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Vision

To be the leading logistic service operator on lifting and transporting machinery and equipment in Southeast Asia with highest standard of services and readiness for the maximum benefit and satisfaction of our customers.



Mission

- To raise and maintain our standard of services to meet and satisfy with customers demand and worth for business
- Generate value added to the organization by providing standard services in line with the nature of customers' works.
- Deploying state-of-the-art machinery technologies from abroad to operate in Thailand.
- Add international standard of services accepted by the customers and general public.
- Perseverance to building higher security working standard.
- Develop living quality and enhance potentiality of employees working in the organization



Importance Financial Information

Unit : Million Baht

| | 2013 | + / - | 2014 | + / - | 2015 | + / - |
|--|-------------|---------|-------------|---------|-------------|---------|
| | Consolidate | (%) | Consolidate | (%) | Consolidate | (%) |
| Balance Sheet | | | | | | |
| Current Assets | 791.85 | + 68.02 | 584.27 | -26.21 | 433.17 | -25.86 |
| Total Assets | 3,094.97 | +10.38 | 2,726.23 | -11.91 | 2,788.45 | +2.28 |
| Current Liabilities | 1,128.19 | +9.12 | 552.82 | -51.00 | 576.01 | +4.19 |
| Total Liabilities | 1,912.98 | +13.43 | 1,313.22 | -31.35 | 1,429.84 | +8.88 |
| Total Shareholders' Equity | 1,181.99 | + 5.78 | 1,413.01 | +19.55 | 1,358.61 | -3.85 |
| Statements of Income | | | | | | |
| Revenue from sales | 807.41 | +11.49 | 402.20 | -50.19 | 349.26 | -13.17 |
| Revenue from rental and transportation | 606.60 | +9.83 | 665.48 | +9.71 | 514.82 | -22.64 |
| Total Revenue | 1,414.01 | +10.77 | 1,067.68 | -24.49 | 864.08 | -19.07 |
| Gross profit | 354.46 | -7.49 | 348.15 | -1.78 | 162.55 | -53.31 |
| EBITDA | 377.53 | -10.39 | 570.23 | +51.04 | 287.80 | -49.53 |
| Net Profit | 72.59 | -55.82 | 239.12 | +229.41 | (45.19) | -118.90 |
| Financial Ratio Analysis | | | | | | |
| Current ratio (times) | 0.70 | | 1.06 | | 0.75 | |
| Debts to Equity (times) | 1.62 | | 0.93 | | 1.05 | |
| Debt Service Coverage Ratio (times) | 7.99 | | 0.78 | | 2.20 | |
| Return on Equity (%) | 6.31 | | 18.43 | | -3.26 | |
| Gross Profit Margin (%) | 25.27 | | 32.61 | | 18.81 | |
| Net Profit Margin (%) | 5.08 | | 19.22 | | -5.01 | |



Message from the Chairman of the Board of Directors

Dear All Shareholders,

In 2015, the company faced difficulty in its business operations because the overall economy continued to slow down, despite the government's attempts at implementing measures to stimulate internal consumption. These measures were only short-term. Public sector investment in public utilities expected to begin in 2015 did not take place. This was accompanied by fluctuating global economic conditions from significant drops in crude oil prices and economic slowdown in the People's Republic of China, which is a major trading partner of Thailand. In the meantime, although improved economic trends in the US enabled interest rates to rise, the US economy remains fragile which impacts on Thailand in the currency, capital and export markets. Investors are uncertain about investments. Therefore, the company's business operations need more caution to enable the company to overcome problems and obstacles. The Board of Directors is hard at work setting strategies with executives to enable market competition under good governance and internal control principles.

On behalf of the Board of Directors, We would like to express our great thanks to every shareholders, customers, financial institutes, executives, employees and all related parties involved for their good support in the company's business operations. We promise to work closely with our executives in setting strategies to enable the company to overcome problems and obstacles with competitive ability in the market under good governance and internal control principles. We, at the fullest extent of our ability, will develop the company's business capacity to succeed in achieving goals with sustainable growth for the benefit of all related parties involved. .

(Assist. Prof. Dr. Piboon Limprapat)

Chairman of the Board of Directors



Message from the Chief Executive Officer

Dear All Shareholders,

In 2015, Thailand's economy remained stagnant. Every machine driving the country's economy was unable to work at full capacity in terms of investment by the government and private sectors, exports or household spending. Only the tourism service sector carried the country's economy. This was a result of both internal and external factors. Low oil prices and economic stagnation in Thailand's major trading partners directly impacted the company in the area of sales and crane rentals, especially investment to procure large machines which require time for procurement and delivery to support expected increases in work volume from investment in large projects by the government and the private sectors.

In 2015, the company earned 19 percent less in total income. Sales income dropped by 13 percent and service income dropped by 23 percent. Consequently, the company had net performance losses at 45.2 million baht, a reduction by 119 percent when compared to net profit during the previous year at 236.4 million baht. This was the result of rescheduled government sector projects causing customers to delay purchase orders and reschedule new construction projects with machinery maintenance work for various factories. This prevented income from achieving the set targets while the company had higher financial burdens from investments in large machinery for the aforementioned preparations.

