to convert warrants to shares	28	1,374,190,128	1,781,411,439	1,422,513	4,734,791	4,120,951	(6,890,079)	(43,914,022)	(1,933)	(66,175,887)	(3,037,90,590)	(5,196,192)
Balance as at 31 December 2015	9,847,827	1,374,190,128	1,781,411,439	1,422,513	4,734,791	4,120,951	(6,890,079)	(43,914,022)	(1,933)	(66,175,887)	(3,037,90,590)	(5,196,192)

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 2015

(Unit: Baht)

	Note	Separate financial statements							Total shareholders' equity	
		Issued and paid-up		Capital reserve for share-based payment transactions	Advance receipt of share subscription	Retained earnings				
		share capital	Share premium		statutory reserve	Unappropriated				
Balance as at 31 December 2013		779,182,590	230,566,100	1,605,843	-	6,336,400	7,911,577	1,025,602,510		
Profit (loss) for the year		-	-	-	-	-	52,194,754	52,194,754		
Other comprehensive income (loss) for the year		-	-	-	-	-	-	-		
Total comprehensive income for the year		-	-	-	-	-	52,194,754	52,194,754		
Share-based payment transactions	29	-	-	2,234,381	-	-	-	2,234,381		
Dividend paid	36	-	-	-	-	-	(46,721,267)	(46,721,267)		
Increase share capital	28	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	28	4,566,125	1,132,399	(1,132,399)	-	-	-	4,566,125		
Appropriation retained earnings	30	-	-	-	-	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>		
Balance as at 31 December 2014		973,398,815	605,832,205	2,707,825	3,957,275	8,946,137	10,775,327	1,605,617,584		
Profit for the year		-	-	-	-	-	45,268,273	45,268,273		
Other comprehensive income for the year		-	-	-	-	-	(2,252,671)	(2,252,671)		
Total comprehensive income for the year		-	-	-	-	-	43,015,602	43,015,602		
Share-based payment transactions	29	-	-	1,136,514	-	-	-	1,136,514		
Dividend paid	36	-	-	-	-	-	(41,224,579)	(41,224,579)		
Increase share capital	28	390,943,486	1,172,580,458	-	-	-	-	1,563,523,944		
Advance receipt of share subscription	28	-	-	-	11,202,293	-	-	11,202,293		
Capital increase due to convert										
warrants to shares	28	9,847,827	2,998,776	(2,421,826)	(10,424,777)	-	-	-		
Appropriation retained earnings	30	-	-	-	-	2,263,414	(2,263,414)	-		
Balance as at 31 December 2015		<u>1,374,190,128</u>	<u>1,781,411,439</u>	<u>1,422,513</u>	<u>4,734,791</u>	<u>11,209,551</u>	<u>10,302,936</u>	<u>3,183,271,358</u>		

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

Cash flow statement
For the year ended 31 December 2015

(Unit: Baht)

	Consolidated financial statements		Separate financial statements	
	2015	2014	2015	2014
	(Restated)			
Cash flows from operating activities				
Profit (loss) before tax	(85,606,170)	118,701,542	45,268,273	52,194,754
Adjustments to reconcile profit (loss) before tax to net cash provided by (paid for) operating activities:				
Depreciation	29,230,151	25,062,442	1,934,208	1,859,249
Amortisation of intangible assets	3,087,976	2,778,388	38,124	36,146
Amortisation of other assets	-	534,284	-	-
Interest and dividend income	(52,705,565)	(63,614,004)	(92,717,310)	(108,095,526)
Interest on margin loans income	(65,368,524)	(35,439,835)	-	-
Finance costs	98,805,906	109,564,171	3,059,089	5,981,971
Provision for long-term employee benefits	5,649,810	4,014,234	571,621	423,963
Share-based payment transactions	1,136,514	2,234,381	234,298	460,629
Gain on disposal of equipment	(1,891,873)	(50,509)	-	(492)
Allowance for impairment loss on asset held for sale	1,296,800	1,150,000	-	-
Loss (gain) on exchange rate	-	(181,000)	(660,929)	919,326
Gain on changing in fair value of investments	(898,742)	(4,417,537)	-	-
Gain on sales of investments in subsidiary	-	-	(5,538,500)	-
Share of loss (gain) from investment in associate	33,439,046	(129,707)	-	-
Bad debt and doubtful accounts	52,381,591	28,684,725	-	-
Profit (loss) from operating activities before changes in operating assets and liabilities	18,556,920	188,891,575	(47,811,126)	(46,219,980)
Decrease (increase) in operating assets				
Investments in trading securities	30,891,446	(81,964,577)	-	-
Receivables from Clearing House	386,770,165	(451,199,825)	-	-
Securities and derivatives business receivables	215,835,260	(145,333,189)	-	-
Factoring receivables	80,824,421	202,903,251	-	-
Loans receivable	48,990,614	(6,917,124)	-	-
Other receivables	(8,316,929)	(114,848)	-	-
Other current assets	(556,613)	(569,260)	(208,634)	467,869
Other non-current assets	(4,825,278)	(4,030,443)	-	(656,420)
Increase (decrease) in operating liabilities				
Payables to Clearing House	124,435,093	(380,602,690)	-	-
Securities and derivatives business payables	(296,991,596)	367,409,110	-	-
Retention from factoring	(1,087,587)	(5,474,018)	-	-
Other payables	(2,903,481)	(650,300)	(494,820)	720,174
Other current liabilities	(33,980,200)	(31,679,860)	(599,483)	8,429,552
Provision for long-term employee benefits	(2,710,012)	(3,990,000)	-	-
Other non-current liabilities	1,427,384	1,427,385	140,316	140,316
Cash flows from (used in) operating activities	556,359,607	(351,894,813)	(48,973,747)	(37,118,489)
Cash received from interest and dividend	119,092,185	98,036,381	11,266,974	5,115,642
Cash paid for interest expenses	(88,587,900)	(99,787,896)	-	-
Cash paid for corporate income tax	(45,403,352)	(18,829,926)	(106,249)	(50,665)
Net cash flows from (used in) operating activities	541,460,540	(372,476,254)	(37,813,022)	(32,053,512)

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 2015

(Unit: Baht)

	Consolidated financial statements		Separate financial statements	
	2015	2014	2015	2014
	(Restated)			
Cash flows from investing activities				
Increase in short-term loan to subsidiaries	-	-	(187,335,655)	(100,482,725)
Cash paid for purchase of available-for-sale investments	(4,570,000)	(959,371)	-	-
Cash paid for short-term investment	(400,600,000)	-	(400,600,000)	-
Increase in bank deposits used as collateral	(4,400,000)	-	(4,400,000)	-
Cash received from sales of investments in subsidiary	22,724,500	-	22,724,500	-
Cash paid for acquisitions of equipment and intangible assets	(41,050,174)	(37,082,433)	(1,522,862)	(893,685)
Increase in investments in subsidiaries	-	-	(602,919,628)	(270,000,000)
Increase in investments in associate	-	(300,000,000)	-	(300,000,000)
Dividend received from subsidiaries	-	-	80,903,808	102,925,330
Cash received from disposal of equipment	2,085,607	65,646	-	500
Net cash flows used in investing activities	(425,810,067)	(337,976,158)	(1,093,149,837)	(568,450,580)
Cash flows from financing activities				
Decrease in short-term loans from financial institutions	(20,362,775)	(470,556,689)	-	-
Cash paid for finance lease	(303,024)	(277,772)	-	-
Subordinated debentures	(200,000,000)	-	-	-
Cash received from bill of exchange	1,369,901,069	4,037,515,743	297,844,261	663,445,162
Cash paid for bill of exchange	(2,290,000,000)	(3,840,000,000)	(450,000,000)	(620,000,000)
Proceeds from increase in capital	1,563,523,944	563,783,806	1,563,523,944	563,783,806
Proceeds from increase in share capital of subsidiaries				
from non-controlling interest	167,080,372	-	-	-
Proceeds from exercise warrants	11,202,293	8,523,400	11,202,293	8,523,400
Dividend paid	(41,224,579)	(46,721,267)	(41,224,579)	(46,721,267)
Dividend paid to non-controlling interest by subsidiary	(5,196,192)	(7,274,670)	-	-
Net cash flows from financing activities	554,621,108	244,992,551	1,381,345,919	569,031,101
Differences on transaction of financial statement	(843,753)	391,461	-	-
Net increase (decrease) in cash and cash equivalents	669,427,828	(465,068,400)	250,383,060	(31,472,991)
Cash and cash equivalents at beginning of the year	264,612,211	729,680,611	19,983,585	51,456,576
Cash and cash equivalents at end of the year	934,040,039	264,612,211	270,366,645	19,983,585

Supplemental cash flow information

Non-cash items

Purchase of equipment and intangible assets recorded as liabilities	999,318	5,820,505	598,425	482,201
Loss on re-measuring available-for-sale investments - net of income tax	23,319,252	792,057	-	-
Transfer of trading securities to available-for-sale securities (at cost)	-	86,230,021	-	-
Actuarial gain (loss) - net of income tax	(3,612,725)	1,725,007	(2,252,671)	-

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

NOTE TO FINANCIAL STATEMENT

AiRA Capital Public Company Limited and its subsidiaries

Notes to consolidated financial statements

For the year ended 31 December 2015

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. The Company was listed on the Market for Alternative Investment (MAI) on 7 July 2014. 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.

