รายงานประจำปี **2558 2015** Annual Report

VI Venture Incorporation Public Company Limited บริษัท เวนเจอร์ อินคอร์ปอเรชั่น จำกัด (มหาชน)

83 ซอยจัดสรร แขวงสามเสนนอก เขตห้วยขวาง โกรุงเทพมหานคร 10310 โทร. +662 274 7941-42 แฟกซ์. +662 274 7938

CONTENTS

COMPANY PROFILE	153-154
FINANCIAL HIGHLIGHTS	155-158
MESSAGE FROM THE CHAIRMAN	159-160
AUDIT COMMITTEE'S REPORT	161-162
REPORT OF THE NOMINATING AND REMUNERATION COMMITTEE	163-163
REPORT OF THE RISK MANAGEMENT COMMITTEE	164-164
BOARD OF DIRECTORS	165-165
GENERAL INFORMATION OF THE COMPANY AND ITS SUBSIDIARIES	166-167
POLICY AND OVERALL BUSINESS OPERATIONS	168-172
NATURE OF BUSINESS	173-185
RISK FACTORS	186-190
LEGAL DISPUTES	191-191
STRUCTURE OF SHAREHOLDERS	192-193
STRUCTURE OF MANAGEMENT	194-203
GOOD CORPORATE GOVERNANCE	204-217
RESPONSIBILITY TO SOCIAL	218-220
INTERNAL CONTROL AND RISK MANAGEMENT	221-222
RELATED TRANSACTIONS	223-224
DETAILS OF DIRECTORS, MANAGEMENT TEAM, ADVISOR AND CONTROLLING PERSONS	225-229
MANAGEMENT ANALYSIS AND DISCUSSION	230-236
AUDITOR'S REPORT AND FINANCIAL STATEMENT	237-269

COMPANY PROFILE

Venture Incorporation Public Company Limited ("VI"), formerly known as Circuit Electronics Industry Public Company Limited ("CIRKIT"), has been established since 1984, with Thai Baht 30 million registered capital by former shareholder group including JTS Co., Ltd., Nganthawee Family and Phukasavan Family. The Company is engaged in the manufacture and distribution of electronic parts, electronics circuits, commencing its production and export in 1985 with total production capacity of 30 million pieces a year for export purposes, under support from the Board of Investment of Thailand. Later in 1996, the Company raised its capital via an initial public offering in the Stock Exchange of Thailand.

Following the Thai financial crisis in 1997, the Company has entered into rehabilitation under the Thai Central Bankruptcy Court on 9 May 2005, while the Company was appointed as Planner and Plan Administrator, having its qualified public company status as "Non-Performing Group" under the Stock Exchange of Thailand.

In March 2015, a new investor group, led by Siam Holding Group Company Limited, together with another 41 investors has increased the Company's registered capital at Thai Baht 120 million, with a total of 429 million shares or at 89.56% shareholding, where Siam Holding Group Company Limited and 41 new investors hold 229 million shares or 47.81% shareholding and 200 million shares or 41.7% shareholding respectively. The new investor group considered the future of the company's business operation in order to create core business to support continued operations with sustainable income growth.

On 22 June 2015, the Thai Central Bankruptcy Court has ordered the Company to exit its rehabilitation process under the Court.

On 2 June 2015, the Company's Board of Directors proposed its board resolutions to suspend its old business operation and to consider investing in a new business in order to create and ensure the company's stability in order to protect this Company from delisting from the Stock Exchange of Thailand, which will have a negative impact to the Company's shareholders and its company itself. At its Extraordinary General Meeting No. 1/2015 dated 28 August 2015, the Company has received approval from its shareholders to suspend its existing operations and to sell non-operating assets.

The Company has shown its interest to purchase non-performing loan management and debt collection service businesses, then in discussion with representatives of PBL Management Co., Ltd. ("**PBM**") and Wi Holding (888) Co., Ltd. ("**WIH**"), which manages auto hire purchase non-performing loan portfolio purchased from financial institutions, and also provide debt collection service to several large corporate clients, while PBM and WIH have highly skilled and experienced employees in debt management and debt collection services.

At its Extraordinary General Meeting No. 2/2015 dated 28 October 2015, the Company has approved shareholder's resolution to invest in non-performing loan portfolio, auto hire purchase loan type from PBM and WIH with changing its objectives in order to support investment in non-performing loan and debt collection services provided to third parties, including other businesses in relation to non-performing loan and debt collection services, and changing company name from "Circuit Electronics Industry Public Company Limited" to new company name "Venture Incorporation Public Company Limited" and changing its public symbol from "CIRKIT" to "VI", including changing its company address to 83 Soi Chadson, Sutthisan Road, Samsennok, Huai Khwang, Bangkok 10310.

On 2 November 2015, the Company has purchased non-performing loans from PBM and WIH, altogether with its management team, under its shareholders' resolution from Extraordinary Shareholders' Meeting No.2/2015.

Venture Incorporation Public Co., Ltd.



• Since November 2015, the Company has started purchasing non-performing loan portfolio and debt collection services.

• November 2nd 2016, the Company began operations on distressed debt management and debt collection services to institutional clients.

• In January 2016, the Company established V.I. Capital Co., Ltd. ("VIC") as a subsidiary company, the objective is to invest in the asset management business.

• In February 2016, VIC purchased shares in Regional Asset Management Co., Ltd. ("RAM") in amount of 100 percent of the total shares.



FINANCIAL HIGHLIGHTS

Summary Financial Information

Assets	2015	2014	2013
Assets			
Current assets			
Cash and cash equivalents	42,745,226	7,220,145	101,250,226
Temporary investment-fixed deposit at financial institution	-	10,000,000	-
Trade and other receivable, net	8,245,606	24,519,827	23,211,638
Inventories	-	7,658,286	9,551,250
Total current assets	50,990,832	49,398,258	134,013,114
Nov-current assets			
Long-term investments, net	14,261,800	35,456,368	13,244,881
Investments in non=performing assets	58,825,797	-	-
Property, plant and equipment, net	15,108	234,377,601	244,437,938
Other non-current assets	5,333,623	1,533,042	1,286,979
Total non-current assets	78,936,328	27,367,011	258,969,798
Total assets	129,927,160	320,765,269	392,982,912
Liabilities and shareholders' equity			
Current liabilities			
Trade and other payables	3,773,997	15,200,805	16,169,499
Current portion of long-term loan	-	-	54,653,936
Total liabilities	3,773,997	15,502,805	70,823,435
Non-current liabilities			
Liabilities under rehabilitation plan-loan from related company	-	6,500,000	6,500,000
Liabilities under rehabilitation plan	-	2,406,983,783	2,380,441,784
Accrued interest under rehabilitation plan	-	481,288,710	438,728,385
Employee benefit obligations	104,662	3,293,759	1,782,681
Long-term provision	9,936,256	9,936,256	9,936,255
Total non-liabilities	10,040,918	2,908,002,508	2,837,389,106
Total liabilities	13,814,915	2,923,505,313	2,908,212,541
Shareholders' equity			
Authorized share capital of Bath 10 each		500,096,370	500,096,370
Authorized share capital of Bath 0.28 each	174,286,636		
Premium on share capital	-	475,000,000	475,000,000
Appropriated			
Legal reserve	-	49,250,000	49,250,000
Unappropriated	(58,137,891)	(3,627,311,361)	(3,539,589,459)
Other component of shareholders' equity	(36,500)	224,947	13,460
Total shareholders' equity	116,112,245	(2,602,740,044)	(2,515,229,629)
Total liabilities and shareholders' equity	129,927,160	320,765,269	392,982,912



155



Statement of Comprehensive Income	2015	2014	2013
Income			
Interest income from investment in non-performing assets	7,033,592	-	-
Revenue from collection services	4,727,472	-	-
Revenue from sales and services	53,227,578	84,419,591	56,765,419
Total revenue	64,988,642	84,419,591	56,765,419
Cost of collection from investment in non-performing assets	(449,990)	-	-
Cost of collection services	(1,768,957)	-	-
Cost of sales and services	(36,735,793)	(78,067,914)	(62,365,172)
Total cost	(38,954,740)	(78,067,914)	(62,365,172)
Gross profit	26,033,912	6,351,677	(5,599,753)
Selling expenses	(526,506)	(955,585)	(2,181,796)
Administrative expenses	(38,382,315)	(53,792,271)	(105,746,935)
Loss from operation	(12,874,919)	(48,396,179)	(113,528,494)
Other income			
Gain from one-time repayment of debt under rehabilitation plan	2,163,795,968	-	-
Accrued interest exempted under rehabilitation	485,663,900	-	770,599,413
Accrued rental fee exempted under rehabilitation	9,251,613	-	-
Gain on disposal trade account receivable and long-term loan to related parties	6,261,682	-	-
Other	4,311,695	4,347,173	466,906,954
Profit (loss) before other expenses and finance cost	2,656,409,939	(44,049,006)	1,123,977,883
Other expenses			
Loss on transfer assets to settle liabilities under rehabilitation plan	(45,994,725)	-	-
Loss on disposal of and write-off equipment	(27,106,305)	-	-
Loss on disposal of and write-off defective inventories	(2,369,447)	-	-
Termination benefits	(12,463,395)	-	-
Profit (loss) before finance costs	2,568,474,193	(44,049,006)	1,123,977,883
Finance costs	(9,644,395)	(43,672,896)	(58,027,515)
Net profit (losses) for the year	2,558,829,798	(87,721,902)	1,065,950,368
Other comprehensive income			
Item that will be reclassify subsequently to profit or loss	14,500	211,487	(6,405,780)
Other comprehensive income for the year	14,500	211,487	(6,405,780)
Total comprehensive expenses for the year	2,558,844,298	(87,510,415)	1,059,544,588
Profit (losses) per share			
Basic profit (losses) per share	6.30	(1.75)	21.19
Weight average number of ordinary shares (shares)	406,214,804	50,009,637	50,009,637



Statement of Cash Flows	2558	2557	2556
Cash flows from operating activities			
Profit (loss) for the year	2,558,829,798	(87,721,902)	1,065,950,368
Adjustment to reconcile profit (loss) for the year to net Cash in (out) flows from operating activities			
Interest income from investments in non-performing assets	(7,033,592)	-	-
Depreciation	8,215,060	20,578,104	16,786,813
Allowance for doubtful debt (Reversal)	-	(857,685)	(857,685)
Gain on value investment	-	-	(12,470,499)
Unrealized (gain) loss on exchange rate	-	106,417	(605,588)
Gain on sale of asset	-	-	(2,166,991)
Gain from one-time repayment of debts under rehabilitation plan	(2,163,795,968)	-	-
Accrued interest exempted under rehabilitation plan	(485,663,900)	-	(770,599,412)
Accrued rental fee exempted under rehabilitation plan	(9,251,613)	-	
Loss on transfer asset to settle liabilities under rehabilitation plan	45,994,725	-	7,849,819
Gain on disposals of long-term investments	(1,052,143)	-	
Loss on disposal of and write-off equipment	27,108,305	2,408,613	-
Loss on transfer assets to settle liabilities under rehabilitation plan	-	-	
Accrued interest exempted under rehabilitation plan	-	-	
Adjustment of liabilities under rehabilitation plan	-	-	(6,159,116)
Long-term provision	=	-	9,936,255
Provision for employee benefit obligations	12,567,931	1,511,078	317,077
Finance costs	9,644,395	43,672,896	58,027,515
Loss from operation before changes in operating assets under rehabilitation plan			
And liabilities	(4,437,002)	(20,302,479)	366,008,556
(Increase) decrease in operation assets			
Trade and other receivable	11,274,221	(1,264,752)	(9,726,625)
Inventories	7,658,286	1,892,964	1,188,114
Investments in non-performing assets	(51,792,205)	-	-
Other non-performing assets	(4,300,582)	(246,064)	(71,714)
Increase (decrease) in operating liabilities			
Trade and other payables	(2,477,195)	(816,548)	(50,166,274)
Employee benefit obligations	(15,757,028)	-	-
Benefit expenses payable to terminated employees		-	(56,809,446)
Net cash used in operating activity	(59,831,504)	(20,736,879)	250,422,611
Cash flows from investing activities			
Cash paid for purchase of temporary investments	=	10,000,000	-
Proceeds from disposals of temporary investments	10,148,407	-	-
Cash paid for purchase of long-term investments	(14,208,300)	(22,00,000)	-
Proceeds from disposals of long-term investments	36,045,157	-	1,430,349
Cash paid for purchase of equipment	(15,421)	(12,926,380)	(54,840,790)
Proceeds from disposals of equipment	29,833,224	-	2,500,000
Proceed from loans		857,685	857,685
Net cash flows provided by (used in) investing activities	61,803,067	(44,068,695)	200,369,855
Cash flows from financing activities			
Cash paid for finance cost	(269,205)	(1,897,540)	(801,055)
Cash received from capital increase	160,283,938	-	-
Repayment of liabilities under rehabilitation plan	(126,461,215	(27,326,967)	(114,620,851)
Net cash flows equivalents at beginning of the year	33,553,518	(29,224,507)	(115,421,906)
Net increase (decrease) in cash and cash equivalents	35,525,081	(94,030,081)	84,947,949
Cash and cash equivalents at beginning of the year	7,220,145	101,250,226	16,302,277
Cash and cash equivalents at the end of the year	42,745,226	7,220,145	101,250,226
Supplemental disclosure of cash flows information			
Non-cash transaction	(12 500)	011 407	400 700
Change in revaluation surplus in available-for-sale Decrease in liabilities under rehabilitation plan due to transfer of	(13,500)	211,487	422,780
property, plant and equipment to creditor	123,226,600	-	-
Decrease in share capital to compensate deficits	486,093,672	-	-
Decrease in share premium to compensate deficits	475,000,000	-	-
Decrease in legal reserve to compensate deficits	49,250,000	-	-



Financial Ratio	2015	2014	2013
Liquidity Ratio			
Current ratio	13.51	3.19	1.89
Quick ratio	15.11	4.35	1.76
Finance ratio of cash flow	(6.21)	(1.36)	2.58
Account receivable turnover	8.84	6.79	7.25
Average collection period	41.00	53.00	50.00
Inventories turnover	10.17	9.07	7.81
Average inventories period	36.00	40.00	48.00
Account payable turnover	102.60	10.56	2.24
Average payment period	3.00	34.00	161.00
Cash Cycle	1.00	9.00	44.00
Profitability Ratio			
Gross profit margin	40.06	(92.48)	(109.86)
Operating profit margin	(49.81)	(55.27)	(138.29)
Other profit	0.00	0.00	100.04
Cash to profitability	184.83	(46.16)	(319.01)
Net profitability	93.58	127.47	(89.68)
Return on equity	(207.31)	3.43	(35.01)
Efficiency Ratio			
Return on assets	1,135.51	(24.58)	314.88
Return on fixed asset	2,190.38	(28.05)	466.18
Total assets turnover	12.13	0.24	3.82
Financial Policy Ratio			
Debt/Equity ratio	0.10	(1.12)	1.16
Interest coverage	0.02	(0.47)	4.33
Cash Basis	(0.47)	(0.54)	1.48
Dividend payout	-	-	-



MESSAGE FROM THE CHAIRMAN

2015 was an eventful and significant year of change for the Company. After receiving a new equity injection of THB 120.12 million from new investors, as new paid up capital, and an agreed settlement of debt with all creditors, in March 2015, as part of the Rehabilitation Plan, under the Thai Central Bankruptcy Court, the Company was granted an exit and released from the rehabilitation process, by the Central Bankruptcy Court, after fully meeting and satisfying all requirements under the Rehabilitation Plan on the 2 June 2015. In an Extraordinary Meeting of Shareholders ("EGM") EGM No. 1/2015, on 28 August 2015, the shareholders, by majority vote, approved to cease the old business of manufacturing and sale of electronic parts, and to dispose of the equipment and machinery of the old electronics business, as well as its related assets and receivables, in an effort to refocus and renew its business activities, and to start a new chapter in the Company's journey.

On 28 October 2015, in EGM No. 2/2015, the shareholders, by majority vote, approved a new business strategy, investment in Non Performing Loan ("NPL"), increased capital, new placement to investors, new additional board directors, change of Company's name, amongst others, by acquiring existing NPL portfolios, and third party debt collection service business from PBL Management Co., Ltd and Wi Holding (888) Co., Ltd. The Company, as well as existing expertise from their senior management team.

Since November 2015, armed with a strong mandate from the shareholders, the new Board of Directors and I have resolved to quickly implement and integrate this new business of debt management and collection service into the Company, as well as to introduce new improvements, processes, internal controls, and business strategies, in order to further enhance and strengthen the new business of the Company, and to provide sustainable revenues and profitability for the Company, and all shareholders, going forward.

In this respect, my team and I have started to look at both internal and external aspects of the Company, by further enhancing, implementing new, and strengthening existing, internal processes of compliance, internal audit, controls, corporate governance processes, and management protocols, as well as external processes of implementing and developing new business strategies, relationship with institutions, marketing programs, and market intelligence for future investment opportunities. We will work together with our appointed external legal and financial advisers, to continuosly implement control and monitoring measures and strategies to improve our Company's performance, financial position, and qualifications, so as to ensure that our Company fully meets the rules and regulations of the Stock Exchange of Thailand, and the Securities and Exchange Commission of Thailand, and continue to qualify maintaining our status as a listed Company on the Stock Exchange of Thailand.

Looking forward towards 2016, we continue to see business and economic challenges, with slowing growth, reduced business sentiment and environment in Thailand, and around the region. We expect that there will be increasing opportunities for us to look into acquiring further NPL portfolios, Non Performing Assets ("NPAs"), as well as to evaluate other potential investments. We will also actively seek to strengthen our relationship with existing partners, financial institutions, as well as to look to form new alliances and partnerships, supported by a strong backbone system of management controls, governance, processes and protocols, for building stable and sustainable revenues, earnings, and value for the Company, and all shareholders.

Venture Incorporation Public Co.,Ltd.

On behalf of my team at Venture Incorporation Public Company, I wish to express my sincere gratitude and thanks to all shareholders, customers, business alliances, partners, financial supporters, together with our executives and staff, who have tirelessly worked to drive and support our Company's business, operations, processes, set objectives, and strategies, for the Company to continue its business, in a clear, fair, transparent, and socially responsible way.

I am confident that with the continued support, and strong mandate from all shareholders, my team and I can confidently continue to drive, operate, and manage our business, in prudent and socially responsible manner, according to the principles of good eithical business practices and corporate governance, with strict adherence to the rules and regulations of the Stock Exchange of Thailand, the Securities and Exchange Commission, prevailing laws, but remain creative, innovative, and flexible to adjust our business to prevailing conditions in order to build value for both the Company and the shareholders.

Siluget

Mr. Charit Ponganutree, MD Chairman of the Board of Directors



AUDIT COMMITTEE'S REPORT

The Audit Committee of the Company was appointed by the Extraordinary General Meeting of Shareholders No. 2/2015 held on 28 October 2015. The Committee comprises 3 independent directors who are Mr. Jesadavat Priebjrivat as being Chairman of the Committee, Mrs. Pennipa Dabbaransi and Mr. Weerapol Ruetrakul as being members of the Committee. All of them have qualifications as required by the rules of the Stock Exchange of Thailand. The Committee has carried out their duties and responsibilities of the assigned tasks with knowledge, capabilities and carefulness, together with having adequate independence.

In 2015, the meeting of the Audit Committee was held for 1 time with full participation of all members of the Audit Committee, and it was the meeting that relevant executives, auditor, and acting manager of internal audit had provided sufficient information to the Audit Committee.

The Audit Committee has given supports to the Board of Directors for successful proceeding with their responsibilities, and has followed up and given supports for establishing good corporate governance. The overall operation of works handled by the Audit Committee can be summarized as follows:

1. Financial Statements: The Audit Committee had conducted review of the financial statements of the 3rd Quarter of 2015 and the financial statements of the year 2015 and had conducted the meeting in order to ask questions and obtain explanations from the auditor and relevant executives in order to ascertain that the procedures in preparing of the financial statements and the disclosure of important information are correct, reliable, and are in line the relevant law and announcements, and the financial reports are prepared according to the general acceptable accounting standard.

2. Internal Control System: The Audit Committee had proposed that the Company should have the internal control been proceeded with sufficient evaluation by having reports from internal audit department and auditor in order to ascertain that the internal control system of the Company is sufficient for preventing and minimizing risks which may occur.

3. Evaluation the Sufficiency of Internal Control System: The Audit Committee had proposed to evaluate the efficiency of the internal audit by consideration of annual plan of internal audit, information from the audit reports, and by following up the results of improvements as per the reports, examining important matter so that the Audit Committee will be able to give suggestion for developing and improving of tasks of internal audit to be sufficiency and having effectiveness, together with the evaluation of the annual performance of the internal audit unit.





4. Good Corporate Governance: The Audit Committee has conducted review of the Company's performance as per the law of securities and exchange, the rules of the Stock Exchange of Thailand, together with the law in relation to operating business of the Company.

5. Connected Transactions and Transactions which may have conflict of interest: The Audit Committee had conducted review and had given opinion, with consideration the benefits of persons having interests, for the Connected Transactions and Transactions which may have conflict of interest, that the Company considers that the transactions were reasonable according to the condition as set by the Stock Exchange of Thailand.

6. Consideration selecting and appointing an auditor for the year 2015: The Audit Committee had jointly conducted selection, based on performance, independence, and appropriateness of remuneration, and then considered appointing Mr. Boonlert Kamolchanokkul holding auditor license No. 5339 and/or Mr. Chanchai Chaiprasit holding auditor license No. 3760, and/or Mr. Paiboon Tunkoon holding auditor license No. 4298 of PricewaterhouseCoopers ABAS Co., Ltd., to be an auditor of the Company, and also considered remuneration of an auditor for the year 2019 and then proposed to the Board of Directors.

In overall, the Audit Committee had conducted their responsibilities in full as set in the Charter of the Audit Committee of which was approved by the Board of Directors, and considers that the Company has appropriate financial reports which were held correctly according to the general acceptable accounting principles, with appropriateness in providing disclosure, and the operation was performed correctly, fully and reliable. Further, the Company has appropriate internal control system, of which its performance was held according to the law, rules, regulations in relation to the business operation of the Company, and according to the good corporate governance, transparency, and the protection of benefits of all relevant parties.

190gr l

Mr. Jesadavat Priebjrivat Chairman of Audit Committee



REPORT OF THE NOMINATING AND REMUNERATION COMMITTEE

The Board of Directors of Venture Incorporation Public Company Limited had appointed the Nomination and Remuneration Committee, which comprises the followings:

1. Mr. Jesadavat	Priebjrivat	Chairman
2. Mr. Sutipong	Srisoonthorntrakul	Director
3. Mr. Weerapol	Ruetrakul	Director
4. Manager of Huma	an Resource Department	Secretary

The Nomination and Remuneration Committee has duties and responsibilities according to the regulations of the Nomination and Remuneration Committee, of which are matters in relation to the policies on human resource, nomination of directors, and policies on consideration of remuneration for Chairman of Executive Committee and for Chief Executive Officer, together with the tasks on giving explanation with respect to remuneration for the Company's directors and high level executives, to the meeting of shareholders.

With respect to nomination of directors and high level executives, the Nomination and Remuneration Committee had proceeded with selection and nomination of persons who have knowledge, capabilities and qualifications which are appropriate according to the rules set by the Company, with consideration of the appropriateness of ratio, number and factors in various aspects, according to the law, the Company's regulations and good corporate governance.

With respect to the remunerations for the Company's directors and high level executives as shown in the Annual Report, the Nomination and Remuneration Committee considers that it is appropriate and are in line with the duties and responsibilities, and are also in line of the Company's rules, with consideration based on the performance, business environments, and economic situation.

190gr l

Mr. Jesadavat Priebjrivat Chairman of Nomination and Remuneration Committee

Venture Incorporation Public Co.,Ltd.



THE RISK MANAGEMENT COMMITTEE

The Risk Management Committee of Venture Incorporation Public Company Limited comprises 4 directors; 3 of whom are from executives of main working lines of the Company, and 1 is an independent director, as follows:

1.	Mr. Sawin	Laosethakul	Chairman of Risk Management Committee
2.	Mr. Jesadavat	Priebjrivat	Director of Risk Management Committee
3.	Mr. Damrong	Rojanamekhin	Director of Risk Management Committee
4.	Mr. Anuchit	Chompoolao	Director and Secretary of Risk Management Committee

The Risk Management Committee has duties and responsibilities in establishing rules and policies for risk management, conducting evaluation, analysis, and prioritising of the risks, and setting up strategic criteria of risk management so that the risk is at an acceptable level, based on appropriate cost, together with following up and conducting evaluation of result of risk management in order to report such evaluation of risk management to the Executives Committee, Audit Committee and the Board of Directors.

There was none Risk Management Committee in 2015. Later in 2016, the Board of Directors of the Company resolved to appoint the Risk Management Committee in February 2016. The Risk Management Committee has set its meeting in every quarter in order to conduct analysis of various risks, prioritizing risks, and also to have executives of the relevant units in relation to the risk propose procedures of risk management for consideration of the Risk Management Committee and for setting ip procedures for managing and for conducting evaluation from time to time, in order to ensure that the procedures are appropriate and sufficient and are continually carried out until the risk is at the acceptable level. This aims at protecting, maintaining and promoting the Company in achieving its targets and for the utmost benefits at appropriate for the Company, shareholders and other persons having interest.

Mr. Sawin Laosethakul Chairman of Risk Management Committee



BOARD OF DIRECTORS



Dr. Charit Ponganutree Chairman of the Board Director



Mr. Vincent Yuan Sun Lee Director/Executive Director



Director/Chairman of Independent and Audit Committee/Chairman of Nomination and Compensation Committee/ Risk Management Committee



Mr. Sawin Laosethakul Director/ Chairman of Risk Management Committee/ Executive Director/Chief Executive Officer



Mr. Paripol Dhanasuckanchana Director/Executive Director



Independent and Audit Director/Member of Nomination and Compensation Committee



Mr. Sutipong Srisoonthorntrakul Director/Chairman of Executive Committee/ Member of Nomination and Compensation Committee



Mr. Nitat Wattanakul Director/ExecutiveDirector/ Secretary of the Board



Mrs. Pennipa Dabbaransi Independent and Audit Director



Venture Incorporation Public Co.,Ltd

GENERAL INFORMATION OF THE COMPANY AND ITS SUBSIDIARIES

Venture Incorporation Public Company Limited ("VI")

Nature of Business	Operating non-performing loan management and debt collection services mainly for large organizations, including investment in its subsidiary	
Registration No.	BorMorJor. 0107538000428 (Old BorMorJor. 565)	
Head office	83 Soi Chadson, Sutthisan Road, Samsennok,	
	Hual Khwang Bangkok 10310, Thailand	
	Tel : 0-2747-7941-42 Fax : 0-2274-7938	
	Home Page: www.ventureinc.co.th	
Type of Shares	Common	
Registered Capital	187,698,636.44 Shares	
Par Value Per Share	0.28 Baht	
Paid up Capital	174,286,636.44 Baht (At 3 March 2016)	

V.I. Capital Company Limited ("VIC")

Nature of Business	Operating as an Holding Company with objective to invest in the non-performing loan management business, purchase and transfer non-performing loan, debt, or take assignment of debt from asset management company, financial institution or other corporate entity in Thailand and overseas, and also financing service, and leasing, and other business in relation to company's operations
Registration No.	0105559004617
Head office	83 Soi Chadson, Sutthisan Road, Samsennok,
	Hual Khwang, Bangkok 10310, Thailand
	Tel: 0-2747-7941-42 Fax: 0-2274-7938
Type of Shares	Common
Registered Capital	3,000,000 Shares
Par Value Per Share	10 Baht
Paid up Capital	30,000,000 Baht (At 11 January 2016)
% of Investment	99.99%

Regional Asset Management Company Limited ("RAM")

Nature of Business	Operating Asset Management Company under Asset Management Company Licensed 006/2008 issued by the Bank of Thailand dated 10 November 2008 that the company is entitled to purchase and transfer non-performing assets from financial institutions including collateral in relation to assets in order to manage or sell or transfer assets further and other business in relation to company's operations as determined by the Ministry of Finance and Bank of Thailand
Registration No.	0105551101044
Head office	29 Bangkok Business Center Building 30th Floor, Soi Ekamai, Sukhumvit 63, Klongton Nua, Wattana, Bangkok 10110, Thailand Tel : 02-714-4555 Fax : 02-714-3545-6



Type of SharesCommonRegistered Capital2,500,000 SharesPar Value Per Share10 BahtPaid up Capital25,000,000,000 Baht (At 11 February 2016)% of Investment99.99%

References Person

The Securities Registrar	Thailand Securities Depository Co., Ltd. 93 Ratchadapisek road, Din daeng, Din daeng, Bangkok 10110, Thailand Tel. 0-2009-9000, Fax: 0-2359-1259
	SET Contact center: 0 2009-9999 Home Page: <u>http://www.set.or.th/tsd</u>
Auditors	Mr. Boonlert Kamolchanokul C.P.A (Thailand) No. 5339 and/or Mr. Chanchai Chaprasit C.P.A (Thailand) No. 3760 and/or Mr. Paiboon Tunkoon C.P.A (Thailand) No. 4298 and/or PricewaterhouseCoopers ABAS Ltd. 15 th Floor Bangkok City Tower, 179/74-80 South Sathorn Road, Tungmahamek, Sathorn Bangkok 10120, Thailand Tel. 0-2344-1000, 0-2824-5000 Fax: 0-2286-5050 Home Page : www.pwc.com/th



POLICY AND OVERALL BUSINESS OPERATIONS

Vision and Mission in the business

a) <u>Manufacturing and Distributing Electronic Circuit Business (Suspended</u> <u>Operations in Q3'2015)</u>

Focusing on its manufacturing and product testing services for quality electronic circuits at an international standard

<u>Mission</u>

The Company strives to become a quality manufacturer and product testing of electronic circuits up to an international standard with cooperation from both clients and vendors via supply chain, faithfully and constantly improve its production quality, altogether with best service to increase shareholders' values under transparent, reliable, and fair management.

b) <u>Non-performing Loan Management & Debt Collection Service Business</u> (Commencing Q4'2015)

The Company has its vision, mission, and target in operating its non-performing loan management and debt collection service as follows:-

Vision

To become a market leader in non-performing loan management and debt collection service on a professional and ethical basis.

Mission

Focusing on non-performing loan management at the best by providing best quality service to support and improve non-performing loan status back to normal status and concentrating on relationship and operating under principles of good governance, good business moral & ethics, to shareholders, partners, clients, competitors, employees, and society.

<u>Target</u>

The Company has target for each business as follows:-

Debt Collection Service:

The Company targets to maintain its collectible clients up to Thai Baht 3,500 million to both existing and new clients focusing more on financial institutions, where the Company has its own management style to achieve its target as follows:-

- Focusing on quality debt collection service up to market standard and effectiveness under the target to create highest customer satisfaction without complaints on service quality from client;

- Developing Information Technology System and Processes in order to collect an updated client information under the target to develop debt collection service.

Non-performing Loan Management Service:

The Company targets to purchase additional non-performing loans with its short-term target to purchase non-performing loans with its face value of not less than Thai Baht 10,000 million per year, which will be focus on the followings:-

Offering its bidding price on a conservative basis, in order to grow consistently;

- Improving debt management database to monitor and assess debt management carefully before debt bidding;

- Spending its capital and debt collection expenses carefully and evaluate debt management result compared to its expenses with care.