For 2016, the company continues in its firm commitment to our operating direction to build business sustainability. In marketing, we will build strength by continuing corporate image and branding from 2015, especially with the company's appointment as an exclusive dealer of XCMG machines from the People's Republic of China (in place of ZOOMLION machines which the company discontinued representation). XCMG is a leading manufacturer of construction machinery and is the fifth largest in the world. This means XCMG is considered an ally with capacity for supporting the company's leadership status. In providing machinery and equipment rental and transportation services under THE CRANE brand, the company will focus more on special expertise covering every segment of customer groups, whether they are customers who use large machinery, customers who use medium – small machinery and foundation work customers. The company will expand service provision scope for large machinery customers in CLMV countries and the AEC. Furthermore, the company has begun to expand rental services for drilling rig machinery to foundation work customers with more production and support from XCMG.



The company is confident in our competitive advantage with readiness in the area of volume and variety machinery responding to customers demand including our leadership in the market with the largest machines in the country, our expert personnel capable of providing effective consultation in work with standards at suitable prices and our good alliance with XCMG, which produces many types of construction machinery. This will build opportunities for business expansion under rapidly changing domestic and international risk management with equal care and responsibility to society and every stakeholder group.

.....
(Mr. Jessada Promjart)

Chief Executive Officer



Audit Committee's Report

Report of the Audit Committee

The Audit Committee, Chu Kai Public Company Limited, is consisted with 3 committees, namely, Mr. Vacharin Duangdara, Mr. Surin Premamornkit, and Mrs. Werawan Boonkwan, all are independent committee duly qualified according to the requirement of SET.

In preceding year, the Audit Committee had performed its duty according to the scope of responsibilities assigned by the Board of Directors. In 2014, there were total 9 Meetings. In the Meetings, the management, the Audit Committee and the Certified Public Accountant had explained related issued which is summarized as follows:-

1. Review to ensure correct and sufficient financial report

To review interim financial statements and for 2015 of the company in jointly with the auditor including disclosure of material information and acknowledge notice of the auditor to propose to the Board of Directors for approval by exchanging idea with the auditor, management and internal audit to ensure that the preparation and disclosure of information in such financial report is correct, complete and credible.

2. Review to ensure suitable and efficient internal control system for the company

To review to ensure suitable and efficient internal control system in jointly with outsourced the auditor, such as, report on internal control efficiency assessment for 2014 and consider audit plan including to acknowledge result of audit and suggestion of internal control department by proposing to the management of the company to consider, improve and correct as deemed appropriate as the case may be including to continuously follow such improvement.

3. Review the sufficiency of Risk Management System of the company

To acknowledge and review risk management of the company in several aspects, financial risk management, risk management occurred from operation of current business including risk management for investment plan, etc. to ensure that risk management of the company is at acceptable level.

4. Review the company to comply with related laws

To acknowledge the compliance with related laws, e.g. Securities and Exchange Act, Notification of Security and Exchange Commission, notification of Securities Exchange of Thailand.

5. The Audit Committee had, in the Meeting, considered, selected and proposed to the Board of Directors of the company to further consider and approve in the Annual General Meeting of Shareholder year 2015, to appoint the licensed auditor, namely, Mr. Prawit Viwanthananut, Certified Public Account No. 4917 or Mr. Banjong Pichayaprasart, Certified Public Account No.7147, or Mr. Therdtong Thepmangorn, Certified Public Account No. 3787 or Mr. Kraisit Silapamongkonkul, Certified Public Account No. 9429, or Miss Chutima Wongsaraphanchai Certified Public Account No. 9622 or any other auditors of PV Audit Co., Ltd. was appointed as the auditors of the company and proposed the remuneration for the audition for 2015



6. Consider the disclosure of related item and conflicted item

Consider related items of related company and/or person which may be conflicted as disclosure by the auditor in consolidated financial statement. Which those inter-transaction were general trading. For inter-transaction incurred between the group of companies and director were still in accordance of contract and agreement. Loan was acquired to support financial fluency without interest.

The Audit Committee opined that the company has prepared financial statements according to the generally certified principles, having sufficient internal control system suitable to business operation, risk management at acceptable level and good governance system.

(Mr. Vacharin Duangdara)

Chairman of the Audit Committee



Other references

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Telephone: 0-2009-9380 Facsimile: 0-2009-9476
- Auditor : PV Audit Company Limited
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Huay Kwang District, Bangkok 10310
Telephone: 02-645-0080
- Legal Consultant : Mr. Pholkrit Kritsanasuwan
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Policy and overall image of business operation

Chu Kai Co., Ltd. (“CRANE” or “the company”) and its subsidiaries were established by Mr. Tongchai Praerangsi in 1990 to operate heavy mechanic machines and spares business, including rental heavy machines for lifting, assembling, installing and moving materials or large or heavy equipments. The company was incorporated under the title The Crane Service Co., Ltd. (“TCS”), but later of the extension of many industries, the demand of mechanic machines increased, the company has established The Crane Rayong Co., Ltd. (“TCR”) and The Crane Heavy life Co., Ltd. (“TCH”) to support its business, particularly in industrial areas.

In addition, in 1997, CRANE group established Chu Kai Co., Ltd. as its business to import second-hand heavy mechanics machines from outside countries to distribute to customers and to provide repair service and spares distribution to CRANE group and general customers. Later, the company’s group has restructured shareholders and its organization. In 2004, Chu Kai Co.,Ltd held the company’s shares for 99.99 percent including The Crane Lhaemchabung Co., Ltd. (“TCL”), The Crane Rayong Co., Ltd. (“TCR”) and The Crane Heavy lift Co., Ltd. (“TCH”), while in 2006, Chu Kai Co., Ltd. held 99.99 percent of shares in The Crane Service Co., Ltd. (“TCS”). Moreover, the company has operated new business structure in Chu Kai group to distribute and repair heavy mechanic machines while its subsidiaries provide rental and transportation services.