On 18 March 2015, the Company entered in to Memorandum of Understanding between the Company, Superrich International Exchange (1965) Company Limited and Mr. Piya Tantivachyanon, a major shareholder of Superrich International Exchange (1965) Company Limited for the cooperation on the foreign currency exchange business. However, there is no any movement after Memorandum of Understanding expired on 19 September 2015.

On 9 July 2015, the Company entered into a Memorandum of Understanding with SENA Development Public Company Limited and Sang Fah Construction and Engineering Company Limited for cooperation on the property business. Aspiration One Company Limited was subsequently incorporated on 25 September 2015, with AiRA Property Company Limited ("the subsidiary") holding 60% of its shares, in order to comply with Memorandum of Understanding.

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.

1.5 General information of AIRA Property Company Limited

AIRA Property Company Limited domiciled in Thailand and its principal activity is engaged in property 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)	
			2015	2014
<u>Held by the Company</u>				
AIRA Securities Plc. and its subsidiary	Securities	Thailand	99.99	99.99
AIRA Factoring Plc.	Factoring	Thailand	71.55	74.02
AIRA International Advisory (Singapore) Pte. Ltd.	Financial services industry	Singapore	90.00	90.00
AIRA Property Co., Ltd. and its subsidiary	Property industry	Thailand	99.99	-
<u>Held by subsidiaries</u>				
AIRA Advisory Co., Ltd.	Financial advisory	Thailand	99.99	99.99
Aspiration One Co., Ltd.	Property industry	Thailand	60.00	-

- b) The Company is deemed to have control over an investee or subsidiaries 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.
- c) 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.
- d) The financial statements of the subsidiaries are prepared using the same significant accounting policies as the Company.
- e) 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.
- f) Material balances and transactions between the Company and its subsidiaries companies have been eliminated from the consolidated financial statements.
- g) 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 present investments in subsidiaries and associate under the cost method.

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 year

The Company has adopted the revised (revised 2014) and new financial reporting standards issued by the Federation of Accounting Professions which 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 standards. The adoption of these financial reporting standards does not have any significant impact on the Company's financial statements. However, some of these standards involve changes to key principles, which are summarised below:

TAS 19 (revised 2014) Employee Benefits

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

The Company and its subsidiaries have changed the recognition of actuarial gains and losses in the current period from an immediate recognition in profit or loss to an immediate recognition in other comprehensive income and adjusted the current period's transactions and restated the prior period's financial statements, presented as comparative information, as if the Company had always applied this accounting policy. The cumulative effect of changes in accounting policies is presented in Note 4 to the financial statements.

TFRS 10 Consolidated Financial Statements

TFRS 10 prescribes requirements for the preparation of consolidated financial statements and replaces the content of TAS 27 *Consolidated and Separate Financial Statements* dealing with consolidated 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 investees and determining which entities have to be included in preparation of the consolidated financial statements.

This standard does not have any impact on the Company's and its subsidiaries' financial statements.

TFRS 11 Joint Arrangements

TFRS 11 supersedes TAS 31 *Interests in Joint Ventures*. This standard requires an entity investing in any other entity to determine whether the entity and other investors have joint control in the investment. When joint control exists, there is deemed to be a joint arrangement and the entity then needs to apply judgement to assess whether the joint arrangement is a joint operation or a joint venture and to account for the interest in the investment in a manner appropriate to the type of joint arrangement. If it is a joint operation, the entity is to recognise its shares of assets, liabilities, revenue and expenses of the joint operation, in proportion to its interest, in its separate financial statements. If it is a joint venture, the entity is to account for its investment in the joint venture using the equity method in the financial statements in which the equity method is applied or the consolidated financial statements (if any), and at cost in the separate financial statements.

This standard does not have any impact on the financial statements since the Company and its subsidiaries already apply the equity method to account for the investment in a joint venture.

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 on 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 measurement. 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 effects of the adoption of this standard are to be recognised prospectively.

This standard does not have any significant impact on the Company's and its subsidiaries' financial statements.

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

During the current year, the Federation of Accounting Professions issued a number of the revised (revised 2015) and new financial reporting standards and accounting treatment guidance which is effective for fiscal years beginning on or after 1 January 2016. These financial reporting standards were aimed at alignment with the corresponding International Financial Reporting Standards. The Company's management believes that the revised and new financial reporting standards and accounting treatment guidance will not have any significant impact on the financial statements when it is initially applied.

4. Cumulative effect of change in accounting policy due to the adoption of new financial reporting standard

As described in Note 3 to the financial statements, during the current year, the Company and its subsidiaries have changed some of their accounting policies, as a result of the adoption of new and revised financial reporting standards. The cumulative effect of the change has been separately presented in the statements of changes in shareholders' equity.

The cumulative effect of the change in accounting policy due to the adoption of new and revised financial reporting standards and restatement of the financial statements comprises:

(Unit: Thousand Baht)

Consolidated

2014

Cumulative effect of change in accounting policy relating to:

Employee benefits	2,156
Total	2,156

The amounts of adjustment affecting the statement of comprehensive income are summarised below.

(Unit: Thousand Baht)

For the year ended

31 December 2014

Consolidated

Statements of comprehensive income

Profit or loss:

Increase in administrative expenses	2,156
Decrease in income tax expenses	(431)
Decrease in profit	(1,725)

Other comprehensive income:

Increase in actuarial gains	1,725
Increase in other comprehensive income	1,725

Earnings per share (Baht):

Decrease in basic earnings per share	(0.0005)
Decrease in diluted earnings per share	(0.0005)

5. Significant accounting policies

5.1 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.

5.2 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.

5.3 Recognition and amortisation of customers' deposits

Cash collateral received from customers for trading in securities or 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.

5.4 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.

5.5 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.

5.6 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.

5.7 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	0
Past due up to 3 months	0
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.

5.8 Loans receivable

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

5.9 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.

5.10 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.

5.11 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.

5.12 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.

5.13 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.

5.14 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.

5.15 Long-term leases

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

5.16 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.

5.17 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.

5.18 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 other comprehensive income.

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.

5.19 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.

5.20 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.

5.21 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.

5.22 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.

5.23 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.

5.24 Fair value measurement

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between buyer and seller (market participants) at the measurement date. The Company and its subsidiaries apply a quoted market price in an active market to measure their assets and liabilities that are required to be measured at fair value by relevant financial reporting standards. Except in case of no active market of an identical asset or liability or when a quoted market price is not available, the Company and its subsidiaries measure fair value using valuation technique that are appropriate in the circumstances and maximises the use of relevant observable inputs related to assets and liabilities that are required to be measured at fair value.

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorised within the fair value hierarchy into three levels based on categorise of input to be used in fair value measurement as follows:

Level 1 - Use of quoted market prices in an observable active market for such assets or liabilities

Level 2 - Use of other observable inputs for such assets or liabilities, whether directly or indirectly

Level 3 - Use of unobservable inputs such as estimates of future cash flows

At the end of each reporting period, the Company and its subsidiaries determine whether transfers have occurred between levels within the fair value hierarchy for assets and liabilities held at the end of the reporting period that are measured at fair value on a recurring basis.

6. 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 recognised in the statement of financial position that are not actively traded and for which quoted market prices are not readily available, the management exercise judgement, using a variety of valuation techniques and models. The input to these models is taken from observable markets, and includes consideration of credit risk (bank and counterparty, both) liquidity, correlation and longer-term volatility of financial instruments. Change in assumptions about these factors could affect the fair value recognised in the statement of financial position and disclosures of fair value hierarchy.

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.

Litigation

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

7. 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	
	2015	2014	2015	2014		
Transactions with subsidiaries						
(Eliminated from the consolidated financial statements)						
Dividend income	-	-	80,903,808	102,925,330	Normal rate declared to ordinary investors	
Interest income	-	-	4,210,275	473,222	Market rate	
Purchase of debt securities	-	-	941,853,953	1,847,094,747	Market rate	
Other expenses	-	-	92,808	39,211	Agreed upon basis	
Transactions with related parties						
Brokerage fees income	117,935	64,601	-	-	Normal rate charged to ordinary customers	
Fees and services income	2,868,753	2,897,948	-	-	Price stated in contract	
Premises expenses	5,053,320	464,934	-	-	Price stated in contract	
Transactions with the directors and shareholders of the Company's group						
Sales of debt securities	3,055,425,618	3,374,379,530	-	-	Market rate	
Gain on investments	238,818	239,967	-	-	Market rate	
Brokerage fees income	36,191,976	43,817,679	-	-	Normal rate charged to ordinary customers	
Interest expenses	27,130,821	36,890,882	3,059,090	5,981,971	Market rate	
Premises expenses	472,500	-	-	-	Price stated in contract	

The balances of accounts as at 31 December 2015 and 2014 between the Company and its subsidiaries and those related parties are as follows:

	(Unit: Baht)			
	Consolidated financial statements		Separate financial statements	
	2015	2014	2015	2014
Subsidiaries				
(Eliminated from the consolidated financial statement)				
Short-term loans	-	-	287,559,982	99,563,399
Interest receivable	-	-	542,016	147,460
Other payables	-	-	3,000	3,000
Related parties				
Rental deposits	1,347,568	200,000	-	-
Directors and shareholders of the				
Company's group				
Securities business receivables	44,280,045	154,610,412	-	-
Cash collateral	112,311,105	88,785,478	-	-
Rental deposits	135,000	-	-	-
Securities business payables	17,547,343	58,487,535	-	-
Subordinated debentures	180,000,000	360,000,000	-	-
Bill of exchange	637,238,007	1,543,722,056	-	149,096,649
Accrued interest	2,268,493	6,041,096	-	-

Loans to related parties

As at 31 December 2015 and 2014, 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			Balance as at	
		31 December			31 December	
2014		Increase	Decrease	Translation		2015
AIRA Securities Public						
Company Limited	Subsidiary	79,831,879	944,855,503	(775,000,000)	-	249,687,382
AIRA International Advisory						
(Singapore) Pte. Ltd.	Subsidiary	19,731,520	38,131,733	(20,371,200)	380,547	37,872,600
		<u>99,563,399</u>	<u>982,987,236</u>	<u>(795,371,200)</u>	<u>380,547</u>	<u>287,559,982</u>

Short-term loans to related party of Baht 250 million are in the form of an unsecured loan, carrying interest at rate of 2.2% to 2.5% per annum and mature during 8 January 2016 to 8 February 2016.