Annual Report 2015

Changes and Significant Development of the business

• Circuit Electronics Industry Public Company Limited has engaged in manufacturing electronic circuits, Integrate Circuit or IC Type, for export purpose;

• The Company has commenced its operation since 1984 with registered capital of Thai Baht 30 million and has commenced its production in 1985 at Navanakorn Industrial Estate, Phatumthani Province, with initial production capacity at 30 million pieces per year, granted supported from the Board of Investment of Thailand;

• In 1995, the Company has offered its initial public offering amounting to 12.5 million shares;

• In 1996, the Company sold their shares via the Stock Exchange of Thailand, where % shareholding of major shareholder group (JTS Co., Ltd., Nganthawee Family, and Phukasavan Family) has changed from 86.45% to 24.85% and start constructing new factory at Rojana Industrial Park, Ayudhya Province;

• In 1997, the Company has moved its production base to its new factory at Rojana Industrial Park, Ayudhya Province;

• In 2001, the Company has been granted ISO14000 from TEI (Thailand Environment Institute);

In 2003, the Company has received ISO/TS16949 from BVQI;

• In 2004, the Company has increased its paid-up capital to Thai Baht 500,096,370 based on exercise right of its warrants;

• In 2005, the Company has been rehabilitating under the Thai Central Bankruptcy Court, which the Company becomes a Planner and Plan Administrator;

• On 21 August 2006, Creditors' Committee has its resolution agreeing upon the Rehabilitation Plan proposed by Plan Administrator, and later the Thai Central Bankruptcy Court has approved the plan on 24 August 2006;

• The Company has been granted CSR DIW Certificate from Department of Industrial Works on 22 September 2009;

• On 30 September 2010, the Company has submitted its Amended Rehabilitation Plan, under consent from Creditors' Committee on 5 November 2010, where the Thai Central Bankruptcy Court has approved the plan on 8 March 2011 (Please see details under Topic 2.7 Lawsuit & Litigation);

• On 16 June 2011, the Company has registered its Head Office from 5 Sukhumvit 3 Soi Nana Nua, Sukhumvit Road, Wattana, Bangkok 10110 to its factory address at 45 Moo 12 Rojana Industrial Park, Tambol Thanu, Uthai, Ayudhya province 13210;

• On 25 October 2011, the Thai Central Bankruptcy Court has agreed to extend rehabilitation commencement period for another from 24 August 2011 to 24 August 2012;

• On 24 August 2012, the Company has submitted its filing to expend its rehabilitation commencement period for another year due to Big Flood Crisis, having received consent from Creditors' Committee on 5 March 2013, where the Thai Central Bankruptcy Court has approved the plan on 17 June 2013;

• On 18 October 2012, the Company has been granted BOI privileges No. OrKor0907/026518 based on BOI Application No.1173/2555 submission dated 29 June 2012 from the Board of Investment of Thailand with approval dated 16 August 2013 under Investment Promotion Board No. 2118(1)/2013 since 8 October 2012, the approval date from the Board of Investment of Thailand;

• On 1 November 2013, the Company has requested extension of its Rehabilitation to 24 August 2014, where the Thai Central Bankruptcy Court approved on 24 February 2014;

• On 25 February 2014 and on 2 April 2014, the Company has submitted partly amended Rehabilitation Plan to seek new investor, to purchase core company's assets that has been transferred to set off debt to creditors, to amend repayment condition that is not consistent to normal repayment of debtor in order to rehabilitate the company successfully, then the Official Receiver has arranged a Creditors' Meeting to accept this Amended Rehabilitation Plan on 10 April 2014, where the Thai Central Bankruptcy Court approved on 9 June 2014;

Venture Incorporation Public Co., Ltd.



• On 22 August 2014, the Company has submitted additional Amended Rehabilitation Plan with a request to extend of its Rehabilitation to 31 March 2015, having consent from Creditors' Meeting on 6 November 2014, where the Thai Central Bankruptcy Court approved on 22 January 2015;

• On 1 December 2014, the Company has signed an Investment Agreement with new investor group led by Siam Holding Group Co., Ltd.;

• On 9 February 2015, Siam Holding Group Co., Ltd. and Company's shareholders have signed Memorandum of Understanding ("MOU");

• On 5 March 2015, the Company has registered its capital reduction for registered and paid-up capital, changing its Memorandum of Association to suit its capital reduction with Department of Business Development, Ministry of Commerce, reducing its Par Value from Thai Baht 10 per share to Thai Baht 0.28 per share under the recent Rehabilitation Plan;

• On 19 March 2015, the Company has registered its new capital increase for registered and paid-up capital, changing its Memorandum of Association to suit its capital reduction with Department of Business Development, Ministry of Commerce, issuing newly issued common shares of 429,000,000 shares at Par Value Thai Baht 0.28 per share to offer and sales to new investor group under the recent Rehabilitation Plan;

• On 20 March 2015, new investor group has proceeded on payment for the Company's capital increase amounting to Thai Baht 120 million to the Company with an objective to use that proceeds to repay the creditors under the recent Rehabilitation Plan;

On 24 March 2015, the Company has repaid creditors under the recent Rehabilitation Plan;

• On 25 March 2015, the Company has registered new investor group as its shareholders completely;

• On 22 June 2015, the Thai Central Bankruptcy Court has ordered the Company to get out of the Rehabilitation under the Court;

• On 28 October 2015, the Company arranged its Extraordinary Shareholders' Meeting No. 2/2015 with resolution to change the company name from "Circuit Electronics Industry Public Company Limited" to "Venture Incorporation Public Company Limited" and changing its business to non-performing loan management and debt collection services, altogether with changing company's objectives, amending Memorandum of Association and Articles of Association based on approved resolution;

• On 30 October 2015, the Company has completed and registered its new company name to "Venture Incorporation Public Company Limited" and the Stock Exchange of Thailand has change the company name to "Venture Incorporation Public Company Limited" with new company symbol from "CIRKIT" to "VI" effective date 10 November 2015. In addition, the Company has changed its company address from 45 Moo 12 Rojana Industrial Park, Tambol Thanu, Uthai, Ayudhya province to 83 Soi Chadson, Sutthisan Road, Samsennok, Huai Khwang, Bangkok 10310;

• Since November 2015, the Company has started purchasing non-performing loan portfolio and debt collection services.

• November 2nd 2016, the Company began operations on distressed debt management and debt collection services to institutional clients.

• In January 2016, the Company established V.I. Capital Co., Ltd. ("VIC") as a subsidiary company, the objective is to invest in the asset management business.

• In February 2016, VIC purchased shares in Regional Asset Management Co., Ltd. ("RAM") in amount of 100 percent of the total shares.



Structure of the Company and Its subsidiares

Delicy for separating operation among the Group

The Company decides to form its subsidiary to support the company's expansion and to increase its efficiency. On 11 January 2016, the Company has established its subsidiary, V.I. Capital Co., Ltd. ("**VIC**") as a holding company to invest in Asset Management Company and other Financial Services, and later on 9 February 2016, VIC has invested in Asset Management Company namely Regional Asset Management Co., Ltd. ("**RAM**") at 100% holding.

As of 11 February 2016, the company group structure is as follows:-



Venture Incorporation Public Company Limited ("VI")

Paid-Up Capital:	Thai Baht 174.28 million
Activities:	Operating non-performing loan management and debt collection services mainly for large organizations, including investment in its subsidiary
Holding Structure:	100% holding in VIC which VI has its objectives to invest in the Asset Management Company, purchase and transfer non-performing loan, debt, or take assignment of debt from asset management company, financial institution or other corporate entity in Thailand and overseas, and also financing service, and leasing, and other business in relation to company's operations, having registered capital of Thai Baht 30 million

V.I. Capital Company Limited ("VIC")

Paid-Up Capital: Thai Baht 30 million

Activities: Operating as an Holding Company with objective to invest in the nonperforming loan management business, purchase and transfer nonperforming loan, debt, or take assignment of debt from asset management company, financial institution or other corporate entity in Thailand and overseas, and also financing service, and leasing, and other business in relation to company's operations



Regional Asset Management Company Limited ("RAM")

Paid-Up Capital: Thai Baht 25 million

Activities: Operating Asset Management Company under Asset Management Company Licensed 006/2008 issued by the Bank of Thailand dated 10 November 2008 that the company is entitled to purchase and transfer non-performing assets from financial institutions including collateral in relation to assets in order to manage or sell or transfer assets further and other business in relation to company's operations as determined by the Ministry of Finance and Bank of Thailand



NATURE OF BUSINESS

Revenue Structure

The Company's Board of Director decided to suspend its manufacturing and distributing electronic circuits since 2 June 2015 and the Shareholders approved the Company to operate non-performing loan management and debt collection services as new business since 2 November 2015, then creating the Company's Revenue Structure in FY2015 in 2 phases; (a) January – October to have revenues from manufacturing and selling electronic circuits and (b) November – December to have revenues from debt management incomes and debt collection service fee, which can be summarized its Revenue Structure in the last 3 years as follows:-

	201	15	2014		2013	
Product Type	Baht Million	%	Baht Million	%	Baht Million	%
1. Electronic Circuits (Plastic IC)						
1.1 Surface Mount	35.84	67.33	66.85	79.19	42.07	74.12
1.2 Through Hole Mount	0	0	0.35	0.41	0.41	0.72
1.3 Visual Ins.	2.09	3.93	2.67	3.16	2.24	3.95
1.4 Others	15.30	28.74	14.55	17.24	12.04	21.21
Subtotal	53.23	100.00	84.42	100.00	56.76	100.00
2. PCBA						
2.1 PCBA	0	0	0	0	0	0
Subtotal	0	0	0	0	0	0
Grand Total	53.23	100.00	84.42	100.00	56.76	100.00

Revenue structure from manufacturing and selling electronic circuits:

Revenues from debt management incomes and debt collection service fee:

	20	15	2014 201		13	
Revenue Type	Baht Million	%	Baht Million	%	Baht Million	%
Revenues from debt	7.03	59.78	-	-	-	-
management incomes						
Debt collection service fee	4.73	40.22	-	-	-	-
Grand Total	11.76	100.00	-	-	-	-

Type of Products and Services

Manufacturing and selling electronic circuits (January – October 2015). Circuit Electronics Industry PCL is an Original Equipment Manufacturer (OEM) of electronic circuits, producing Integrated Circuit or IC and Printed Circuit Board Assembly or PCBA, which is the key component part of electronic appliances such as telecommunication appliance, computer, car appliance, etc. After big flood in Thailand, the Company has cancelled its PCBA production line, where the Company will mainly act as OEM for producing IC, which can be separated into the followings:-



Product	
IC	Manufacturing, OEM, and Testing
	Manufacturing means the Company will buy all of its supplies to completely produce its products
	OEM means the clients are to purchase all of its supplies for the Company to produce its products
	Testing means testing product with Testing Machine before deliver to clients

Company's business is not depending on season, and its sales are 100% export, where the clients are from U.S. at 65%, Europe at 12%, and Asia at 23%. Its Products are assembled as parts in other electronic appliances in the Telecommunication Devices, Electronic Devices, and Company Devices.

Integrated Circuit or IC

Company's production is to put Die which is a small component to assemble altogether in form of package to become IC, which is attributed to be Semi-Conductor, as a light-weighted electric conductor for electronic circuits efficiently, which will be used as an important part for basic electronic products such as radio, television, computer, till high technology electronic products such as devices for telecommunication which will perform different functions based on each specific electronic design.

The Company produced only one type of plastic electronic circuit which is made from polymer to be used in the consumer products such as telecommunication devices, mobile phone and computer. The type of IC Package is different from its production technology, which has 2 kinds as follows:-

1. <u>Through-Hole Mount Technology</u>. IC legs will be set perpendicular to IC Package to put into the hole of Printed Circuit Board or PCB and to seal by molten lead. This method utilizes supplies and labor intensively, resulting to bigger, thicker, longer distance between IC legs than Surface Mount Technology type. The key Through-Hole Mount products that the company produces is P-DIP that uses for consumer products such as telephone, computer, etc.

2. <u>Surface Mount Technology</u>. This is an improved technology to assemble electronic circuit by putting LC legs skewing into Printed Circuit Board or PCB seizing surfaced by molten lead which save space and cost of goods sold more than Through-Hole Mount technology, which will produce smaller electronic circuit to assemble into smaller electronic appliances such as mobile phone, notebook. There is an uptrend of this kind of electronic circuits due to smaller electronic devices, then the Company focuses producing more on producing this Surface Mount.

		Surface Mount	Through-Hole Mount
1.	Product Type	Smaller and lesser distance	Bigger, thicker, with longer
		between IC legs	distance between IC legs
2.	Supplies	Similar but quantity of supplies is	Similar but quantity of supplies is
		lesser	higher
3.	Production Step	Similar to other type	Similar to other type
4.	Production	Using casting mold covered by	Using casting mold covered by
	Technology	plastic putting on circuits and mold	plastic putting on circuits and mold
		to suit bending IC legs	to suit bending IC legs
5.	Туре	Sticking IC legs stick on PCB	Putting IC legs through hole on
		surface, mainly used for small	PCB Board, mainly used for big
		electronic appliances	electronic appliances

Differentiation of Through-Hole Mount and Surface Mount Technology



Privileges from Board of Investment o	f Thailand by each	Investment Promotion Board
r nvneges nom Doard of mvestment o	I I hahanu Uy cach	investment riomotion Doard

	ivileges from Board of Investment of Thailand by each Investment Promotion Board BOI No. 2118(1)/2556 BOI No. BOI No			
		DOT 110. 2110(1)/2000	1560/Ro./2552	1305/Or./2547
Pro	oduct	Integrated Circuit, COB 300 million pieces, Integrated Circuits for Testing 100 million pieces, and DIE	Integrated Circuit, COB and Testing 600 million pieces	Printed Circuit Board and related products 9 million pieces
		Sales 100 million pieces		
Pri -	ivileges Import Tariff for Machinery	Waived during Promotion Period	Waived during Promotion Period	Waived during Promotion Period
-	Corporate Income Tax	Waived for Net Profit from Promoted Operations for 8 years from first commencement date	-	-
-	Net Losses for each Year	Allowed to use Net Losses for each Year to deduct from Net Profits on subsequent years but not longer than 5 years	-	-
-	Dividend	Waived for not putting Dividend to calculate Tax for the whole Promotion Period, except Corporate Income Tax	-	-
-	Import Tariff for supplies, and necessary supplies	Waived for imported supplies used for production for export for 1 year from first importing date	Waived during 28 February 2012 – 27 February 2014, renewable for 2 years each	Waived during Promotion Period
-	VAT for supplies produced in Thailand	-	-	-
-	Import Tariff for Re-Export Product	Waived for one year from first importing date	-	Waived during Promotion Period
-	Export Tariff for Export Product	-	-	Waived during Promotion Period
-	Assessable Income	-	-	-

Please note that the Company has suspended its operations on Manufacturing and selling electronic circuits since June 2015 due mainly to losses from operations from facing strong competition in the international market plus decreased demand for electronic appliances worldwide from global economy recession.

Debt management incomes and debt collection services (Operating since November 2015)

NPL Debt Management

The Company has managed its own non-performing loans ("**NPL**") purchased from financial institutions or other companies selling its non-performing loans. For purchasing NPL from financial institutions via bidding process, the company will perform its due diligence and study on bidding NPLs such as loan type, overdue period, etc. in order to assess opportunity to be repaid by NPL clients and then propose bidding price to purchase by considering proposed purchase ratio to face value or gross loan value or depending on the conditions of NPL seller. If the Company wins the bidding, then to examine NPL details such as loan contract, overdue period, plus client details, etc. in order to summarize list of NPL debts to be transferred and to start debt collection process after that, and to meet the recovery target.

Non-performing debt management business derives from the policy of financial institution aiming to lower its non-performing loans and to reduce its debt collection expenses, then to get rid of these non-performing loans out of its balance sheet by inviting experienced non-performing loan management companies to bid these non-performing loans at discount. The bidding party will bear the debt management expense plus loan default risk. Nevertheless, the Company will bid on a selective NPL portfolio supported by experienced debt collection team by comparing recorded debt recovery ratio information with bidding NPL portfolio having similar loan type in order to assess the target debt recovery ratio or success ratio, and also debt management expenses over targeted debt recovery period in consideration with rate of return that the company require that to be used to evaluate and determine the bidding price.

In term of debt managing and collection, the Company has set up its forecasted debt recovery on a monthly basis to monitor target and actual debt recovery amounts. In case of lowered actual debt recovery rate than targeted, the Company has its internal policy to increase debt collection team, set provisions, and also adjust forecasted debt recovery ratio to match with the Company's policy and current debt recovery position.

Debt Collection Service

The Company also provide debt collection services to third parties that these creditors does not want to collect debt by themselves or cannot collect their debts by the reasons that revenues incurred from debt collection do not match with its collection expenses, where these services require experienced and skillful debt collection team. Currently, the Company provides several kinds of debt collection such as personal loan, auto hire purchase loan, tractor hire purchase loan, and mobile phone airtime debt, etc. where these creditors will provide loan and debtor details to the Company. The Company will start its collection process by searching more debtor information, examine, and contact debtors for the purpose of negotiating and convincing debtors to repay the loan under the terms that the creditor has set for the Company, mainly used the Company's Call Center or Phone Collection. The client will pay debt collection fee to the Company on a success basis once successfully collect the debt for debtor, payable debt collection fee as a percentage of gross debt that debtor pays to client.

Normally, client will set debt collection period at 6-9 months for each debtor portfolio based on loan type and the Company will return loan and debtor details to client after the expiry date of debt collection contract, however, extendable only collectible debtor and in process of negotiation with debtor portfolio.

Incomes from debt collection service will be mainly in form of commission that depends on Debt Collection Success Rate and agreed commission rate with the client, as follow:-

Debt Collection Fee	=	Gross Collection Amounts x Debt Collection Success Rate x		
		Agreed Commission Rate, or;		
	Π	Cash Collection Amounts x Agreed Commission Rate		



In addition, each loan type has different debt collection success rate and different commission rate. For instance, long-term overdue debts will have low debt collection success rate but having high commission rate. In average, the Company has a debt collection success rate at 5%-30% of debt collection amounts vs. commission rate at 5%-15% of collected debt amounts. In case of failure to collect debt, the Company will charge its client only debt collection expenses such as telephone bill, on-field collection fee, copy and fax expenses, etc.

Marketing and Competition

Marketing and Important Services

(a) Manufacturing and Selling Electronic Circuits Business (January – October 2015): <u>Marketing Strategy</u>. The Company has its marketing strategy as follows:-

1. Product:

<u>Product Quality</u>: Product quality is the key consideration of electronic clients then the Company focused on product quality as its priority by applying product quality improvement system, Total Improvement Process (TQIP) to improve its product quality in terms of production system and other systems in the Company to realize peculiarity in the production system. Focusing on its product quality, the Company has been granted ISO/TS16949 Certificate to ensure product quality for its client. After big flood crisis, the Company has not continued this ISO/TS16949 Certificate but to submit for ISO90001 Certificate from BVQI.

<u>Product Diversity</u>. The Company has a policy to manufacture integrated products for offering several kind of products and/or required by client to attract both existing and new clients, in order not to find new OEM electronic circuit manufacturers. In case that product require specific machinery to manufacture, the client can even send its machinery to the Company to produce, this is to create client relationship with increased product order consistently. Offering product diversity to client also diversify Company's activity risk from having different client or several applicable industry bases such as computer industry, telecommunication industry, automobile industry, which any downtrend of any industry demand will be substituted by other industry.

<u>Product Testing Service (Final Test)</u>. The Company has its product testing service for several kinds of electronic circuits before exporting to client and having policy to expand this product testing service to serve customer's needs.

2. Marketing and Sales Promotion:

In addition to product quality policy, the Company also concentrates on its customer services on a consistent basis in order to create customer's reliability. In addition, the Company sets its customer target group with its approaching effort to increase its orders, with an effort of convincing client to send its machinery to be produced by the Company.

As well, the Company focuses on on-time product delivery as some clients require to bring Company's products to sell or to partly manufacture further as finished goods. If there is any delay from product delivery, this will cause damage to client. In case that the client wants to buy company products for reselling, the Company also provides its direct delivery service to end clients as requested by any client in order to reduce time and transportation cost. The Company also collects each client information in order to satisfy each customer's need in addition to product joint-improvement policy with client to produce special product specification to develop long-term relationship with its clients.

3. Distribution and Distribution Channel:

The Company has engaged in manufacturing and selling electronic circuits for more than 20 years, approximately sold to clients in the U.S. at 65%, Europe at 12%, and Asia at 23%, where each client will send Pro-forma Invoice at least 3-month in advance for the Company to prepare purchasing its supplies, and other necessary supplies for production to be ready to manufacture the product order with estimated plus or minus 10% of Pro-forma Invoice given to the Company.

Venture Incorporation Public Co.,Ltd.



Each client has doing businesses with the Company for long time, having good relationship with the Company consecutively where new client always comes from client's end users (or client who purchase from the Company's client) and business partner of the Company's clients.

4. Client Characters:

Company's Clients are worldwide leading Electronic Manufacturers in the U.S., Europe, and Asia that brings company's products as electronic part to assemble on its finished products such as Mobile Phone, Computer Accessory, Home Equipment, etc.

After big flood crisis, the Company has received tremendous negative impact almost all on its production line inside its factory, resulting to Company's improvement on its factory, which can be restored into 2 phases as follows:-

Phase 1: Restoration of production line for immediate product requirement for clients that has no other OEM with urgent need.

Phase 2: Restoration of remaining production line for 100% manufacturing as normal, and to be in line with its Rehabilitation Plan under the Court, where included building improvement, infrastructure system, and also imported new machinery set for full function to serve market demand and customer's needs.

5. International Competition:

Market share of Thai OEM electronic circuit in the World market is very minimal comparing to market shares of other countries in Asia such as Malaysia, Singapore, etc., where international competition is not fierce due to differentiation of customer need and different electronic circuit boards for each client, where most clients have long-term commitment with its OEM manufacturers in term of investment in machinery jointly with its OEM manufacturers, then creating low chance of changing from one OEM manufacturer to another OEM manufacturer. In consideration with Thailand, this country has potential to be a well-established electronic circuit production base in views of skilled labor with knowledge and know-how to develop variety of electronic component products, especially when considering on Thailand's geography aspect, this country has competitive advantages as a hub for Indochina countries to have positive effect on transportation.

Increasing trend of electronic industry of Thailand has resulted to rapid expansion of this industry which benefits this country directly and indirectly such as increment of employment and investment. However, Thailand is still lacked of R&D competition or creativity when comparing to other countries, altogether with increased labor cost, where other countries is developing in all aspects especially education to develop readiness of labor to serve AEC and Global Trade with having cheaper labor cost.

6. Domestic Competition:

For domestic competition among Thai OEM electronic circuit manufacturers, the Company is competing with other Thai manufacturers who have no Head Office or presence overseas, which considered low competition due to each OEM manufacturers producing different products for each client's need, where most domestic competition will be on acceptable product quality, which the Company has improved the development of its products until its Company's products have been accepted by its clients, evidently from consistent client's orders resulting to continued production capacity expansion to service increased demand and orders.

Entry of new OEM electronic circuit manufacturers are considerably difficult due to high investment cost with required number of skilled labor to serve delicate and updated production technology all the times, then forcing the Company to coordinate closely with its worldwide leading Electronic Manufacturers for technology transfer to establish reputation to be acceptable to the world market, where these mentioned factors require long-term to establish with these worldwide clients, then changing OEM manufacturer to other Thai OEM manufacturers are less likely.



Annual Report 2015

(b) <u>Debt management incomes and debt collection services (Operating since November 2015)</u> <u>Marketing Strategy</u>. The Company has its marketing strategy as follows:-1. <u>Product:</u>

Even though there are many NPL management companies in different sizes ranging from small, medium, and large debt management companies, mainly law firm then facing new players easily, the key competition derives from quality debt service and collection service standard in order to prevent bad image to the Company and also to Company's clients, having skilled and experienced collection and management team with standardized working framework and process, including appropriate debt collection method and strategy to match with each debt portfolio type, and to fairly collect debt under the Debt Collection Act B.E.2558. Under this Act, all debt management and debt collection companies must record conversations with debtors forcing all players to set up its standardized collection procedures to create creditability where required investment in operation system in all aspects but resulting to company with high investment opportunity to be competitive. With experienced management team both on commercial banking and law more than 20 years and collection team with experience managing and collecting in personal loans, consumer loans, auto hire purchase loan, infrastructure loan, the Company has its competitive advantages of having skillful and experienced collection team to manage several kinds of non-performing loans, matching collection procedure with each nonperforming loan type and debtor characteristics, altogether with standardized operations. The Company has set its internal collection procedure as a standard with suitable training program to increase knowledge and skill to its collection team with operation testing constantly to ensure calling and collection team members to operate up to the Company's standard, with business moral and ethics in debt collection. In addition, the Company already has its conversation recording system with debtors and has developed its software to assist in debt collection at highest efficiency, which create company's competitiveness comparing to other debt management companies without experience and technology to support its operation.

2. Marketing Policy:

The Company has provide its debt collection service to third parties and also nonperforming loan management in order for the Company and client to receive debt repayment at agreed terms and conditions, while the debtors will get improvement of its debt status from nonperforming status to normal status, if the debtors can follow determined debt collection policy. The Company has its marketing strategy to focus on servicing existing clients and expand to new clients. For existing clients, the Company tends to create good relationship with service quality and deliverable jobs for client's consideration of using the Company's service regularly. For new clients, the Company is contacting and presenting the Company's profile on a roadshow basis to target customer groups such as Financial Institution on personal loan, auto hire purchase loan, infrastructure service companies, and hire purchase product loan to explore business opportunities for the Company.

3. <u>Target Customer Group:</u>

Customer characteristics and target group for debt collection service to third parties and also non-performing loan management businesses having the same target group which are Financial Institutions, Consumer Loan providers, Leasing Loan providers, and Infrastructure Loan providers, etc. where most target group has a policy to hire external companies to collect their debts or to sell their debts to external companies to manage further. Even though hiring external companies to collect their debts, the client still has to bear debt collection cost and burden to set up provisions for doubtful accounts, but having a chance to generate incomes if collectible debt amounts are higher than its provision amounts where the clients can control its expenses and reduce its cost for debt collection. For selling their debts to external companies to manage further, the debt seller will receive money at a certain amounts without the non-payment debt collection risk while the debt buyer has to take that risk with burden to set up its provision but normally sale price of these NPL debts is sufficiently discount from its gross debt amounts for the debt buyer to have a chance to generate profit more than enough to cover its costs of goods sold and selling and administration expenses from the debt collection process.

Venture Incorporation Public Co.,Ltd.



4. Distribution and Distribution Channel:

The Company has set collection teams clearly and separately to collect non-performing loans purchased from financial institutions and to collect debt for external parties, especially for debtor to pay its loan at a determined payment channel as set by the clients. For managing our own non-performing loan, the Company has set its collection channel at the Company's bank accounts.

5. <u>Competition and Competitors in the Market:</u>

Even though there are strong competition due to a lot of debt management companies in the market but mostly focused on debt collection success rate resulting to improper or unethical collection procedures having potential negative impact to creditor's and debt management companies' images during this period, therefore, each creditor currently gives importance for debt collection procedures by considering hiring external companies with skillful collection team and standardized collection process with credentials for debt collection, especially suitable debt collection scheme to match with each NPL loan type, etc. In addition to fairness collection under the Debt Collection Act B.E.2558 that requires the debt management companies to record debt collection conversations resulting to standardized collection system to create creditability to clients and increased stability of client base, which requires new investment in this business for some certain amounts. At the same time, there is an uptrend of debt collection clients to sell their nonperforming loans to debt management companies to reduce debt collection risk and also protect the creditor's image that creates competitiveness to the debt management companies with higher investment amounts both in terms of non-performing loan management and debt collection service From these competitive advantage, there will be a group of debt management businesses. companies that will focus on debt collection services plus advisor for debt collection solely, and to expand to buyout non-performing loans to manage by itself later which will be different than Asset Management Companies that manage only its non-performing loans, mainly corporate loan.

6. Thai Economy and Industry Trend:

The Bank of Thailand has announced non-performing loans or NPL amounts of Thai Financial Institutions at end of FY2015 that total NPL amounts were high at Thai Baht 3.38 billion or at 2.56% of total loan portfolio before deducting provisions, comparing to Thai Baht 2.78 billion or at 2.16% of total loan portfolio at end of FY2014. This increasing trend of NPL has shown the slowdown of Thai economy, reflecting to uptrend of non-performing loans in Thailand, where the Company has predicted that higher non-performing loans from Financial Institutions will constantly create higher amounts of non-performing loans for sales and also increasing of debt collection service businesses.

<u>Business Relationship of Companies involved in the non-performing loan</u> management and debt collection service industries:

Non-performing loan management and debt collection service industries have the same group of demand, while the creditor will collect debt or debt seller are always Financial Institutions, Consumer Loan Group, Hire Purchase Group, etc., which these groups can selectively choose different collection methodologies such as setting up an internal debt collection team or hiring external debt management companies to collect its debts or selling non-performing debts to external parties to manage itself.

There are 2 kinds of non-performing loans from seller groups non-performing consumer loans and non-performing corporate loans, which managing debt portfolio for debt collection services or non-performing debts for sales are mainly non-performing consumer loans including housing loan, credit card loan, leasing, and personal loan.

Factors that have impact to non-performing loan management and debt collection service industries:

Gross loan amounts and non-performing loan ratio are the key indicators to reflect non-performing loans in the Thai NPL industry, which these two indicators receive effect from Thai economy.



Annual Report 2015

1. Gross loan amount in the Thai economy will be adjusted up to economic conditions. If economic conditions are in the increasing trend, the gross loan amounts will be increase proportionately, thereby resulting to higher occurrence of non-performing loan amounts in the Thai economy.

2. Non-performing loan amounts will be affected directly to non-performing loan ratio, showing the economic condition. In case that non-performing loan amounts increase, then also affecting non-performing ratio directly. If the economic conditions are in the decreasing trend, non-performing loan ratio will be increased resulting to non-performing loan amounts in the economy.

As a consequence, debt management service industry are growing rapidly during the slowdown of Thai economy where non-performing loan ration will be increased.

Diagram of relationship of Companies in this Non-Performing Debt Management and Debt Collection Service Industry:



Product Supply

Product Supply Source

(a) <u>Manufacturing and Selling Electronic Circuits Business (January – October 2015)</u>:
1. Production. The Company had its factory located at 45 Moo 12, Rojana

Industry Park, Tambol Thanu, Uthai, Ayudhya province, which manufacture annually as follows:				
	2015	2014	2013	
Production Capacity	300	300	300	
Actual Production				
1. Electronic Circuits (Plastic IC)				
1.1 Surface Mount	9.67	19.75	10.59	
1.2 Through Hole Mount	0	0.05	0.06	
1.3 Visual Ins.	3.07	3.63	3.24	
1.4 Others	1.18	6.89	7.66	
Subtotal	13.92	30.32	21.55	
3. PCBA				
2.1 PCBA	0	0	0	
Subtotal	0	0	0	
Grand Total 13.92 30.32 2				

Notes: 1) During FY2012-2013, having imported machinery to start manufacturing as per Phase I;

2) In FY2014, manufacturing Phase 2 completely;

3) In FY2015, manufacturing for first 5 months and suspended operation.