Background, changes and important developments of the company

- | | |
|------|---|
| 1990 | The company established The Crane Service Co., Ltd. (“TCS”) where its office situates on Bangna-Trad Road KM.3, with THB 2 million of registered capital, Presently, TCS owns THB 100 million of registered capital and paid-up capital. |
| 1992 | The company established The Crane Laemchabang Co.,Ltd where its office situates in Sriracha District of Cholburi, with THB 2 million of registered capital, Presently, TCL owns THB 25 million of registered capital and paid-up capital. |
| 1994 | The company established The Crane Rayong Co.,Ltd (“TCR”) where its office situates in Bankai District of Rayong, with THB 2 million of registered capital, Presently, TCR owns THB 150 of registered capital and paid-up capital. |
| 1996 | The company established The Crane Heavylift Co., Ltd. where its office situates in Rangsit area, with THB 10 million of registered capital, Presently, the company owns THB 25 million of registered capital and paid-up capital. |
| 1997 | CRANE has been established with paid-up capital of Baht 1 million on Bangna-Trad Road Km. 7 |
| 1999 | CRANE has increase its paid-up capital from Baht 1 million to Baht 50 million by issued new common shares to the existing shareholders. |
| 2002 | CRANE has increased its paid-up capital from Baht 50 million to Baht 100 million. |



- May 2004 The company's group has restructured groups of shareholders which Chu Kai Co., Ltd. held shares of its subsidiaries: TCL, TCR and TCH in a ratio at 99.99 percent of their ordinary shares.
- Nov. 2004 CRANE has increased its paid-up capital from Baht 100 million to Baht 200 million.
- June 2005 CRANE has transformed into Public Company Limited
- Oct. 2006 The company agreed to hold 99.99 percent of TCS's ordinary shares
- Nov. 2006 CRANE has been granted the loan in the amount of Baht 280.00 million to purchase land on Bangna-Trad Km. 22 for 34-1-41 Rais from Today Transport Co.,Ltd. ("TDT") for its future expansion. This loan is used for debt restructuring between TCS and TDT as well.
- Nov. 2006 CRANE has increase its paid-up capital from Baht 200 million to Baht 350 million by offer to private placement for 50 million shares (par value of Baht 1.00 per share) at the price of Baht 2.00 per share, and offer to Mr. Thongchai Praerangsi for 100 million shares (par value of Baht 1.00 per share) at the price of Baht 1.00 per share. The proceed has been used for working capital and invested in TCS at the proportion of 99.99 percent.
- Mar. 2007 CRANE has increase its registered capital to Baht 450 million (450,000,000 share at the par value of Baht 1.00 per share) for initial public offering to be listed in MAI.
- Feb. 2008 CRANE was approved for Initial Public Offering (IPO) and Registered CRANE's ordinary shares in was a listed company in the Market for Alternative Investment (mai)
- Feb. 2011 The company was appointed as distributor for ZOOMLION CRANE as the exclusive distributor from ZOOMLION HEAVY INDUSTRY SCIENCE AND TECHNOLOGY DEVELOPMENT CO., LTD., which is the leader of crane manufacturing company in the People's Republic of China.
- May 2012 Increased registered capital to Baht 506.25 million (total 506,250,000 shares, each share cost baht 1.00) to support dividend payment.
- June 2012 The Crane Heavy Lift Co.,Ltd. had terminated land lease contract and moved its office to Bangna-Trad Road Km. 7
- Jan. 2013 The Company imported used crane capacity 1,250 ton from Federal Republic of Germany to support the expansion of large crane rental service under the name of The Crane Rayong Company Limited.
- May 2013 Increased registered capital from formerly Baht 506.25 million to new registered capital Baht 578.57 million by issuing 72,321,375 new ordinary shares (at par value Baht 1.00 per share) to support dividend payment.
- Apr.2014 TCR increased registered capital from THB 25 million to THB 150 million of paid-up capital by offering and issuances shares to existing shareholders at THB 100 par value each.
- May 2014 The company increased registered capital from THB 578.57million to THB 626.78 million by issuance shares for 48,214,186shares (at THB 1 par value each) to support dividend.
- Aug 2014 The company moved from MAI stock market to Stock Exchange of Thailand (SET)



- MAY 2015 The company increased registered capital from 626.78 million baht to registered and paid-up capital of 696.42 million baht. The company issued 69,642,613 new common shares (with a par value of 1.00 baht) to support dividend payouts.
- SEP 2015 The company was appointed by Xuzhou Construction Machinery Group IMP. & EXP. Company Limited or XCMG as the exclusive dealer for XCMG cranes in Thailand. (The company cancelled sales representation for ZOOMLION Cranes).

Type of Business Operation

Chu Kai Co., Ltd. (“CRANE” or “the company”) and its subsidiaries have operated new heavy mechanics machines from ZOOMLION brand of the People’s Republic of China. CRANE has distributed already used heavy mechanic machines for lifting, assembling, installing and moving machines, materials or large equipments by distributed or rental heavy machines, which are cranes, forklift trucks, container lifting trucks and main lifts truck for construction, including repair service and spares of heavy mechanic machines distribution.