Short-term loans to related party of Baht 38 million or SGD 1.5 million are in the form of an unsecured loan, carrying interest at rate of 4% per annum and mature during 10 February 2016 to 16 June 2016.

Directors and management's benefits

During the year ended 31 December 2015 and 2014, 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	
	2015	2014	2015	2014
Short-term benefits	103,243	103,704	23,961	25,976
Post-employment benefits	2,899	2,404	572	424
Share-based payment benefits	556	1,094	229	451
Total	<u>106,698</u>	<u>107,202</u>	<u>24,762</u>	<u>26,851</u>

8. Cash and cash equivalents

	(Unit: Baht)			
	Consolidated financial statements		Separate financial statements	
	2015	2014	2015	2014
Cash, deposits at financial institutions, notes receivables and bonds with maturity less than three months	2,370,857,122	1,968,236,938	270,366,645	19,983,585
Less: Deposits, notes receivables and bonds of customers' account of subsidiary	<u>(1,436,817,083)</u>	<u>(1,703,624,727)</u>	-	-
Total cash and cash equivalents	<u>934,040,039</u>	<u>264,612,211</u>	<u>270,366,645</u>	<u>19,983,585</u>

9. Investments

9.1 Cost and fair value

	(Unit: Baht)			
	Consolidated financial statements			
	2015	2014	Cost	Fair value
Trading securities				
Listed securities	43,864,879	43,593,900	74,756,325	73,586,604
Less: Changes in fair value of securities	<u>(270,979)</u>	-	<u>(1,169,721)</u>	-
Total trading securities - net	<u>43,593,900</u>	<u>43,593,900</u>	<u>73,586,604</u>	<u>73,586,604</u>
Available-for-sale securities				
Listed securities	173,809,313	120,527,770	169,239,313	145,106,835
Less: Changes in fair value of securities	<u>(53,281,543)</u>	-	<u>(24,132,478)</u>	-
Total available-for-sale securities - net	<u>120,527,770</u>	<u>120,527,770</u>	<u>145,106,835</u>	<u>145,106,835</u>
Fixed deposit with maturity over 3 months but less than 1 year	<u>400,600,000</u>	-	-	-
Total short-term investments	<u>564,721,670</u>	<u>164,121,670</u>	<u>218,693,439</u>	<u>218,693,439</u>

(Unit: Baht)

	Consolidated financial statements			
	2015		2014	
	Cost	Fair value	Cost	Fair value
Other long-term investment				
Other investment				
Equity securities	3,000,000		3,000,000	
Total other long-term investment	3,000,000		3,000,000	
Total investments - net	<u>567,721,670</u>		<u>221,693,439</u>	

(Unit: Baht)

	Separate financial statements	
	2015	2014
Fixed deposit with maturity over 3 months but less than 1 year		
	400,600,000	-
Total short-term investment	<u>400,600,000</u>	<u>-</u>

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

(Unit: Baht)

	Consolidated financial statements	
	2015	2014
Balance - beginning of the year	(20,595,250)	(19,803,193)
Changes during the year (net of income tax)		
- revaluation	<u>(23,319,252)</u>	<u>(792,057)</u>
Balance - end of the year	<u>(43,914,502)</u>	<u>(20,595,250)</u>

10. Receivables from Clearing House

(Unit: Baht)

	Consolidated financial statements	
	2015	2014
Receivables from Clearing House	104,318,801	502,900,385
Receivables from overseas securities company	165,410,542	112,340,907
Less: Receivables from Clearing House for customers' account of subsidiary	<u>(177,191,720)</u>	<u>(135,933,504)</u>
Total receivables from Clearing House	<u>92,537,623</u>	<u>479,307,788</u>

11. Securities and derivatives business receivables

(Unit: Baht)

	Consolidated financial statements	
	2015	2014
Securities business receivables		
Cash accounts	213,516,796	519,246,527
Credit balance accounts	951,193,823	860,475,328
Total	1,164,710,619	1,379,721,855
Add: Accrued interest receivables	5,209,810	4,480,652
Total securities business receivables	1,169,920,429	1,384,202,507
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	1,169,920,429	1,384,202,507

11.1 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 2015 and 2014, securities business receivables are classified as follows:

	Consolidated financial statements					
	2015		2014			
	Allowance for doubtful accounts	Net securities business receivables	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	1,170	-	1,170	1,384	-	1,384
Doubtful debts	-	-	-	1	(1)	-
Total	1,170	-	1,170	1,385	(1)	1,384

11.2 Allowance for doubtful accounts

(Unit: Baht)

	Consolidated financial statements	
	2015	2014
Balance at beginning of the year	824,024	-
Add: Allowance for doubtful accounts during the year (Reversal)	(824,024)	824,024
Balance at end of the year	-	824,024

12. Factoring receivables

	(Unit: Baht)	
	Consolidated financial statements	
	2015	2014
Factoring receivables	2,815,342,438	2,918,711,707
Accrued interest income from factoring	6,054,232	7,110,609
Total	<u>2,821,396,670</u>	<u>2,925,822,316</u>
Less: Factoring payables	(416,574,952)	(434,582,604)
Unearned interest income	(13,053,599)	(14,601,772)
Total	<u>2,391,768,119</u>	<u>2,476,637,940</u>
Less: Allowance for doubtful accounts	(42,594,933)	(57,311,198)
Factoring receivables - net	<u>2,349,173,186</u>	<u>2,419,326,742</u>

The balances of factoring receivables as at 31 December 2015 and 2014, aged on the basis of due dates, are summarised below.

	(Unit: Baht)	
	Consolidated financial statements	
Age of factoring receivables	2015	2014
Not yet due	2,667,213,273	2,773,063,244
Past due		
Up to 3 months	66,731,773	51,497,979
3 - 6 months	792,219	1,706,385
Over 6 months	<u>80,605,173</u>	<u>92,444,099</u>
Total factoring receivables	<u>2,815,342,438</u>	<u>2,918,711,707</u>

As at 31 December 2015, factoring receivables which were overdue for over 6 months presented amounting to Baht 81 million (2014: Baht 92 million) before setting off the amount repayable to the transferor upon settlement of the factored debts amounting to Baht 23 million (2014: Baht 29 million). The subsidiary has provided a full amount of allowance for doubtful accounts for such net receivables.

13. Loans receivable

(Unit: Thousand Baht)

	Current portion of loans receivable		Loans receivable		Total	
	31 December 2015	31 December 2014	31 December 2015	31 December 2014	31 December 2015	31 December 2014
Loans receivable	12,369	50,816	53,672	64,215	66,041	115,031
Less: Allowance for doubtful accounts	(6,948)	-	(53,672)	(115)	(60,620)	(115)
Loans receivable - net	5,421	50,816	-	64,100	5,421	114,916

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 2015, the subsidiary received interest payments totaling Baht 0.11 million (2014: the subsidiary received principal and interest payments totaling Baht 3 million and Baht 4 million, respectively).

As at 31 December 2015 and 2014, the loan receivable balance amounted to Baht 61 million.