Venture Incorporation Public Co.,Ltd



Supplies for manufacturing electronic circuits Description		Source
Wafer or Die	Used as light source when electricity is passing through	From client
Lead Frame	Metal made from copper, having different holes to put Die to attach to Frame	Hong Kong, Korea, Malaysia, Japan, Singapore
Gold Wire Aluminum Wire Copper Wire	Interface circuit between Die and Frame to complete electricity current	Singapore, Korea, Malaysia
Silver or Gold Epoxy	Interface Die on Frame	U.S., Singapore
Compound	Melting plastic to close circuit	Japan
Solder Bar	Melting to cover IC legs	Thailand
Tin Anode	Work Plating	Thailand

2. Supplies and Suppliers:

The Company mainly orders its supplies except Wafer/Die and specific supplies where clients will provide its supplies. Both supplies from company itself or from client must pass product quality testing to ensure all quality production steps up to customer standard's requirements.

The Company has good relationship with its suppliers due to long-term contact, then having confident of not having supply source problem from having more than 100 suppliers diversified by each supply types, and no supplier having order more than 30% of total supply purchase amounts. In addition, the Company has its own supply chain planning to match with its production plan and Pro-forma Invoice from clients.

3. Substituted Supplies:

Sourcing substituted supplies especially for delicate products can be done via changing supplier source by ordering from other supplier but need customer's approval before ordering where the Company has its supplier sources more than one for each supply type, giving the Company's flexibility and ability to find substituted suppliers and with no problem of shortage supply.

4. <u>Result from Changing Technology for using Supplies:</u>

When comparing to the whole electronic part industry including wafer manufacturing, integrated circuit industry, the Company's products are considered an intermediate production technology, where change of technology is not that much. Even though the current market demand has shifted to manufacture electronic circuit using Surface Mount more but supply types are still be the same as using Through Hole Mount, except the amounts of supplies used per unit is lowered due to smaller sized of electronic circuits, therefore, the Company has minimal impact from technology change. In addition, the Company has experienced engineers to control its production, to adjust its supplies to match with changing technology regularly and continuously.

5. <u>Supply Problem:</u>

Product supply in manufacturing Company's products is able to seek from several suppliers, which all suppliers have been carefully selected to provide quality supplies with client's approval under approved vendor list. Key supply parts such as Die, which is the key component of manufacturing electronic circuit, will be sourced by the Company's clients, then having confidence of no product quality at all.

6. <u>Supply Purchase Ratio:</u>

Almost all of the Company's supplies must be imported from overseas as most supplies cannot be sourced in Thailand.



(b) <u>Debt management incomes and debt collection services (Operating since November 2015)</u>

1. <u>Debt Collection Team</u>. The Company has purchased its first non-performing loan portfolio from 2 companies namely PBL Management Co., Ltd. and Wi Holding (888) Co., Ltd. where taking over the whole management and collection team from these 2 companies, including team members totally 60 collection team members, where 27% of total team members are for managing non-performing loans of the Company and 73% of total team members are for debt collection service for third parties.

The Company plans to create more collection team members using these long-term experienced collection team to prepare its own internal training program, in parallel with training programs from external human resource and "improved performance" training companies.

2. <u>Supply Source Problem:</u>

As of 31 December 2015, the Bank of Thailand has announced total non-performing loan amounting to Thai Baht 3.38 billion or at 2.56% of total loan portfolio before deducting provisions, therefore, the Company has no problem both to purchase new non-performing loan portfolio from Financial Institutions to manage by itself and to offer efficient debt collection services for third parties.

Impact to Environment

(a) <u>Manufacturing and Selling Electronic Circuits Business (January – October 2015)</u>: 1. <u>Safety and Impact to Environment.</u>

The Company has a clear policy to manage environment and safety all the times and to comply with international standard that focusing on compliance to safety act and environment act, including all regulations in connection to all Company's activities, products and services as determined by related government authorities such as Ministry of Labor and Social Welfare, Ministry of Industry, announcements and regulations of Industrial Estate Authority of Thailand where the Company's factory were located and other international safety and environment regulations.

The Company has received an international standard ISO14001 Certificate since 2001 from Thailand Environment Institute (TEI) and Management System Certification Institute (MASCI), and also received quality management system ISO9002 in 1995, QS9000 Certificate in 1998, and changing to ISO/TSI16949 Certificate since 2003 from BVQI, and after big flood crisis, the Company has received ISO9001.

The Company has its internal environment control system to reduce environmental impact to surrounded communities, society, in order to reduce environmental problem globally by installing waste water treatment and air pollution treatment, having waste treatment process from production process and Company's activities. The Company has its clear policy to reduce natural resource usage and to use its resource for highest efficiency by setting up objective and target to reduce resource continuously, altogether with reduction of hazardous that having impact to environment under the World Community. In addition, the Company has its policy to reduce environment impact having examination, monitoring, and follow up systems to ensure that systems and processes will be continued effectively. Under the above-mentioned procedures, the Company has never received any complaints regarding environmental impact in the last 3 years.

For part of product management to protect impact to environment and end users, the Company has monitored closely of changing regulations regarding using hazardous chemicals in products or production processes in order to comply with Convention on the Usage of Hazardous Chemicals all the times, which the Company has changed its production process including raw material usage in its production to pass these international criteria, resulting to Company's products that can be exported to all clients in several countries complied under this Convention.

For part of safety, the Company focused on accidental protection which might cause damages or losses to human life and Company's properties by arranging suitable personal safety protection equipment for operating staff, installing safety equipment to stop accident. In case of emergency, the Company has its testing, examining, and maintaining its safety equipment periodically, also checking environment condition in the work place for avoidance of impact to

Venture Incorporation Public Co.,Ltd.



human life of operating staff in risky position. This is including Company's safety training to realize preparation and treatment for emergency case with regular practicing, by with assessment and acceptance of preparation and practices for emergency case by Thai authorities all the times, resulting to the Company's non-accidental record continuously for the longest period of 1,047 days.

From above, this shows the Company's awareness to all social aspects, then the Company has been granted CSR DIW Certificate from Department of Industrial Works, Ministry of Industry.

2. <u>Unused Raw Materials:</u>

Unused raw materials such as wooden box and paper box must be collected to sell to domestic recycled manufacturers to be reused. As the Company has been granted privileges from the Board of Investment of Thailand (BOI) then it is a must for the Company to collect scrap metals such as copper, iron, tin, and nickel from production process including unused spare parts to be exported to international recycled manufacturers to be reused or recycled by melting again.

3. <u>Wastes:</u>

As chemicals used in the production process are mostly acid and alkaline, then the Company has its own waste water treatment pond to treat these chemicals before releasing water from production cycle into neutral. Silted sediment at the waste water pond will be put in the landfill or be treated by authorized waste processor with license from Department of Industrial Works. In addition, exhaust from chemical usage will be treated by acid fumes or alkaline fumes by bringing acid or alkaline water and waste exhaust to be released at the waste water treatment pond to pass same waste treatment. The Company gives its priority in maintain environment by having policy to do the right thing under related regulations and laws.

4. <u>Actual Operation in comparison to Highest Waste Treatment set by Law:</u>

Waste water and air pollution treatments have functioned in good result and under the waste treatment criteria all the times.

5. Environment Law Breaking Record and Solutions:

None.

(B) Non-performing debt management business and Debts collection services (Operating since November 2015)

Although the operations of the company shall not cause any direct impact on the environment, but the company's awareness and encourage employees to focus and help the environment starting from within the company by determine the 5S activities annually also regulates the use of office equipment ,electricity, water conservation and reduce pollution by using recycled paper as well as store the documents in the electronic form.

The Company focus on safety, health, community and social surroundings because the company realize that as a part of society to walk together towards the sustainable development of social and environment. The Company continue to create social activities for community and society with operating under the community and society responsibility as follows.

1. Committed to supporting the activities of the company alongside compliance with safety laws and other related regulations.

2. The security is the first priority of working responsibility in the performance of every employee.

3. The supervisors at all levels to act as a role models of leadership, training, coaching, motivating employees to work safely.



Annual Report 2015

4. Requiring all employees regardless of their own safety, colleagues as well as the company's assets all the time.

5. Employees must keep their area of work to be clean and tidy all the time.

6. Committed to supporting activities that encourage, promote and develop safety consciousness of staff in the workplace.

7. Committed to support the review and development of safety management system continuously.

8. Use resource and energy efficiency to prevent water pollution, air pollution and other waste arising from the activities of the company to submit a minimal impact on the environment and the community.



RISK FACTORS

The Risks to the Business of the Company/Group of companies

Manufacturing and selling electronic circuits (January – October 2015).

1. Economic and Political Risk. The slowdown of economies in several countries, political situation in the country, and changing demand of each electronic appliances have impacted to the Company's client groups and also on the plan of finding new investor group for the Company. Furthermore, there are other impact factors such as changing of shareholder control, merger and acquisition or changing electronic product trend, or country confidence that might influence to the Company's performance. However, the Company has coped with this risk by diversifying customer base and/or offer variety of products to several industries such as automobile industry, telecommunication industry, computer industry, etc. altogether with cost effective program to increase the Company's competitive potentiality. However, political risk is still an important risk having effect to investor's and customer's confidence, which might have direct impact to the Company's performance.

2. Technology Risk. Technology change in the electronic industry might cause existing machinery to be obsolete or to invest more on circuit mold, however, this technology change has not incurred rapidly or completely.

In addition, in case that the clients require products to be manufacture using special machinery or products that need more investments, the Company would negotiate with clients to invest in that machinery. Nevertheless, the big flood crisis damaged the new machinery inside the Company's factory that the Company has invested in line with customer's need.

3. Supply Risk. The Company usually imported raw materials from overseas for production therefore, the Company is facing the risk of delayed raw material risk from on-time delivery, changing raw material price, transportation cost, etc., where the Company coped with this risk by reserving its raw materials sufficiently to match with the client's pre-order, Pro-forma Invoice, and gradually import raw materials which will help the Company in terms of on-time delivery, pricing, and quality. In recent year, the raw material price has increased as a result of higher oil price, especially gold which is one of the key materials, but clients understand gold price fluctuation and allow the Company to adjust its product price.

However, having good relationship with clients, focusing on producing high product quality, and on-time product delivery to customer, are the Company's policy to mitigate this risk efficiently.

4. Labor Risk. Thai government's policy to adjust minimum wage to Thai Baht 300 per day and minimum salary for staff with Bachelor Degree had direct impact to the Company's cost of goods sold, then the Company has to seek a solution to increase staff performance, and to adjust its Organization Chart accordingly.

5. Financial Risk.

> Foreign Exchange Fluctuation Risk.

As the Company is a 100% exporter for electronic circuits, then all revenues are in US Dollars, while the imported raw materials will be paid in US Dollars as well.

As follows, foreign exchange fluctuation risk will be mitigated by natural hedging, US Dollar revenues to pay US Dollar raw materials. However, the Company's administration and other expenses are in Thai Baht, therefore, fluctuation of US Dollar to Thai Baht still has impact to the Company's profits. With constraints from regulation of Bank of Thailand and Thai commercial bank, the Company did not have any foreign exchange derivative or any hedging instrument to


mitigate this risk. However, the Company's management was aware of this foreign exchange risk and setting the policy to cope with this risk regularly.

Interest Rate Risk.

Fluctuation of interest rate in the future might impact to the Company's performance and cash flow, however, the Company has determined fixed interest rate to all creditors under the proposed and approved Rehabilitation Plan, then mitigating this risk. Furthermore, the Company has repaid all creditors in whole on 24 March 2015 under the amended Rehabilitation Plan dated 6 November 2014.

Account Receivable Risk.

All clients of the Company are foreign companies, where the Company had to provide credit term to all clients, therefore, creating credit default or account receivable risk if client do not pay under credit term. In order to mitigate this risk, the Company has its policy to provide credit term systematically by analyzing new client's credit risk, closely monitoring on its payment and credit record, setting on credit term aging target, and assessing client status regularly.

6. Operational Risk. The Company was in rehabilitation under the Thai Central Bankruptcy Court in order to exit the court, and resume its share trading. In the recent years, the Company faced with big flood crisis and unstable political resulting to unavoidable and significant impact the Company's performance, then creating huge operational risk to the Company not to be able to rehabilitate and/or resume trading. However, the Company has signed the Investment Agreement with Siam Holding Group Co., Ltd. dated 1 December 2014, that Siam Holding Group Co., Ltd. was to inject new capital to the Company amounting to Thai Baht 120 million for the Company to repay whole liabilities to all creditors under the approved Rehabilitation Plan, resulting to successful rehabilitation plan dated 6 November 2014. As a consequence, the Thai Central Bankruptcy Court has ordered the Company to exit the court on 22 June 2015, and cancelled Rehabilitation under the Court dated 30 June 2015.

7. Disaster Risk. The Company's factory was located at Rojana Industrial Park where this industrial park has flood protection system in place by building ridge surrounded this park, which never faced with flood problem previously. However, with big flood crisis in fourth quarter of FY2011, the Company faced complete damage regardless on how good the flood protection system is. After that, both Thai government and private companies inside this park had coordinated to seek disaster protection scheme, where Rojana Industrial Park assigned Italian-Thai Development Public Co., Ltd. to set a concrete ring-fence box outside this park using PC sheet piles completely.

The Company also set its Contingency Plan to protect potential and future disaster, including product delivery policy.

Debt management incomes and debt collection services (Operating since November 2015)

1. Change of Act or Regulation Risk. For instance, if there are changes in Debt Collection Act or regulation, that might impact to difficulty in debt collection process. However, the change of act or regulation process takes time with public hearing, then the Company can comply with this risk by adjust its debt collection procedures to match with the Act or Regulation all the times.

2. Change of Debt Collection Policy & Bargaining Power of Creditor. In case of debt collection service, if the creditor changes its debt collection policy in order to control all debt collection process to reduce or lower its image risk, that might result to the Company to lose debt collection service income and facing human resource problem from change of policy. In addition, creditors with huge debt portfolio will have high bargaining power to determine the commission rate, debt collection portfolio characteristics, debt collection amount, and debt collection period, which will have direct impact to the Company's performance. As a result, the Company will focus on its quality service, good debt collection system and processes with acceptable credentials to creditors, which then to expect to continuingly receive debt collection service assignments.

Venture Incorporation Public Co.,Ltd.



3. Lot of Debt Collection Companies Risk. There are many players in this field as this debt collection business does not require high investment and not complicated operational structure, then this might result to competitive commission rate from lots of debt collection companies. However, the Company expects not so high competition as most clients are mainly Financial Institutions, which put their key priority considerations on qualification of debt collection companies, service quality, etc., which would affect to client's image.

4. Legal Risk. As a result of the Company's debt collection behavior that might create disagreement with debtors, there is then a risk from debtor's accusation of unfair business operations causing to a loss of the Company's image. However, this risk can be mitigated by the Company's regular trainings, i.e., knowing new Debt Collection Act, fair collection dialogues, altogether with the Company's conversation record system to avoid unfair claim or argument between debtors and the Company's collection team.

5. Below-the-Target Debt Collection Risk. There is a risk incurred from purchase of nonperforming loan from Financial Institutions to manage by the Company, where the Company has to collect within a certain period in order to avoid cost overrun and deterioration of debtors' ability to pay debts over the period that might cause the lower rate of return from debt management. As such, the Company has set its policy to calculate an appropriate debt collection period for each non-performing portfolio using debt purchased amounts as a fixed cost plus salary and commission and selling & administration expenses as a variable costs to calculate the breakeven period for each non-performing loan portfolio.

6. Competition Risk. Debt management business or managing its own non-performing loan is the business with only a few companies, therefore, this might result in future competition risk from having more competitors that might affect to increase NPL bidding price, where the new entrants might be foreign companies or related parties such as law firm who do litigation from creditors against debtors. In addition, the Company might face the risk that the creditor wants to collect its debt by itself, or hiring other external firms to collect its debt instead of selling its non-performing debts to external party. However, the Company believes that the risk of increasing number of debt management companies is manageable due to barrier to entry to new entrants, as these new entrants must have sufficient cash to buyout debts, having management and experienced collection team to determine an appropriated non-performing loan values, and ability to collect debts. Without these qualifications, then new entrants would not be competing with existing debt management companies.

7. Auditor "Qualified" Opinion Risk. Due to long-term rehabilitation process under the Court till June 2015, the Company performance has been consecutively negative for years, showing higher total liabilities exceeding total assets amounting to Thai Baht 2,602.74 million as of 31 December 2015, then the successful rehabilitation plan depends on the Company's profitable performance and ability of the Company to follow terms and conditions under the Rehabilitation plan and future Company's performance.

In addition, the Company's Auditor has not given opinion to audit report as of 31 December 2015 due to not sufficient evidences to present its opinion on the following issues:-

a) Not being able to receive confirmation letter on receivable amount owed by large foreign company;

b) Receiving confirmation letters from 10 creditors to confirm their loan outstanding but in different to the loan outstanding as contained in the Rehabilitation Plan, where the Company had total outstanding amounting to Thai Baht 2,888.27 million as of 31 December 2015;

c) The Company's business (OEM Manufacturer for Electronic Circuit) has had operational losses for years based on (a) putting 100% provisions for doubtful accounts for all account receivables, and for (b) the Company has received newly paid-up capital from new investor group and to repaid all creditors under the Rehabilitation Plan resulting to successful rehabilitation implementation, thereby creating a Company's profit from debt restructuring amounting to Thai Baht 2,163.73 million, and also reflecting in the Company's net profits as of 31



Annual Report 2015

December 2015 of Thai Baht 2,558.84 million with positive Shareholders' Equity at Thai Baht 116.11 million (referred to Company's Management Account as of 31 December 2015).

This risk is mitigated by the Thai Bankruptcy Court's order on 22 June 2015 to cancel rehabilitation under the Thai Central Bankruptcy Court from the Company's own filing to exit from court dated 30 March 2015. In addition, the Company has receive shareholders' approval from its Extraordinary Shareholders' Meeting dated 2/2015 dated 28 October 2015 approving the Company's new core businesses to be non-performing loan management and debt collection service, where the Auditor has issued its opinion to the Company's Audited Statements as of 31 December 2015 that "the financial statements present fairly, in all material respects, the financial position of Venture Incorporation Public Company Limited as at 31 December 2015, and results of operations and its cash flows for year then ended in accordance with Thai Financial Reporting Standards".

8. Delisting Risk. The Stock Exchange of Thailand has announced the securities of the Company to be categorized in the Non-Performing Group: NPG that announced on NPG Phase 1 on 10 March 2011, NPG Phase 2 on 12 March 2012, and NPG Phase 3 on 12 March 2013, as such the Company faces the risk of delisting from the Stock Exchange of Thailand.

To mitigating this risk, the Company has set and implement itself to be qualified to be relisted in relation to improvement and qualification for resume trading criteria from the Stock Exchange of Thailand to improve its financial status and performance to be within 3 years and extendable for 1 year since Announcement of NPG List No. 1 on 10 March 2011 and the Company actually improves itself as follows:-

a) The Company successfully reduced and increased its capital on 25 March 2015 totally Thai Baht 120.12 million then its total paid-up capital is now at Thai Baht 134.12 million;

b) The Company has almost no debts incurring from using newly paid-up capital of Thai Baht 120.12 million to completely repay all 29 creditors, or 100% of the Company's total debts;

c) As a consequence, shareholders' equity of the Company becomes positive since Q1'2015 at Thai Baht 115.36 million with its shareholder's equity at Q4'2015 at Thai Baht 116.11 million.

In Q3'2015, the Company has ceased its former business and to commence new business of non-performing loan management and debt collection service on 2 November 2015 by issuing new shares to 5 new strategic partners and increased its paid-up capital amounting to Thai Baht 40.16 million on 9 November 2015, resulted to new total paid-up capital at Thai Baht 174.28 million. As a consequence, the Company has successfully improved its shareholders' equity to be not less than Thai Baht 20 million as of 31 December 2015, in compliance with one of the Stock Exchange of Thailand's resume trading criteria.

	Unit: Baht Million
Shareholders' Equity as of 31 December 2014	(2,602.74)
Capital Reduction	(961.09)
Reduce Legal Reserve	(49.25)
Reduce Retained Losses	1,010.34
Increased Capital by new investor group No. 1 (25 March 2015)	120.12
Increased Capital by new investor group No.2 (9 November 2015)	40.16
Profit (Loss) for the Year (including profit from debt restructuring)	2,558.84
Profit (Loss) during the Year	(0.27)
Shareholders' Equity as of 31 December 2015	116.11

Source: Company's Audited Financial Statements as of 31 December 2015

The Risk of the Investment of the shareholders

Risk of majorshareholders of the Company: Presently, the company has major shareholders are Siam Holding Group Co., Ltd. (Mr. Sawin Laosethakul and Mr. Vincent Yuan Sun Lee as major shareholders), percentage of shareholding 36.79% of the Company (as of 30 Dec 2015). If this is a major shareholder have the integration with the major shareholder group will be able to control voting right of the shareholders meeting to more than half whether the appointment of directors or other matters that require the approval of a majority of the shareholders' meeting. So the other shareholders may not have enough votes to check and balance that proposed by major shareholders, including the important issues that require a special resolution requiring the votes of shareholders more than 3 in 4, if not approved by the majority shareholder, it cannot be passed up. However, the Company's Audit Committee to examine and consideration to avoid transactions that may cause conflict and contributes to transparency in the operations of the Company.



LEGAL DISPUTES

The Company termination rehabilitation plan

1. Transferring land and building totaling Baht 154.31 million to settle loans of Baht 123.23 million from Secured Financial Institution Creditors (Group 1 creditors). transferred the utilities and fire system under Memorandum of Deliver the Properties and Out of the Estate dated 11 June 2015 to Secured Financial Institution Creditors (Group 1 creditors).

2. Repayment of principal and accrued interest expense to Secured Financial Institution Creditors (Group 1 creditors), Unsecured Financial Institutions since Collaterals Were Damaged By Flood (Group 2 creditors), Unsecured Financial Institutions (Group 3 creditors), and Accounts payable (Group 4 creditors) according to the rehabilitation plan.

3. On 22 June 2015, The Central Bankruptcy Court has ordered termination of the Company's rehabilitation plan.

🗁 Special business tax case

1. The specific business tax for the year 2005 - 2006. In 2013, the Court judged the Company to lose a case and the Company appealed the judge to the Supreme Court. At present, the case is under the consideration of the Supreme Court.

2. The specific business tax for the year 2007 - 2010. in 2014, the Court judged the Revenue Department to withdrawal the tax assessment. The Revenue Department appealed the judge to the Supreme Court. At present, the case is under the consideration of the Supreme Court.





STRUCTURE OF SHAREHOLDERS

Registered Capital and Paid-up Capital

Under the Thai Bankruptcy Court's order, Circuit Electronics Industry Pcl (CIRKIT), which later changed its name to Venture Incorporation Pcl (VI) has registered its capital from Thai Baht 14 million to Thai Baht 134.12 million by issuing new common shares in total of 429,000,000 shares at a Par Value of Thai Baht 0.28 per share.

On 5 March 2015, CIRKIT has received increased capital amount from shareholders in total of Thai Baht 120.12 million, then the Company has registered its new capital at the Ministry of Commerce on 25 March 2015, resulting to a total issued and paid-up capital of Thai Baht 134.12 million, having common shares totally 479,009,637 shares, at its Par Value at Thai Baht 0.28 per share.

On 2 November 2015, Venture Incorporation Pcl (VI) (formerly known as CIRKIT) has received a new paid-up capital from new shareholders amounting of Thai Baht 40.16 million, then registered at Ministry of Commerce on 30 November 2015 resulting to it issued and paid-up capital at Thai Baht 174.29 million, having total common shares totally 622,452,273 shares, at its Par Value at Thai Baht 0.28 per share.

The Company has registered its shares at the Stock Exchange of Thailand.

Major Shareholders

Venture Incorporation Pcl (VI), (formerly known as CIRKIT), has closed its recent Registered of Shareholders as of 31 December 2015, with the first top ten shareholder names and its paid-up number of shares as follows:-

No.	Name	Number of Shares	%
1	Siam Holding Group Co., Ltd. Mr. Sawin Laosethakul Mr. Vincent Yuan Sun Lee as major shareholders	229,000,000	36.79%
2	Ponganutree Family (Relationship Father & Daughters) Dr. Charit Ponganutree Ms. Danita Ponganutree	114,331,000 100,000,000 14,331,000	18.37% 16.07% 2.30%
3	Mr. Pisit Bovornsethanan	35,860,659	5.76%
4	Mr. Prinya Charanvijit	35,860,659	5.76%
5	Mr. Paripol Thanasukarn	26,688,528	4.61%
6	Ms. Sureerat Tanratanakorn	21,516,395	3.46%
7	Mr. Pongpol Ruenkaew	21,516,395	3.46%
8	Ms. Kanokrat Laosethakul	20,000,000	3.21%
9	Mr. Soonthorn Sukhum	15,000,000	2.41%
10	Mr. Pisit Thammathiwat	7,000,000	1.12%



Additional Share Issuance

-- None –

Dividend Payment Policy

The company has a policy to pay dividend at least 30 percent of net profit after tax and statutory reserve each year. (With additional conditions)



STRUCTURE OF MANAGEMENT

Existing Organization Chart



The Board of Directors

Board of Director of CIRKIT (Circuit Electronic Industries Pcl or CIRKIT)

On 1 September 2015, the Board of Directors of Circuit Electronic Industries Pcl (CIRKIT) comprise of 9 Directors including Executive Director (9 members), including:-

No.	First Name & Last Name	Position
1.	Mr. Ekamin Nganthawee	Chairman/Director
2.	Mr. Sorarat Nganthawee	Director
3.	Mr. Virach Nimmanwattana	Director
4.	Mr. Sutipong Srisoonthorntrakul	Director
5.	Ms. Daniya Ponganutree	Director
6.	Mr. Nitat Wattanakul	Director/Secretary of the Board

The Company's authorized Directors are 2 groups as follows:-

• Director Group 1 including 1. Mr. Ekamin Nganthawee, 2. Mr. Sorarat Nganthawee, 3. Mr. Virach Nimmanwattana for signing by 2 Authorized Directors with Company's stamp, or;

• Director Group 2 including 1. Mr. Sutipong Srisoonthorntrakul, 2, Mr. Nitat Wattanakul, 3. Ms. Daniya Ponganutree for signing by 2 Authorized Director with Company's stamp.

Board of Director's Scope of Work, are as follows:-

1. To perform businesses under the law and objectives as described in the Memorandum of Association, Articles of Association, and to perform under the shareholders' resolutions with honesty, for the benefits of the Company and Shareholders;

2. To select Chief Operation Officer, with assessment;

3. To consider and review Articles of Association, Financial Target, and Company's Operational Plan to comply with the Company's policy and regulations efficiently and effectively;



Annual Report 2015

4. To provide advice and consultation to the Executives & Management in order to operate the Company in compliance with good corporate governance in the following areas:-

- To consider and question sufficiency of Internal Control System, Risk Management System efficiently;

- To consider and certify financial report that has been reviewed and audited by certified auditor;

- To consider and review issue that might create conflict of interest and related party transaction to be complied with the Stock Exchange of Thailand;

- To consider revealing of the Company's information to public fully, transparently, and on time;

- To consider operating under the Stock Exchange Act, regulations and announcements of the Stock Exchange of Thailand properly;

- To arrange for the Company's Secretary to assist operations of the Board of Directors and the Company as determined by the Law.

Appointment of Company's Board of Directors. The Company's Articles of Association has defined that the Board of Directors will comprise of not less than 5 Directors, and not less than half of the Directors must be in Thailand. Each individual shareholder will have voting right equal to its own number of holding shares to select one or several person to be Director without separating its voting right to provide to anybody, which each Director's candidate will be listed from highest vote to lowest vote to appoint the persons from voting rights till getting the Company's Director or required number of Directors from that election. In case persons having the same voting rights have more than the required number of Directors, then the Chairman of the Board will be decision maker. Appointing and releasing the Company's Director during rehabilitation period will be submitted filing for Court's approval.

Releasing the Company's Director. Shareholders' Meeting will vote of not less than three fourth (3/4) of number of shareholders who attend the Meeting and having the voting right of not less than half of number of shares holding by attended shareholders with voting right.

b Board of Directors of VI (Venture Incorporation Pcl or VI)

On 2 March 2016, the Board of Directors of Venture Incorporation Pcl (VI) comprise of 9 Directors, including Executive Directors (4 Directors) and Independent and Audit Directors (3 Directors) as follows:-

No.	First Name & Last Name	Position
1.	Dr. Charit Ponganutree	Chairman/Director
2.	Mr. Sawin Laosethakul	Director/Executive Director/Chief Executive Officer
3.	Mr. Sutipong Srisoonthorntrakul	Director/Executive Director/Chairman of Executive Committee
4.	Mr. Vincent Yuan Sun Lee	Director/Executive Director
5.	Mr. Paripol Dhanasuckanchana	Director/Executive Director
6.	Mr. Nitat Wattanakul	Director/Executive Director/Secretary of the Board
7.	Mr. Jessadavat Priebjrivat	Independent Director/Chairman of Independent and Audit Committee/Chairman of Nomination and Compensation Committee
8.	Mr. Weerapol Ruetrakul	Independent and Audit Director/Member of Nomination and Compensation Committee
9.	Mrs. Pennipa Dabbaransi	Independent and Audit Director



Authorized directors of the Company are Dr. Charit Ponganutree or Mr. Sutipong Srisoonthorntrakul or Mr. Nitat Watanakul or Mr. Vincent Yuan Sun Lee to sign with Mr. Sawin Laosethakul or Mr. Paripol Thanasukarn with the Company's stamp.

Board of Director's Scope of Work, are as follows:-

1. To perform businesses under the law and objectives as described in the Memorandum of Association, Articles of Association, and to perform under the shareholders' resolutions with honesty, for the benefits of the Company and Shareholders;

2. To select Chief Operation Officer, with assessment, including appointing Directors and/or a group management staff to be the Company's Executives to perform on one or several duties as assigned by the Board of Directors, including appointing Chief Executive Officer and other Directors such as Nomination and Compensation Committee, as seem fit, including authorized power to appoint or give power of attorney to any person to perform an assignment on behalf of the Board of Directors under the supervision by the Board of Directors, and including authorized power to cancel, withdraw, or change the power of attorney as seem fit;.

3. To consider and review Articles of Association, Financial Target, and Company's Operational Plan to comply with the Company's policy and regulations efficiently and effectively;

4. To provide advice and consultation to the Executives & Management in order to operate the Company in compliance with good corporate governance in the following areas:-

- To consider and question sufficiency of Internal Control System, Risk Management System efficiently;

- To consider and certify financial report that has been reviewed and audited by certified auditor;

- To consider and review issue that might create conflict of interest and related party transaction to be complied with the Stock Exchange of Thailand;

- To consider revealing of the Company's information to public fully, transparently, and on time;

- To consider operating under the Stock Exchange Act, regulations and announcements of the Stock Exchange of Thailand properly;

- To arrange for the Company's Secretary to assist operations of the Board of Directors and the Company as determined by the Law.