The distribution and service business have been operated by the company while the transportation and transportation services by its subsidiaries which are The Crane Service Co., Ltd. (“TCS”), The Crane Laem Chabang Co., Ltd. (“TCL”) and The Crane Rayong Co., Ltd. (“TCR”) type of business as follows:-

1. The heavy machinery sale and repair service business is operated by Chu Kai Public Co., Ltd. classified into:-
 - ▶ Selling of new heavy machine in the type of crane, of XCMG BRAND from People’s Republic of China as the company was appointed as the exclusive distributor in Thailand. From Xuzhou Construction Machinery Group IMP. & EXP. Co., Ltd.
 - ▶ Selling reconditioned heavy machine in case of the customer required to purchase the machine due to long term continuous use, of which, investment to purchase and hold ownership thereof would be more worth than renting. In addition, the company also provided service to sell the machines.
 - ▶ Service to repair and sell spare parts, service providing to the minor companies and general Customers whereby the company potentiality is based on full equipped factory and lot of skilled and high experience mechanics. Moreover, the company could support almost all kinds of spare parts both within and outside the country by emphasizing on repair work for group of companies and for customer who purchased the machine from the company
2. Heavy Machinery Rental Service Business for Lifting, Assembling, Installing and Transporting Large Machinery, Materials and Equipment. Subsidiaries rental work management structure is divided into 3 groups as follows:
 - 2.1 Large Machinery Rent and Service Work with Heavy Lifting Project Characteristics Operated by The Crane Rayong Company Limited., Ltd. (TCR)



TCR emphasizes on rental service provision for customer groups using large machinery such as the petrochemical group, alternative energy groups, power plant groups, drilling platform groups and government projects in addition to expanded scope of service to Southeast Asian customers. The company is ready with expert personnel and variety in the company's machinery such as two machines types sized at capacity 200 tons, 600 tons and 1,250 tons, which are the only two largest crawler cranes machines in Thailand, to support more work from investment in megaprojects by the government sector and the private sectors.

2.2 General Daily and Monthly Rental and Service Work Operated by The Crane Laem Chabang Co., Ltd. (TCL)

TCL focuses on providing rental services for machinery with sizes ranging from more than ten tons to no more than 200 tons in order to provide material and equipment lifting or moving services. TCL provides general monthly and daily rental services emphasized on the with importance placed on of working safety.

2.3 Infrastructure Rental Work and Services Operated by The Crane Service Company Limited., Ltd. (TCS)

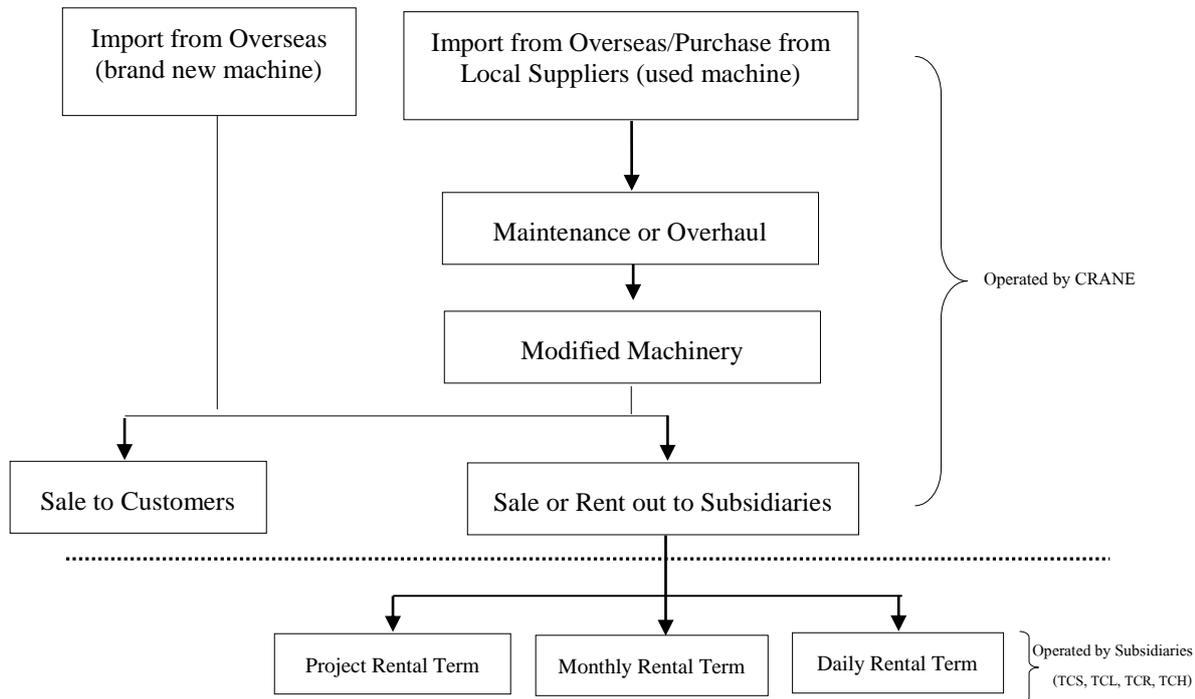
TCS is focused on providing crawler crane rental services with capacity sizes ranging from 50 tons to no more than 200 tons including various types of machinery used for foundation work such as drilling rigs, wall grabs and excavators to expand the business and open the market for foundation work in the government sector and the private sectors as well as including neighboring countries such as Laos, Cambodia, and Myanmar and, etc.

All those companies had heavy machines to support the customers' demands, as classified into 3 major types, as follows:-

- ▶ Crane, the heavy machine used in construction of large and small industrial sector and both for private sector and projects of the government sectors including the business of port, refinery plant, power plant and petrochemical industry by mean of lifting, assembling or installing machine of large size, high and heavy article and small but high article including general articles. Most crane of the company was the used cranes in good conditions imported from Japan, i.e. KATO, TADANO, P&H, KOBELCO, SUMITOMI, IHI, HITACHI while cranes imported from Germany and Holland were DEMAG, GOTTWALD, LIEBHERR, etc
- ▶ Forklift was mediums size machine used to lift the products at industrial factories and in the port to lift, move the imported or exported products. Most forklift of the company was in good conditions imported from Japan, such as, TOYOTA, KOMATSU, MITSUBISHI, TCM and PPM, BOSS, HYSTER and YALE from Europe and America.
- ▶ The fleets specially used for transportation purpose, i.e. PRIME MOVER, FLAT BED AND LOW BED TRAILER. Those fleets were mainly used to transport machines of the company to the customer's premise.