14. Other receivables

The balances as at 31 December 2015 and 2014 consist of:

(Unit: Baht)

	Consolidated		Separate	
	financial statements		financial statements	
	2015	2014	2015	2014
Accrued fee income	11,499,768	17,179,995	-	-
Employee receivables	9,837,405	-	-	-
Others	1,595,627	1,698,999	696,311	147,460
Total	22,932,800	18,878,994	696,311	147,460

15. Investment in associate

15.1 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, which 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)

Consolidated financial statements								
Company's name	Nature of business	Country of incorporation	Shareholding		Cost		Carrying amounts based on equity method	
			2015	2014	2015	2014	2015	2014
			(%)	(%)				
AIRA & AIFUL Public Company Limited	Consumer finance	Thai	30	30	300,000	300,000	266,691	300,130

Separate financial statements								
Company's name	Nature of business	Country of incorporation	Shareholding		Cost		Allowance for impairment of investment	Carrying amounts based on cost method - net
			2015	2014	2015	2014		
			(%)	(%)				
AIRA & AIFUL Public Company Limited	Consumer finance	Thai	30	30	300,000	300,000	-	300,000

15.2 Share of comprehensive income and dividend received

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

(Unit: Thousand Baht)

Company's name	Consolidated financial statements		Separate financial statements	
	Share of gain (loss) from investment in associate during the year		Share of other comprehensive income from investment in associate during the year	
	2015	2014	2015	2014
AIRA & AIFUL Public Company Limited	(33,439)	130	-	-

15.3 Summarised financial information about material associate

Summarised information about financial position

	(Unit: Million Baht)	
	AIRA & AIFUL Public Company Limited	
	2015	2014
Current assets	876	-
Non-current assets	83	1,001
Current liabilities	(69)	-
Non-current liabilities	(1)	(1)
Net assets	889	1,000
Shareholding percentage (%)	30%	30%
Share of net assets	267	300
Elimination entries	-	-
Goodwill	-	-
Carrying amount of associate based on equity method	267	300

Summarised information about comprehensive income

	(Unit: Million Baht)	
	For the year ended 31 December	
	2015	2014
Revenue	26.5	0.7
Profit (loss)	(111.5)	0.4
Other comprehensive income	-	-
Total comprehensive income	(111.5)	0.4

16. 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		Shareholding		Cost		Dividend received by the Company for the year	
	share capital	percentage	2015	2014	2015	2014	2015	2014
	2015	2014	(%)	(%)				
AIRA Securities Plc.	1,100	870	99.99	99.99	1,131	901	66	82
AIRA Factoring Plc.	1,600	200	71.55	74.02	584	428	15	21
AIRA International Advisory (Singapore) Pte. Ltd.	12	12	90.00	90.00	11	11	-	-
AIRA Property Co., Ltd.	200	-	99.99	-	200	-	-	-
Total					1,926	1,340	81	103

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 0.9 million (2014: Baht 1.8 million).

16.1 AIRA Securities Public Company Limited

On 14 May 2015, a meeting of the Board of Directors of the Company passed the resolution to approve investment of Baht 70 million in the additional ordinary shares of AIRA Securities Public Company Limited (a subsidiary), consisting of 70 million ordinary shares of Baht 1 each. Its percentage shareholding in the subsidiary was unchanged. The Company made payment for the shares on 22 May 2015.

On 29 June 2015, a meeting of the Board of Directors of the Company passed a resolution to approve investment of Baht 60 million in the additional ordinary shares of AIRA Securities Public Company Limited (a subsidiary), consisting of 60 million ordinary shares of Baht 1 each. Its percentage shareholding in the subsidiary was unchanged. The Company made payment for the shares on 23 July 2015.

On 11 August 2015, a meeting of the Board of Directors of the Company passed a resolution to approve investment of Baht 100 million in the additional ordinary shares of AIRA Securities Public Company Limited (a subsidiary), consisting of 100 million ordinary shares of Baht 1 each. Its percentage shareholding in the subsidiary was unchanged. The Company made payment for the shares on 27 August 2015.

16.2 AIRA Factoring Public Company Limited

During the year, the Company sold 4,800,000 ordinary shares of AIRA Factoring Public Company Limited (a subsidiary) for a total of Baht 23 million. The Company has recognised the difference of Baht 15 million between the selling price and the net book value of the investment in AIRA Factoring Public Company Limited under the caption of "Capital surplus from change in shareholding in subsidiary" in the consolidated statement of changes in shareholders' equity.

On 10 September 2015, a meeting of the Board of Investment of the Company passed a resolution to approve investment of Baht 173 million in the additional ordinary shares of AIRA Factoring Public Company Limited (a subsidiary), consisting of 576 million ordinary shares of Baht 0.30 each. The Company made payment for the shares on 22 September 2015.

16.3 AIRA Property Company Limited

On 29 June 2015, a meeting of the Board of Directors of the Company passed a resolution to approve the establishment of a new company under the name AIRA Property Company Limited (a subsidiary). A subsidiary has a registered share capital comprised of 20 million shares of Baht 10 per share, totaling Baht 200 million.

The Company has a 99.99% shareholding in this company.

AIRA Property Company Limited registered with the Ministry of Commerce on 23 July 2015.

AIRA Property Company Limited ("the subsidiary") invested in a 60% interest in Aspiration One Company Limited's to operate a property business.

17. Equipment

(Unit: Baht)

Consolidated financial statements

	Building improvement	Office equipment	Furniture and fixtures	Motor vehicles	Work under installation	Total
Cost						
1 January 2014	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)
Transfer 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
Additions	3,739,751	8,588,545	1,694,371	10,659,000	3,851,225	28,532,892
Disposals	-	(3,427,426)	(823,865)	(8,121,567)	-	(12,372,858)
Transfers in (out)	2,436,540	669,820	202,256	-	(3,308,616)	-
31 December 2015	54,758,760	62,868,609	33,314,042	51,097,900	1,523,949	203,563,260
Accumulated depreciation						
1 January 2014	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
Depreciation for the year	5,979,936	9,737,518	4,728,712	8,783,985	-	29,230,151
Depreciation on disposals	-	(3,420,972)	(800,555)	(7,957,597)	-	(12,179,124)
31 December 2015	14,831,250	47,691,729	18,286,326	26,446,941	-	107,256,246
Net book value						
31 December 2014	39,731,155	15,662,487	17,883,111	22,939,914	981,340	97,198,007
31 December 2015	39,927,510	15,176,880	15,027,716	24,650,959	1,523,949	96,307,014
Depreciation included in profit or loss for the year						
2014						25,062,442
2015						29,230,151

(Unit: Baht)

	Separate financial statements			
	Office equipment	Furniture and fixtures	Work under installation	Total
Cost				
1 January 2014	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
Additions	846,301	264,600	493,330	1,604,231
Transfer in (out)	-	202,256	(202,256)	-
31 December 2015	3,931,122	7,287,177	291,074	11,509,373
Accumulated depreciation				
1 January 2014	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
Depreciation for the year	570,094	1,364,114	-	1,934,208
31 December 2015	2,735,321	3,574,721	-	6,310,042
Net book value				
31 December 2014	919,594	4,609,714	-	5,529,308
31 December 2015	1,195,801	3,712,456	291,074	5,199,331
Depreciation included in profit or loss for the year				
2014				1,859,249
2015				1,934,208

As at 31 December 2015, 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 46 million (2014: Baht 41 million) (The Company only: Baht 2 million, 2014: Baht 0.5 million).

18. Intangible assets

(Unit: Baht)

	Consolidated financial statements					
	Securities					
	Computer software	business license fee	Securities member fee	TFEX member fee	Bond member fee	Total
Cost						
1 January 2014	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
Additions	7,696,095	-	-	-	-	7,696,095
31 December 2015	36,828,117	129,500,000	50,000,000	15,000,000	1,200,000	232,528,117
Accumulated amortisation						
1 January 2014	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
Amortisation for the year	3,087,976	-	-	-	-	3,087,976
31 December 2015	16,024,794	77,956,823	27,369,863	-	-	121,351,480
Net book value						
31 December 2014	16,195,204	51,543,177	22,630,137	15,000,000	1,200,000	106,568,518
31 December 2015	20,803,323	51,543,177	22,630,137	15,000,000	1,200,000	111,176,637
Amortisation included in profit or loss for the year						
2014						2,778,388
2015						3,087,976

(Unit: Baht)

Separate financial statements Computer software

Cost	
1 January 2014	165,830
Additions	34,090
31 December 2014	199,920
Additions	34,855
31 December 2015	234,775

(Unit: Baht)

Separate

financial statementsComputer software**Accumulated amortisation**

1 January 2014	94,505
Amortisation for the year	36,146
31 December 2014	130,651
Amortisation for the year	38,124
31 December 2015	168,775
Net book value	
31 December 2014	69,269
31 December 2015	66,000
Amortisation included in profit or loss for the year	
2014	36,146
2015	38,124

As at 31 December 2015, 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 9 million (2014: Baht 8 million) (The Company only: Baht 0.1 million, 2014: Nil).

19. Assets held for sale

Details of assets held for sale are as follows:

(Unit: Baht)

	<u>Consolidated financial statements</u>	
	<u>31 December 2015</u>	<u>31 December 2014</u>
Machinery	12,300,000	12,300,000
Less: Allowance for impairment loss		
on asset held per sale	(2,446,800)	(1,150,000)
Machinery - net	9,853,200	11,150,000

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

20. Short-term loans from financial institutions

(Unit: Baht)

	Interest rate (% per annum)	Consolidated financial statements	
		2015	2014
Overdraft	MOR	637,225	-
Promissory notes	2.90 - 5.30	1,229,000,000	1,250,000,000
Total short-term loans from financial institutions		1,229,637,225	1,250,000,000

As at 31 December 2015, 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 2015, the subsidiaries had unutilised credit facilities totalling Baht 1,030 million (2014: Baht 1,290 million).