5. To consider approval of investment to expand the Company's businesses altogether with joint venture or joint invest with other business operators or invest in company or other businesses;

6. To set up the Company's Regulations;

7. To consider and approval other business important transactions in relation to the Company or seems fit to operate that business in order to benefit the Company, except that authorized power that require shareholders' approval. In case that any Director or any person who has been authorized or person with conflict of interest (under regulations issued by the Securities and Exchange Commission and/or the Stock Exchange of Thailand) with interest or having conflict of interest with the Company and/or subsidiaries and/or related companies, that Director or that authorized person will not have a power to approve that transaction;

a. Any transaction that requires shareholders' approval by the law;

b. Any transaction that the Director have interest or under specification of the law or regulation of the Stock Exchange of Thailand that require shareholders' approval such as transaction that are significant to acquisition or disposal of assets under the regulation from the Stock Exchange of Thailand;

The following topics need to be approved by the Board of Directors with the majority vote of Directors attending and from the Shareholders' Meeting with voting right of not less than Three Fourth (3/4) of total votes of attended shareholders with voting rights:-

(a) Sell or transfer the Company's important operation in whole or in part;

(b) Buy or transfer of the other company's business or other private company to be the Company's businesses;

(c) Amend or cancel contract in relation to outsourcing the Company's important businesses in whole or in part, or assign other person to manage the Company's business, or merger the Company's business with other party under the profit/loss sharing objective;



Annual Report 2015

(d) Amend or add Memorandum of Association and Articles of Association;

- (e) Increase or decrease Debenture;
- (f) Merger & acquisition or cancel the Company;

(g) Other action that is determined under the Public Law Act and/or regulations under the Stock Exchange of Thailand that requires Board of Directors' approval and shareholders' approval with the above-mentioned voting condition.

Nevertheless, any Director or any person who has been authorized that might have interest or conflict of interest with the Company, that Director or person who has interest or conflict of interest shall not have the voting right to approve that transaction.

Selection of the Directors and Holding Position Conditions:

Selection of the Director shall be made by the shareholders' approval under the following criteria:-

1. Each shareholder will have voting as one share, one vote;

2. In selecting the Director, this might apply to selection of each Director, or to selection of several Directors at one time, up the shareholders' opinion, but at each voting, each shareholder must vote under its right as mentioned on Point 1, but cannot share voting of one Director to another Director, then each shareholder cannot share its voting in Director section for any person under Public Limited Companies Act, Article 70 space 1 (only non-cumulative voting only);

3. On the election for Director, to use majority voting. In case of having same voting, the Chairman of the meeting will be the decision maker;

4. The Board of Directors will have its term in the position as determined under the Company's regulations. Director, who resign from Director position, can be elected to become Director again, except Director who has been retired from the following reasons:-

- a. Death;
- b. Resignation;
- c. Disqualified or having prohibited qualification under Public Limited Companies Act;
- d. Meeting resolved to exit the position;
- e. Court order to exit the position

5. When each Director resign from its position, that Director has to submit its resignation letter to the Registrar Office as well.

Board of Directors' Meeting

The Board of Directors shall arrange the meeting to accept the Company's performance of at least every 3 months. In the meeting, the Directors have to provide opinion and using independent judgment, where each Director should attend the meeting every time except in the emergency case which that Director has to inform the Secretary of the Board in advance. The Company has to report the number of Director's meeting attendance in its Annual Report. In each Board Meeting, the Secretary of the Board shall issue the Invitation Letter to all Directors in order to acknowledge the meeting date, place, time, and also meeting agenda by sending Invitation Letter to the Director at least 7 days in advance, where to collect all relevant document to meeting agenda from Director and from management to distribute to the Board of Directors in advance, where those relevant document must have sufficient information to make decision with independent judgment of the Board of Directors. Secretary of the Board will record issue in the meeting agenda in order to prepare the meeting report with all necessary and complete contents within 15 days after the meeting date in order to propose to the Chairman of the Board to sign, with all record keeping in good order, convenient to search, and in good confidential.

The Director, who has interest in each meeting agenda, will not have voting right on that issue.

Voting right in the Board of Directors shall take majority vote to be material. In case of equal voting on any agenda, the Chairman of the Board will have another voting right to effect a decision vote. However, any Director's decision, who has not voted, shall be put in the resolution as well.

Venture Incorporation Public Co., Ltd.



The Company had Board of Directors' Meetings for FY2015 (during CIRKIT period), as follows:-

Name	Board of Director's Meeting in FY2015 Circuit Electronic Industries Pcl			Director Position Period during the Year	
	Board of Director/ Time	Audit Committee/ Time	Nomination and Compensation Committee/ Time	Risk Management Committee/ Time	
1. Mr. Ekamin Nganthawee	6/6	-	-	-	Note 1
2. Mr. Sorarat Nganthawee	6/6	-	-	-	Note 2
3. Mr. Virach Nimmanwatana	6/6	-	-	-	Note 3
4. Mr. Sutipong Srisoonthorntrakul	6/6	-	-	-	Since 26 January2015 (replaced Mr. Surawut karatsiri)
5. Mr. Nitat Wattanakul	6/6	-	-	-	Since 26 January2015 (replaced Mr.Sorakis Urakan)
6. Ms. Daniya Ponganutree	6/6	-	-	-	Since 26 January2015 (replaced Ms.WimonlakNganthawee)

Note: 1. Resigned on 2 November 2015 2. Resigned on 8 September 2015 3. Resigned on 2 November 2015

The Company had Board of Directors' Meetings for FY2015 (during VI period), as follows:-

Name	Bo	oard of Directo Venture In	Director Position Period during the Year		
	Board of Director/T ime	Audit Committee/ Time	Nomination and Compensation Committee/ Time	Risk Management Committee/ Time	
1. Dr Charit Ponganutree	1/2	-	-	-	8 September 2015 (replaced Ms. Daniya Ponganutree)
2. Mr. Sawin Laosethakul	_/_	-	-	-	29 February 2015 (replaced Mr. Pongpol Ruenkaew)
3. Mr. Sutipong Srisoonthorntrakul	2/2	-	-	-	Since 26 March 2015
4. Mr. Vincent Yuan Sun Lee	2/2	-	-	-	28 October 2015 (replaced Mr. Sorarat Nganthawee)
5. Mr. Paripol Dhanasuckanchana	2/2	-	-	-	28 October 2015 (replaced Mr. Ekamin Nganthawee)
6. Mr. Nitat Wattanakul	2/2	-	-	-	Since 26 March 2015
7. Mr. Jessadavat Priebjrivat	2/2	1/1	-	-	Since 28 October 2015
8. Mr. Weerapol Ruetrakul	2/2	1/1	-	-	Since 28 October 2015
9. Mrs. Pennipa Dabbaransi	1/2	1/1	-	-	Since 28 October 2015



Management

As of 30 June 2015, Circuit Electronic Industries Pcl (CIRKIT) has 3 management team member, including:-

	Management Name	Position
1.	Mr. Ekamin Nganthawee	Chairman of the Executive Committee
2.	Mrs. Thipchayan Suttapanya	Senior Deputy Managing Director, Finance & Accounting
3.	Mr. Yanyong Sarakul	Deputy Managing Director, Advance Production, Product
		Quality Control, Product Testing Engineering, Control System
		Development, Automatic Machinery, Service Facilitating &
		Project

As of 1 March 2016, Venture Incorporation Pcl (VI) (formerly CIRKIT) has 5 management team members, including:-

	Management Name	Position
1.	Mr. Sawin Laosethakul	Chief Executive Officer
2.	Mr. Vincent Yuan Sun Lee	Deputy CEO, Business Development
3.	Mr. Damrong Rojanmetin	Deputy CEO, Fund Raising
		Acting as Chief Financial Officer
4.	Mr. Anuchit Chompulao	Operation Director
		Acting as Deputy CEO, Operation
		Acting as Director, Law
5.	Mr. Anusak Monklang	Director, IT
		Acting as Deputy CEO, Operation Support

Authority and Responsibility of Management Team, is as follows:-

1. Setting the Company's target including operation plan to achieve the target;

2. Implementing and managing the plan to be in line with determined policies, regulations, and company's principles;

3. Operating with honesty, and with duty of care for the benefit of the Company and shareholders;

4. Performing the Company's activities under the code of good governance;

5. Not operating or joining any operation that competes with the Company's businesses and activities, except those previously informed to the Supervisor and obtaining approval.

The Company Secretary

The Board of Directors has appointed Mr. Nitat Wattanakul to be Secretary of the Board since 8 September 2015, where the qualification of the Secretary of the Board is appeared in the Appendix 1.

Compensation of Director and Management

Cash Compensation

(a) <u>Director's Compensation</u> comprise of meeting attendance fee, which will be paid upon the number of attendances, in details as follows:-

Venture Incorporation Public Co.,Ltd.

Name	Board of Director's Meeting in FY2015 Circuit Electronic Industries Pcl				Fee Paid (Baht)
	Board of Director/ Time	Audit Committee/ Time	Nomination and Compensation Committee/ Time	Risk Management Committee/ Time	
1. Mr. Ekamin Nganthawee	-	-	-	-	Note 1
2. Mr. Sorarat Nganthawee	-	-	-	-	Note 2
3. Mr. Virach Nimmanwatana	-	-	-	-	Note 3
4. Mr. Sutipong Srisoonthorntrakul	-	-	-	-	Since 26 January2015 (replaced Mr. Surawut karatsiri)
5. Mr. Nitat Wattanakul	-	-	-	-	Since 26 January2015 (replaced Mr.Sorakis Urakan)
6. Ms. Daniya Ponganutree	-	_	-	-	Since 26 January2015 (replaced Ms.WimonlakNganthawee)

Note:1. Resigned on 2 November 2015 2. Resigned on 8 September 2015 3. Resigned on 2 November 2015

The Company has not paid any Director's Compensation from attending the Board of Director's Meeting due to (a) in the rehabilitation process under the Court, and (b) after exiting the court, these Directors are Executive Director, having salary then no meeting attendance fee.

Name]	Board of Direct Venture	Fee Paid (Baht)		
	Board of Director/ Time	Audit Committee/ Time	Nomination and Compensation Committee/ Time	Risk Management Committee/ Time	
1. Dr Charit Ponganutree	30,000	-	-	-	30,000
2. Mr. Sawin ^{1/} Laosethakul	-	-	-	-	-
3. Mr. Sutipong ^{2/} Srisoonthorntrakul	-	-	-	-	-
4. Mr. Vincent Yuan Sun Lee	40,000	-	-	-	40,000
5. Mr. Paripol Dhanasuckanchana	40,000	-	-	-	40,000
6. Mr. Nitat ^{3/} Wattanakul	-	-	-	-	-
7. Mr. Jessadavat Priebjrivat	40,000	20,000	-	-	60,000
8. Mr. Weerapol Ruetrakul	40,000	15,000	-	-	55,000
9. Mrs. Pennipa Dabbaransi	20,000	15,000	-	-	35,000

1/2/3/The Executive Committee are executives shall not be entitled for remuneration of the meetings. according of the Extraordinary General Meeting of Shareholders No. 2/2558.



(b) <u>Compensation for Executive Director & Management</u>

During Circuit Electronic Industries Pcl (CIRKIT) Period (January – June 2015):						
Compensation Number of Person Amount (Baht) Compensati						
Executive Director	2	200,000.00	Salary			
Management	3	2,890,000.00	Salary			

During Venture Incor	noration Pol (VI) Poriod (November	December 2015)
During venture incor	poration r ci (vi) reriou (november –	December 2015):

Compensation	Number of Person	Amount (Baht)	Compensation Details
Executive Director	3	760,000	Salary
Management	3	440,000	Salary

2) Other Compensation:

Other Compensation of Director:

Director has right to reimburse expenses on Entertainment: None / Month

Other Compensation of Management:

- Provident Fund None
- Employee Stock Ownership Plan (or ESOP) Program in form of Warrants None
- Joint venture program between Employer and Employees None

Human Resource

Circuit Electronic Industries Pcl (CIRKIT):- January – July 2015 period

CIRKIT had total 106 employees, where in FY215, the Company paid the whole compensation to the all employees at Thai Baht 15,547,711, which the whole compensation includes salary, overtime, shift attendance fee, diligence fee, social security, and other social welfares, etc.

Number of Employees and Compensation:

FY2015 (January – July)	Company/Division/Business/Subsidiary	Compensation
Monthly Operational Level	41	4,390,392.00
Worker (Person)		
Daily Production Level	50	2,130,315.50
Worker (Person)		
Monthly Management Team	15	9,027,003.00
Member (Person)		
Total (Person)	106	15,547,711.00

During October to November 2011, the Company faced with big flood crisis that flooded the whole factory and building of the Company located at Rojana Industrial Park, Ayudhya province, resulting to temporary production suspension and to laying off of the employees including management in total of 1,000 people, where to pay laid-off compensation under the contract and law in total of Thai Baht 194.31 million with lawsuits as the Company cannot pay the laid-off compensation immediately as to wait for insurance compensation claim paid from credit insurer. However, the Company had fully paid all laid-off compensation in July 2013 therefore, all labor lawsuits is terminated.



Venture Incorporation Pcl (VI):- November – December 2015 Period

VI has total 97 employees, where in FY2015, the Company paid the whole compensation to the all employees at Thai Baht 1,941,813.88, which the whole compensation includes salary, commission, overtime, contributing to social security fund, social security fund, and compensation fund, during November – December 2015, in details as follows:-

	Items	Amount (Baht)
-	Salary	3,571,083.00
-	Overtime	14,517.17
-	Contributing to Social Security Fund	105,608.00
-	Compensation Fund	19,600.00
To	tal	1,941,813.88

VI has total employee as of 29 February 2016 totally 97 staff, classified into division as follows:-

Division	No. of Staff (Person)
Management	8
Marketing	8
Human Resource and Administration	5
Information Technology	3
Accounting and Finance	6
Operation	67
Total	97

Staff Development Policy

<u>Circuit Electronic Industries Pcl (CIRKIT):- January – July 2015 period</u> Employee Improvement Policy

Circuit Electronic Industries Pcl had its internal employee training to improve knowledge and ability, including skill improvement constantly to ensure working potentiality to respond to customer need and the Company set up its training program as follows:-

1. Internal Training:

- Internal training is classified into 2 types as follows:-
- 1. Management Training, which has the following operations:
 - 1.1 Setting Annual Training Plan by referring from:-
 - From Training Necessity Questionnaire;
 - From Customer's Requirement or from Management;
 - From Training Examination Assessment that employee has requested
 - 1.2 Asking approval Training Plan and Budgeting (in case of required external lecturer);
 - 1.3 Contacting lecturers;
 - 1.4 Setting training date with training details in each topic for the relevant parties;
 - 1.5 Implementing training as planned;
 - 1.6 Attending training, training assessment (management assessment, lecturer);
 - 1.7 Arranging training record.

2. Operation Training is classified into 2 groups as follows:-

- 2.1 Daily Worker, having the following operations:
 - 2.1.1 Worker orientation;
 - 2.1.2 Setting worker at the division that production has determined;
 - 2.1.3 Training on theory by quality improvement and training division, worker has to pass the test with at least 90% result;
 - 2.1.4 Training on practice with production division;



Annual Report 2015

- 2.1.5 Worker with testing product duty has to pass the product testing examination by quality control division;
- 2.1.6 Worker with machinery operation duty has to pass machinery testing by technician;
- 2.1.7 When the worker passes all the training step, then to pass that worker to its division;
- 2.1.8 Quality improvement and training division has to follow up each worker's operation at the working division that the worker has to work without mistake 3 weeks consecutively in order to be acceptable;
- 2.1.9 Each worker can have an operational training more than 1 division, which will be determined by the Worker Team Head;
- 2.1.10 Worker, who passes the training at each division, still has to be trained and past the examination at that division once a year to ensure that the worker has sufficient ability to work on that division;
- 2.1.11 Training on other topics will be specified in the Training Manual to be performed completely within 2 months from the first working date;
- 2.1.12 Arrange training record.

2.2 Monthly Worker, having the following operations:

- 2.2.1 Worker orientation;
- 2.2.2 Worker without involvement with production will be placed at the division, followed up by its division to have training under other topics as specified in the Training Manual to be performed completely within 2 months from the first working date;
- 2.2.3 Worker with involvement with production will be started its training on theory with quality improvement and training division, worker has to pass the test with at least 90% result;
- 2.2.4 Technician has to pas machinery training by certified technician;
- 2.2.5 Transfer to division
- 2.2.6 Training on other topics will be specified in the Training Manual to be performed completely within 2 months from the first working date;
- 2.2.7 Arrange training record

2. External Training and/or Training by External Lecturer:

The Company had its training budget for external training and/or external lecturer by focusing on training to improve knowledge, working potentiality, and training for compliance with relevant Laws and Acts.

Venture Incorporation Pcl (VI):- November – December 2015 period

The Company has a policy to develop employee's potentials by regular and constant training to create knowledge and understanding of the Company's policies and to improve knowledge & capability of all workers from inside and outside training lecturers to cope with the Company's expansion. All employees have acknowledged policy, target at the same direction and to perform their duty effectively with continued development to unite everybody under the same vision as training is to focus on human resource which is the key Company's important factor to mobilize all Company's functions.

Currently, business competition is stronger, therefore, requires to create quality workers having knowledge, ability, diligence, with good morale, knowing well on the Company's strategy especially working relationship and strong teamwork.

Venture Incorporation Public Co.,Ltd.



GOOD CORPORATE GOVERNANCE

Governance Policy

The company is committed to strictly conducting business in accordance with good corporate governance practices in order to benefit to the shareholders and stakeholders of the company.

The board of directors recognize the critical role of company management. The company management policy and supervision system have been set by the board of directors to effectively execute mission of the company and meet with the approval shareholder objectives. All Directors have freedom to express their opinions also with their wide range of professional experience as a screening procedure to coordinate effective policy implementation in the framework of the corporate ethics with respect to the company's management. The board will not be involved in decisions about the management of daily tasks.

Board of directors aim to reducing the risk and attend a return to shareholders also including the authority and responsibility for the pastoral care of the organization to have transparency, disclosure and accountability.

The company adheres to the principle of corporate governance seriously to frame of doing business with integrity and good reputation as well as to track the performance of the company closely. In addition, the suitable return policy has been made for committees, management staffs and staffs to achieve fairness and to coordinate mutual interests with shareholders, which will lead to increased investment value for shareholders in the end.

Sub Committees

Board of directors appointed directors with knowledge, skills and expertise as sub committees to assist in the governance of the company by studying the details and refinements to enhance the effectiveness of the board. Sub committees composed of the audit, the nomination, the compensation, the risk management and the executive committee. The details are as follows.

1	. <u>Audit Committi</u>	ees as of March I	2010, inere ure inree people.
No.		Name	Position
1.	Mr. Jessadavat ^{1/}	Priebjrivat	Chairman of the Audit Committee / Independent Committee
2.	Mr. Weerapol ^{2/}	Ruetrakul	Audit Committee / Independent Committee
3.	Mrs. Pennipa	Dabbaransi	Audit Committee / Independent Committee

1. <u>Audit Committees</u> as of March 1^{st} 2016, there are three people.

^{1/} and ^{2/} A director with knowledge and experience in auditing financial statements

The Authority Scope of the Audit Committee

1 To review the company's financial reporting to be accurate and adequate disclosure by coordinating with the external auditors and responsible executives for preparing quarterly and annual financial reports by consider financial statements and related financial accounting principles, the financial statements comply with accounting standards, the existence of an entity changes accounting policies, including the management reasons regarding to the accounting policies to present to the board of directors before distribute to shareholders and general investors.



2 Orientation and review the company's internal control system and internal audit to be appropriate and effective by reviewing with the external auditors and internal auditors to review the annual audit plan of the company also evaluation and monitoring together with the external auditor and the internal auditor about the problems or limitations arising from the audited financial planning, control processing electronic data and information security to prevent corruption or the use of misuse of computer by employees or outsiders and consider the independence of the internal audit department as well as approve, transfer and dismissal of the head of internal audit unit or any other unit in charge of an internal audit.

3 Reviewing the implementation of the company to comply with the law on securities and exchange regulations of the Stock Exchange or laws relating to the company's business, including the duties and responsibilities in accordance with the rules and regulations of the SEC and SET

4 To select and nominate the person who is independent to act as auditor of the company and consider the remuneration of the auditors with regard to the reliability, adequacy of resources and workloads of auditor office, the experience of the person who assigned to be the auditor of the company. Also, attend a meeting with auditors without management attendance at least one time per year.

5 Consider to approve the transaction and / or the acquisition or disposition of company assets or its subsidiaries, the disclosure of the company in case of connected transactions or transactions that may have conflict of interest to be accuracy and completeness, approval for presentation to the Board of Directors and / or shareholders of the Company in order to comply with the provisions of the relevant legislation and to ensure that such transactions are reasonable and in the best interests to the company.

6 Prepare a report on the activities of the audit committee to be disclosed in the annual report of the company which report must contains the information required by law and must be signed by the Chairman of the Audit Committee. The report shall contain the following information as a minimum.

- Comments on the preparation and disclosures in the financial statements of the company about the accuracy, completeness and reliability.

- Comments on the adequacy of the internal controls of the company.

- Reason to believe that the auditors of the company suitable to be appointed another term.

- Comments on the laws governing securities and exchange, the regulations or laws relating to the company's business.

Comments on the transactions that may have conflicts of interest.

- The number of the audit committee meetings and attendance of each member of the audit committee.

- Opinions or overall observation that the audit committee has performed duty under the charter.

- Any other reports that shareholders and investors should know under the scope of duties and responsibilities as assigned by the Board of Directors and / or to conform to the law.

7 The audit committee responsibilities are assigned by the board of directors including responsible for the activity report of the audit committee or any other duties as assigned by the board of directors.

The audit committee reports to the board of directors immediately as following the event.

Transactions that have or may have a conflict of interest.

- Question or doubt that there may be fraud or irregularity or deficiency in internal control.

Suspect breach any laws or regulations of the SEC. and / or the SET.

- Other reports that the board of directors should be aware of the audit committee reported to the board of directors about a significant impact on the company financial position and operating results and discussed with the board and management to resolve that. If the audit committee found that the board of directors ignoring unreasonably, one of the auditors may report what found to the SEC and SET.

Venture Incorporation Public Co., Ltd.



8 The audit committee has the power to request information from the various departments of the company for consideration in any matter.

The powers of the audit committee mentioned above does not include the authority of auditors or attorney to conclude in the transactions that may have conflicts of interest according to Securities and Exchange Commission and / or Stock Exchange to have a conflict of interest with the Company and / or its subsidiaries and / or associated companies.

2. <u>The Nomination and Compensation Committee</u> as of March 1st 2016, there are three people.

No.		Name	Position
1.	Mr. Jessadavat	Priebjrivat	Chairman of the Nomination and Remuneration
2.	Mr. Weerapol	Ruetrakul	The Nomination and Compensation Committee
3	Mr. Sutipong	Srisoonthorntrakul	The Nomination and Compensation Committee

Ms. Kotchaphun Chulapaacting as a secretary of the Nomination Committee and Remuneration Committee

<u>The authority scope of the nomination committee and remuneration committee</u> <u>The recruitment</u>

1) Recruiting of qualified individuals to be a director in sub committees in cases where the position of director is vacant by using the director defy and requirements to be the criteria for determining and make a recommendation to the board for consideration and named in a notice of shareholders meeting.

2) Consider and make recommendations about the appropriate composition and size of the board of the company that shall consist of persons who are competent and experience in various field properly.

3) Planning and managing of recruiting CEO and Deputy Chief Executive inheritors to the board of directors for consideration.

4) Recruiting qualified candidates to serve as the company's employees from the director level.

5) The nomination and compensation committee shall report on its activities to the board of directors on a regular basis.

Compensation consideration

1) Review the appropriateness of the criteria used in determining the remuneration regularly to meet the goals of the company and to be consistent with the interests of shareholders.

2) Consideration of compensation or other benefits to the CEO and senior executives according to the set guidelines and presented to the board of directors to approve the compensation of the CEO and senior executives. For compensation or other benefits to the board of directors that propose to the shareholders of the company approved by three main factors.

- Companies in the same industry practices used to pay compensation.
- A turnover and size of business.
- Responsibility, knowledge and experience of those positions.

3) Disclosure of the compensation policy and exposure compensation in various forms, including the preparation of the compensation report, the opinion of the nomination and remuneration committee in the annual report.

4) Consider compensation to be suitable for long-term management and to be consistent with the company's portfolio and create benefits for shareholders.

5) Perform other duties according to the board of directors.

The nomination and remuneration committee is responsible to the board of directors directly. The nomination and compensation committee shall hold their positions for a term of three years. The authorization of the board of directors to the nomination and compensation committee does not include the power to approve any potential conflict or any transactions that the person who connected with the nomination and compensation committee get any interest in any manner inconsistent with the company according to the rules of the Stock Exchange of Thailand, transactions must be submitted to the board of directors and / or shareholders to consider and approve the transaction. According to the association or related law except for the approval of the transaction is executed on normal business of the company that the board of directors already have a clear consideration.



3.	Risk Management Committee as a	of 1 st March 2016,	there are four people.
----	--------------------------------	--------------------------------	------------------------

No.		Name	Position
1.	Mr. Sawin	Laosethakul	Chairman of Risk Management Committee
2.	Mr. Jessadavat	Priebjrivat	Risk Management Committee
4.	Mr. Damrong	Rojanametin	Risk Management Committee
3.	Mr. Anuchit	Chompulao	Risk Management Committee/ Secretary of Risk Management Committee

Responsibilities of the Risk Management Committee

1. The risk management policy and the framework for the risk management of the company which covers a significant risk to the business.

2. Planning strategies in accordance with the risk management policy and can be estimated, tracked and controlled the overall risks of the company to an acceptable level.

3. Push the cooperation of the company's overall risk management and review the adequacy of risk management policies and systems as a whole effectiveness of the system and policies compliance.

4. Estimate and analyze the damage that can occur in a systematic and ongoing process. Both in normal and crisis, to ensure that the exploration risk has covered every stage of the business.

5. Support the development and management of risk occurs continuously throughout an organization with international standards

6. Report to the board of directors / executive committee of the things that need to be revised to comply with the defined policies and strategies.

7. Perform other duties as assigned by the board of directors.

No.	Name		Position
1.	Mr.Sutipong	Srisoonthorntrakul	Chief Executive Officer
2.	Mr. Sawin	Laosethakul	Executive Director
3.	Mr. Vincent	Yuan Sun Lee	Executive Director
4.	Mr. Paripol	Dhanasuckanchana	Executive Director
5.	Mr. Anusak	Monklang	Executive Director / Secretary of the Executive Committee.

4. The Executive Committees as of 1st March 2016, there are five people.

Responsibilities of the executive committee

1. Control the operations of the Company to comply with the rules and policies, business requirements, regulations, orders, resolutions of the board of directors and / or the approved resolution of company shareholders.

2. Prepare and present policy directions, business plans, targets and business strategies of the company. Set financial plan, annual budget, HR management, investment, public relations, information technology investment of the company to present to the board of directors for approval.

3. Has an authority to approve the procurement to buy distressed debt and asset transactions for the benefit of the company which approval authority will be only to normally transaction. The limit on each item must not exceeding 50 million baht or equivalent. The Board of Directors may revoke or modify the authorized person as appropriate.

Venture Incorporation Public Co.,Ltd



4. Has the authority to approve the loan, investing in Treasury securities or bank guarantee or surety, a loan from a financial institution or bank guarantees in order to benefit the company's business, the opening account with the bank or financial institution in normal business conditions including a bank guarantee or payment to the normal business of the company. The amount of each transaction shall not exceed 350 million baht or equivalent.

5. Receive policy from the board of directors to prescribe the directions and guidelines to approach the company mission for executives and management employees.

6. Control and monitor the performance of management and give guidelines for resolving obstacles to the executive staffs in order to implement the strategy and master plans according to the policy of the board of directors.

7. Giving orders, regulations, announcements and memorandum of understanding to be used within the company to ensure that the operations of the company is according to policy and for the benefit of the company and to maintain discipline within the organization.

8. Scrutinize and present balance sheet, income statement to the board of directors. The Board of Directors consider and present to shareholders for consideration and approval.

9. Prepare a report on the results of operations of the company throughout the financial statements and the significant investment or risk management to acknowledge and / or approval of the board of directors.

10. Giving resolutions to the board of directors to make company business decisions.

11. Perform other duties as assigned by the board of directors.

The approval of transactions listed above must not have characteristics of a conflict of interest or potential conflict of interest with the company or any subsidiary or related companies. (According to the Securities and Exchange Commission and / or announcement. Capital Market Supervisory Board and / or the Stock Market of Thailand). The executive committees must present that matter to the board of directors and / or the shareholders' meeting to approve the transaction under the regulations, announcements or laws except the approval of a normal business and normal trading conditions and pursuant to the notification of the Capital Market Commission and the Stock Exchange of Thailand.

Name	Position
1. Mr. Sawin Laosethakul	Chief Executive Officer
2. Mr. Vincent Yuan Sun Lee	Deputy Chief Executive/ Business Development
3. Mr. Mr. Damrong Rojanametin	Deputy Chief Executive /Capital Management
	Acting Director / Accounting and Finance
	Director of Operations.
4. Mr. Anuchit Chompulao	Acting Deputy Chief Executive / Operations
	Acting Director of the Legal Department
	Director of Information Technology
5. Mr. Anusak Monklang	Acting Deputy Chief Executive / Corporate Support
	Management

5. <u>Directors</u> as of March 1^{st} 2016, the first four incumbent directors of the company as defined by the Securities and Exchange Commission "SEC." There are five people.

The Authority of the Executive is as follows.

1. Set company goals and action plans to achieve the company target.

2. Operate and manage according to the plans, policies, rules and regulations of the company.

3. Managed with integrity, careful to preserve the interests of the company and its shareholders.

4. The operations of the company adhere to the principles of corporate governance.

5. Do not engage or participate in any activity which competes with the business of the Company. Unless stated to supervisor and obtain approval.



Annual Report 2015

Recruitment and Nomination of Directors and Chief Executive Officer

1. Independent directors

Independent directors can comment or feedback report freely on the mission assigned without taking into any benefits associated with the property or position and independence from the management and major company shareholders without being under the influence of individuals or groups of persons. A person who shall be independent directors of the company must have the necessary qualifications and independence, according to the capital market board is defined as follows:

The Role and Responsibilities of Independent Directors

Independent directors not only have the same role and responsibility as well as other members of the board of directors, also have a special role and responsibility in maintaining freedom to express any comments or suggestions to protect the interests of stakeholders, interested parties involved without being under the influence of any individual.

Venture Incorporation Public Company Limited has defined the definition of Independent Directors which is <u>equal</u> to those defined by Securities and Exchange Commission and the Stock Exchange of Thailand in accordance with the rules regarding the qualification of Independent Directors under the Notification of Capital Market Supervisory Board No. TorJor. 4/2009 dated 20 February B.E. 2009. Therefore, "<u>Independent Director</u>" of the Company means the director who possesses the following qualifications:

1. Holds shares not exceeding 1% of the total shares with voting right of the applicant, its parent company, subsidiaries, associates, major shareholders, and controlling parties of the applicant, provided that the shares held by the related parties of such independent director shall be included.

2. Is not or has never been an executive director, employee, staff, advisor who receives salary, nor controlling parties of the applicant, its parent company, subsidiaries, associates, same-level subsidiaries, major shareholders, or controlling parties of the applicant unless the foregoing status ended at least 2 years prior to the date of submitting the application to the Securities and Exchange Commission (SEC), provided that such prohibition shall not include the case that such independent director has ever been official or advisor of the government sector that is the major shareholder or controlling party of the applicant.

3. Is not the person who has relationship by means of descent or legal registration under the status of father, mother, spouse, brothers and sisters, and children. The prohibitive persons also include spouses of daughters and sons of management, major shareholders, controlling party or the person who is in the process of nomination to be the management or controlling party of the applicant or its subsidiary.