The overview of operating procedures of the company and its subsidiaries.



Business Goal

The company and its subsidiaries, as leaders of lifting and material and large equipment transportation service for industrial factories and big projects, objects to apply its proficiency, long experience and readiness in heavy mechanic machines, employees and international standard operation in accordance with ISO 9001:2008 and BS OHSAS 18001:2007 certified from TUV Rheinland Cert GmbH, Germany This includes upgrading the level of machinery lifting and moving services to international standards in support of the company’s two machines with lifting capacity of 1,250 tons. The company employs expert foreign engineers from leading foreign companies to make modifications in service provision and work processes in order to have the same working standards as leading global companies providing lifting and moving services.

Because of the company’s long-term business operations and mechanic teams with high degrees of knowledge, experience, skills and expertise, the company has a goal to increase, market and distribute other projects to bring business variety as the exclusive dealer for the XCMG brand in order to become known and accepted by customers nationwide. The company emphasizes on post-sale services to build confidence in products and services.

Over the past four quarters, the company founded the Crane Academy to develop personnel in the agency and outside the agency to have knowledge and understanding regarding proper and safe machinery use and control with the goal of becoming an academy capable of issuing certificates for machinery operators with the same standards as world-class institutes by creating standardized courses. The company has enjoyed fruitful cooperation from XCMG in the area of simulators and expert engineers. This will also promote machinery sales by providing quality training for machine operators with certification from The Crane Academy.

**Services and Distribution Channel**

Our service shall provide to both sub contractors and direct end users in the proportion of 80 and 20 percent of rental and transportation service respectively.

Revenue Structure

| Type of Products | Operated by | Percent of shares held by the company | 2013 | | 2014 | | 2015 | |
|---|--------------|---------------------------------------|-----------------|---------------|-----------------|---------------|---------------|---------------|
| | | | MB | Percent | MB | Percent | MB | Percent |
| Rental and Transportation Services | | | | | | | | |
| Rental Service | subsidiaries | 99.99 | 552.02 | 38.65 | 600.10 | 48.23 | 462.01 | 51.21 |
| Transportation Service | subsidiaries | 99.99 | 25.91 | 1.81 | 44.19 | 3.55 | 28.93 | 3.21 |
| Selling of heavy machinery | | | | | | | | |
| Selling of new heavy machinery | CRANE | | 758.51 | 53.11 | 327.44 | 26.32 | 259.65 | 28.78 |
| Sell Modified machinery | CRANE | | 45.01 | 3.15 | 74.76 | 6.01 | 89.61 | 9.93 |
| Machinery repaired and parts sold | CRANE | | 32.56 | 2.28 | 21.19 | 1.70 | 23.88 | 2.65 |
| Total revenues from sales and services | | | 1,414.01 | 99.00 | 1,067.68 | 85.81 | 864.08 | 95.78 |
| Other Income | | | 14.17 | 1.00 | 23.96 | 1.93 | 38.08 | 4.22 |
| Profit from land sales (Pre-tax deduction) | | | - | - | 152.55 | 12.26 | - | - |
| Total Revenues | | | 1,428.18 | 100.00 | 1,244.19 | 100.00 | 902.16 | 100.00 |

Remarks : Proportion of revenue from Rental and Transportation Services and Sell modified machinery shall vary according to industry situation and rivalry during each period.

Main Customers

The Company main customers can be divided into three main groups as of the following;

1. Factory industry (accounted for 38 percent of total customers) such as refinery plants, petrochemical plants, power plants, hot-rolled mills, and cold-rolled mills.
2. Construction industry (accounted for 56 percent of total customers) such as construction of infrastructure, foundation, factory building, Government's projects as well as machinery and related systems installation from those constructions.
3. Import – Export Industry (accounted for 6 percent of total customers) such as sea ports area, warehouse and container depots.



Machinery Acquisition

Machinery acquisition for the company's business mainly acquires from brand new ZOOMLION manufacturer which the company is Thailand's exclusive distributor. The company shall directly purchase from the manufacturer in Peoples' Republic of China at reasonable price. For the used heavy machines from abroad, the company shall manage through more than 80 companies who supplied and sold used machines in Japan and European countries. The company imports these used machinery by average 95 percent of total machines imported per year from Japan, German, the Netherlands and England; the remaining portion is purchased within Thailand from auction companies and end users. However, if there is shortage of used machinery, the company may purchase brand new machinery.

Industrial Situation and Competition

1. Competitiveness in factory industry is considered low. Although there are a number of small and medium size companies in the rental services market; but only a few companies are capable to provide lifting, assembling and installing services for valuable and complicated equipment that required high standard of safety system of operation. The company values the need and expectation of customers and is continually selected to serve customers in this industry.
2. Competitiveness in installing and transportation for construction industry is moderate. Most of project in this construction industry is long-term project that required continually supply of machinery on rental basis. There are only a few machinery rental suppliers who have sufficient machinery to supply for this kind of project.
3. Competitiveness in Import – Export industry is low. There are high demands in this industry while the supply is quite low. Most of container depots have some limited circumstance in their daily business operations, for example required stand by and maintenance period of their machines as well as number and availability of machinery for continually operation. In order to reduce their cost of machinery investment, and cost of related operations, most of container depots and customer in import and export industry decided to rent container handlers from outsource. The company is the leading supplier in rental services of container handlers with high experience of operators, mechanics and related personnel available immediately whenever required by customers.