21. Payables to Clearing House

(Unit: Baht)

	Consolidated financial statements	
	2015	2014
Payables to Clearing House	123,732,788	-
Payables to overseas securities company	2,556,661	1,854,356
Total payables to Clearing House	126,289,449	1,854,356

22. Securities and derivatives business payables

(Unit: Baht)

	Consolidated financial statements	
	2015	2014
Securities business payables		
Cash accounts	195,533,711	492,525,307
Derivatives business payables		
Derivatives business payables	-	-
Total securities and derivatives business payables	195,533,711	492,525,307

23. Other payables

(Unit: Baht)

	Consolidated financial statements		Separate financial statements	
	31 December 2015	31 December 2014	31 December 2015	31 December 2014
Other payables - related parties	-	-	3,000	3,000
Other payables - non related parties	6,065,459	8,230,815	923,285	1,301,881
Total	<u>6,065,459</u>	<u>8,230,815</u>	<u>926,285</u>	<u>1,304,881</u>

24. Subordinated debentures

(Unit: Baht)

Issue date	(shares)	Interest rate per annum	Age	Maturity date	Consolidated financial statements	
					2015	2014
1 August 2012	200,000	Year 1 - 3 Fixed rate 5.0%	3 years	1 August 2015	-	200,000,000
1 April 2013	200,000	Year 1 - 3 Fixed rate 5.0%	3 years	1 April 2016	200,000,000	200,000,000
Total					<u>200,000,000</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 2015, the balance of the above subordinated debentures of the subsidiary included related parties of Baht 180 million (2014: Baht 360 million).

25. Bill of exchange - related parties

(Unit: Baht)

	Interest rate (% per annum)	Consolidated financial statements		Separate financial statements	
		31 December 2015	31 December 2014	31 December 2015	31 December 2014
Bill of exchange - related parties	2.75% - 3.55%	640,000,000	1,550,000,000	-	150,000,000
Less: Prepaid interest expenses		(2,761,993)	(6,277,944)	-	(903,351)
Total bill of exchange - related parties		<u>637,238,007</u>	<u>1,543,722,056</u>	<u>-</u>	<u>149,096,649</u>

26. Other current liabilities

(Unit: Baht)

	Consolidated financial statements		Separate financial statements	
	2015	2014	2015	2014
Accrued expenses	9,192,994	20,837,217	125,500	105,000
Marketing incentive fees payables	7,356,989	20,694,834	-	-
Deposits and cheque in transit awaiting to transfer	19,640,583	24,693,479	1,525,729	1,175,292
Other current liabilities	17,257,214	30,219,348	7,029,626	8,000,046
Total	<u>53,447,780</u>	<u>96,444,878</u>	<u>8,680,855</u>	<u>9,280,338</u>

27. 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	2015	2014	financial statements
	2015	2014	2015	2014
Defined benefit obligation at beginning of year	15,160,767	17,292,792	1,037,925	613,962
Included in profit or loss:				
Current service cost	4,153,295	3,335,188	481,130	360,741
Interest cost	947,065	679,046	90,491	63,222
Past service costs and gains or losses				
on settlement	549,450	-	-	-
Included in other comprehensive income:				
Actuarial (gain) loss arising from				
Demographic assumptions changes	930,992	-	606,573	-
Financial assumptions changes	181,954	(1,544,858)	59,502	-
Experience adjustments	2,833,494	(611,401)	1,586,596	-
Benefit paid during the year	(2,710,012)	(3,990,000)	-	-
Defined benefit obligation at end of year	<u>22,047,005</u>	<u>15,160,767</u>	<u>3,862,217</u>	<u>1,037,925</u>

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

	(Unit: Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	2015	2014	2015	2014
Current service cost	4,153,295	3,335,188	481,130	360,741
Interest cost	947,065	679,046	90,491	63,222
Actuarial loss (gain) recognised during the year	549,450	-	-	-
Total expense recognised in profit or loss	<u>5,649,810</u>	<u>4,014,234</u>	<u>571,621</u>	<u>423,963</u>

The subsidiaries expect to pay Baht 0.2 million of long-term employee benefits during the next year (2014: Baht 2.2 million).

As at 31 December 2015, the weighted average duration of the liabilities for long-term employee benefit is 3 - 13 years (Separate financial statements: 3 years) (2014: 13 - 23 years, separate financial statements: 23 years).

Principal actuarial assumptions at the valuation date were as follows:

	(Unit: % per annum)			
	Consolidated financial statements		Separate financial statements	
	2015	2014	2015	2014
Discount rate	2.75 - 3.5	3.5 - 3.9	2.75	3.9
Future salary increase rate	3.0 - 7.0	3.0 - 8.0	5.0	5.0
Staff turnover rate (depending on age)	20.0 - 25.0	26.7 - 36.2	20.0	26.7

Sensitivity analysis for significant assumptions that effect to the long-term employee benefit obligation as at 31 December 2015 are summarised below:

	(Unit: Baht)			
	Consolidated financial statements			
	Discount rate		Salary increase rate	
	Increase 0.50%	Decrease 0.50%	Increase 1.00%	Decrease 1.00%
Impact on the long-term employee benefit obligation	(1,298,818)	632,860	1,880,339	(2,320,887)

	(Unit: Baht)			
	Separate financial statements			
	Discount rate		Salary increase rate	
	Increase 0.50%	Decrease 0.50%	Increase 1.00%	Decrease 1.00%
Impact on the long-term employee benefit obligation	(61,271)	62,701	159,772	(154,349)

28. Share capital

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.

On 19 June 2015, the Extraordinary General Meeting of the Company's shareholders approved the increase of the Company's registered share capital by Baht 790,000,000, consisting of 3,160,000,000 ordinary shares with a par value of Baht 0.25 per share, from the existing registered capital of Baht 1,000,000,000 (4,000,000,000 ordinary shares of Baht 0.25 each) to a new registered capital of Baht 1,790,000,000 (7,160,000,000 ordinary shares of Baht 0.25 each), with the new ordinary shares to be allocated as follows:

1) Rights offering

Not more than 1,563,773,944 new ordinary shares are to be offered to the Company's existing shareholders at a ratio of 2 new shares for every 5 existing shares, at an offering price of Baht 1 per share.

2) Warrants to purchase ordinary shares of the Company No. 1 ("AIRA-W1")

Not more than 781,886,972 new ordinary shares are to be reserved to support the exercise of AIRA-W1, which are registered and transferable warrants, as discussed in Note 29.2 to the financial statements.

3) Warrants to purchase ordinary shares of the Company No. 1 ("AIRA-W2")

Not more than 781,886,972 new ordinary shares are to be reserved to support the exercise of AIRA-W2, which are registered and transferable warrants as discussed in Note 29.3 to the financial statements.

4) Approximately 32,452,112 additional ordinary shares are to be allocated to support the adjustment of the rights of the ESOP warrants.

The Company already received the payment for the shares and registered the change in its paid-up capital to Baht 1,370,442,888 (5,481,771,553 ordinary shares of Baht 0.25 each) with the Ministry of Commerce on 23 July 2015 and the additional shares of the Company were traded in the Market for Alternative Investment (MAI) from 28 July 2015.

On 30 September 2015, the warrant holders exercised 11,238,500 warrants to purchase ordinary shares at an exercise price of Baht 0.25 per share, totaling Baht 3,664,840. In September 2015, 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 12 October 2015.

On 30 October 2015 the holder of 329,500 AIRA-W1 warrants exercised options to purchase 329,500 ordinary shares at an exercise price of Baht 2.00 each. The Company received payment of the additional share capital amounting to Baht 659,000 in October 2015. The holder of 100 AIRA-W2 warrants exercised options to purchase 100 ordinary shares at an exercise price of Baht 3.50 each. The Company received payment of the additional share capital amounting to Baht 350 in October 2015, resulting in an increase in the Company's paid-up share capital from Baht 1,374,107,728 to Baht 1,374,190,128. The Company registered the increase in paid-up share capital with the Ministry of Commerce on 6 November 2015 and the additional shares of the Company were traded in the Market for Alternative Investment (MAI) from 11 November 2015.

On 30 December 2015, the warrant holders exercised 14,519,600 warrants to purchase ordinary shares at an exercise price of Baht 0.25 per share, totaling Baht 4,734,791. In December 2015, 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 7 January 2016 and the additional shares of the Company were traded in the Market for Alternative Investment (MAI) from 13 January 2016.

Reconciliation of number

	Consolidated and Separate financial statements			
	2015	2015	2014	2014
	Number of share	(Baht)	Number of share	(Baht)
<u>Registered share capital</u>				
At beginning of year	4,000,000,000	1,000,000,000	4,000,000,000	1,000,000,000
Increase from approval of the Extra General Meeting of the Company's shareholders on 19 June 2015	3,160,000,000	790,000,000	-	-
At end of year	<u>7,160,000,000</u>	<u>1,790,000,000</u>	<u>4,000,000,000</u>	<u>1,000,000,000</u>
<u>Issued and paid-up share capital</u>				
At beginning of year	3,893,595,260	973,398,815	3,116,730,360	779,182,590
Increase from increasing share capital	1,563,773,944	390,943,486	758,600,400	189,650,100
Increase from exercise of warrants	39,391,309	9,847,827	18,264,500	4,566,125
At end of year	<u>5,496,760,513</u>	<u>1,374,190,128</u>	<u>3,893,595,260</u>	<u>973,398,815</u>

29. Warrants/Capital reserve for share-based payment transactions

The details of warrants issued by the Company are as follows:

29.1 ESOP

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%.

On 25 June 2015, the Company adjusted the exercised ratio for the ESOP warrants.

Details of the adjustment are as follows:

	The existing exercise rights	The new exercise rights
Exercise ratio	1 warrant to purchase 1 ordinary share	1 warrant to purchase 1.30439 ordinary shares

During the year, the Company and its subsidiaries recorded expenses amounting to Baht 1.14 million (the Company only: Baht 0.23 million) as personnel expenses. As at 31 December 2015, the Company has capital reserves for share-based payment of Baht 1.42 million.