4. Have no or never had business relationship with the applicant, its parent company, subsidiaries, associates, major shareholders, or controlling parties of the applicant in respect of holding the power which may cause the obstacle of the independent decision, including not being or never been the significant shareholder, or controlling parties of any person having business relationship with the applicant, its parent company, subsidiaries, associates, major shareholders, or controlling parties of the applicant shareholders, or determined at least 2 years prior to the date of submitting the application to the SEC.

The business relationship mentionedunder the article (4) shall include business transaction in ordinary business manner of rent, or lease the immovable property, transaction related to assets or services, or the financial support regardless of being lent or borrowed, guaranteed, secured, by assets, debt, and any otherwise similar performance which causes liability or obligation to the applicant or counter party, have provided that such liability is equal to or exceed 3% of the net tangible assets of the applicant or equal or above 20 million baht, whichever

Venture Incorporation Public Co., Ltd.



is lower. In this regard, the calculation of such liability shall be in accordance with the calculation method of the value of connected transaction under the Notification of Capital Market Supervisory Board governing the conditions of connected transaction mutatis mutandis. The liabilities incurred during a period of 1 year prior to the date of having business relationship with the above party shall be included on calculation of such liabilities.

5. Is not or has never been the auditor of the applicant, its parent company, subsidiaries, associates, major shareholders, or controlling parties of applicant, and is not the significant shareholder, controlling parties, or partner of the auditing firm which employs such auditor of the applicant, its parent company, subsidiaries, associates, major shareholders, or controlling parties of the applicant unless the foregoing status ended at least 2 years prior to the date of submitting the application to the SEC.

6. Is not or has never been the professional service provider, including but not limited to legal service or financial advisor with received the service fee more than 2 million per year from the applicant, its parent company, subsidiaries, associates, major shareholders, or controlling parties, and is not the significant shareholder, controlling parties, or partner of the above mentioned service firms unless the foregoing status ended at least 2 years prior to the date of submitting the application to the SEC.

7. Is not the director who is nominated to be the representative of directors of the applicant, major shareholders, or any other shareholder related to the major shareholders.

8. Do not operate the same and competitive business with the business of the applicant, or its subsidiaries, or is not a significant partner of the partnership, or is not an executive director, employee, staff, advisor who receives salary, nor holds share for more than 1% of the total shares with voting right of any other company which operates same and competitive business with the business of the applicant, or its subsidiaries.

9. Is not any otherwise which is unable to have the independent opinion regarding the business operation of the applicant.

After being appointed as the independent director in accordance with the conditions under the article (1) - (9), such independent director may be assigned by the board of directors to make decision in respect of collective decision on business operation of the applicant, its parent company, subsidiaries, associates, same-level subsidiaries, major shareholders, or controlling parties of applicant.

The provision under the article (2), (4), (5) and (6) related to the consideration of qualification of independent director of the applicant during the period of 2 years prior to the date of submitting the application to the SEC shall be applied to the application submitting as from 1 July 2010 onwards.

Where the person appointed by the applicant to be the independent director is the person who has or ever had the business relationship with or ever rendered professional service with higher service fees specified under the article (4) and (6), the applicant shall be relaxed from such prohibition related to the conditions of having the business relationship with or ever rendered professional service with higher specified service fees if only the applicant has provided the opinion of the board of directors of the company showing that the board has considered the issue in accordance with the Section 89/7 and found that there is no interference in the independent opinion, and the following information shall be disclosed in the notice of shareholders meeting under the agenda considering the appointment of independent director.



(a) The business relationship or the professional service providing which cause such person being unqualified

(b) Reasons and necessity to insist the appointment of such person as the independent director

(c) The opinion of the board of directors of the applicant to propose such person to be the independent director

For the benefit of the article (5) and (6), wording "partner" shall mean the person who is assigned by the auditing firm, or the professional service provider to be the signatory in the audit report or the report of rendering the professional services (as the case may be) on the behalf of the firm.

2. Nomination of Directors and CEO Nomination of Directors

Recruiting individuals to serve as a director, the company considers a variety of factors such as experience, knowledge, skills and qualifications required by law. The selection of individuals who represent or have been proposed, shareholders and the board of directors will propose to the general meeting of shareholders to appoint according to the rules and procedures prescribed in the articles of association of the company.

Term of the nomination and appointment of directors of the company as defined in the articles of association of the company are as follows.

1) The company's board of directors consist of at least five members in the meeting to consider the election of directors to be elected and may elect a vice chairman chief executive officer or other positions as they see fit and of not less than one-half of the directors must be resident in the Thailand.

- 2) Directors election is under the rules and procedures below.
- a) Each shareholder has one vote for one share.

b) Each shareholder must use all available suffrage by a) to vote for one or many to be directors but voters cannot split the suffrage among the candidates.

c) A person who has the highest number of votes are elected to the board as to the number of directors to be appointed or elected at that time. If the person elected in that order has an equality of votes exceeded the number of directors to be appointed or elected on that occasion, the chairperson has the final vote.

3) Every annual general meeting, directors must retire at least one third (1/3) of the total membership. If the number of directors cannot be divided into three parts, then use the number nearest to one-third (1/3).

4) In cases where the position is vacant due to reasons other than the expiration of the term, the board chose someone who is qualified and not disqualified by. Companies Act 2535, the Securities Exchange Act of 2535 and the principles of good corporate governance of listed companies to be a director on the board at the next meeting. If the term of directors is less than two months. Director will hold the position only for the remaining term of the director he replaces. Resolutions of the Committee shall consist of not less than three-fourths of the remaining directors.

Recruitment of CEO

1

The President / CEO.

The company is recruiting and selecting qualified person in accordance with the company policy and must possess the vision, knowledge and experience appropriate to the organization with consideration of the nomination committee and remuneration committee. The nomination committee is to propose to the Board of Directors to approve the appointment of a fit for the position.

Company has a plan and system to prepare succession of senior management level, President / CEO for replacement in the event that his or her unable to perform executive duties with any reasons as well as reduce the risk or consequences of a lack of company management continuity.

Venture Incorporation Public Co.,Ltd.



When the executive or chief executive officer vacant or not in a position to act in the position. The company will have a management system in line or secondary as the acting position until the recruitment and selection of qualified individuals in accordance with the company and must possess the vision, knowledge, experiences with appropriate company culture. The Nomination and Remuneration Committee is to propose to the board of directors to approve the appointment of a suitable replacement for the position further.

2. Executive Level

Human Resources is responsible for nominating individuals within the company who have the knowledge, ability and experience to work in a responsible task. In the event that there is no a suitable internal candidates, it is considered recruiting from outside with knowledge, skills, experience, vision and positive attitude towards the organization as well and submitted to the chief executive officer for approval.

Company has a plan and system to prepare succession of senior management level, for replacement in the event that his or her unable to perform executive duties with any reasons as well as reduce the risk or consequences of a lack of company management continuity as follows.

When the executive officer from the deputy level vacant or not in a position to act in the position. The company will have a management system in line or secondary as the acting position until the nomination and selection of HR recruiting people from within the organization and outside the organization with the knowledge, skills and experience to the position for submission to the chief executive officer appoint further.

The company aims to invest in companies that engage in business as the core business of the company or companies with similar business or affairs of the company that will support the company's turnover or profit increase or invest in businesses that can be supported by the company's core business, the company has more integrated business to increase the competitiveness of the company.

In the governance of subsidiaries and associates, the company will send a director or executive with qualifications and experience appropriate to the business to be represented in the management of subsidiaries and associate companies to set policies and controls the operations of its subsidiaries and / or affiliates.

The directors which is representative of the company will be responsible for the governance of subsidiaries and / or associates to manage or operate in accordance with the policy set by the company, including the need for discretion by resolution of the board of directors and/ or the shareholders' meeting to approve the important subjects of subsidiaries and/or affiliates in order to maximize the benefits to the company and to the sustainable growth of the company.

Control of the use of inside information

The company is responsible for the use of inside information by the principles of corporate governance. The set is written in such a business ethics for directors, executives and employees and guide the roles and responsibilities of directors, management and staff, which will be given to the directors and employees when they start working at the company and the main policy is as follows:

1. The Company has determined that directors, executives and employees to sign in a notification of the SEC that the directors and executives have a duty to report any change of holding to the SEC committee following section 59 of the Securities Exchange Act of 2535, and within three days of a change in the holding and notify the company secretary to take note of the changes and to prepare a summary of the number of securities to directors and executives individually to be presented to the board of directors in the next meeting also informed penalties if a breach or non-compliance with such terms.



2. The company has adopted regulations prohibiting financial statements or other information affecting the stock price of the company disclose to third parties who are not involved and prohibited from trading in the last one month before the financial statements or other information affecting the stock price of the company / group of companies to the public and must not trade the company's stocks until after 24 hours from the time it was disclosed that information to the public. Failure to comply with such requirements constitute a disciplinary offense if the company's directors, executives or employees who know important inside information take any disciplinary action will be taken wage cuts ranging from warnings to suspension without pay until termination.

The guidance has been given approval by the board of directors.

The compensation of the auditor

1. The compensation of the auditor (Audit Fee)

The company paid the audit fee to Pricewaterhouse Coopers ABAS limited company in fiscal year 2016 amounted of 1,600,000.00 Baht.

2. Other charges (Non-Audit Fee)

The implementation of outside amounted of 36,230 Baht.

Corporate Governance

The Company recognizes the importance of corporate governance, which is ushering in management efficiency, transparency and accountability, which will help build the confidence of all parties involved from the shareholders, employees and other stakeholders. The result provides businesses with sustainable growth under operating ethically and in compliance with applicable laws. The company has established a corporate governance to enhance the implementation of existing features. There are clear standards and can contribute to the practice of employees at all levels as strengthening a culture of corporate governance in a truly comprehensive principles of good corporate governance principles based on five sections.

Section 1. The rights of the shareholders

The company focus on the rights of shareholders without committing any violation or prejudicing the rights of shareholders in addition to the fundamental rights of the shareholders such as, the right to sell or transfer the shares entitled to share the profits of the company, the rights to receive adequate information of the company, the rights to attend the meeting to vote at meetings of shareholders, the rights to remove directors and appoint the auditors and issues that affect the company as a dividend to define or modify the memorandum and articles of association of the company and reduce or increase of company capital and so on.

The AGM is the important channel that the shareholders of the company to use their rights as shareholders, the Company's practices in the management shareholders of the company in accordance with the SET to promote and facilitate the use of the shareholders rights. Delivered the invitation letter to the shareholders prior to the meeting at least seven days or other period as required by law or regulations set by the specified date, time, place and agenda, as well as information related to the subject to be decided at the meeting in its entirety.

• If the shareholders cannot attend the meeting, the company gives shareholders opportunity to empower independent director or any person to attend on their behalf by using an empower form that company has shipped along with the notice of meeting.

• The company will allocate appropriate time and encourage shareholders have the opportunity to ask questions, comments and suggestions to the meeting on matters related to the company as well as the opportunity for shareholders to submit questions prior to the meeting.

• Company directors are encouraging to attend the shareholders' meeting and answer questions of shareholders.

• Once meeting completed, the company will prepare a report showing the correct data, so that shareholders can check.

Venture Incorporation Public Co., Ltd.



Section 2. Treats Shareholders Equally

The company has a policy to treat and protect the rights of all shareholders equally and fairly including shareholders who are executives, shareholders who are not executives, shareholders who are Thai, Shareholders who are foreigner, minor and major shareholders. The company's policy is to increase the choice of meeting to shareholders who cannot attend the meeting in person can empower an independent director or other person to attend and vote on behalf of shareholders, as well as opportunities that the minority shareholders can nominate.

Persons to be appointed as a director in a reasonable time The conference will be proceeding in accordance with the agenda respectively, the agenda will be detailed information on each item with clearly consideration. There will be no added agenda without informing shareholders in advance if not necessary especially the important agenda that shareholders need time to study the information before making a decision.

The board of directors has established measures to prevent wrongful use of inside information (Insider Trading) of the individual involved, including directors, employees, spouses and underage children of involved person. The board of directors determined sanctions on the disclosure of the company information or to use for their own benefit according to the preventing the use of inside information policy. Also, including prohibit directors, executives, spouses and underage children of involved persons buy or sell securities of the company during the period of one month prior to the disclosure of financial statements to the public. The company has noticed to the board and executives of the company to understand and acknowledges the obligation to report their shareholdings in the company of their spouses and underage children as well as to report changes in holdings of securities to the Securities and Exchange Commission under Sections 59 and punishments under the Securities Act B.E. 2535.

Section 3. The Role of Stakeholders

The company respects the rights of all stakeholders including shareholders, employees, customers, partners and competitors to ensure that the fundamental rights of the stakeholders are protected and groomed by the terms of the law and rules and regulations. The company will maintain the rights of stakeholders by the laws and do not violate the rights of stakeholders. The guidelines for stakeholders are as follows.

- Shareholder : The Company is committed to conducting its business in a transparent and focused development organization for sustained growth and continuity to return to the shareholders and to increase the value of the company by adhering to the business principles of good corporate governance.
- Employee: The company recognizes the importance of every employee in the company which is involved in the organization's success, focusing on capacity, knowledge and skills development of the employees to consider including a reasonable return on the ability of each employee as well. Caring for the environment to operate with regard to the quality of life and safety in the work, the company treats all employees equally and fairly.
- Customer: The Company has established policies and procedures to all customers with requirements to obtain a clear and fair conditions, the company has committed to provide customer services and advice assistance customers with courteous, without using the confidential information of clients for the benefit of the company and related parties.
- Creditors: The company has treated creditors fairly equal partners and not imposed by compliance with the commercial terms and / or agreement to work together to develop a strictly business relationship that benefits both sides.



- Rival: The company's policy is to keep the good competition and legal requirements also maintain norms of conduct in the competition and avoided dishonest practices to destroy competitors.
- Community The company intends to follow the law, rules and regulations involved and focus on awareness responsibility to the community and the society within the organization including support activities that benefit to the community and society.

Section 4. Disclosure and Transparency

The company recognizes the importance of accurate information disclosure, complete and transparent reporting of financial information and compliance with the SEC and SET, as well as an significant impact on the stock price of the company which has an impact on the decision making of investors and stakeholders of the company to all those involved with the company will be informed equally by the company's policy is to publish information to the company's shareholders, investors and the public through the media and the dissemination of information exchange.

The board recognizes the importance of accountability and financial reporting to reflect the financial status and the company's actual performance on the basis of information that is accurate and sufficient compliance with accounting standards generally accepted to have been adequately disclosed in the notes to the financial statements.

In terms of investor relations, the company has not established a specialized agency because activity still small but has assigned the company secretary to communicate with shareholders, investors, analysts and the agencies involved as follows.

Financial reporting and the responsibilities of the committee on financial reporting

The board of directors is responsible for the company's financial statements and consolidated financial statements of the company and its subsidiaries and other financial information appearing in the annual report. The board ensures that the financial statement was prepared in accordance with generally accepted accounting principles and adequate disclosure in the notes to the consolidated and financial statements have been audited by a CPA and has been reviewed by the audit committee. The board of directors has prepared the report of the board of directors in the annual financial report.

Governance Policy and Compliance Policy

The Board of Directors compliance with corporate governance for listed companies (The Principles of Good Corporate Governance), according to the guidelines of the Stock Exchange of Thailand to build up the confidence of shareholders and investors involved.

Directors and Executives Compensation Policy

Director compensation is considered by the nomination committee and compensation committee offer to the shareholders to approve annually. Compensation for senior executives are considered by the nomination committee and compensation committee in consideration of the obligations and responsibilities also with the operating results of the company for the fiscal year and keep the level of compensation to be able to compete in business.

Anti-Corruption Policy

The company's ideology is to conduct business with integrity by adhering to social responsibility and all stakeholders on good corporate governance principles and practices to stakeholders fairly. The company has made "against corruption policy" written up to be clear guidelines on business operations to develop the sustainable organization. The guidelines are as follows.

Venture Incorporation Public Co., Ltd.



1. Prohibit the directors, executives and all employees actuate or accept corruption in any form, either directly or indirectly covers every business and all the relevant authorities and to be reviewed the implementation of the policy against corruption regularly. As well as a review of practices and regulations in the operation of the business in order to comply with changing regulations and requirements of the law.

2. Directors, executives and all employees must not neglect or ignore when exposed to corruption acts related to the company and must inform superiors and related authorities.

3. The corrupt acts must be considered disciplinary action by the company and may be punishable by law if the act is illegal.

4. Against corruption policy cover the process of administration including the recruitment, selection, promotion, training, evaluation and compensation by supervisors at all levels communicate to staffs to understand in order to this policy in responsible business activity.

5. In order to operate in a high risk that corruption may happen with transparent operation. Directors, executives and employees at all levels must treat with caution in the following.

5.1 Giving or receiving gifts, entertainment must strictly follow the company rules.

5.2 Giving or receiving donations or funding must be transparent and legally also ensure that donations or funds must not be used as an excuse for bribery.

5.3 Conducting business procurement must not give or receive bribes from all dealings of the company and must be transparent, honest, verifiable and subject to the laws and regulations related to business operations.

Section 5. Responsibility of the Board of Directors

Board Structure

The board of directors of the company consists of experts with knowledge and experience in the senior management of many organizations in order to bring knowledge and experience to develop policy and business direction of the company effectively and the benefit of the company and the shareholders of the company by the board of directors will play a significant role in the policy and image of the organization as well as play a key role in overseeing, monitoring performance and management's assessment of the operating results of the company to adhere to the plan.

Structure of the Board of Directors consists of at least five members, at least one of the three must be independent directors of the Board and shall be not less than three members who qualify according to the regulations of the Securities and Exchange Commission, Capital Market and The Stock Exchange of Thailand See details in "Independent Director"

 \succ In addition, the company also has sub-committees to assist in the governance of the company.

1. The audit committee consists of at least three persons to perform specific and submitted to the board of directors to acknowledge that the audit committee has the rights and duties as set in the authority. At least one person of the audit committee must have sufficient knowledge and experience in accounting to review of the reliability of the financial statements of the company.

2. The executive committees consist at least three members and responsible for the management of the company to adhere to the policy of the board of directors and report the results of operations to the board of directors.

3. Risk oversight committee consists at least three members and their duties is to support and implement the risk management processes of the company's to be efficiency and effectiveness and keep the level of risk to be acceptable. It is linked to the internal control system, governance policy also contributes to cost effectiveness and operational support to be effective.



➢ Roles and Responsibilities of the Board

The company determine directors of the company's compliance with best practices for listed companies (Code of Best Practices) guidelines of the Stock Exchange of Thailand by the need to understand and know their roles and their responsibilities and duties according to the law and the articles of association of the Company as well as the resolutions of the shareholders' meeting with integrity, and take the interests of the company and its shareholders as a priority. The board of directors determined business goals, business plans, budgets of the company and overseeing the management operations to ensure compliance with policies, plans and budgets efficiency and effectiveness for the benefit of the company and the shareholders.

1) The board of directors meeting

- The company policy is to have a board of directors meeting at least once every three months and subject to have additional meetings as needed. Each meeting will have a clearly defined agenda for the meeting and send a meeting invitation with the details 7 days prior to the board of directors have adequate time to prepare before the meeting. As well as recording the minutes as written and store the minutes that have been approved by the board of directors to provide to the board and the relevant checks.

- The audit committee will hold a meeting at least once every three months.

- Meeting of other committees such as the executive committees and the risk oversight committees will hold a meeting at least once a month.

2) Compensation of Directors and Executives

The company has determined appropriate compensation for directors and executives with the sufficient rate to maintain quality directors and executives without excessive compensation and comparable to other companies in the same industry. The factors to be considered include experience, scope of the obligations and responsibilities. The compensation of the directors must be approved by company shareholders. In terms of compensation of executives, adhere to the principles and policies set by the board which will consider the obligations, responsibility and the performance of each executive also with the results of operations of the company.

3) Development of directors and executives

The Board policy is to promote and facilitate the training and knowledge to those who involved in the governance of the company, including the board of directors, the executives and secretary of the company to continue improving the company operations with the course of the Institute of Directors of Thailand (Thai Institute of Directors Association: IOD).





RESPONSIBILITY TO SOCIAL

Policy Overview

The company is committed to manage business with regard to corporate social responsibility and its stakeholders, including shareholders, customers, suppliers, employees, community and society in order to create a sustainable business and manage the business to grow with stability and to be accepted by society. The ability to generate returns for shareholders effectively is also included with the benefits and impact of the business on those involved with the company. The company's policy is to operate with a focus on social responsibility as follows.

Vision

Being a leader in debt collection services and professional distressed debt management with ethical

Mission

Focus on distressed debt management by providing excellent services in order to help improve the status of debtors and focus on building relationships and operations based on good governance principles to shareholders, suppliers, customers, competitors, employees and society.

Ethics in business: The Company has established and published news to those who involved, including the committees, board and staffs to strictly comply with the guidelines for the shareholders, customers, employees, creditors, suppliers, competitors, communities and the environment.

Corporate actions made in compliance with corporate Governance and Social & Environmental responsibility

Company operation has followed with the principles of corporate governance and social environment responsibility in order to comply with the international standard on social responsibility and good practices for social entrepreneurship the details are as follows:

➤ **Corporate governance:** Approach to corporate governance of listed companies in the Office of the Securities and Exchange Commission and The Stock Exchange of Thailand according with the OECD Principles of Corporate Governance with the elements to consider include, the rights of shareholders, treat shareholders equally, the rights of stakeholders, disclosure and transparency and responsibilities of directors.

Social and environment responsibility: Adopt business principles for social work, which promote social and environmental responsibility of listed companies which are appointed by the Securities and Exchange Commission (SEC) has defined it to frame strategic planning and to define practices, social responsibility and the environment of the company.

1) **Operating with fairness**

 \succ The Company has established policies and procedures to all customers with requirements to obtain a clear and fair conditions, the company has committed to provide gentle customer services and advice assistance, also suggest solutions to customers without disclosing confidential customer details.

 \succ The company has treated creditors fairly equal partners and not imposed by compliance with the commercial terms and / or agreement to work together to develop a strictly business relationship that benefits both sides.

 \succ The operations of the company shall be managed to ensure sustainable growth and stable under diligence, honesty and fairness operation to stakeholders.



รายงานประจำปี 2558

 \succ The company treats competitors fairly, without committing any attacks, slander or defame to competitors.

2) The anti-corruption

Company emphasize on fighting against corruption in all its forms by raising awareness to the management and employees at all levels to aware of the dangers of corruption and add the confidence to all interested parties with the guidelines below.

 \succ Do not offer to pay bribes or receive graft from another person in any form, whether it is performed directly or indirectly to return of practices that benefit or hope or any beneficial effects involving with the company.

> Do not make unrighteous transaction, which involved a public official or other persons by direct or indirect.

Employees who commit fraud, whether in any positions will be punished in all cases, regardless of whether the amount of the fraud.

 \succ The company has cultivated and reiterated all employees in the organization to aware of the need to act with integrity, not exploitation of their position or of any benefit to other people, including the employees have been informed penalties and the impact suffered of the fraud action.

4) Respect for human rights

The company recognizes the importance of respecting human rights and not do anything that violates the rights of individuals or groups of people, both directly and indirectly fairly and equally regardless of their ethnic and religious differences, gender and physical condition.

5) Fairly employees treat

The company recognizes that continuously operating is the result of the collaborative efforts of all employees at all levels who are committed to target operational performance. The company has established policies on staff and treats all employees equally and fairly as follows.

 \succ The company provides a reasonable return on the ability of each employee and can be compared with the business environment, as well as maintain good working environment by consider the quality of life and safety in the workplace. Moreover, take care of employee's welfare appropriately.

 \succ The company has continued to develop the employees in every position and all levels by focus on annually training seminars with knowledge speakers to ensure that employees have continued to develop their knowledge and skills.

 \succ The company has a policy of encouraging individual employees to grow their career within the organization.

The company invites all employees to participate in asking questions or leaving comments, both directly and indirectly in order to solve any problems.

6) **Responsible consumers**

Because the operation of the company's business related to provide services business. So satisfying to customers will contribute to business success and sustainability, the company has directions to employees to treat customers as follows.

> The company will provide straightforward with integrity services. And providing sufficiently accurate services also comply with the law on consumer rights seriously.

 \succ The company will adhere to the fair agreement terms and conditions, support the anti-corruption procedures including receive a bribe in any form, respect for property rights or possession of partners and encouraging partners to implement social responsibility together with the organization.

 \succ The company gives customer opportunity to complain about services directly to the company by telephone 02-2747941-42 or complaints via letter of inquiry that company sent to customers.

Venture Incorporation Public Co.,Ltd.



7) Caring for the environment

Although the business of the company do not pose a direct impact on the environment, but the company's awareness and encourage employees to focus and help the environment starting with the environment within the company by requiring annually 5S activities as a control of saving the office electricity, water and reduce the use of equipment that has caused pollution. Also, reduce paper consumption by introducing recycled paper and electronic document.

8) Community and society development

The company has a policy of social responsibility, with the development of the communities as follows.

> Promote job opportunities for local workers in the organization.

 \succ Support vigilance guidelines of operations that may affect the environment. Disclosure of operations that may affect the communities in which the organization is located.

 \succ A policy prohibiting all employees involved with drugs of all kinds, both as traders and abuse. The drug testing of employees each year for the first time to prevent employees create problems to society.

Anti-corruption Policy

Core policy against corruption definition

Corruption in this place means ignoring the practice or using a position of authority or use an existing property in the wrongful to benefit to them or their related or act to prevent other parties to involved act or omission of duty that will bring the benefit to them or their related which can lead damage to the interests of others both directly and indirectly.

Against corruption policy

Prohibits Directors, executives and all employees of the company take any actions that associate with corruption in any kinds both directly and indirectly whether you are in a position to receive or to offer including monetary and non-monetary covered in every business and every sector. All relevant agencies must be reviewed the implementation of the policy against corruption strictly and regularly. The guidelines and requirements need to be reviewed in order to comply with changing regulations of business and in accordance with legal requirements.

Practice guidelines

1) Directors, management employees, all employees must adhere to the anti-corruption policy and abide by the ethics of the company. All employees must not be involved in corruption whether directly or indirectly.

2) Employees should not neglect when spotting corruption involving with the company. Employees must notify a supervisor or the responsible person and cooperate with the investigation. If in doubt or have a question, consult your supervisor or a person designated to act responsibly through assigned company channels.

3) The company will ensure fairness and protect employees who refuse or inform about the corruption associated with the company by using protect the complainant or who cooperate in reporting corruption measure according to company policy.

4) Those who commit fraud, corrupt acts are offend the regulations of the company. This will be subject to be penalty accordance with the company regulations and may be punishable by law if the act is illegal.

5) The company recognizes the importance of disseminating knowledge and making persons who perform the duties associated with the company or may effects to the company to understand the anti-corruption policy.

6) The company intends to build and maintain a good corporate culture by adhering to the principles of morality and ethics that corruption is unacceptable whether it is done either directly or indirectly.



รายงานประจำปี 2558

INTERNAL CONTROL AND RISK MANAGEMENT

The Board of Directors place strong importance on ensuring that the Company have sufficient and suitable Internal Control in order to perform efficiently, and to have a reasonable level of confidence that the Company's performance will be able to achieve its Objectives or Operation Target, at each level, in terms of strategy, operation, and reporting, including operation under policies, and relevant rules and regulations. The Company has assigned the Audit Committee, which comprise Independent Directors, to undertake and perform sufficient review, implementing effective Internal Control, and to report to the Board of Directors to consideration on a regular basis. The Board of Directors and Audit Committee are to assess sufficiency and effectiveness of the Company's Internal Control for the year 2015 under the Assessment Form of Securities Exchange Commission, which cover 5 areas including Organization and Environment, Risk Management, Operational Control of Management, Information Technology and Communication, and Monitoring and Supervising System, the Board of Directors are of the view that the Company's Internal Control is sufficient and appropriate as the Company has arranged and assigned suitably qualified workers to perform under the system efficiently including Internal Control on the Company's performance, monitoring, and be able to protect the Company's assets from being misuse without proper authorization of Directors or management, including company's transaction with person that might have conflict of interest and related party transaction. For other Internal Control issue, the Board of Directors are of the view that the Company has sufficient Internal Control, as follows:-

1. Internal Organizational Control

1.1. The Company has arranged its Organization Chart with segregated duties and responsibilities (as described in Organization Chart and Job Description) in order to operate the Company efficiently, transparent with sufficient check and balance procedures.

1.2. To have operational procedures covering all divisions;

1.3. To have nomination process for employee recruitment in a fair, transparent, and systematic manner;

1.4. To have employee motivation scheme for the employees who can operate efficiently to achieve determined goals and objectives.

2. Risk Assessment

The Company has division which is responsible for Risk Management by focusing on business activity risk such as marketing, technology change, etc., where having monitoring team operate under the determined guidelines and procedure.

3. Operational Control of Management

3.1 The Company determines power and authorization limits in writing;

3.2 The Company determines duties and responsibilities with accountability and check and balance procedures;

3.3 The Company has a Monitoring Criteria to follow up on the Company's performance to comply with the relevant laws, regulations, and to call for employees' meeting in order to update and give priority to operating under the law, rules, and regulations strictly;

3.4 The Company has its Internal Activity to use Key Performance Index (KPI) to control operation under determined objectives and plan.



4. Information Technology System and Communication

Information technology system and communication is in place and covers the organization at all levels, and that information and news include Company's policies, regulations, training, circulation letters, and other announcements that the employees can communicate necessary information to management in form of document or email through the chain of command to propose advice for improvement, flag issues, or to provide solutions to solve problems.

5. Monitoring and Supervising System

Monitoring and Supervision for each internal division will be operated and supervised by a division head or supervisor, in order to monitor, operate, and supervise jobs under the determined objectives, target, procedures. The Board of Directors are of the opinion that for the purposes of monitoring and supervision, each division head should have monitoring criteria in order to supervise the employees, under his or her charge, in order to perform under the determined policies especially by Control Self-Assessment.


RELATED TRANSACTIONS

Characters of intercompany transaction / **related persons.** For the year ended as of 31 December 2015, intercompany transaction of the Company and Subsidiary and related persons, having details as follows:-

<u>Debts under Rehabilitation Plan – Loans among r</u>	elated companies	
	Outstanding (Ba	ht Million)
	2015	2014
Advance Steel Co., Ltd.	-	6.50

Relationship

Having same some directors and being in the Creditor Group 4 under the Rehabilitation Plan

Investment in Non-performing Loans

	Outstanding (E	Baht Million)
	<u>2015</u>	<u>2014</u>
PBL Management Co., Ltd. (PBM)	15.47	-
≻ Wi Holding (888) Co., Ltd. (WIH)	24.69	-

Relationship

Investment in non-performing loans and debt collection service by purchasing account receivable portfolio from PBM and WIH by Mr. Pongpol Ruenkaew, who is major shareholder of PBM, holding 25% shares of PBM's paid-up capital and Mr. Paripol Dhanasuckanchana, who is major shareholder of WIH, holding 25% shares of WIH's paid-up capital, being Director and Shareholder of the Company. The Board of Directors are of the opinion that these businesses has a potential to create and continuously contribute to the Company's revenues.

Account Receivables and Other Receivables

	Outstanding (Ba	aht Million)
	<u>2015</u>	<u>2014</u>
- PBL Management Co., Ltd. (PBM)	2.48	-
- Wi Holding (888) Co., Ltd. (WIH)	0.18	-
Total	2.67	

Relationship

Mr. Pongpol Ruenkaew, who is major shareholder of PBM, holding 25% shares of PBM's paid-up capital, and used to be in management and jointly manage PBL, being Director and Shareholder of the Company.