Risk Factor

The Company has risk under business operation as of the following;

1. Risk from relying on the specialist:

The company was not engage only in the business of selling new heavy machine, ZOOMLION Brand from People's Republic of China. used heavy machines but also being minor company to provide logistic services by using cranes, forklifts, etc., including to provide logistic services by using trailers and trucks which required special knowledge and skill. The company was thus necessary to rely on personnel who were knowledgeable and expert in technical aspect, such as, overhaul of machine to be in good and perfect conditions readily for use, quick and safety transport of material or equipment at high efficiency, etc.

The company has established The Crane Academy to conduct trainings for employees so that they are having much knowledge and understanding about how to control and maintain machines. For the next step, the company plans to provide



trainings for external people who are capable and interested in working with the company. This is to promote opportunity of people in terms of career growth and compensation whereby they will be the company's sustainable human resource in the long run.

2. Risk regarding to the operation life of used cranes :

Most of the Company cranes is used cranes with average of useful life between 3 to 19 years so there shall have risk regarding to the condition of cranes. There is more chance of the malfunction of used cranes is higher than the brand new cranes.

The company plans to replace old machines which have been used for a long time by continually imports used machines from Japan and Europe with less usage years. The Company has assigned specialized technicians and machine operators to effectively operate, maintain, and inspect conditions of machines after use to ensure full functioning. In addition, the company has insurance for all machines covered any loss and damages that might be incurred.

3. The Risk of Depending on Exclusive Heavy Mechanic Machine Manufacturer in New Machine Distribution Business

The company has been appointed by XUZHOU CONSTRUCTION MACHINERY GROUP IMP. & EXP. CO.LTD. or XCMG as the exclusive dealer for brand-new machinery from XCMG (in replace of Zoomlion machine the company terminated dealership).

The company focuses on creating good relationship with XCMG and gets strong support from XCMG in business planning and developing that aims to extend product lines, in addition to existing product, which are excavators and drilling machines. XCMG also closely cooperates with The Crane Academy by providing simulation set and assign engineers to conduct trainings and share knowledge with company's employees.

4. Risk regarding to exchange rate :

Almost acquired New heavy machine and used cranes are imported from overseas; therefore the payment shall be made regarding to seller's currency which is three main currencies (Japanese Yen , EURO Dollars and United States Dollar) under the L/C term. for the used machine and the company was granted commercial term 180 days from XCMG manufacturer without financial risk prevention. Therefore, the company had risk of profit (loss) from currency exchange. Should it is significantly changed between the sale-purchase date and the date of actual payment,

The company has signed forward contract with financial institutions in case that exchange rate is highly fluctuated. On December 31st, 2015, the company's debts were approximately 2.96 million Yen, 0.93 million US\$. and 0.25 million Euro

5. Risk regarding to lawsuit :

Under the Company's normal business operation, CRANE and its subsidiaries shall expose to risk from lawsuit such as risk regarding to loan guarantee for clients, risk from delay registration, or risk from accident claim suit. As at 31 December 2014, the company and affiliates were sued against business operation in 2 cases, valued approx. Baht 67.86 million which all the provision has been booked. In order to reduce risk from the accident, CRANE and its subsidiaries



have set up the policy in not conducting buyback guarantee inform registration transfer restriction, and safety standard in every step including buying insurances for every project.

Shareholders Structure

Major shareholders as stated on the shareholder's book on 18th March 2016 are as follows;