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

	The Company's				Registration date of
	Cash receipt				paid-up capital
	Numbers of		from	which increase	increase in paid-up
	Numbers of	ordinary	exercise of	from exercise of	capital with the
	warrant units	shares	warrants	warrants	Ministry of Commerce
		(Baht)	(Baht)	(Baht)	
Exercise in March 2015	10,500	10,500	2,625	2,625	3 April 2015
Exercise in June 2015	6,564,600	8,562,749	2,140,687	2,140,687	8 July 2015
Exercise in September 2015	11,238,500	14,659,360	3,664,840	3,664,840	12 October 2015
Exercise in December 2015	14,519,600	18,939,162	4,734,791	4,734,791	7 January 2016
	<u>32,333,200</u>	<u>42,171,771</u>	<u>10,542,943</u>	<u>10,542,943</u>	

As at 31 December 2015, 5,440 warrants remain unallocated.

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

Number of warrants at the beginning of year	87,388,740	Units
Exercise	(32,333,200)	Units
Cancelled	(921,000)	Units
Number of warrants at the end of year	<u>54,134,540</u>	Units

Up to 31 December 2015, the Company cancelled a total of 4,107,900 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.

29.2 AIRA-W1

On 19 June 2015, the Extraordinary General Meeting of the Company's shareholders approved the allotment of up to 781,886,972 warrants (AIRA-W1), which are registered and transferable warrants, to the Company's existing shareholders who subscribe to the newly issued shares. Details of the warrants are summarised below.

Number of warrants issued	:	781,886,972 units
Number of warrants subscribed	:	781,886,827 units
Offering price	:	Baht 0 per unit
Offering method	:	Proportionate allocation to existing shareholders of the Company who subscribe to the newly issued shares at an offering ratio of 1 warrant for every 2 newly issued ordinary shares
Exercise ratio and price	:	1 warrant per 1 newly issued ordinary share at a price of Baht 2.00 per share
Date of issuance	:	3 August 2015
Term of the warrant	:	3 years from the issuance date of warrants
Expiry date	:	2 August 2018
Exercise dates	:	On the last business day of October, January, April and July of every year

Reconciliation of number of AIRA-W1 warrants

	(Unit: Units)
Consolidated and Separate financial statements	
31 December	
2015	
Number of warrants at the issued date	781,886,972
Unsubscribed	(145)
Exercised during the year (Note 28)	(329,500)
Number of warrants at the end of year	<u>781,557,327</u>

29.3 AIRA-W2

On 19 June 2015, the Extraordinary General Meeting of the Company's shareholders approved the allotment of up to 781,886,972 warrants (AIRA-W2), which are registered and transferable warrants, to the Company's existing shareholders who subscribe to the newly issued shares. Details of the warrants are summarised below.

Number of warrants issued	:	781,886,972 units
Number of warrants subscribed	:	781,886,827 units
Offering price	:	Baht 0 per unit
Offering method	:	Proportionate allocation to existing shareholders of the Company who subscribe to the newly issued shares at an offering ratio of 1 warrant for every 2 newly issued ordinary shares
Exercise ratio and price	:	1 warrant per 1 newly issued ordinary share at a price of Baht 3.50 per share
Date of issuance	:	3 August 2015
Term of the warrant	:	4 years from the issuance date of warrants
Expiry date	:	2 August 2019
Exercise dates	:	On the last business day of October, January, April and July of every year

Reconciliation of number of AIRA-W2 warrants

	(Unit: Units)
Consolidated and Separate financial statements	
31 December	
2015	
Number of warrants at the issued date	781,886,972
Unsubscribed	(145)
Exercised during the year (Note 28)	(100)
Number of warrants at the end of year	<u>781,886,727</u>

30. 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.

31. Income tax

Income tax expenses for the years ended 31 December 2015 and 2014 are made up as follows:

	(Unit: Thousand Baht)	
	Consolidated	
	financial statements	
	<u>2015</u>	<u>2014</u>
Current income tax:		
Current income tax charge	15,515	41,197
Deferred tax:		
Relating to origination and reversal of temporary differences	(294)	3,279
Income tax expense reported in the statement of comprehensive income	<u>15,221</u>	<u>44,476</u>

The amounts of income tax relating to each component of other comprehensive income for the years ended 31 December 2015 and 2014 are as follows:

	(Unit: Thousand Baht)	
	Consolidated	
	financial statements	
	<u>2015</u>	<u>2014</u>
Deferred tax relating to loss on change in value of available-for-sale investments	5,830	198
Deferred tax relating to actuarial gain	334	(431)
	<u>6,164</u>	<u>(233)</u>

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 31 December 2015	As at 31 December 2014
Deferred tax assets		
Allowance for doubtful accounts	2,159	2,396
Allowance for impairment loss on asset held for sale	489	230
Provision for long-term employee benefits	3,627	2,824
Unrealised loss on re-measuring available-for-sale investments	11,286	5,441
Others	707	453
Total	18,268	11,344
Deferred tax liabilities		
Amortisation of intangible assets	(17,039)	(16,572)
Total	(17,039)	(16,572)
Deferred tax assets (liabilities), net	1,229	(5,228)
Reflected in the statements of financial position as follows:		
Deferred tax assets	5,278	4,742
Deferred tax liabilities	(4,049)	(9,970)
Deferred tax assets (liabilities), net	1,229	(5,228)

As at 31 December 2015, the Company and its subsidiaries have deductible temporary differences and unused tax losses totaling Baht 307 million (2014: Baht 209 million) (the Company only 2015: Baht 155 million, 2014: Baht 129 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.

Details of expiry date of unused tax lossed are summarised as below:

	(Unit: Million Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	<u>2015</u>	<u>2014</u>	<u>2015</u>	<u>2014</u>
31 December 2016	21	21	21	21
31 December 2017	24	24	21	21
31 December 2018	41	41	28	28
31 December 2019	66	66	48	48
31 December 2020	55	-	33	-
	<u>207</u>	<u>152</u>	<u>151</u>	<u>118</u>

32. Brokerage fees income

	(Unit: Baht)	
	Consolidated financial statements	
	<u>2015</u>	<u>2014</u>
Brokerage fees from securities business	348,256,478	436,903,990
Brokerage fees from derivatives business	46,325,539	35,842,754
Other brokerage fees	4,221,117	5,498,779
Total	<u>398,803,134</u>	<u>478,245,523</u>

33. Fees and services income

	(Unit: Baht)	
	Consolidated financial statements	
	<u>2015</u>	<u>2014</u>
Financial advisory	22,853,512	24,314,507
Private fund management	2,868,752	2,897,948
Service and front-end	30,970,555	30,371,366
Others	1,222,018	491,058
Total	<u>57,914,837</u>	<u>58,074,879</u>

34. 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.

The contributions for the year 2015 and 2014 were recognized as expenses as follows:

	(Unit: Million Baht)			
	Consolidated financial statements		Separate financial statements	
	2015	2014	2015	2014
Contributions to provident funds	10.5	9.6	1.1	0.8

35. Earnings per share

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

Diluted earnings per share is calculated by dividing profit (loss) for the year 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 year 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 (loss) for the year		number of ordinary shares		Earnings (loss) per share	
	2015 (Thousand Baht)	2014 (Thousand Baht)	2015 (Thousand shares)	2014 (Thousand shares)	2015 (Baht)	2014 (Baht)
Basic earnings per share						
Profit (loss) attributable to equity holders of the parent	(98,963)	69,977	4,641,826*	3,508,313*	(0.021)	0.020
Effect of dilutive potential ordinary shares						
Warrants	-	381,404	79,636			
Diluted earnings per share						
Profit (loss) attributable to ordinary shareholders assuming the conversion of warrants to ordinary shares	69,977	5,023,230	3,587,949		-	0.020

* Included ordinary shares from the exercise of warrants describe in Note 29.

	Separate financial statements					
	Weighted average					
	Profit for the year		number of ordinary shares		Earnings per share	
	2015 (Thousand Baht)	2014 (Thousand Baht)	2015 (Thousand shares)	2014 (Thousand shares)	2015 (Baht)	2014 (Baht)
Basic earnings per share						
Profit attributable to equity holders of the parent	45,268	52,195	4,641,826*	3,508,313*	0.010	0.015
Effect of dilutive potential ordinary shares						
Warrants	-	-	381,404	79,636		
Diluted earnings per share						
Profit attributable to ordinary shareholders assuming the conversion of warrants to ordinary shares	45,268	52,195	5,023,230	3,587,949	0.009	0.015

* Included ordinary shares from the exercise of warrants describe in Note 29.

However, the Company did not calculate diluted earnings per share for the year ended 31 December 2015, for the consolidated financial statements, because the Company had an operating loss and the effect of the warrants described in Note 29 is therefore anti-dilute.

There is no disclosure of diluted earnings per share of AIRA-W2 warrants in the statement of comprehensive income for the year ended 31 December 2015, since the aggregated amount of the exercise price of AIRA-W2 warrants was higher than the average market price of the Company's ordinary shares.