Revenues and Expenses

	Outstanding (B	Baht Million)
	<u>2015</u>	2014
- PBL Management Co., Ltd. (PBM)	0.53	-
- Wi Holding (888) Co., Ltd. (WIH)	2.40	-
- Public Law Co., Ltd (PBL)	0.30	-
Total	3.23	-





<u>Relationship</u>

Mr. Pongpol Ruenkaew, who is major shareholder of PBM, holding 25% shares of PBM's paid-up capital, and used to be in management and jointly manage PBL, and Mr. Paripol Dhanasuckanchana, who is major shareholder of WIH, holding 25% shares of WIH's paid-up capital, being Director and Shareholder of the Company.

	Outstanding (Baht	Million)
Office Lease Payment	<u>2015</u>	<u>2014</u>
- PA Management and Consultant Co., Ltd.	0.70	-
(PA)		
Total	0.70	

Relationship

Office lease payment, which the leased building is the assets of Mrs. Duangporn Dhanasuckanchana and PAM is the sub-tenant, which Mrs. Duangporn is a cousin of Mr. Paripol Dhanasuckanchana, who is the Director and Shareholder of the Company.

D Necessity and Reasonable of Transaction

Intercompany transaction is necessary and reasonable for doing transactions in order to create utmost benefits to the Company and Audit Committee is of the opinion that it is in the ordinary course of business and the Company receives offer and paid compensation under the market fair price, and is a transaction which will increase liquidity and improve the Company's financial status in order to continuously operate the business. In addition, entering into the above-mentioned intercompany and related party transactions have been approved under the Board of Directors' resolution.

Criteria/Procedure of Approving Intercompany and Related Party Transaction

The Company has set criteria of entering into intercompany transaction and person that might have conflict of interest that management and/or person with shared interest cannot be part of making decision on the transaction. The Company has determined to enter into that transaction to be made on at arm's length and in the ordinary course of business, to be transacted between the Company and the other counterparty, under the normal conditions, and the transaction shall be approved by an assigned party, authorized by the Board of Directors, or by the Board of Directors, on a case by case basis.

For doing other transaction, which will not be under the normal course of business, the Company will arrange for the Audit Committee to consider before giving opinion of the necessity, rationale, appropriateness and fairness of transaction price, including transaction terms and conditions, with consideration to assessment on the Company's benefit and value before approving to enter into the transaction. The Audit Committee might request for an independent expertise or the Company's auditor to give opinion regarding that transaction in order for that to be part of decision making process by Audit Committee and/or by Board of Directors and/or by Shareholders, on a case by case basis.

Furthermore, the Company will disclose that transaction in the Notes to Financial Statements as been audited by the Company's Auditor and to disclose in the Form 56-1 Annual Report and the Company's Annual Report.

In addition, Board of Directors shall take duty and care the Company to comply with the SEC Act, regulations, announcements, instructions, or regulations from the Stock Exchange Commission and the Stock Exchange of Thailand regarding disclosure of intercompany transaction and acquisition and disposal of the material assets of the Company or subsidiary under the General Accepted Accounting Principles as determined by Federation of Accounting Professions.



DETAILS OF DIRECTORS, MANAGEMENT TEAM, ADVISOR AND CONTROLLING PERSONS

				_	Family relationship	Working Experience in the past 5 years			
Name	Position	ition Age (yrs)	Education / Training History	Company Shareholding (%)	between Directors and Executives	Period	Position	Company	Business type
1. MR. CHARIT PONGANUTREE	 Chairman of the Board Authorized Directors 	59	 B.Sc. Mahidol University Medical Doctor (Hons) University Certificate of medical specialists in the Department of Medicine (Psychiatry Branch). 	16.07 (As of 31 Dec 2015)	-None-	• 2015 - current	 Chairman of the Board Authorized Directors 	Venture Incorporation Public Company Limited	• Distressed debt Management and providing debt collection service to institutional clients, including investments in subsidiaries
			Director Training Will attend DAP Training Class on 4 April 2016			• 2013 - current	• Entrepreneurs	• M. D. Vejakit Clinic infirmary	Medical clinic
2. MR. SAWIN LAOSETHAKUL	 Director Chairman of Risk Management Committee Executive Director Chief Executive Officer Authorized 	48	 Bachelor of Economics majoring in Finance Master of Business Administration majoring in international M.B.A Indiana University, USA Training Director DAP, 2004 	18.395 (As of 24 Feb 2016)	-None-	• Feb 2016 – Current	 Director Chairman of Risk Management Committee Executive Director Chief Executive Officer Authorized Directors 	Venture Incorporation Public Company Limited	• Distressed debt Management and providing debt collection service to institutional clients, including investments in subsidiaries
	Directors		DAF, 2004			• 2007 - Current	Managing Director	 Star Asia Capital Holding Company Limited 	• Investment Advisory Services
						• 2004- Current	Managing Director	Sawin Consultant Company Limited	• Evaluation of the financial investment
3. MR. SUTIPONG SRISOONTHORNT RAKUL	Director Executive Chairman Nomination Remuneration Authorized Directors	49	 Master of Finance Indiana University Of PA. MBA Indiana University Of Pennsylvania Training Director Will join training DAP Class 	-None-	-None-	• 2015 - Current	 Director Executive Chairman Nomination Remuneration Authorized Directors 	Venture Incorporation Public Company Limited	• Distressed debt Management and providing debt collection service to institutional clients, including investments in subsidiaries
			on July11st 2016			• 2004 - Current	• Manager	 Pathongkij Steel Industry Company Limited 	• Selling all types of steel

Details of Directors, management team, Advisor and Controlling persons (Date as December 31, 2015)

Venture Incorporation Public Co.,Ltd

Annual Report	4. MR. VINCENT YUAN SUN LEE	• Director • Authorized Directors	49	 B.Sc. Special Accounting (Second Class Honors), University of Hull, United Kingdom Higher School Certificate, St Joseph's Collage, Sydney, Australia Training Director DAP 125/2016 	18.395 (As of 24 Feb 2016)	-None-	 2015 - Current 2013 - Current 2008 - 	 Director Executive Director Authorized Directors to sign to bind the company Director 	 Venture Incorporation Public Company Limited Siam Holding Group Company Limited Star Asia Capital Holding Company Limited 	 Distressed debt Management and providing debt collection service to institutional clients, including investments in subsidiaries Investing in others business. Investment Advisory Services
t 2015	5. MR. PARIPOL DHANASUCKACH ANA	 Director Executive Director Authorized Directors 	46	 Master of Finance, Western Michigan University, USA. Bachelor Degree in Economics, Thammasat University Training Director DAP 16/2008 Director Accreditation Program 16/2008 	4.61 (As of 31 Dec 2016)	-None-	 Current 2015 - Current 2015 - Current 2015 - Current 	 Director Executive Director Authorized Directors Director Director 	Venture Incorporation Public Company Limited Thai Service Industry and Engineering Public Company Limited Foncier World Company Limited	 Distressed debt Management and providing debt collection service to institutional clients, including Investments in subsidiaries Construction Business
							 2014 - Current 2007 - Current 2000 - Current 	 Executive Director Executive Committee/ Assistant of Chief Executive Officer Director Managing Director, Westfield Co., Ltd. 	 PBL Management Company Limited Nusasiri Public Company Limited Westfield Company Limted 	 Financial Business Property development Jewelry Manufacturing
	6. MR. NITAT WATTANAKUL	 Director Authorized Directors Company Secretary 	51	 LL.B. (Hons), Chulalongkorn University LL.B. (Hons.) Chulalongkorn University LL.M. Chulalongkorn University LL.M., University of Washington PhD in Law, Keio University. Doctorate Degree, Keio University 	-None-	-None-	• 2015 - Current 2015 - Current	 Director Authorized Directors Company Secretary Director 	 Venture Incorporation Public Company Limited Indochina Healthcare Company Limited 	 Distressed debt Management and providing debt collection service to institutional clients, including investments in subsidiaries Import and distribution of pharmaceutical products, Medical instruments and supplies

[Directors TrainingWill attend DAP Training			• 2015 - Current	• Director		Chemical supply
				• Will attend DAP Training Class on April 4 th 16			• 2013 -	• Director	Eastman Chemical Company Limited	Tin Plate Production
							• 2013 - Current	• Director	 Thai Tinplate Manufacturing Company Limited 	
							• 2013 - 2016	• Director	Solutia Company Limited	Wholesale Chemicals Supply
								• Director and Law Consultant	• Summerset View Company Limited	• Real Estate
	7. MR.JESADAVAT PRIEBJRIVAT	Chairman of the Audit Committee / Independent Committee Chairman of the Nomination and Remuneration committee Executive Director Pict	59	 Engineering / Civil Engineering Chulalongkorn University Bachelor of Engineering / Civil Engineering, Chulalongkorn University. M.E.A./ administration, engineering, George Washington University, USA. 	-None-	-None-	• 2015- Current	 Chairman of the Audit Committee / Independent Committee Chairman of the Nomination and Remuneration Committee Executive Director Risk Management Committee 	Venture Incorporation Public Company Limited	• Distressed debt Management and providing debt collection service to institutional clients, including investments in subsidiaries
Vent		Risk Management Committee		• Master of Engineering Administration (MEA), George Washington University, USA.				Chief Financial Officer (CFO).	• CAT Telecom Public Company Limited	• Post services and Telecommunications
Venture Incorporation Public Co.,Ltd				 M.B.A./ Finance New York University, USA Master of Business Administration (MBA) New 				• Bank Director and Chairman of Risk Management Committee	• Islamic Bank of Thailand	• Financial Institution
porati				York University. Training Directors				• Director and Audit Committee	 Sansiri Public Company Limited 	• Real Estate
on Pu				• Program Director Certification Program (DCP), Thai Institute of Directors of				• Director and Member of the Audit Committee	• Apex International Public Company Limited	• Water transport services
blic Co				Thailand (IOD)Director CertificationProgram (DCP), Thai Institute				• Senior Executive Vice President and Chief Investment Officer	• MFC Asset Management Public Company Limited	• Securities
o.,Ltd				of Directors Association (IOD). • Program Audit Committee Program (ACP) Thailand				• Senior Executive Vice President	• KGI Securities Public Company Limited	• Securities
227				 Institute of Directors (IOD) Audit Committee Program (ACP)), Thai Institute of Directors Association (IOD). 				• Advisor and Specialist	• Asian Development Bank (ADB)	• Bank

228 Annual Report 2015			 Study Role of the Chairman Program (ROC) Thailand Institute of Directors (IOD). Role of the Chairman Program (ROC)), Thai Institute of Directors Association (IOD). Senior Executive Program changes. Institute for Management Development (GRID Thailand). Courses on corporate governance for directors and senior executives of state- owned enterprises and public organizations. Courses on corporate governance for directors and senior executives of state- owned enterprises and public organizations. Courses on corporate governance for directors and senior executives of state- 				 Project Analyst Head of the Department of Industrial Management 	 International Finance Corporation (World Bank Affiliate) Faculty of Commerce and Accountancy, Thammasat University 	• Finance companies
8. MR.WEERAPOI RUETRAKUN	 Audit Committee / Independent Director Nomination and Compensation Committee 	61	 owned enterprises and public, King Prajadhipok's Institute. MBA Thammasat University M.S. Information Systems DePaul University, Chicago, Illinois, USA. LL.B. Thammasat University 	- None -	-None-	• 2015 - Current	Audit Committee / Independent Director/ The Nomination and Compensation Committee	Venture Incorporation Public Company Limited	• Distressed debt Management and providing debt collection service to institutional clients, including investments in subsidiaries
			Training Course • James Rosenfield: Two Powerful New 1-Day Seminars • 2435 Ray Jutkins: Direct Marketing Workshop Director Training			 2016- Current 2003 - 2013 	 Owner Managing Director	 Rattana Carcare Rapp Collins (Thailand) Company Limited 	 Car wash Consulting firm to build relationships with customers, database development and data analysis
			• Will attend DAP Training Class on July 11th 16			• 1997 - 2003	 Marketing Manager Customer Service 	Riso (Thailand) Company Limited Integrated	 Printers, digital copying systems distributors Public relations, direct
						• 1993 - 1997	Executive Director	Communication Company Limited	• Public relations, direct marketing and promotion consulting firm
						• 1991 - 1993	• Senior account executive	• Fareast Advertising Company Limited	• Promotion and direct marketing department

						 1990 - 1993 1989 - 1990 	Customer Account executiveSystem Analyzer	 Saatchi & Saatchi Direct Company Limited The Federation of Thai Industries Public Company Limited 	 Public relations, direct marketing and promotion consulting firm Energy
						• 1979 - 1982	• Lawyer	Pipat Insurance Company Limited	• Insurance
9. Mrs. Pennipa Dabbaransi	Audit Committee / Independent Director	64	 Roy C.Start High School in Toledo, Ohio, USA. Bachelor of Sciences, New Hampshire College, USA. Director Training	- None-	- None -	• 2015 - Current	Audit Committee / Independent Director	Venture Incorporation Public Company Limited	• Distressed debt Management and providing debt collection service to institutional clients, including investments in subsidiaries
			Will attend DAP Training Class on July 11th 16 Training Course			• Oct 2014 – Current	Senior Advisor	• Dreamline Creation Company Limited	• Service Ads And public relations
			 Set 50 Index Futures Program by TFEX General Stock Index Futures Applications Usages Curriculum guidelines 			• Aug 2015 - Dec 2015	Independent Diretor	ACAP Advisory Public Company Limited.	• Financial advisory services. And Advisory and investment banking.
			related to derivatives (DRG) institutional development of capital markets			• 2004 - 2006	Managing Director	TSEC Securities Company Limited	• Securities
			• Course Introduction to derivatives. Knowledge Capital Market Development Institute			• 2000 - 2003	• Executive Vice President	KGI Securities Company Limited	• Securities
						• 1993- 1998	• Deputy director	• Thai Fuji Finance and Securities Company Limited	• Finance companies

MANAGEMENT'S DISCUSSION AND ANALYSIS

Overall Performance

The Company's gross profit for the year 2015 in the amounted of bath26.03 million or 40.00% of revenues from sales in 2014 compared to last year's gross profit of baht 6.35 million, which accounted for 7.52% of the revenue from sales.

The company's net profit in 2558 in the amount of baht 2558.83 million compared to the year 2014 with a net loss in the amount of 87.72 million, the Company has recognized revenue from debt restructuring under the central bankruptcy court and sales of property from the business of the original total in the amount of baht 2143.54 million, net loss on the transfer of assets to repayment debts in the amount of baht 45.99 million, loss on disposal and write-off equipments, in the amount of baht 27.18 million, loss on disposal and write-off obsolescence inventories in the amount of baht 2.37 million, employees termination benefits paid in the amount of baht 12.46 million and baht 9.60 million cost of finance.

The Company's other receivables in the amount of baht 9.8 million, consist of buying value added tax receivable, prepaid expenses and other.

The Company's long-term investment, Cash deposits fixed account in the amount of baht 14.21 million baht with interest rates to 1.25 percent per annum and will mature on the date of June 29, 2017 and pledged to the Revenue Department for deferral tax payment, in the year 2014. The Companies pledged the Premium Saving Certificate of baht 12.49 million.

The Company's trade payables and other payables decreased by the amount of baht 11.73 million, the Company's repayment of all payable trade under the rehabilitation plan.

The Company's current assets in the amount of Baht 51.00 million compared to previous year amount of baht 49.40 million an increase of baht 1.60 million, cash on hand increased by the amount of baht 35.52 million due to the issuance of common shares.

Past performance Analysis

1. Revenue Analysis

The Company's revenue from sales in 2015 in the amount of baht 53.23 million or US\$ 1.60 million compared to the year 2014, which has sold in the amount of baht 84.42 million or US\$ 2.61 million, the amount of sales decrease in the amount of baht 31.19 million or 37.00%, or US \$ 1.01 million or 39.00%. The company ceased product electronic integrate circuit component June 30, 2015.

The Company had total revenue in the amount of baht 64.99 million, with revenues from investment in non-performing assets and collection services, a new business started to recognize revenue from November 2015 was an revenue from interest income from investment in non-performing assets in the amount of 7.03 million, and 4.73 million baht respectively, gross profit in the amount of baht 26.03 million.

2. Others income

The Company's other income recognition of revenue from debt restructuring under rehabilitation plan on a profit from one-time repayment under rehabilitation plan in the amount of baht 2163.80 million, accrued interest exempted under the rehabilitation plan in the amount of 485.66 million. Accrued rental fee as exempted under the rehabilitation plan in the amount of baht 9.25 million, gain on sale of accounts receivable and related companies under rehabilitation plan in the amount of 4.31 million.



3. Cost and Sakes and Administration Expenses Cost

Cost of sales and services in the year 2015 in the amount of baht 36.74 million or 63.39% of sales (The company ceased operated manufacturing electronic integrate circuit component June 30, 2015)

Cost of new business revenue recognition since November 2015, interest income from investments in non-performing assets in the amount of baht 0.45 million, collection services in the amount of baht 1.77 million or 19.00% of the value of interest income from investments in non-performing assets and income from collection services.

The Company's raw material costs in 2015 amounted to approximately of baht 9.71 million or 18.00% of net sales compared to the year 2014 with 17.96% of the cost of raw materials, sales as well.

The Company's total wages included overtime in 2015 in the amount of baht 6.20 million or 10.71% of net sales compared to the year 2014 at a total cost of wages and overtime 8.54% of total sales excluding employee benefits, such as the shift allowance, etc. if include fringe benefit. Cost of production average per month in the amount of baht 0.30 million, as of June 30, 2015 currently daily employees approximately 50 people.

The Company's cost of salaries, related to operation amounted of baht 0.85 million or 2.50% of total sales. 0.12 million per month

Overhead costs in 2014 in the amount of baht 51.98 million or 61.57% of sales includes salaries and benefits for the plant. Average in amount of baht 0.85 million per month (including employee benefits accounting standard No. 19) compared to the previous year. The average monthly in the amount of baht 0.55 million, utilities per month in the amount of baht 1.23 million (allocated to the operation per month in the amount of baht 0.98 million and the administration approximately in the amount of baht 0.25 million), transportation cost average per month in the amount of baht 0.11 million and plant overhead average per month in the amount of baht 0.99 million.

Selling Expenses

The Company's selling expenses in 2015 in the amount of baht 0.56 million, average per month in the amount of baht 0.04 million. Compared with the previous year amount of baht 0.95 million.

Administrative expenses

The Company's administrative expenses in 2015 in the amount of baht 38.38 million, Compared with the year 2014 in the amount of baht 53.79 million lower than in 2014 in the amount of baht 15.41 million. Average per month in the amount of baht 3.20 million compared with the previous year in the amount of baht 4.48 million

4. Profit

The Company's gross margin from sales of the year 2015 in the amount of baht 16.49 million or 30.98% of revenues from sales compared to the year 2014, with gross margin on the amount of baht 6.35 million or 7.52% of revenues from sales. For new business by revenue recognized from early November 2558, the Company had gross margin from investments in non-performing assets in the amount of baht 6.58 million or 93.60%, income from collection services in the amount of baht 2.96 million or 62.58% of revenue interest income in investment non-performing asset and revenue from services collection.

The Company's net profit in 2015, totaling in the amount of baht 2558.83 million compared to the year 2014 with a net loss in the amount of baht 87.72 million. The company recognition of gain from the one time repayment of debt under rehabilitation plan in the amount of baht 2,163.79 million, Accrued interest exempted under rehabilitation plan in the amount of baht 485.66 million, Accrued rental fee exempted under rehabilitation plan in the amount of baht 9.25 million gain on sale trade receivable and related company under the approval from the central bankruptcy court in the amount of baht 2,664.97 million, the company would have incurred losses in the amount of baht 106.13 million, from loss on transfer of assets to settle loans of baht 45.99

Venture Incorporation Public Co., Ltd.



million, loss on disposal and write-off equipment of baht 27.18 million, loss on disposal and write-off defective inventories of baht 2.37 million, employees termination benefits of baht 9.60 million and financial advisors costs of baht 9.60 million.

5. Return on shareholders' equity.

This year, the company did not pay dividends, which are prohibited under the rehabilitation plan that the company could not paid dividends in the plan.

6. The economies and the industries, effected to operations.

The electronics industries in the global market in 2015, the increase is not very high compared to previous years. But the company has not been affected much. The company is reducing capacity and ceased product and sale of electronic integrate circuit components, in June 2015 to change the type to the new business. Revenue of production and sales of electronic integrate circuit components. It has around six months period compared to the same period of previous year is likely to increase, according to the industries.

7. Significant changes in accounting policies.

The company changed the type of business from manufacturing and sales of electronic integrate circuit components to non-performing assets management and debt collection services. The Company's accounting policy for more. In accordance with the non-performing assets management and debt collection services, as follows:

7.1 Investment in non-performing assets.

Investment in non-performing assets represent the Company's investments in non-performing receivables of financial institutions and credit service companies at discounted values from bidding for debts management and collection. Under the purchase contracts at the discounted values of receivables, the Company takes all the risks in the collection without recourse. Such investments in accounts receivable are carried at purchase cost less amortized costs and allowance for impairment (if any). The Company recognized loss on impairment of investment when it anticipates discounted cash flows to the present values of receivables are lower than book value.

7.2 Recognition of income and expenses

a) Interest income from investments in non-performing assets.

The Company recognizes revenues from investment in non-performing assets by using effective interest rates (expected return on debts collection) calculate from outstanding investments in non-performing assets. If actual cash flows from collection exceed calculated revenues, the remaining cash collection will be deducted from the value of investments in non-performing assets for each period. If investments in non-performing assets are fully deducted, the Company will recognise such cash collection as revenues and recognizes loss on impairment immediately when there is an indication of significant decrease in cash flows.

b) Recognition of income and expenses

Revenue from sales of goods is recognized when significant risks and rewards of ownership of the goods are transferred to the buyer

7.3 Critical accounting estimates Assumptions and judgments

Estimates and judgments are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.



The Company makes estimates and assumptions concerning the future. The resulting accounting estimates will, by definition, seldom equal the related actual results. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are outlined below.

a) Allowance for impairment of investments in non-performing assets

The Company assesses allowance for impairment of investments in nonperforming assets when net realizable value falls below the book value. The management uses judgment to estimate impairment losses, taking into consideration the latest appraised value of assets, the type and nature of the assets. However, the use of different estimates and assumptions could affect the amounts of the allowance for impairment. Therefore, allowance for impairment may be adjusted in the future.

assets

b) Recognition of interest income from investments in non-performing

Recognition of interest income from investments in non-performing assets via interest when paid by receivable is calculated based on effective interest method from cash flow expected to be paid from acquired receivable multiplied with value of outstanding receivable according to outstanding cost.

c) Estimated cash inflow from investment in accounts receivable

The Company estimates future cash collection from investments in accounts receivable based on quality, type, aging of receivables and historical information of debt collection. The total estimated future cash collection shall not exceed anticipated initial cash inflows which management had expected in bidding. The Company assesses the periods of collection of investments in accounts receivable for 7 years.

🗁 Finance Status

1. Assets

Current assets, the company's current assets amount of baht 50.99 million, compared with the previous year amount of baht 49.40 million, increased in the amount of baht 1.59 million. In cash on hand increased amount of baht 35.52 million from capital shares increase amount of 160.28 million, loss on disposal of investments and long-term investments amount of baht 46.19 million, loan on disposal of and write-off equipment and defective inventories amount of baht 29.83 million, cash paid for purchase of long-term investments amount of baht 14.21 million, cash paid for purchases of equipment amount of baht 0.02 million and repayment of liabilities under rehabilitation plan included interest paid amount of baht 126.73 million.

2. Receivables from related companies

- Thai Lao Lignite Co., Ltd. loans outstanding totaling amount of baht 423.10 million and interest income increased a totaling amount of baht 414.77 million. Due to the company recognition of revenue accrued interest income that would arise from the tax assessment by the Revenue Department in 2010 (the Company's provide allowance for doubtful accounts in the full amount) and the amount of debt sold. The Board of Director's meeting approved a request to be submitted to the Central Bankruptcy Court to sell such trade receivable. The Company received the approval from Court on 27 February 2015 Announcement was made in a newspaper during 23 to 25 March 2015, with the Kwin Associates Co., Ltd. as the only bidder. Thus, the Company agreed to sell announced trade receivable in amount of baht 0.20 million on

PBL Management Co., Ltd. WI Holding (888) Co., Ltd.

- The Company has investments in non-performing assets from related parties amount of baht 15.47 million and baht 24.70 million respectively.



3. Property, plant and equipment, net

Transferring land and building totaling Baht 154.31 million to settle loans of Baht 123.23 million from Secured Financial Institution Creditors (Group 1 creditors). The Company recorded loss on transfer of assets to settle liabilities under rehabilitation plan amounting to Baht 31.08 million in statement of comprehensive income.

In addition, the Company has transferred the utilities and fire system under Memorandum of Deliver the Properties and Out of the Estate dated 11 June 2015 to Secured Financial Institution Creditors (Group 1 creditors). The Company recorded loss on transfer of assets to settle liabilities under rehabilitation plan amounting to Baht 14.91 million in statement of comprehensive income.

4. Assets Quality

- Impairment of Assets no allowance for impairment of fixed assets during the year.

🗁 <u>Liquidity</u>

1. <u>Cash flow</u> in the year 2015, the Company had cash flow from operations amount of baht 35.53 million in the year 2014 amount of bath 94.28 million, resulting in the Company's cash and cash equivalents balance amount of baht 42.75 million, In 2014 amount of baht 6.94 million. Significant events during the year are included. Investments in non-performing assets amount of bath 51.79 million, proceeds on sale of investments and fixed assets amount of bath 61.80 million, cash payments in one-time settle debt under rehabilitation plan amount of baht 126.46 million, and the proceeds from the capital increase amount of bath 160.28 million.

2. <u>Liquidity Ratio</u> compare to the year 2014 to the year 2016 was 1.89, 3.19 and 13.51, respectively quick ratio is 1.76, 4.35 and 15.11 cash flow ratio is 2.58, (1.36) and (6.21), respectively.

3 <u>Capital expenditure</u>

In the year 2014 The company has invest in the fund and bond in the amount of baht 32 million and purchases of equipment amount of baht 12.06 million, In 2015, the Company purchase of long-term investment amount of baht 14.21 million and purchase of equipment amount of baht 0.02 million.

4. <u>Sources of funding</u>.

- Investment securities available for sale in the year 2013 – 2014 in the amount of baht 22.55 million and 0.09 million baht respectively.

- Other long-term investments in the year 2014 -2015 in the amount of baht 12.49 million and 14.21 million baht respectively, the Company pledged to the Revenue Department for a deferral tax payment.

The ability to manage the property.

(1) The quality of the receivable, aging analysis of receivables, provide and the adequacy of the allowance for doubtful accounts in 2015, the outstanding trade receivable amount of baht 4.27 million and other receivables amount of baht 3.96 million baht, which is debt that occurred during the month of November + December 2015 maturities of less than 60 days. the management is confident that all tracks. There is no need for provide an allowance for doubtful accounts.

In 2014 the Company's major trade account receivable outstanding since 2014. Could not be followed up since the said customer has move address. The management anticipated the possibility of no settlement from this customer and provided the allowance for doubtful account in full for this receivable in 2005 amount of baht 3.438.22 millionAccounts receivable major overdue since 2547 can not be tracked and paid the debt because the debtor entities such move. The management of the Company expects that there is a possibility that it will not receive payment from this account receivable. The allowance for doubtful accounts of trade, such as the number in the year 2548 in the amount of Baht 3,438.22 million and sold as approved by the Bankruptcy Court on February 27, 2558.



Annual Report 2015

- (2) Inventories and deterioration or obsolescence none -.
- (3) Investments, Goodwill and Impairment.

The Company has investments in non-performing assets. And estimates of future cash flows from the repayment at the end of 2015 amount of baht 58.83 million, non allowance for impairment.

🗁 Liquidity and capital adequacy

(1) The sources and uses of capital funds. Appropriate capital structure The sources and uses of capital funds

As at December 31, 2558 Consolidated capital structure. Includes liabilities amount of baht 13.81 million and shareholders 'equity amount of baht 116.11 million, representing a ratio of shareholders' equity equal to 0.12 times the elements of the funding liabilities, including trade payables and other accounts 27.32%, Employees benefit obligations long-term provisions 0.76% and 71.92% 4.3 liquidity and capital adequacy.

(2) Capital expenditures to capital adequacy and liquidity.

The company has invested in non-performing asset in 2015 is the acquisition of nonperforming assets portfolio. type loan from PBL Management Co., Ltd. and WI Holdings (888) Co., Ltd. totaling of baht 40.16 million by the proceeds from the issuance of common shares to remuneration the major management group and the purchase of non-performing debt portfolio. Type vehicle hire purchases from the Thanachart Bank PCL amount of baht 12.71 million as working capital of the Company from the sale of assets from the original. Effected to non-liquidity problem at all.

(3) The ability to repay debt and compliance with the loan conditions.

1. Transferring land and building totaling Baht 154.31 million to settle loans of Baht 123.23 million from Secured Financial Institution Creditors (Group 1 creditors). The Company recorded loss on transfer of assets to settle liabilities under rehabilitation plan amounting to Baht 31.08 million in statement of comprehensive income.

In addition, the Company has transferred the utilities and fire system under Memorandum of Deliver the Properties and Out of the Estate dated 11 June 2015 to Secured Financial Institution Creditors (Group 1 creditors). The Company recorded loss on transfer of assets to settle liabilities under rehabilitation plan amounting to Baht 14.91 million in statement of comprehensive income.

2. Repayment of principal and accrued interest expense to Secured Financial Institution Creditors (Group 1 creditors), Unsecured Financial Institutions since Collaterals Were Damaged By Flood (Group 2 creditors), Unsecured Financial Institutions (Group 3 creditors), and Accounts payable (Group 4 creditors) according to the rehabilitation plan totaling Baht 131.73 million.

3. Written off remaining principal and accrued interest expenses only the exempted part according to the rehabilitation plan. The Company recorded gain from one-time repayment of debt under rehabilitation plan, accrued interest exempted under rehabilitation plan and accrued rental fee exempted under rehabilitation plan amounting to Baht 2,163.80 million, Baht 485.66 million and Baht 9.25 million, respectively in statement of comprehensive income.

4. On 30 March 2015, management of rehabilitation requested the Central Bankruptcy Court to order termination of rehabilitation plan. The Court has ordered termination of the Company's rehabilitation plan on 22 June 2015.

Venture Incorporation Public Co.,Ltd.

☐ The Factors affecting results of operations in future.

The factors affecting to the industries of debt collection and non-performing loan management, including the amount of non-performing debt in the economic affairs and proportion of non-performing loan in the economic affair. As an indicator of the level of non-performing loan in the economy, which has been influenced by two factors, the overall economy.

The amount of debt in the economy will vary depending on economic conditions. If the economy is growing or the amount of debt in the system increased. A result, the volume of non-performing loan in the economy grown.

Non-performing loan in the economy is proportional to the ratio of non-performing loans in the system. This is the inverse as the economy. If the economy is in recession. The ratio of non-performing loans in the system are increasing, which directly affects the ratio of non-performing loans in the system.

Therefore, the debt industry has grown significantly during the recession due to debt ratios within the system increases.