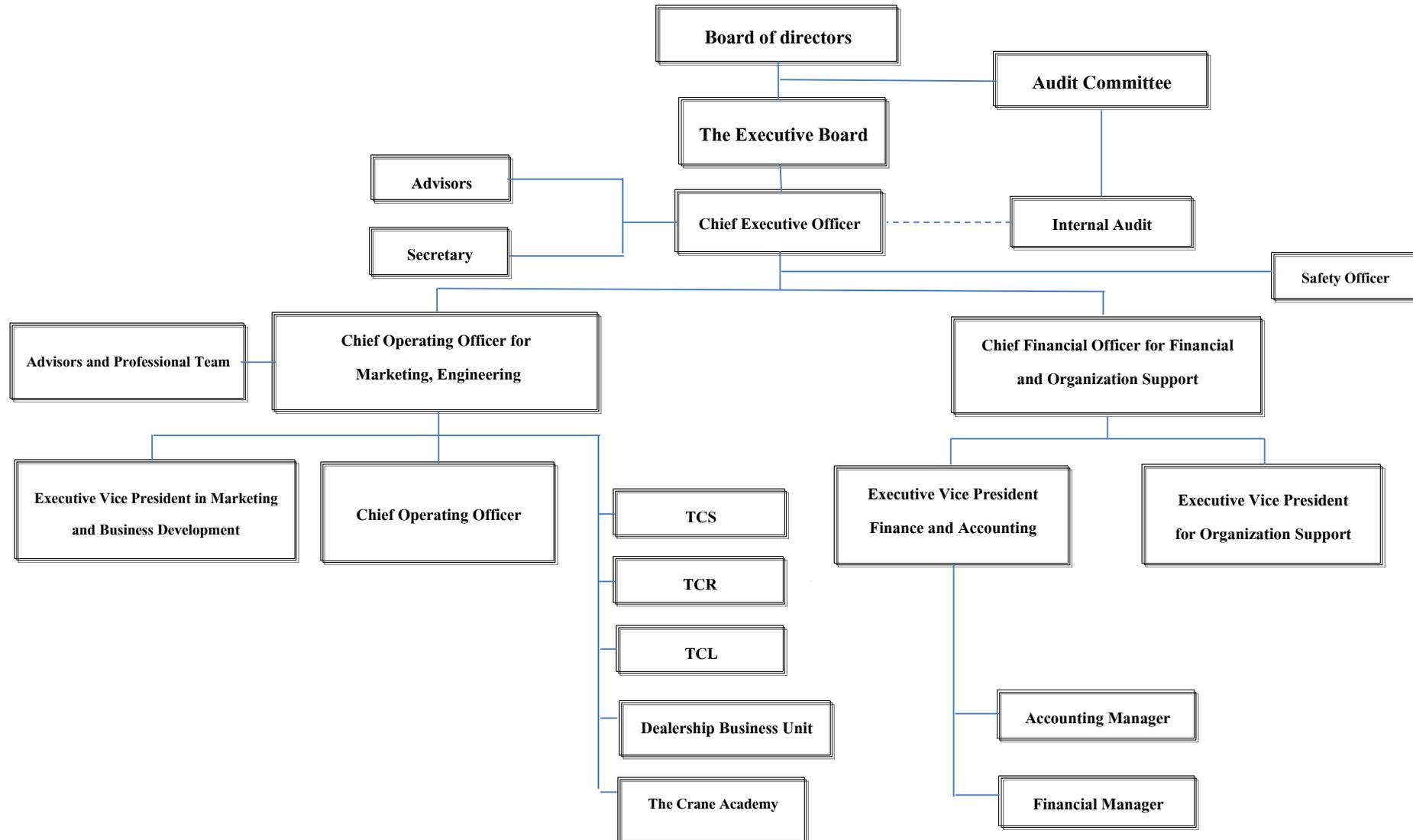
| Name | Number of Shares | % |
|---|--------------------|---------------|
| 1. Mr. Thongchai Praerangsi's Group ¹ | 424,927,167 | 61.02 |
| 2. Thai NVDR Co.,Ltd. | 15,951,139 | 2.29 |
| 3. Mr. Chairat Kowitmongkhon | 12,349,935 | 1.77 |
| 4. Mrs. Sirirat Jarusombuti | 11,667,655 | 1.68 |
| 5. Mr. Suthat Hiranyaphinan | 11,000,083 | 1.58 |
| 6. Mr. Sorat Wanichwarakij | 10,903,819 | 1.57 |
| 7. Mr. Wisut Puwatwaratorn | 6,728,720 | 0.97 |
| 8. Mr. Narongsak Yingcharoenanan | 6,000,033 | 0.86 |
| 9. Ms. Kwanjai Moahprasit | 5,982,142 | 0.86 |
| 10 Mr. Nanthapan Mahattanatan | 5,801,112 | 0.83 |
| 11 Others (3,383 persons with share less than 0.70) percent | 185,112,880 | 26.57 |
| Total | 696,424,685 | 100.00 |

Each major's Shareholder above is not related person as defined by section 258, and is not a shareholder under the same controlling person.

Remarks : 1. Mr. Thongchai Praerangsi's group is included of

| | | |
|------------------------------|-------------|--------|
| - Mr. Thongchai Praerangsi | 239,958,333 | Shares |
| - Ms. Unchisa Praerangsi | 30,952,378 | Shares |
| - Ms. Junjira Praerangsi | 30,952,377 | Shares |
| - Ms. Janejira Praerangsi | 28,544,970 | Shares |
| - Mr. wanchana Praerangsri | 28,544,970 | Shares |
| - Ms. Jiraluck Praerangsi | 28,301,321 | Shares |
| - Ms. Wanida Darachai | 28,088,165 | Shares |
| - Ms. Nateeporn Duangsawasdi | 9,584,653 | Shares |
| | 424,927,167 | |

Management Structure





Management Structure

The Company's boards and committees can be divided into 4 boards as of the following;

1. Board of Director
2. Audit Committee
3. Executive Board
4. Management

Board of Directors consisted of :

| No. | Name | Position |
|-----|---------------------------------|---|
| 1. | Assist.Prof.Dr.Piboon Limprapat | Chairman of the Board of Directors / Independent Director |
| 2. | Mr. Thongchai Prarangsi | Deputy Chairman of the Board of Directors / Directors |
| 3. | Mr. Vacharin Duangdara | Independent Director |
| 4. | Mr. Surin Premamornkit | Independent Director |
| 5. | Mr. Jessada Promjart | Director |
| 6. | Ms. Werawan Boonkwan | Independent Director |
| 7. | Mr. Chamnan Ngampojanavong | Director |
| 8. | Ms. Wanida Darachai | Director / Company's Secretary |
| 9. | Ms. Unchisa Praerangsi* | Director |
| 10. | Ms. Junjira Praerangsri | Director |

Remark : * Ms.Jiraporn Praerangsi change her name to Ms.Unchisa Praesangsri on 19 February 2015

Authorized Directors

Authorized Directors of the Company are Mr.Thongchai Praerangsi or Mr.Jessada Promjart or Ms.Unchisa Praerangsi co-signs with Mr.Chamnan Ngampojanavong or Ms. Wanida Darachai or Ms. Junjira Praerangsi with the Company's seal.