36. Dividends

(Unit: Baht)

Dividend	Authorised by	Dividend paid paid	Dividend paid per share
Interim dividend from profit for January - September of 2014	The meeting of the Company's Board of Directors 11 November 2014	<u>46,721,267</u>	<u>0.012</u>
Interim dividend from profit for January - September of 2015	The meeting of the Company's Board of Directors 12 November 2015	<u>41,224,579</u>	<u>0.0075</u>

37. Commitments and contingent liabilities

As at 31 December 2015 and 2014, 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)

Payable:	Consolidated financial statements		Separate financial statements	
	2015	2014	2015	2014
In up to 1 year	34	34	3	3
In over 1 and up to 5 years	114	110	11	11
In over 5 years	40	69	4	7

- 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.
- 6) The subsidiary had capital commitments of approximately Baht 0.7 million, relating to the office building improvements.

38. Litigation

As at 31 December 2015, 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.

39. 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 (loss) and total assets information regarding the Company and its subsidiaries' operating segments for the year ended 31 December 2015 and 2014, respectively.

	Securities and investment business	Advisory and investment banking	Factoring	Total reportable segments	Adjustments and eliminations	(Unit: Million Baht) Consolidated
Year ended 31 December 2015						
Revenue from external customers	408	27	187	622	(39)	583
Inter-segment revenue	81	-	-	81	(81)	-
Interest revenue	78	-	4	82	(4)	78
Interest expenses	(33)	(1)	(51)	(85)	4	(81)
Depreciation and amortisation	(11)	(1)	(5)	(17)	-	(17)
Segment profit	194	(14)	13	193	(120)	73
Unallocated revenue (expenses)						
Interest revenue						33
Other revenue						6
Interest expenses						(18)
Operating expenses						(180)
Income tax expenses						(15)
Loss for the year						<u>(101)</u>
Segment total assets	2,847	32	2,387	5,266	-	5,829
Additions to non-current assets other than financial instruments, deferred tax assets	25	-	2	27	-	36

	Securities and investment business	Advisory and investment banking	Factoring	Total reportable segments	Adjustments and eliminations	Consolidated
Year ended 31 December 2014						
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 amortisation	(8)	(1)	(5)	(14)	-	(14)
Segment profit (loss)	361	(11)	38	388	(103)	285
Unallocated revenue (expenses)						
Interest revenue						36
Other revenue						6
Interest expenses						(32)
Operating expenses						(177)
Income tax expenses						(44)
Profit for the year						74
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

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.

40. Fair value hierarchy

As at 31 December 2015, the Company and its subsidiaries had the assets that were measured at fair value using different levels of inputs as follows:

(Unit: Million Baht)

	Consolidated Financial Statements			
	Level 1	Level 2	Level 3	Total
Assets measured at fair value				
Held for trade investments				
Equity instruments	43,594	-	-	43,594
Available-for-sale investments				
Equity instruments	120,528	-	-	120,528

41. Financial instruments

41.1 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:

	Consolidated		Separate	
	financial statements		financial statements	
	2015	2014	2015	2014
Financial assets				
Deposits at financial institutions in the name of Company, subsidiaries and on behalf of customers of subsidiary	2,370,701,698	1,968,097,478	270,360,111	19,972,297
Short-term investments	400,600,000	-	400,600,000	-
Receivables from Clearing House	92,537,623	479,307,788	-	-
Securities and derivatives business receivables	1,169,920,429	1,384,202,507	-	-
Factoring receivables	2,349,173,186	2,419,326,742	-	-
Loans receivable	5,421,046	114,916,270	-	-
Loans to related parties	-	-	287,559,982	99,563,399
Other receivables	22,932,800	18,877,129	696,311	147,460
Restricted deposit	4,400,000	-	4,400,000	-

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 2015 and 2014 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.

	Consolidated financial statements									
	As at 31 December 2015									
	Outstanding balances of financial instruments									Interest rate
	Floating interest rate	Repricing or maturity dates						No interest	Total	(Percent per annum)
Financial instruments - assets		At call	Within 1 year	1 - 5 years	Over 5 years					Floating rate
Cash and cash equivalents	632	-	239	-	-	63	934	934	0.50 - 1.10	1.41 - 1.52
Short-term investments	-	-	401	-	-	-	401	401	-	1.70 - 2.05
Receivables from Clearing House	-	-	-	-	-	93	93	93	-	-
Securities and derivatives business receivables	956	-	-	-	-	214	1,170	1,170	5.50 - 18.00	-
Factoring receivable	-	-	2,349	-	-	-	2,349	2,349	-	5.85 - 15.00
Loans receivable	-	-	5	-	-	-	5	5	-	6.00 - 9.925
Other receivables	-	-	-	-	-	23	23	23	-	-
Restricted deposit	-	-	4	-	-	-	4	4	-	1.70

Consolidated financial statements									
As at 31 December 2015									
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 - liabilities									
Short-term loans from financial institutions	1,230	-	-	-	-	-	1,230	-	3.15 - 3.75, MOR
Payables to Clearing House	-	-	-	-	-	126	126	-	-
Securities and derivatives									
business payables	-	-	-	-	-	196	196	-	-
Other payables	-	-	-	-	-	6	6	-	-
Retention from factoring	-	-	-	-	-	46	46	-	-
Subordinated debentures	-	-	200	-	-	200	-	5.00	
Bill of exchange	-	-	637	-	-	637	-	2.75 - 3.55	
(Unit: Million Baht)									
Separate financial statements									
As at 31 December 2015									
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	268	-	-	-	-	2	270	0.50	1.5
Short-term investments	-	-	401	-	-	-	401	-	1.70 - 2.05
Loans to related parties	-	-	288	-	-	-	288	-	2.20 - 2.50
Other receivable	-	-	-	-	-	1	1	-	-
Restricted deposit	-	-	4	-	-	-	4	-	1.70
Financial instruments - liabilities									
Other payables	-	-	-	-	-	-	1	1	-

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 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	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

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 2015 and 2014, 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 2015 and 2014 follows:

(Unit: Million Baht)

Consolidated financial statements						
As at 31 December 2015						
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	695	239	-	-	-	934
Short-term investments	-	401	-	-	-	401
Receivables from Clearing						
House	-	93	-	-	-	93
Securities and derivatives						
business receivables	-	214	-	-	956	1,170
Factoring receivable	-	2,349	-	-	-	2,349
Loans receivable	-	5	-	-	-	5
Other receivables	7	16	-	-	-	23
Restricted deposit	-	4	-	-	-	4

Consolidated financial statements

As at 31 December 2015

Outstanding balances of financial instruments

	Within At call	1 year	1 - 5 years	Over 5 years	No maturity	Total
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Financial instruments - liabilities

Short-term loans from

financial institutions	-	1,230	-	-	-	1,230
Payables to Clearing House	-	126	-	-	-	126
Securities and derivatives						
business payables	-	196	-	-	-	196
Other payables	-	6	-	-	-	6
Retention from factoring	-	-	-	-	46	46
Subordinated debentures	-	200	-	-	-	200
Bill of exchange	-	637	-	-	-	637

(Unit: Million Baht)

Separate financial statements

As at 31 December 2015

Outstanding balances of financial instruments

	Within At call	1 year	1 - 5 years	Over 5 years	No maturity	Total
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Financial instruments - assets

Cash and cash equivalents	270	-	-	-	-	270
Short-term investments	-	401	-	-	-	401
Loans to related parties	-	288	-	-	-	288
Other receivables	-	1	-	-	-	1
Restricted deposit	-	4	-	-	-	4

Financial instruments - liabilities

Other payables	-	1	-	-	-	1
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(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

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.

41.2 Fair values of financial instruments

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

- a) For financial assets and liabilities which have short-term maturity, including cash and cash equivalents, receivables from Clearing House, securities and derivatives business receivables, factoring receivable, loan receivable, other receivables, fees and services income receivables, loans from financial institutions, payable to Clearing House, securities and derivatives business payables, and debt issued and borrowings, their carrying amounts in the statement of financial position approximate their fair value.
- b) For equity securities, their fair value is generally derived from quoted market prices.

During the current period, there were no transfers within the fair value hierarchy.

42. 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 2015, the Group's debt-to-equity ratio was 0.77:1 (2014: 2.29:1) and the Company's was 0.004:1 (2014: 0.10:1).

43. Events after the reporting period

- 1) On 8 January 2016, AIRA Securities Public Company Limited ("the subsidiary") issued a Baht 100 million promissory note bearing interest at 2.2% per annum and maturing on 8 April 2016. On 8 February 2016 the subsidiary issued another Baht 100 million promissory note bearing interest at the same rate and maturing on 4 May 2016.

- 2) On 21 January 2016, AiRA International Advisory (Singapore) Pte. Ltd. issued a SGD 250,000 promissory note bearing interest at 2.5% per annum and maturing on 20 July 2016.
- 3) On 16 February 2016, the Board of Directors of AiRA Property Company Limited ("the subsidiary") passed resolutions to approve the subsidiary's conversion from a company limited to a public company limited, and the increase of the subsidiary's registered share capital from the existing registered capital of Baht 200 million (20 million ordinary shares of Baht 10 each) to Baht 500 million (50 million ordinary shares of Baht 10 each) through the issue of 30 million new ordinary shares of Baht 10 each, to be offered to the subsidiary's existing shareholders in proportion to their existing holdings.
- 4) On 24 February 2016, the Board of Directors of AiRA Factoring Public Company Limited ("the subsidiary") passed a resolution to propose a dividend payment from retained earnings of Baht 0.01 per share, or a total of Baht 16 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.