However, even if the effect of such factors. The Company's properties competitively. Is there adequate funding levels. Have the ability and experience to determine and fixed the purchase price of the debt. It is expected that the Institute will continue to sell non-performing loan to the third parties. The amount of outstanding loans in the banking system has increased steadily and sellers. There is also need to decrease the cost of debt collection and decrease debts down for providing debt the company focuses on quality standards in a good track. And whose work is valued by employers. It is expected to receive a delegation from the employer continued.



AUDITOR'S REPORT AND FINANCIAL STATEMENT

Independent Auditor's Report

To the shareholders of Venture Incorporation Public Company Limited (Formerly Circuit Electronic Industries Public Company Limited)

I have audited the financial statements of Venture Incorporation Public Company Limited, which comprise the statement of financial position as at 31 December 2015, and the related statements of comprehensive income, changes in shareholders' equity and cash flows for the year then ended, and a summary of significant accounting policies and other notes.

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

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

Basis for Qualified Opinion

The predecessor auditor was unable to obtain appropriate and sufficient evidences of existence, including the accuracy and completeness of a large overseas trade receivable whose outstanding amount as at 31 December 2014 was Baht 3,438.22 million (note 8), including audit the appropriateness and sufficiency of an allowance for doubtful account which was fully setup as she was unable to send a confirmation letter to such trade receivable since management informed that the said debtor could not be contacted. In addition, she was unable to satisfy herself on the outstanding liabilities under rehabilitation plan as at 31 December 2014 amounting to Baht 2,888.27 million (note 15). The predecessor auditor sent confirmation letters to 10 creditors and received confirmation replies from all creditors which the balances per confirmations significantly differed with those per the Company's records. In addition, the Company operates under rehabilitation plan which resulted in significant doubt on the Company's ability to continue as a going concern. Therefore, the predecessor auditor gave a disclaimed opinion on the financial statements for the year ended 31 December 2014 and I did not perform any other additional audit procedures because the Company

Venture Incorporation Public Co.,Ltd.



sold trade receivable and settled liabilities under rehabilitation plan during 2015, and the Court has ordered termination of the Company's rehabilitation plan on 22 June 2015. My opinion on the financial statements for the year ended 31 December 2015 was qualified as there may be an impact on comparison between the current period's figures and that of prior year.

Qualified Opinion

Except for the possible effects on corresponding figures as described in the Basis for Qualified Opinion paragraph, the financial statements referred to above present fairly, in all material respects, the financial position of Venture Incorporation Public Company Limited as at 31 December 2015, and results of operations and its cash flows for year then ended in accordance with Thai Financial Reporting Standards.

Other matters

The financial statements of Venture Incorporation Public Company Limited for the year ended 31 December 2014 audited by other auditor whose report dated 25 February 2015, expressed a disclaimed opinion due to the fact that she was unable to obtain appropriate and sufficient evidences regarding an overseas trade receivable and liabilities under rehabilitation plan and events or conditions that may cast significant doubt on the Company's ability to continue as a going concern as described in the Basis for Qualified Opinion paragraph.

Boonlert Kamolchanokkul Certified Public Accountant (Thailand) No. 5339 PricewaterhouseCoopers ABAS Ltd.

Bangkok 26 February 2016



Venture Incorporation Public Company Limited (Formerly Circuit Electronic Industries Public Company Limited) **Statement of Financial Position** As at 31 December 2015

	Notes	2015 Baht	2014 Baht
Assets			
Current assets			
Cash and cash equivalents	7	42,745,226	7,220,145
Temporary investments-fixed deposit at			
financial institution		-	10,000,000
Trade and other receivables, net	8, 22	8,245,606	24,519,827
Inventories	9		7,658,286
Total current assets	_	50,990,832	49,398,258
Non-current assets			
Long-term investments, net	10	14,261,800	35,456,368
Investments in non-performing assets	11, 22	58,825,797	-
Property, plant and equipment, net	12	15,108	234,377,601
Other non-current assets	_	5,833,623	1,533,042
Total non-current assets	_	78,936,328	271,367,011
Total assets	_	129,927,160	320,765,269

Director _____ Director _____

The accompanying notes on pages 10 to 43 from part of this financial statement

Venture Incorporation Public Co.,Ltd.

(Formerly Circuit Electronic Industries Public Company Limited)

Statement of Financial Position (Cont'd) **As at 31 December 2015**

	Notes	2015 Baht	2014 Baht
Liabilities and shareholders' equity			
Current liabilities			
Trade and other payables	13	3,773,997	15,502,805
Total current liabilities		3,773,997	15,502,805
Non-current liabilities			
Liabilities under rehabilitation plan - loan from			
related company	15,22	-	6,500,000
Liabilities under rehabilitation plan	15	-	2,406,983,783
Accrued interest under rehabilitation plan	15	-	481,288,710
Employee benefit obligations	16	104,662	3,293,759
Long-term provision	17	9,936,256	9,936,256
Total non-current liabilities		10,040,918	2,908,002,508
Total liabilities		13,814,915	2,923,505,313
Shareholders' equity			
Share capital	18		
Authorised share capital			
50,009,637 ordinary shares of Baht 10 each			500,096,370
479,009,637 ordinary shares of Baht 0.28 each			
479,009,637 ordinary shares of Baht 0.28 each		174,286,636	
Issued and paid-up share capital			
50,009,637 ordinary shares of Baht 10 each			500,096,370
479,009,637 ordinary shares of Baht 0.28 each			
479,009,637 ordinary shares of Baht 0.28 each		174,286,636	
Premium on share capital	18	-	475,000,000
Retained earnings (deficits)			
Appropriated			
Legal reserve	19	-	49,250,000
Unappropriated		(58,137,891)	(3,627,311,361)
Other component of shareholders' equity		(36,500)	224,947
Total shareholders' equity		116,112,245	(2,602,740,044)
Total liabilities and shareholders' equity		129,927,160	320,765,269



Venture Incorporation Public Company Limited (Formerly Circuit Electronic Industries Public Company Limited) Statement of Comprehensive Income For the year ended 31 December 2015

		2015	2014
	Notes	Baht	Baht
Interest income from investment in			
non-performing assets		7,033,592	-
Revenue from collection services	22	4,727,472	-
Revenue from sales and services		53,227,578	84,419,591
Total revenue		64,988,642	84,419,591
Cost of collection from investment in			
non-performing assets	20	(449,990)	-
Cost of collection services	20	(1,768,957)	-
Cost of sales and services	20	(36,735,793)	(78,067,914)
Total cost		(38,954,740)	(78,067,914)
Gross profit		26,033,902	6,351,677
Selling expenses	20	(526,506)	(955,585)
Administrative expenses	20,22	(38,382,315)	(53,792,271)
Loss from operation		(12,874,919)	(48,396,179)
Other income			
Gain from one-time repayment of debts under			
rehabilitation plan	15	2,163,795,968	-
Accrued interest exempted under rehabilitation plan	15	485,663,900	-
Accrued rental fee exempted under rehabilitation plan Gain on disposals trade account recievable and	15	9,251,613	-
long-term loan to related parties		6,261,682	-
Others		4,311,695	4,347,173
Profit (losses) before other expenses and finance costs		2,656,409,939	(44,049,006)

The accompanying notes on pages 10 to 43 from part of this financial statement



Venture Incorporation Public Co.,Ltd.

(Formerly Circuit Electronic Industries Public Company Limited)

Statement of Comprehensive Income (Cont'd)

For the year ended 31 December 2015

		2015	2014
	Notes	Baht	Baht
Other expenses			
Loss on transfer assets to settle liabilities under			
rehabilitation plan	15	(45,994,725)	-
Loss on disposals of and write-off equipment		(27,108,305)	-
Loss on disposals of and write-off defective inventories		(2,369,447)	-
Termination benefits	16	(12,463,269)	-
Profit (Losses) before finance costs		2,568,474,193	(44,049,006)
Finance costs	15	(9,644,395)	(43,672,896)
Net protfit (losses) for the year		2,558,829,798	(87,721,902)
Other comprehensive income			
Item that will be reclassified subsequently to			
profit or loss			
Unrealised gain on change in fair value of			
available-for-sale investment		14,500	211,487
Other comprehensive income for the year		14,500	211,487
Total comprehensive expenses for the year		2,558,844,298	(87,510,415)
Profit (losses) per share			
rom (rosses) per shure			
Basic profit (losses) per share	21	6.30	(1.75)
Weighted average number of ordinary shares (shares)		406,214,804	50,009,637



(Formerly Circuit Electronic Industries Public Company Limited)

Statement of Changes in Shareholders' Equity

For the year ended 31 December 2015

		Issued and paid-up	Premium on	Retained earnir	– ngs (deficits)	Other component of shareholders' equity Unrealised gain (losses) on changes in fair	Total
		share capital	share capital	Appropriated	Unappropriated	value of investment	shareholders' equity
	Notes	Baht	Baht	Baht	Baht	Baht	Baht
Opening balance as at 1 January 2014		500,096,370	475,000,000	49,250,000	(3,539,589,459)	13,460	(2,515,229,629)
Change in shareholders' equity for the year Total comprehensive (expense) income for the year				<u> </u>	(87,721,902)	211,487	(87,510,415)
Closing balance as at 31 December 2014		500,096,370	475,000,000	49,250,000	(3,627,311,361)	224,947	(2,602,740,044)
Opening balance as at 1 January 2015		500,096,370	475,000,000	49,250,000	(3,627,311,361)	224,947	(2,602,740,044)
Change in shareholders' equity for the year							
Increase in share capital	18	160,283,938	-	-	-	-	160,283,938
Decrease in share capital	18	(486,093,672)	(475,000,000)	-	-	-	(961,093,672)
Decrease in appropriated - statutory reserve	18,19	-	-	(49,250,000)	-	-	(49,250,000)
Decrease in deficits	18	-	-	-	1,010,343,672	-	1,010,343,672
Total comprehensive income for the year		-	-	-	2,558,829,798	14,500	2,558,844,298
Realised (gain) loss for the year						(275,947)	(275,947)
Closing balance as at 31 December 2015		174,286,636			(58,137,891)	(36,500)	116,112,245





(Formerly Circuit Electronic Industries Public Company Limited)

Statement of Cash flows

For the year ended 31 December 2015

		2015	2014
	Notes	Baht	Baht
Cash flows from operating activities			
Profit (loss) for the year		2,558,829,798	(87,721,902)
Adjustment to reconcile profit (loss) for the year to net		, , , ,	
Cash in (out) flows from operating activities			
Interest income from investments in			
non-performing assets		(7,033,592)	-
Depreciation	11	8,215,060	20,578,104
Allowance for doubtful debt (Reversal)		-	(857,685)
Unrealised (gain) loss on exchange rate		-	106,417
Gain from one-time repayment of debts			-
under rehabilitation plan	15	(2,163,795,968)	-
Accrued interest exempted under rehabilitation plan	15	(485,663,900)	-
Accrued rental fee exempted under rehabilitation plan	15	(9,251,613)	-
Loss on transfer assets to settle liabilities			
under rehabilitation plan	15	45,994,725	-
Gain on disposals of long-term investments		(1,052,143)	-
Loss on disposals of and write-off equipment		27,108,305	2,408,613
Provision for employee benefit obligations	16	12,567,931	1,511,078
Finance costs		9,644,395	43,672,896
Loss from operation before changes in			
operating assets and liabilities		(4,437,002)	(20,302,479)
(Increase) decrease in operating assets			
Trade and other receivables		11,274,221	(1,264,752)
Inventories		7,658,286	1,892,964
Investments in non-performing assets		(51,792,205)	-
Other non-current assets		(4,300,581)	(246,064)
Increase (decrease) in operating liabilities			
Trade and other payables		(2,477,195)	(816,548)
Employee benefit obligations	16	(15,757,028)	_
Net cash used in operating activities		(59,831,504)	(20,736,879)



(Formerly Circuit Electronic Industries Public Company Limited)

Statement of Cash flows (Cont'd)

For the year ended 31 December 2015

	Notes	2015 Baht	2014 Baht
Cash flows from investing activities			
Cash paid for purchase of temporary investments			(10,000,000)
Proceeds from disposals of temporary investments		- 10,148,407	(10,000,000)
Cash paid for purchase of long-term investments		(14,208,300)	(22,000,000)
Proceeds from disposals of long-term investments		36,045,157	(22,000,000)
Cash paid for purchase of equipment		(15,421)	(12,926,380)
Proceeds from disposals of equipment		29,833,224	(12,)20,000)
Proceeds from loans	_		857,685
Net cash flows provided by (used in) investing activities	_	61,803,067	(44,068,695)
Cash flows from financing activities			
Cash hows from mancing activities Cash paid for finance cost		(269,205)	(1,897,540)
Cash received from capital increase	18	160,283,938	(1,0)7,040)
Repayment of liabilities under rehabilitation plan	15	(126,461,215)	(27,326,967)
Net cash flows provided (used in) financing activities	_	33,553,518	(29,224,507)
Net increase (decrease) in cash and cash equivalents		35,525,081	(94,030,081)
Cash and cash equivalents at beginning of the year	_	7,220,145	101,250,226
Cash and cash equivalents at the end of the year	7 _	42,745,226	7,220,145
Supplemental disclosure of cash flows information			
Non-cash transaction			
Change in revaluation surplus in available-for-sale		(14,500)	212,487
Decrease in liabilities under rehabilitation plan due to			
transfer of property, plant and equipment to creditor	15	123,226,600	-
Decrease in share capital to compensate deficits	18	486,093,672	-
Decrease in share premium to compensate deficits	18	475,000,000	-
Decrease in legal reserve to compensate deficits	19	49,250,000	-





1 General information

Venture Incorporation Public Company Limited (formerly Circuit Electronic Industries Public Company Limited) ("the Company") is a company registered in Thailand and listed in the Stock Exchange of Thailand in 1996. The Company has engaged in business of assembling and testing of integrated circuits for export. The Company changed its business to engage in the investment in the businesses of non-performing debt management and debt collection services according to resolution of the Extraordinary General Meeting of the Shareholders No. 2/2015 held on 28 October 2015.

The address of the Company's office changed from 45 Moo 12 Rojana Industrial Park, Thambon Thanu, Amphur U-Thai, Ayutthaya, Thailand to 83 Soi Judsun, Samsen Nok Sub-District, Huay Kwang District, Bangkok, Thailand.

On 9 May 2005, the Court has ordered the Company to make rehabilitation its business and appointed the Company as the planner and plan administrator. The Company has been classified by the Stock Exchange of Thailand into the Non-Performing Group.

On 22 June 2015, the Court has ordered termination of the Company's rehabilitation plan.

On 2 June 2015, the Board of Director's meeting approved ceasing the operation and consider the acquisition of new business that could bring stability to the Company in order to prevent being delisted from the Stock Exchange of Thailand which will cause damage to both the shareholders and the Company. The Extraordinary General Meeting of Shareholders No. 1/2015 on 28 August 2015 approved the cease of the operation and sale of assets that are not essential to operations.

On 28 October 2015, the Extraordinary General Meeting of the Shareholders No. 2/2015 approved the change of the Company's name from "Circuit Electronic Industries Public Company Limited" to "Venture Incorporation Public Company Limited" and approved the amendment to the Company's objectives, the Company's Memorandum of Association and the Company's Articles of Association.

On 30 October 2015, the Company has registered the new name "Venture Incorporation Public Company Limited". The Stock Exchange of Thailand has changed the Company's name to "Venture Incorporation Public Company Limited" and security symbol from "CIRKIT" to "VI" which effective date from 10 November 2015.

This financial statement was authorised for issue by the Board of Directors on 26 February 2016.

2 Accounting policies

2.1 Basis of preparation

This financial statement was prepared in accordance with Thai generally accepted accounting principles under the Accounting Act B.E. 2543, being those Thai Accounting Standards issued under the Accounting Professions Act B.E. 2547, and the financial reporting requirements of the Securities and Exchange Commission.

The financial statements have been prepared under the historical cost convention except as disclosed in the accounting policies below.



The preparation of financial statements in conformity with Thai generally accepted accounting principles requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the Company's accounting policies. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the financial statements are disclosed in note 3.

An English version of the financial statements has been prepared from the statutory financial statements that are in the Thai language. In the event of a conflict or a difference in interpretation between the two languages, the Thai language statutory financial statements shall prevail

2.2 New financial reporting standards and revised financial reporting standards and interpretations

- 2.2.1 New financial reporting standards, revised accounting standard and revised financial reporting standards which are effective on 1 January 2015 and relevant to the Company.
 - a) <u>Financial reporting standards</u>, which have a significant impact to the Company are as <u>follows</u>:

TAS 1 (revised 2014)	Presentation of Financial Statements
TFRS 13	Fair value measurement

TAS 1 (revised 2014), the main change is that a requirement for entities to group items presented in 'other comprehensive income' (OCI) on the basis of whether they are potentially reclassifiable to profit or loss subsequently (reclassification adjustments). The amendments do not address which items are presented in OCI.

TFRS 13 aims to improve consistency and reduce complexity by providing a precise definition of fair value and a single source of fair value measurement and disclosure requirements for use across TFRSs. The standard has no impact to the financial information of the Company, except for disclosures that are disclosed in Note 4.

b) Financial reporting standards with minor changes

There are 41 financial reporting standards with minor changes which do not have impact to the Company.

- 2.2.2 New financial reporting standards, revised accounting standard and revised financial reporting standards which are effective on 1 January 2016 and relevant to the Company are as follows.
 - a) Financial reporting standards, which are relevant to the Company are as follows:

TAS 19 (revised 2015)	Employee benefits
TAS 24 (revised 2015)	Related party disclosures
TAS 36 (revised 2015)	Impairment of assets
TFRS 8 (revised 2015)	Operating segments
TFRS 13 (revised 2015)	Fair value measurement

TAS 19 (revised 2015), 'Employee benefits' is amended to apply to contributions from employees or third parties to defined benefit plans and to clarify the accounting treatment of such contributions. The amendment distinguishes between contributions that are linked to service only in the year in which they arise and those linked to service in more than one year.

Venture Incorporation Public Co.,Ltd.



TAS 24 (revised 2015), 'Related party disclosures' includes as a related party an entity that provides key management personnel services to the reporting entity or to the parent of the reporting entity (the 'management entity'). Disclosure of the amounts charged to the reporting entity is required.

TAS 36 (revised 2015), 'Impairment of assets' is amended to provide additional disclosure requirement when the recoverable amount of the assets is measured at fair value less costs of disposal. The disclosures include 1) the level of fair value hierarchy, 2) when fair value measurement categorised within level 2 and level 3, disclosures is required for valuation technique and key assumption.

TFRS 8 (revised 2015), 'Operating segments' requires disclosure of the judgements made by management in aggregating operating segments. It is also amended to require a reconciliation of segment assets to the entity's assets when segment assets are reported to chief operating decision maker.

TFRS 13 (revised 2015), 'Fair value measurement' is amended to clarify that the portfolio exception in TFRS 13 applies to all contracts (including non-financial contracts) within the scope of TAS 39 (when announced) or IFRS 9 (when announced).

Management is currently assessing the impact of those financial reporting standards.

b) Financial reporting standards with minor changes

There are 40 financial reporting standards with minor changes which do not have any impact to the Company.

2.3 Cash and cash equivalents

Cash and cash equivalents consist of cash on hand and at banks, and all highly liquid investments with an original maturity of three months or less and not subject to withdrawal restrictions. Bank overdrafts that are repayable on demand are a component of cash and cash equivalents. Restricted deposits with banks are presented under non – current assets in the statement of financial position

2.4 Investment in non-performing assets

Investment in non-performing assets represent the Company's investments in non-performing receivables of financial institutions and credit service companies at discounted values from bidding for debts management and collection. Under the purchase contracts at the discounted values of receivables, the Company takes all the risks in the collection without recourse. Such investments in accounts receivable are carried at purchase cost less amortised costs and allowance for impairment (if any). The Company recognized loss on impairment of investment when it anticipates discounted cash flows to the present values of receivables are lower than book value.

2.5 Trade accounts receivable

Trade accounts receivable are carried at the original invoice amount and subsequently measured at the remaining amount less any allowance for doubtful receivables based on a review of all outstanding amounts at the period-end. The amount of the allowance is the difference between the carrying amount of the receivable and the amount expected to be collectible. Bad debts are written-off during the year in which they are identified and recognised in profit or loss within selling expenses.



2.6 Inventories

Inventories are stated at the lower of cost and net realisable value. Cost is determined by the standard cost method. The cost of purchase comprises both the purchase price and costs directly attributable to the acquisition of the inventory, such as import duties and transportation charges, less all attributable discounts, allowances or rebates. The cost of finished goods and work in progress comprises design costs, raw materials, direct labour, other direct costs and related production overheads (based on normal operating capacity). It excludes borrowing costs. Net realisable value is the estimate of the selling price in the ordinary course of business, less applicable variable selling expenses. Allowance is made, where necessary, for obsolete, slow-moving and defective inventories.

2.7 Investments

Investments are classified into held-to-maturity investments, available-for-sale investments, and general investments. The classification is dependent on the purpose for which the investments were acquired. Management determines the appropriate classification of its investments at the time of the purchase and re-evaluates such designation on a regular basis.

Investments with fixed maturity that the management has the intent and ability to hold to maturity are classified as held-to-maturity and are included in non-current assets, except for maturities within 12 months from the statement of financial position date which are classified as current assets.

Investments intended to be held for an indefinite period of time, which may be sold in response to liquidity needs or changes in interest rates, are classified as available-for-sale; and are included in non-current assets unless management has expressed the intention of holding the investment for less than 12 months from the statement of financial position date or unless they will need to be sold to raise operating capital, in which case they are included in current assets.

Investments in non-marketable equity securities are classified as general investments.

Such investments are initially recognised at cost, which is equal to the fair value of consideration paid plus transaction cost.

Held-to-maturity investments are carried at amortised cost using the effective yield method less impairment loss.

Available-for-sale investments are subsequently measured at fair value. Changes in the carrying amount of securities are recorded as other comprehensive income and recognised this accumulation to owners' equity until sold out theses securities that will be recorded in the statement of comprehensive income.

General investments are carried at cost less impairment loss.

A test for impairment is carried out when there is a factor indicating that an investment might be impaired. If the carrying value of the investment is higher than its recoverable amount, impairment loss is charged to the statement of income.

On disposal of an investment, the difference between the net disposal proceeds and the carrying amount is charged or credited to the profit or loss. When disposing of part of the Company's holding of a particular investment in debt or equity securities, the carrying amount of the disposed part is determined by the weighted average carrying amount of the total holding of the investment.

Venture Incorporation Public Co.,Ltd.



2.8 Property, plant and equipment

Land and buildings are initially recognised at cost, less subsequent depreciation and allowance for impairment, if any. Except for land, initially recognised at cost, allowance for impairment, if any.

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably. The carrying amount of the replaced part is derecognised. All other repairs and maintenance are charged to profit or loss during the financial period in which they are incurred.

Land is not depreciated. Depreciation on other assets is calculated using the straight line method to allocate their cost (or the revalued amount) to their residual values over their estimated useful lives, as follows:

Land improvement	5 years
Buildings	20 years
Plant and machinery	5 - 10 years
Fixture and office equipment	5 years
Vehicles	5 years

The assets' residual values and useful lives are reviewed, and adjusted if appropriate, at the end of each reporting period.

The asset's carrying amount is written-down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount.

Gains or losses on disposals are determined by comparing the proceeds with the carrying amount and are recognised within 'Other (losses)/gains - net' in profit or loss.

2.9 Impairment of assets

Assets that have an indefinite useful life are not subject to amortisation and are tested annually for impairment. Assets that are subject to amortisation are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the carrying amount of the assets exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs to sell and value in use. For the purposes of assessing impairment, assets are grouped at the lowest level for which there are separately identifiable cash flows. Non-financial assets that suffered an impairment are reviewed for possible reversal of the impairment at each reporting date.

2.10 Current and deferred income taxes

The tax expense for the period comprises current and deferred tax. Tax is recognised in profit or loss, except to the extent that it relates to items recognised in other comprehensive income or directly in equity. In this case the tax is also recognised in other comprehensive income or directly in equity, respectively.

The current income tax charge is calculated on the basis of the tax laws enacted or substantively enacted at the end of reporting period in the countries where the Company operate and generate taxable income. Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation. It establishes provisions where appropriate on the basis of amounts expected to be paid to the tax authorities.

Deferred income tax is recognised, using the liability method, on temporary differences arising from differences between the tax base of assets and liabilities and their carrying amounts in the financial statements. Deferred income tax is determined using tax rates (and laws) that have been enacted or substantially enacted by the end of the reporting period and are expected to apply when the related deferred income tax asset is realised or the deferred income tax liability is settled.



Deferred income tax assets are recognised only to the extent that it is probable that future taxable profit will be available against which the temporary differences can be utilised.

Deferred income tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets against current tax liabilities and when the deferred income tax assets and liabilities relate to income taxes levied by the same taxation authority on either the same taxable entity or different taxable entities where there is an intention to settle the balances on a net basis.

2.11 Leases - Where the Company is the lessee

Leases in which a significant portion of the risks and rewards of ownership are retained by the lessor are classified as operating leases. Payments made under operating leases (net of any incentives received from the lessor) are charged to profit or loss on a straight-line basis over the period of the lease.

The Company leases certain property, plant and equipment. Leases of property, plant or equipment where the Company has substantially all the risks and rewards of ownership are classified as finance leases. Finance leases are capitalised at the inception of the lease at the lower of the fair value of the leased property and the present value of the minimum lease payments.

Each lease payment is allocated between the liability and finance charges so as to achieve a constant rate on the finance balance outstanding. The corresponding rental obligations, net of finance charges, are included in other long-term payables. The interest element of the finance cost is charged to profit or loss over the lease period so as to achieve a constant periodic rate of interest on the remaining balance of the liability for each period. The property, plant or equipment acquired under finance leases is depreciated over the shorter period of the useful life of the asset and the lease term.

2.12 Employee benefits

Defined contribution plan

A defined contribution plan is a post-employment benefit plan which an entity pays fixed contributions into a separate entity and will have no legal or constructive obligation to pay further amounts. Obligations for contributions to defined contribution pension plans are recognised as an employee expense in profit or loss in the periods during which services are rendered by employees.

Short-term employee benefits

Short-term employee benefit obligations are measured on an undiscounted basis and are recognised as an employee expense in profit or loss in the periods during which services are rendered by employees.

Post-employment benefit

The Company provides a post-employment benefit obligation, payable to employees under the Thai Labor Protection Act. This obligation is determined by a qualified independent actuary based on actuarial technique. The present value of the defined benefits obligation is determined by discounting estimated future cash flows using yields on the government bonds which have terms to maturity approximating the terms of related liability. The estimated future cash flows shall reflect employee salaries, turnover rate, length of service and other. The Company recognises all actuarial gains and losses arising from defined benefit plan in other comprehensive income and all expenses related to defined benefit plans in personnel expenses in profit or loss

Venture Incorporation Public Co., Ltd.



2.13 Provisions

The Company recognises a provision when the Company has a present legal or constructive obligation as a result of a past event. It is probable that an outflow of economic benefits resources will be required to settle the obligation and reliable estimate can be made of the amount of the obligation. If some or all the expenditure is required to settle a provision, is expected to be reimbursed when it is virtually certain that reimbursement will be received if the Company settles the obligation. The amount recognised should not exceed the amount of the provision.

2.14 Dividend distribution

Dividend distribution to the Company's shareholders is recognised as a liability in the financial statements in the year in which the dividends are approved by the Company's shareholders.

2.15 Basic earnings per share

Basic earnings per share are determined by dividing income for the year by the weighted average number of common shares outstanding during the year

2.16 Segment reporting

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision-maker. The chief operating decision-maker, who is responsible for allocating resources and assessing performance of the operating segments, has been identified as Managing Director that makes strategic decisions.

2.17 Related parties

Enterprises and individuals that directly or indirectly through one or more intermediaries, control, or are controlled by or are under common control with, the Company, including holding companies, subsidiaries and fellow subsidiaries are related parties of the Company. Associates and individuals owning, directly or indirectly, an interest in the voting power of the Company that gives them significant influence over the enterprise, key management personnel, including directors and officers of the Company and close members of the family of these individuals and companies associated with these individuals also constitute related parties.

In considering each possible related party relationship, attention is directed to the substance of the relationship, and not merely the legal form.

2.18 Revenue and expenses recognition

a) Interest income from investment in non-performing assets

The Company recognizes revenues from investment in non-performing assets by using effective interest rates (expected return on debts collection) calculate from outstanding investments in non-performing assets. If actual cash flows from collection exceed calculated revenues, the remaining cash collection will be deducted from the value of investments in non-performing assets for each period. If investments in non-performing assets are fully deducted, the Company will recognise such cash collection as revenues and recognises loss on impairment immediately when there is an indication of significant decrease in cash flows.

b) Revenue from sales and services

Revenue comprises the fair value of the consideration received or receivable for the sale of goods and service in the ordinary course of the company activities. Revenue is shown net of value-added tax, returns, rebates and discounts. Revenue from sales of goods is recognised when significant risks and rewards of ownership of the goods are transferred to the buyer. Revenue from rendering services is based on the stage of completion determined by reference to services performed to date as a percentage of total services to be performed.



c) Other incomes and expenses

Service income from debts collection is recognised when services are rendered to customers based on the agreed rates.

Dividend income is recognised when the right to receive payment is established.

Interest on borrowings is recognised as expense on an accrual basis according to the loans agreement.

Other incomes expenses are recognised on accrual basis

3 Critical accounting estimates and judgements

Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

The Company makes estimates and assumptions concerning the future. The resulting accounting estimates will, by definition, seldom equal the related actual results. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are outlined below.

(a) Allowance for impairment of investments in non-performing assets

The Company assesses allowance for impairment of investments in non-performing assets when net realisable value falls below the book value. The management uses judgment to estimate impairment losses, taking into consideration the latest appraised value of assets, the type and nature of the assets. However, the use of different estimates and assumptions could affect the amounts of the allowance for impairment. Therefore, allowance for impairment may be adjusted in the future.

(b) Recognition of interest income from investments in non-performing assets

Recognition of interest income from investments in non-performing assets via interest when paid by receivable is calculated based on effective interest method from cash flow expected to be paid from acquired receivable multiplied with value of outstanding receivable according to outstanding cost.

(c) Estimated cash inflow from investment in accounts receivable

The Company estimates future cash collection from investments in accounts receivable based on quality, type, aging of receivables and historical information of debt collection. The total estimated future cash collection shall not exceed anticipated initial cash inflows which management had expected in bidding. The Company assesses the periods of collection of investments in accounts receivable for 7 years.

(d) Allowance for doubtful accounts

The Company considers an allowance for doubtful accounts to reflect impairment of trade receivables relating to estimated losses resulting from the inability of customers to make required payments. The allowance for doubtful accounts is significantly impacted by the Company's assessment of future cash inflows, such assessment being based on consideration of historical collection experience, known and identified instances of default and consideration of market trends.

Venture Incorporation Public Co., Ltd.



(e) Premises and equipment

Management determines the estimated useful lives and residual values for the Company's premises, and equipment. Management will revise the depreciation charge where useful lives and residual values are different than previously estimated, or it will write off or write down technically obsolete or assets that have been sold or abandoned.

(f) Deferred tax assets

The extent to which deferred tax assets can be recognized is based on an assessment of the probability of the Company's future taxable income against which the deductible temporary differences can be utilized. In addition, management judgment is required in assessing the impact of any legal or economic limits or uncertainties in various tax laws.