44. Approval of financial statements

These financial statements were authorised for issue by the Company's Board of Directors on 25 February 2016.

ANTI-CORRUPTION

The Company and the Subsidiaries conscious the business with integrity, by adhering to social responsibility and all stakeholder groups based on good corporate governance, include the cooperate with the government agencies involved in the prevention of corruption in the session as follows;

- The opening of a new customer Both the AS and AF will operate under the rules and be sure to know the facts about the customer (KYC / CCD) to check the history of terrorism and politicians, according to prevent and combat money laundering and financing of terrorism of Anti-Money Laundering Office (AMLO)
- Define criteria for accepting or giving gifts, according to the company and the subsidiaries determined.
- Requiring employees and executives can only open a trading account and trading account AS is set to review the report and the executive staff of the Securities AS is monthly.

The Board of Directors recognizes the importance of protecting the involved corrupt, the Company has filed intent to participate alignment private practice Thailand on Collective Action Coalition (CAC) to the Thai Institute of Directors Association (IOD) on November 17, 2558 and IOD's letter No. 426/2015 dated 11 December 2558 notification of accepted participants declared their intention to join the CAC project was completed. The company's next step to be taken by IOD is defined within a period of 18 months from the date that the Company has signed a declaration of intent for certification to the Board of CAC over the IOD.

CORPORATE SOCIAL RESPONSIBILITY

CSR Policy

AIRA Capital Public Company Limited ("the Company") and the subsidiaries recognizes its social responsibility and the environment. We have been actively involved in social and environmental responsibility continues, intended to be part of helping. Social development and environmental improvements by the Company and the subsidiaries with a focus on social responsibility and the environment.

Activities for society and the environment (after process)

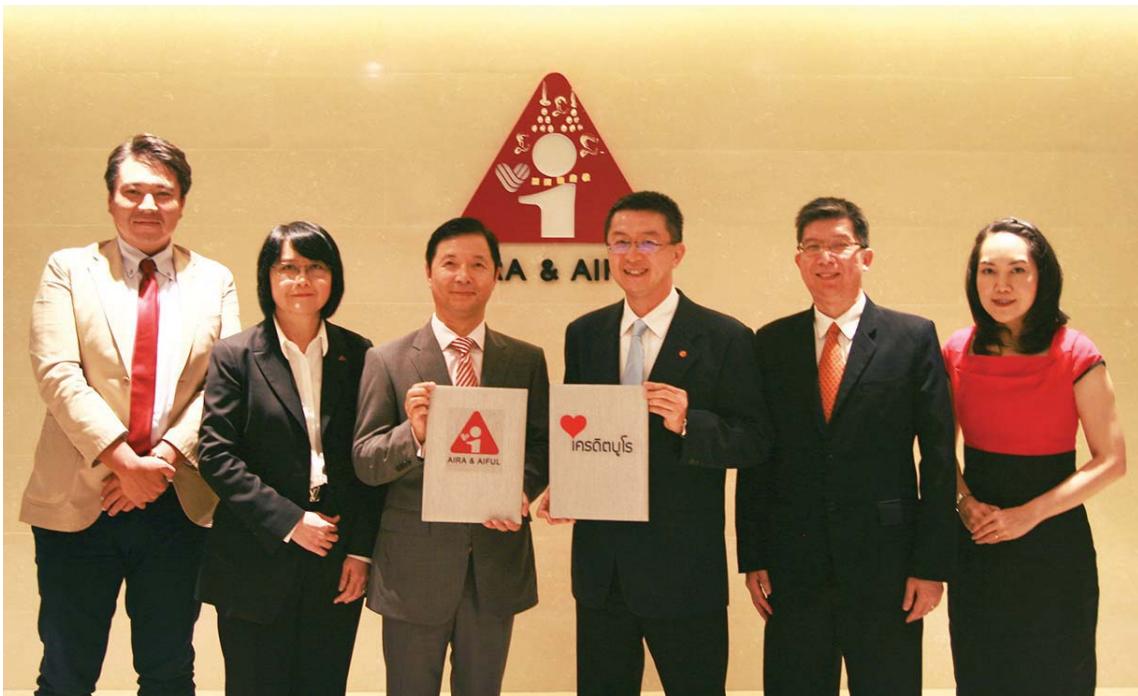
The company intends to continue to contribute to social and environmental projects annually, as part of social development and environmental sustainability based on CSR regulations of The Stock Exchange of Thailand. In 2015 the Company and the subsidiaries initiated into "AIRA for Social to the sustainable development project 1st" to provide scholarships and the necessities of blind children and blind disability redundant on December 20, 2015 at Ramintra School for the blinds, The Christian Foundation for the Blind in Thailand (CFBT), Bangkok branch.



ACTIVITIES IN 2015



On March 6, 2016, Mrs. Nalinee Ngamsettamas Chief Executive Officer of AiRA Capital Public Company Limited presided to welcoming party of the new Chairman of the Board of Director of AiRA Factoring Public Company Limited, Mr. Sorasit Soontornkes, past Deputy Governor for Administration, Bank of Thailand. And attended a seminar ceremony Economy of the World, Economy of Thailand 2015, to regain or to collapse”, Dr. Bandid Nijathaworn, Managing Director, Thai Institute of Directors Association (IOD) and Chairman of Thai Bond Dealing Centre (ThaiBDC) served as the modulator of that seminar, To speak of a global economy and Thailand. And Assoc. Prof. Paiboon Sereewiwatthana Faculty of Business Administration, NIDA, served as a special modulator.



AIRA and AIFUL Public Company Limited (A&A) and Mrs. Nalinee Ngamsettamas, Chief Executive Officer of AIRA Capital Public Company Limited and Director of A&A and Mr. Katsuhiko Madono, Chief Executive Officer of A&A, signed a National Credit Company Limited (credit bureaus), according to government policy, to help reduce the inequality of society and the consumer loan system is fairness as The Ministry of Finance and the Bank of Thailand Jointly prepare measures to support access to credit financing of the minor. (Nano Finance). A&A is a pioneer in Nano finance business, has signed a credit bureau. Mr. Katsuhiko Madono confident that joining members will be able to help the economic development of the country. Help build confidence among the users. A good image for the business loan financing in the future nanotechnology. The Company is committed to conducting business with the good governance.



On April 1, 2015, AIRA and AIFUL Public Company Limited (A&A) held the ceremony for winning portfolio design logo of the company awards, Students from several institutions interested in submitting contested more than 150 pieces, Mrs. Nalinee Ngamsettamas Chief Executive Officer of AIRA Capital Public Company Limited, Mr. Wichian Maktrakarn, Chairman of A&A, Mr. Yoshitaka Fukuda, Chief Executive Officer of AIFUL CORPORATION and Mr. Katsuhiko Madono, Chief Executive Officer of A&A with the Board of Juries as follow; Assistant Professor Praiwan Da-Klaeng, Portrait Painters and Lecturer, Faculty of Decorative Arts, Silpakorn University, jointly in this ceremony and enunciated the Vision and Business of A&A.



Board of Directors of AIRA Capital Public Company Limited report the Statement of Operating Results on the Annual General Meeting of Shareholders for the year 2015 on April 30, 2015 at Lert Wanlai Ballroom, Swissotel Nai Lert Park, Wireless Road, Bangkok



Mr. Salakul Presertdee, Managing Director, Retail Business, Aira Securities Public Company Limited celebrates the success of AIRA football team which struggles though the final match and winning the 1st runner up of HRH Princess Maha Chakri Siridhorn Trophy : Singha broker cup 2015 from Mrs. Kesara Manchusree, President of Stock Exchange of Thailand.



Board of Directors of AiRA Capital Public Company Limited jointly The Extraordinary General Meeting of Shareholders No. 1/2015 of on 19 June 2015 at 10.00 a.m. at the Lert Wanlai Ballroom A, Swissotel Nai Lert Park, Wireless Road, Lumpini, Pathumwan, Bangkok.



On July 1, 2015, Mrs. Nalinee Ngamsettamas Chief Executive Officer of AiRA Capital Public Company Limited, Mr. Samchai Benchapathomrong, Chief Executive Officer of AiRA Factoring Public Company Limited and Mr. Pairoj Launghaleongpong, Chief Executive Officer of AiRA Securities Public Company Limited and Executives management jointly on "mai FORUM Festival 2015". And 1st meeting the Investor in Opportunity Day, in order to consult the business planning at Queen Sirikit National Convention Center.



On July 9, 2015, AIRA Property Company Limited Held a signing Memorandum of Understanding (MOU) ceremony for the operation of real estate property business between Mrs. Nalinee Ngamsettamai, Chief Executive Officer of AIRA Capital Public Company Limited with Dr. Kessara Thanyalakpark, Executive Director, SENA Development Public Company Limited and Mr. Cherdksak Ampornsuksakul, Managing Director, Sang Fah Construction and Engineering Co., Ltd.



On August 30, 2015, AIRA Property Company Limited held a lunch event to Mr. Pakorn Malakul na Ayudhya as Chairman of the Board of Director of AIRA Property Company Limited and Ready to open office policy for both short term and long term to support the ASEAN Economic Community (AEC).



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