(g) Employee benefit obligations

Employee benefits obligations are determined by independent actuary. The amount recognised in the Statement of Financial Position is determined on an estimation basis utilising various assumptions. The assumptions used in determining the cost for employee benefits includes the rate of salary inflation and employee turnover. Any change in these assumptions will impact the cost recorded for employee benefits. On an annual basis the Company determines the appropriate assumptions, which represents the provision expected to be required to settle the employee benefits.

4 Financial risk management

Financial risk management policies

The Company's activities expose it to a variety of financial risks: which are interest rate risk, credit risk and liquidity risk. The Company's overall risk management programme focuses on the fluctuation of financial markets and seeks to minimise potential adverse effects on the Company's financial performance.

Risk management is carried out by management by identifying, evaluating and hedging the overall financial risks.

Financial assets and liabilities carried on the statement of financial position include cash and cash equivalents, investment, trade receivables, investments in non-performing assets, loan to related companies, trade payables, and liabilities under rehabilitation plan. The financial risks associated with these financial instruments and how they are managed is described below.

Credit risk

Credit risk arises from the possibility that customers may not be able to settle obligations to the Company within the normal terms of trade. To manage this risk, the Company periodically assesses the financial viability of customers.

Liquidity risk

The Company monitors its liquidity risk and maintains a level of cash and cash equivalents deemed adequate by management to finance the Company's operations and to mitigate the effects of fluctuations in cash flows.

Exchange rate risk

As at 31 December 2015, the Company was not exposed to foreign currency risk.



Annual Report 2015

As at 31 December 2014, the Company's business focuses on export, the majority of raw materials are imported. The majority of sales are priced in US Dollars, while the purchase of raw materials is mostly priced in US Dollars, giving rise risk from the fluctuation of foreign currency. However, in practice, the Company reduces this kind of risk by matching the cash receipts from its customers (trade receivables) against the cash paid to its suppliers (trade payables) in the same day. By this method, the difference in exchange rate from receipts and payments is minimal. Hence, the Company does not use any derivative financial instruments to mitigate this risk.

Interest rate risk

Interest rate risk arises from the fluctuation of market interest rates, which may have effect to current and future operations of the Company.

As at 31 December 2015, the financial asset that potentially subjects the Company to the interest rate risk is deposits with banks.

As at 31 December 2014, the financial asset and liability that potentially subject the Company to the interest rate risk are deposits with banks and liabilities under rehabilitation plan. The Company has liabilities under rehabilitation plan of Baht 335.94 million bearing floating rates which are close to the market rate and of Baht 499.76 million bearing fixed interest rates for each period. The Company has no hedging agreement to protect against such risk.

Fair value estimation

The table below analyses financial instruments carried at fair value, by valuation method. The different levels have been defined as follows:

- Quoted prices (unadjusted) in active markets for identical assets or liabilities (Level 1)
- Inputs other than quoted prices included within level 1 that are observable for the asset or liability, either directly (that is, as prices) or indirectly (that is, derived from prices) (Level 2)
- Inputs for the asset or liability that are not based on observable market data (that is, unobservable inputs) (Level 3).

The following table presents the Company's financial assets and liabilities that are measured at fair value as at 31 December 2015.

	2015					
	Level 1 Baht	Level 2 Baht	Level 3 Baht	Total Baht		
Assets						
Cash and cash equivalents	-	42,745,226	-	42,745,226		
Trade and other receivables, net	-	8,245,606	-	8,245,606		
Long-term investments, net	53,500	14,208,300	-	14,261,800		
Investments in non-performing assets	<u> </u>	<u> </u>	58,825,797	58,825,797		
Total	53,500	65,199,132	58,825,797	124,078,429		
Liabilities						
Trade and other payables	<u> </u>	3,773,997		3,773,997		
Total		3,773,997	_	3,773,997		

There were no transfers between levels 1 and 2 during the year.

(a) Financial instruments in level 1

The fair value of financial instruments traded in active markets is based on quoted market prices at the statement of financial position date. A market is regarded as active if quoted prices are readily and regularly available from an exchange, dealer, broker, industry group, pricing service, or regulatory agency, and those prices represent actual and regularly occurring market transactions on an arm's length basis. The quoted market price used for financial assets held by the Company is the current bid price. These instruments are included in Level 1.

(b) Financial instruments in level 2

The fair value of financial instruments that are not traded in an active market is determined by using valuation techniques. These valuation techniques maximise the use of observable market data where it is available and rely as little as possible on entity specific estimates. If all significant inputs required to fair value an instrument are observable, the instrument is included in level 2.

If one or more of the significant inputs is not based on observable market data, the instrument is included in Level 3.

Valuation techniques used to derive Level 2 fair values

Cash and bank accounts, Long-term investments, Trade and other receivables and Trade and other payables, management believe that their carrying amount is a reasonable approximation of fair value.

(c) Financial instruments in level 3

Valuation processes of the Company

For financial reporting purposes, the Company engages the work group to determine the fair value of the Company's investments in non-performing assets. The Company's work group prepare the fair value estimation from assumptions and data. This group reported directly to the Board of the Directors for review and approve.

Fair valuation method

Fair valuation on investment in non-performing assets are estimated from the present value of future cash inflow from investment which are unobservable inputs.

The main Level 3 unobservable inputs are future cash inflow from investment and discount rate. Changes in main unobservable inputs will not have a significant impact on fair valuation. Management believe that their carrying amount is a reasonable approximation of fair value.

The Company's policy is to recognise transfers into and transfers out of fair value hierarchy levels as of the date of the event or change in circumstances that caused the transfer.

There were no other changes in valuation techniques during the year.

5 Capital risk management

The Company's objectives when managing capital are to safeguard the Company's ability to continue as a going concern in order to provide returns for shareholders and benefits for other stakeholders and to maintain an optimal capital structure to reduce the cost of capital.

In order to maintain or adjust the capital structure, the Company may adjust the amount of dividends paid to shareholders, return capital to shareholders, issue new shares, or sell assets to reduce debt.



6 Segment information

The Company's segmental financial information as presented in the financial statements for the years ended 31 December 2015 and 2014, are as follows:

	For the year ended 31 December 2015					
	Non- performing receivable management business Baht	Debt collection business Baht	Manufacturi ng business Baht	Unallocated items Baht	Total Baht	
	Dant	Daint	Dant	Daint	Dain	
Revenue	7,033,592	4,727,472	53,227,578	-	64,988,642	
Cost	(449,990)	(1,768,957)	(36,735,793)		(38,954,740)	
Gross profit	6,583,602	2,958,515	16,491,785	-	26,033,902	
Selling expenses	(66,421)	(261,106)	(198,979)	-	(526,506)	
Administrative expenses	(2,203,058)	(8,660,450)	(27,518,807)		(38,382,315)	
Profit (losses) from operation	4,314,123	(5,963,041)	(11,226,001)		(12,874,919)	

	For the year ended 31 December 2015 (Cont'd)					
	Non- performing receivable management business Baht	Debt collection business Baht	Manufacturi ng business Baht	Unallocated items Baht	Total Baht	
Assets						
Cash and cash equivalents	-	-	-	42,745,226	42,745,226	
Trade and other receivables, net	-	4,270,965	-	3,974,641	8,245,606	
Long-term investments, net Investments in	-	-	-	14,261,800	14,261,800	
non-performing assets	58,825,797	-	-	-	58,825,797	
Property, plant and equipment, net	-	-	-	15,108	15,108	
Other non-current assets		-	3,656,845	2,176,778	5,833,623	
Total	58,825,797	4,270,965	3,656,845	63,173,553	129,927,160	
Liabilities						
Trade and other payables	424,684	-	-	3,349,313	3,773,997	
Employee benefit obligations	-	-	-	104,662	104,662	
Long-term provision		-	9,936,256		9,936,256	
Total	424,684	_	9,936,256	3,453,975	13,814,915	



The Company's segmental financial information as presented in the financial statements for the years ended 31 December 2015 and 2014, are as follows: (Cont'd)

	For the year ended 31 December 2014					
	Non-performing receivable management business	Debt collection business	Manufacturing business	Total		
	Baht	Baht	Baht	Baht		
Revenue Cost	-	-	84,419,591 (78,067,914)	84,419,591 (78,067,914)		
Gross profit	-	-	6,351,677	6,351,677		
Administrative expenses			(53,792,271)	(53,792,271)		
Losses from operation	-		(48,396,179)	(48,396,179)		

For the year ended 31 December 2014, the Company operated in a business which was assembling, testing and exporting integrated circuits and major revenues are from export. Income, expenses, assets and liabilities from this segment were the same amount with the statement of financial position as at 31 December 2014, and the statements of comprehensive income for the year ended. Therefore, the presentation of segment information is not necessary.

7 Cash and cash equivalents

	2015 Baht	2014 Baht
Cash on hand Deposits at banks	46,133 42,699,093	260,732 6,959,413
	42,745.226	7,220,145

As at 31 December 2015, the effective interest rate on saving deposits at bank was 0.375% - 0.40% per annum (31 December 2014: 0.50% - 0.85% per annum).

8 Trade and other receivables, net

	2015 Baht	2014 Baht
Trade receivables Less Allowance for doubtful accounts	4,270,964	3,452,920,228 (3,438,223,127)
Trade receivables, net Other receivables	4,270,964 3,974,642	14,697,101 9,822,727
	8,245,606	24,519,827


Outstanding trade accounts receivable can be analysed as follows:

	2015 Baht	2014 Baht
Current Not over 30 days	2,663,789 1,607,175	9,035,106 5,355,645
Over 30 days to 365 days Over 365 days	-	306,350 3,438,223,127
Less Allowance for doubtful accounts	4,270,964	3,452,920,228 (3,438,223,127)
Trade receivables, net	4,270,964	14,697,101

As at 31 December 2014, the Company's major trade account receivable outstanding since 2004, could not be followed up since the said customer has moved address. The management anticipated the possibility of no settlement from this customer and provided the allowance for doubtful accounts in full for this receivable in 2005 of Baht 3,438.22 million.

On 25 February 2015, the Board of Director's meeting approved a request to be submitted to the Central Bankruptcy Court to sell such trade receivable. The Company received the approval from Court on 27 February 2015. Announcement was made in a newspaper during 23 - 25 March 2015 with Kwin Associates Co., Ltd. as the only bidder. Thus, the Company agreed to sell announced trade receivable in amount of Baht 0.20 million on 6 April 2015.

The Company received the full amount of payment from Kwin Associates Co., Ltd. on 24 April 2015.

9 Inventories

	2015 Baht	2014 Baht
Finished goods	-	567,765
Work in process	-	1,004,922
Raw materials	-	3,147,634
Spare parts and supplies	-	2,629,696
Goods in transit	-	2,750
Others	<u> </u>	305,519
	<u> </u>	7,658,286



10 Long-term investments, net

	2015 Baht	2014 Baht
Investment in available-for-sale		
Equity securities	90,000	90,000
Less Changes in fair value of available-for-sale investments	(36,500)	(51,000)
Total equity securities	53,500	39,000
Unit trusts: Open-end fund	-	23,000,000
Less Allowance for impairment	-	(765,330)
Add Changes in fair value of available-for-sale investments		275,948
Total unit trusts: Open-end fund		22,510,618
Other long-term investment - Premium Savings Certificates		12,896,750
Total investment in available-for-sale, net	53,500	35,446,368
Held-to-maturity investments		
Fixed deposits at bank	14,208,300	-
General investment		
Equity securities	<u> </u>	10,000
Total long-term investments, net	14,261,800	35,456,368

As at 31 December 2015, the Company pledged the fixed deposits at bank bearing interest rate at 1.75% per annum and maturing on 29 June 2017 of Baht 14.21 million to the Revenue Department for a deferral tax payment (31 December 2014, the Company pledged the Premium Saving Certificates of Baht 12.49 million to the Revenue Department for a deferral tax payment).

11 Investments in non-performing assets, net

	2015 Baht	2014 Baht
Estimated cash flows from repayments in the future <u>Less</u> Allowance for impairment	58,825,797	-
Total	58,825,797	-



12 Property, plant and equipment, net

				2015			
	Land and land improvement Baht	Building and construction Baht	Machines tools and equipment Baht	Furniture and office equipment Baht	Vehicles Baht	Machines, tools and equipment in progress Baht	Total Baht
As at 1 January 2015							
Cost	124,374,495	213,611,618	222,335,412	17,027,651	2,602,001	-	579,951,177
Less Accumulated depreciation	(8,467,576)	(172,585,936)	(145,441,745)	(16,476,323)	(2,601,996)		(345,573,576)
Net book value	115,906,919	41,025,682	76,893,667	551,328	5		234,377,601
For year ended 31 December 2015							
Opening net book amount	115,906,919	41,025,682	76,893,667	551,328	5	-	234,377,601
Additions	-	-	15,421	-	-	-	15,421
Disposals and Write-off Transfer assets to settle liabilities under	(178,546)	-	(56,412,609)	(350,369)	(5)	-	(56,941,529)
rehabilitation plan (Note 15)	(115,704,242)	(38,604,815)	(14,762,264)	(150,004)	-	-	(169,221,325)
Depreciation charge	(24,131)	(2,420,867)	(5,719,107)	(50,955)	-		(8,215,060)
Closing net book amount			15,108		-		
As at 31 December 2015							
Cost	-	-	15,421	-	-	-	15,421
Less Accumulated depreciation			(313)		-		(313)
Net book value			15,108		-		15,108

				2014			
	Land and land improvement Baht	Building and construction Baht	Machines tools and equipment Baht	Furniture and office equipment Baht	Vehicles Baht	Machines, tools and equipment in progress Baht	Total Baht
As at 1 January 2014							
Cost	122,157,230	207,313,710	186,001,561	16,747,602	2,602,001	34,611,307	569,433,411
Less Accumulated depreciation	(8,402,737)	(162,037,096)	(135,583,283)	(16,370,360)	(2,601,996)		(324,995,472)
Net book value	113,754,493	45,276,614	50,418,278	377,242	5	34,611,307	244,437,939
For year ended 31 December 2014 Opening net book amount Additions Disposals and Write-off Depreciation charge Transfer in/out	113,754,493 - (64,839) 2,217,265	45,276,614 - (10,548,840) 6,297,908	50,418,278 (2,406,524) (9,858,462) 38,740,375	377,242 8,411 (2,089) (105,963) 273,727	5 - - -	34,611,307 12,917,968 - (47,529,275)	244,437,939 12,926,379 (2,408,613) (20,578,104)
Book value - as at 1 January 2014	115,906,919	41,025,682	76,893,667	551,328	5	<u> </u>	234,377,601
As at 31 December 2014 Cost	124,374,495	213,611,618	222,335,412	17,027,651	2,602,001	-	579,951,177
Less Accumulated depreciation	(8,467,576)	(172,585,936)	(145,441,745)	(16,476,323)	(2,601,996)	<u> </u>	(345,573,576)
Net book value	115,906,919	41,025,682	76,893,667	551,328	5	<u> </u>	234,377,601

Venture Incorporation Public Co.,Ltd.



13 Deferred income taxes

Deferred income tax assets are recognised for tax loss and carry forwards only to the extent that realisation of the related tax benefit through the future taxable profits is probable. The Company did not recognise deferred income tax assets in respect of losses amounting to Baht 4,542.44 million that can be carried forward against future taxable income expire in 2015 and 2019 (2014: Baht 1,541.76 million).

14 Trade and other payables

	2015 Baht	2014 Baht
Trade payables Advance from customer Accrued expenses	3,773,997	4,200,095 371,533 10,931,177
Total	3,773,997	15,502,805

	As at 3	1 December 20)14		Principal		Accr	ied interest exp	penses	As at 3	December 201	5
	Principal	Accrued interest expenses	Total	Paid	Transferring assets for payment	Written off remaining balances	Increase	Paid	Written off remaining balances	Principal	Accrued interest expenses	Total
	Baht	Baht	Baht	Baht	Baht	Baht	Baht	Baht	Baht	Baht	Baht	Baht
Secured loans from financial		66,680,925	198,065,137	(8,157,612)	(123,226,600)	-	3,652,385	(5,269,205)	(65,064,105)	-	-	
institutions (Group 1)	131,384,212											-
Unsecured loans from												
financial institutions due to		162,644,014	367,199,151	(39,492,035)	-	(165,063,102)	3,298,930	-	(165,942,944)	-	-	
damaged by flood (Group 2)	204,555,137											-
Unsecured loans from financial												
institutions -suspended		251,963,771	2,323,008,205	(72,311,568)	-	(1,998,732,866)	2,693,080	-	(254,656,851)	-	-	
(Group 3)	2,071,044,434											-
Total liabilities under												
rehabilitation plan from		481,288,710	2,888,272,493	(119,961,215)	(123,226,600)	(2,163,795,968)	9,644,395	(5,269,205)	(485,663,900)	-	-	
financial institutions	2,406,983,783											-

During the year ended 31 December 2015, the Company completely processed the following actions according to the rehabilitation plan:

1. Transferring land and building totaling Baht 154.31 million to settle loans of Baht 123.23 million from Secured Financial Institution Creditors (Group 1 creditors). The Company recorded loss on transfer of assets to settle liabilities under rehabilitation plan amounting to Baht 31.08 million in statement of comprehensive income.

In addition, the Company has transferred the utilities and fire system under Memorandum of Deliver the Properties and Out of the Estate dated 11 June 2015 to Secured Financial Institution Creditors (Group 1 creditors). The Company recorded loss on transfer of assets to settle liabilities under rehabilitation plan amounting to Baht 14.91 million in statement of comprehensive income.

2. Repayment of principal and accrued interest expense to Secured Financial Institution Creditors (Group 1 creditors), Unsecured Financial Institutions since Collaterals Were Damaged By Flood (Group 2 creditors), Unsecured Financial Institutions (Group 3 creditors), and Accounts payable (Group 4 creditors) according to the rehabilitation plan totaling Baht 131.73 million which paid to other company Baht 125.23 million and paid to related party Baht 6.50 million.



- 3. Written off remaining principal and accrued interest expenses only the exempted part according to the rehabilitation plan. The Company recorded gain from one-time repayment of debt under rehabilitation plan, accrued interest exempted under rehabilitation plan and accrued rental fee exempted under rehabilitation plan amounting to Baht 2,163.80 million, Baht 485.66 million and Baht 9.25 million, respectively in statement of comprehensive income.
- 4. On 30 March 2015, management of rehabilitation requested the Central Bankruptcy Court to order termination of rehabilitation plan. The Court has ordered termination of the Company's rehabilitation plan on 22 June 2015.

16 Employee benefit obligations

	2015	2014
	Baht	Baht
Statement of financial position		
Post - employment benefits	104,662	3,293,759
Total	104,662	3,293,759
Total	104,002	3,293,739
	2015	2014
	Baht	Baht
Statement of comprehensive income		
Post - employment benefits	12,567,931	1,511,078
1 5		, ,
Total	12,567,931	1,511,078

The movement of the employee benefit obligations is as follows:

	2015 Baht	2014 Baht
As at 1 January Current service cost	3,293,759	1,782,681
Interest cost	12,567,931	1,404,248 106,830
Benefits paid	(15,757,028)	
As at 31 December	104,662	3,293,759

The amounts recognised in the statement of income are as follows:

	2015 Baht	2014 Baht
Current service cost Interest cost	12,567,031	1,404,248 106,830
	12,567,931	1,511,078



The expense is recognised in the following line items in the profit or loss:

	2015 Baht	2014 Baht
For the year ended 31 December		
Cost of sales	4,419,558	252,762
Selling expenses	1,411	5,191
Administrative expenses	8,146,962	1,253,125
	12,567,931	1,511,078

Principal actuarial assumptions at the reporting date:

	2015	2014
Discount rate	3.59% per annum	4.52% per annum
Salary increase rate	6.00% per annum	5.00% per annum
Mortality rate Disability rate	100% of TMO2008 10% of TMO2008	100% of TMO2008 10% of TMO2008

Sensitivity analysis for each significant assumptions

	Impact on o	Impact on defined benefit obligation		
	Change in assumption	Increase in assumption	Decrease in assumption	
	%	Baht	Baht	
Discount rate	0.5	(7,277)	7,952	
Salary growth rate	0.5	7,721	(7,147)	

The above sensitivity analyses are based on a change in an assumption while holding all other assumptions constant. In practice, this is unlikely to occur, and changes in some of the assumptions may be correlated. When calculating the sensitivity of the defined benefit obligation to significant actuarial assumptions the same method (present value of the defined benefit obligation calculated with the projected unit credit method at the end of the reporting period) has been applied as when calculating the sensitivity of financial position.

The methods and types of assumptions used in preparing the sensitivity analysis did not change compared to the previous period.

The weighted average duration of the post-retirement plan is 28.39 years.

Expected maturity analysis of undiscounted retirement benefits:

	2015
Benefits expected to be paid less than a year	-
Benefits expected to be paid between 1 - 2 years	-
Benefits expected to be paid between 2 - 5 years	-
Benefits expected to be paid between over 5 years	9,010,296
Total benefits expected to be paid	9,010,296



17 Long-term provisions

As at 31 December 2015, the Company has a provision resulting from specific business tax assessment, as described in Note 24 to the financial statements of Baht 9.94 million (31 December 2014: Baht 9.94 million).

18 Share capital and premium on share capital

	Number of shares Shares	Ordinary shares Baht	Share premium Baht	Total Baht
As at 1 January 2015 Decrease in capital Increase in capital No.1 Increase in capital No. 2	50,009,637 429,000,000 143,442,636	500,096,370 (486,093,672) 120,120,000 40,163,938	475,000,000 (475,000,000) -	975,096,370 (961,093,672) 120,120,000 40,163,938
As at 31 December 2015	622,452,273	174,286,636	-	174,286,636
As at 1 January 2014 Decrease in capital Increase in capital	50,009,637	500,096,370 - -	475,000,000	975,096,370
As at 31 December 2014	50,009,637	500,096,370	475,000,000	975,096,370

Compensation of accumulated losses

On 22 January 2015, the Central Bankruptcy Court approved the decrease in registered and paid-up capital to compensate for the Company's accumulated losses by means of decrease in par value from Baht 10 to Baht 0.28, resulting the Company has registered capital of Baht 14.00 million which is 50,009,637 ordinary shares with a par value of Baht 0.28 each. The Company registered a decrease in its capital with the Ministry of Commerce on 5 March 2015.

In addition, the Company transferred legal reserve amounting to Baht 49.25 million to compensate for the Company's accumulated losses totaling to Baht 1,010.34 million.

Increase in share capital

According to such approval of Central Bankruptcy Court, the Company increased registered capital from Baht 14.00 million to Baht 134.12 million by issuing 429,000,000 of new ordinary shares with par value of Baht 0.28 each.

On 5 March 2015, the Company received a fully paid-up of share capital amounting to Baht 120.12 million. The Company registered the increased share capital with the Ministry of Commerce on 25 March 2015. Therefore, the registered and paid-up share capital are Baht 134.12 million which is 479,009,637 ordinary shares with a par value of Baht 0.28 each.

On 2 November 2015, the Company received a fully paid-up of share capital amounting to Baht 40.16 million. The Company registered the increased share capital with the Ministry of Commerce on 30 October 2015. Therefore, the registered and paid-up share capital are Baht 174.29 million which is 622,452,273 ordinary shares with a par value of Baht 0.28 each.

19 Legal reserve

During the year ended 31 December 2015, the Company transferred legal reserve amounting to Baht 49.25 million to compensate for the Company's accumulated losses.

As at 31 December 2015, the Company had no legal reserve (2014: Baht 49.25 million).

Venture Incorporation Public Co.,Ltd



20 Expenses by nature

The following expenditure items for the year ended 31 December 2015 and 2014, classified by nature, have been charged in profit (losses) before other expenses and finance costs:

, , ,	2015 Baht	2014 Baht
Employee expenses	25,220,447	58,736,734
Supplies used expense	12,616,310	20,961,879
Energy expenses	8,691,583	15,873,833
Depreciation (Note 12)	8,215,060	20,578,104
Audit and advisory fee	15,061,137	2,084,678
Security guard	1,642,000	2,542,084
Rental expenses	1,545,250	7,393,667
Other expenses	4,871,773	4,644,790
	77,863,560	132,815,769

21 Basic earnings (loss) per share

Earnings (loss) per share as presented in the statements of comprehensive income are basic earnings per share which is calculated by dividing net income for the period by the weighted average number of ordinary shares in issue during the period.

	2015	2014
Profit for the year attributable to ordinary shareholders of the Company (basic) Number of ordinary shares outstanding (basic)	2,558,829,798 406,214,804	(87,721,902) 50,009,637
Basic earnings (loss) per share	6.30	(1.75)

There are no potential dilutive ordinary shares in issue for the year ended 31 December 2015 and 2014.

22 Related party transactions

The Company had significant business transactions with its related parties. These transactions have been conducted based on agreed upon contracts. The relationship and significant transactions can be summarised as below:

Company's name	Type of business	Relationship
PBL Management Co., Ltd.	Non-performing debt management	Common director and /or management from 2 November 2015
WI Holding (888) Co., Ltd.	Non-performing debt management	Common director and /or management from 2 November 2015
Public Law Co., Ltd.	Non-performing debt management	Common director and /or management from 2 November 2015
PA Management & Consultant Co., Ltd.	Property consultation and related services	Common director and /or management from 2 November 2015
Kong Thai Kankit Co., Ltd.	Real estate for lease	Common director and /or management until 1 November 2015
Thai Lao Lignite Co., Ltd.	Lignite coal trading	Common director and /or management until 1 November 2015
JTS Co., Ltd.	Consulting services	Common director and /or
Advance Steel Co., Ltd.	Manufacturing construction materials	management until 1 November 2015 Common director and /or management until 1 November 2015

The following material transactions were carried out with related parties during the year:



22.1 Loan to related parties

	201	5	20	14
	Principal Baht	Interest receivable Baht	Principal Baht	Interest receivable Baht
Long-term loans and interest receivables				
Kong Thai Kankit Co., Ltd.	-	-	96,707,922	111,354,242
Thai Lao Lignite Co., Ltd.	-	-	310,112,320	351,345,075
JTS Co., Ltd.		-	16,283,981	27,821,522
Less Allowance for doubtful	-		423,104,223	490,520,839
accounts		-	(423,104,223)	(490,520,839)
	_	_	-	_

The following material transactions were carried out with related parties during the year:

22.1 Loan to related parties

The above loans and interest receivables were used to finance the development of a lignite - fired electric power plant project, under a lignite concession by the Laos' government, of another related company. At present, a lignite concession was revoked and related company is under the legally process to prosecute the Laos' government as arbitration's order.

On 13 July 2011, the Central Bankruptcy Court ordered a rehabilitation of Thai Lao Lignite Co., Ltd. On 15 September 2011, the Company filed claim a settlement of debt, which included the debt of Kong Thai Kankit Co., Ltd. and JTS Co., Ltd. guaranteed by Thai Lao Lignite Co., Ltd.

On 26 January 2015, the Revenue Department, as specified in Reply no. Gor Kor 0722/Por Yor/1580, allowed the Company to dispose bad debts due from related parties amounting to Baht 869.77 million or 95.20% of the uncollateralised principal, which is the portion relieved in the rehabilitation plan as approved by the Court in accordance with the Bankruptcy Law.

On 25 February 2015, the Board of Director's meeting approved a request to be submitted to the Central Bankruptcy Court to sell loans to related parties comprising Kong Thai Kankit Co., Ltd., Thai Lao Lignite Co., Ltd. and JTS Co., Ltd. The Company received the approval from Court on 27 February 2015. Announcement was made in a newspaper during 23 - 25 March 2015 with Kwin Associates Co., Ltd. as the only bidder. Thus, the Company agreed to sell announced debts in amount of Baht 6.50 million on 6 April 2015.

The Company received the full amount of payment from Kwin Associates Co., Ltd. on 24 April 2015.

22.2 Liabilities under rehabilitation plan - loan from related company

	2015 Baht	2014 Baht
-	-	6,500,000



Advance Steel Co., Ltd.

Venture Incorporation Public Co.,Ltd.



22.3 Investments in non-performing assets

For the year ended 31 December 2015 and 2014, the Company had purchased investment in non-performing assets from related parties as follow:

	2015 Baht	2014 Baht
PBL Management Co., Ltd. WI Holding (888) Co., Ltd.	15,466,523 24,697,415	- -
Total	40,163,938	

22.4 Trade and other receivables, net

For the year ended 31 December 2015 and 2014, the Company had balances from related parties as follow:

	2015 Baht	2014 Baht
PBL Management Co., Ltd. Public Law Co., Ltd.	2,484,244 183,371	-
Total	2,667,615	-

22.5 Revenue and Expenses

a) Collection service income

,	2015 Baht	2014 Baht
PBL Management Co., Ltd.	531,434	-
WI Holding (888) Co., Ltd.	2,399,165	-
Public Law Co., Ltd.	298,416	-
Total	3,229,015	-

b) Rental expense

	2015 Baht	2014 Baht
PA Management & Consultant Co., Ltd.	700,000	
Total	700,000	

22.6 Directors and management's remuneration

For the year ended 31 December 2015 and 2014, the Company had employee benefit expenses of their directors and management as follow:

	2015 Baht	2014 Baht
Short-term employee benefits Post - employment benefits	920,000 45,578	9,549,749 310,727
Total	965,578	9,860,476



23 Non-cancellable operating lease commitments

	2015 Baht	2014 Baht
Within one year After one year but within five years	4,696,400 229,700	-
Total	4,926,100	_

24 Commitment and contingent liabilities

- 24.1 In 2010, the Company received the specific business tax assessment from the Revenue Department amounting to Baht 5.62 million. The management disagreed with this assessment. Consequently, the management appealed against tax assessment. In 2012, The Commission of Appeal quashed an appeal. Later, on 8 November 2012, the Company sued the Revenue Department for withdrawal the specific business tax assessment to Central Tax Court. In 2013, the Court judged the Company to lose a case and the Company appealed the judge to the Supreme Court. At present, the case is under the consideration of the Supreme Court.
- 24.2 In 2012, the Company received the specific business tax assessment from the Revenue Department amounting to Baht 8.58 million which the Company laid claim to deferral tax payment and the Company sued the Revenue Department for withdrawal the tax assessment to Central Tax Court. Later, in 2014, the Court judged the Revenue Department to withdrawal the tax assessment. The Revenue Department appealed the judge to the Supreme Court. At present, the case is under the consideration of the Supreme Court.

25 Subsequent event

25.1 On 11 January 2015, the Company invested totaling Baht 30.00 million which equals 99.99 percent of the paid-up share capital of V.I. Capital Company Limited ("VIC"), so VIC is a subsidiary of the Company. Later, on 11 January 2016, VIC had notified for registration of the said shares with the Ministry of Commerce.

VIC operates as an investment holding company with the objectives of investing in the business of asset management, acquiring non-performing assets, debts or right of claim from domestic and international asset management companies, financial institutions or other juristic persons, leasing and hire purchase financing services and other businesses which are related to the business of the Company.

25.2 On 9 February 2015, V.I. Capital Company Limited which is the subsidiary of the Company, invested totaling Baht 25.00 million which equals 99.99 percent of the paid-up share capital of Regional Asset Management Limited ("RAM"). Later, on 11 February 2016, RAM had notified for registration of the said shares with the Ministry of Commerce.

Regional Asset Management Limited operates in the business of asset management under the license of asset management No. 006/2008 which was issued by the Bank of Thailand on 10 November 2008. That is, the business of acquiring non-performing assets of financial institutes, of which include collateral of such assets, in order to further manage or sales, and to engage in other activities involving the said business, as per promulgation of the Minister of Finance and the Bank of Thailand.

Venture Incorporation Public Co.,Ltd.