Authorized of the Company's Board of Directors

The Board of Directors have set powers, duties, and responsibilities to manage the business of the Company to comply with the law and the Company's objectives, Articles of Association as well as the resolution of the shareholders' meeting. However, the Board of Directors may authorize any other directors or other persons to perform any action on behalf of the Board of Directors' Powers, Duties, and Responsibilities.

Power, Duties, and Responsibilities of the Board of Directors

- 1) To manage, control, and supervise on the Company's business according to law, its objectives, Article of Association, rules and regulations as well as shareholders' meeting resolution.
- 2) To determine the main policies such as financial policy, fund raising policy, cash management policy, accounting policy, inventory management policy, and risk management policy.
- 3) To determine the Company's rules and regulations.



- 4) To approve the annual budget or the additional budget, revise investment budget, make use of the budget, and supervise the project as plan.
- 5) To monitor the business of the Company to ensure that targets will be achieved or overachieved, and amend if there is any problem.
- 6) To approve for making loan or obtain any credit facilities for normal business operation, including collateral or loan repayment for normal business operation under any balance according to authorized manual.
- 7) To review the organization chart and authorized structure including human resource plan, acquiring plan, training plan, hiring plan, and terminate plan.
- 8) To determine the remuneration policy regarding to experience, traditional, and laws.
- 9) To arrange for the preparation and submission of the general information and the audited financial statement at the end of each accounting period to the shareholders' meeting for its consideration and approval.
- 10) To acknowledge of any important audited report and determine the policy to amend the fallacy.
- 11) To review the sufficiency of its internal control and risk management.

The Audit Committee

The Audit Committee of the company total 3 persons as following :-

| No. | Name | Position |
|-----|-------------------------|--|
| 1. | Mr. Vacharin Duangdara | Chairman of the Audit Committee / Independent Director |
| 2. | Mr. Surin Premamornkit* | Audit Committee / Independent Director |
| 3. | Ms. Werawan Boonkwan* | Audit Committee / Independent Director |

* He is with knowledge, expertise and experience in finance and accounting.

Having Ms Chitra Thongsamut, The Internal Audit Manager as a secretary

Powers, Duties, and Responsibilities of Audit Committee

Audit Committee has duties and responsibilities regarding to rules and regulation of The Securities and Exchange Commission and The Stock Exchange of Thailand, and shall directly report to the Board of Directors. Audit Committee's powers, duties, and responsibilities are

- 1) To review for the accuracy and adequate disclosure of the Company's financial statement.
- 2) To ensure that the Company maintains an appropriate and efficient of internal audit and internal control system, review the independency of internal audit department, and responsible for appointing, transferring, and terminating of internal audit manager.
- 3) To ensure that the Company complies with the Securities and Exchange Act, regulations of the Stock Exchange of Thailand, or other relevant laws related to the Company.
- 4) To select and propose for the appointment of the auditor and considering auditor's remuneration, and attend the meeting with external auditor without any of the management at least once a year.



- 5) To approve that the related transactions or transactions which could create a conflict of interest regarding to regulations of the Stock Exchange of Thailand are reasonable and for the Company's best interest.
- 6) To prepare and disclose Audit Committee's activities Report in the Company annual report as of the following;
 - a) To opine of the accuracy and adequate disclosure of the Company's financial statement.
 - b) To opine of the adequate of the Company's internal control system.
 - c) To opine that the Company complies with the Securities and Exchange Act, regulations of the Stock Exchange of Thailand, or other relevant laws related to the Company.
 - d) To opine of the appropriateness of the external auditor.
 - e) To opine on the transactions that could create a conflict of interest.
 - f) The number of the audit committee's meeting and the attendant of each audit committee.
 - g) Opinion or notice of the audit committee
 - h) Other issues that shareholders or investors should be disclosed under the duties and responsibilities received from the Board of Directors.
- 7) To perform any other tasks delegated by the Board of Directors and approved by the Audit Committee.

Executive Board consisted of :-

| No. | Name | Position |
|-----|----------------------------|-------------------------|
| 1. | Mr. Thongchai Praerangsi | Executive Chairman |
| 2. | Mr. Jessada Promjart | Executive Vice Chairman |
| 3. | Mr. Chamnan Ngampojanavong | Executive Director |
| 4. | Ms. Wanida Darachai | Executive Director |
| 5. | Ms. Junjira Praerangsi | Executive Director |
| 6. | Ms. Unchisa Praerangsi | Executive Director |

Powers, Duties, and Responsibilities of Executive Management

Executive Board is responsible for reviewing and submitting the conclusion report to the Board of Directors especially policy details to synchronize with the main policy including the comment and recommendation to Chief Executive Officer in order to manage regarding to main policy or any other duties assigned from Board of Directors. Powers, Duties, and Responsibilities of Executive Board are;

- 1) To determine policies, plans, strategies, and overall management for the Company's operation in accordance to policies, economics, and competitiveness as presenting to shareholders and proposed to the Board of Directors for approval.
- 2) To determine business plans, budgets, and authorized power of the Company in order to be approved by the Board of Directors.
- 3) To determine the organization chart and authorized structure including human resource plan, acquiring plan, training plan, hiring plan, and terminating plan.
- 4) To examine and monitor the business policies for the effectiveness of business operation.
- 5) To examine and monitor the Company's performance in accordance with approved business plans.



- 6) To approve the transaction with financial institution such as opening bank accounts, making loan, collateral, or other transaction including buying or selling any land for normal business operation under any balance according to authorized manual.
- 7) To manage any other delegate tasks from Board of Directors.

The approval of transactions and the assigned authorities of Executive Board will not include to any transaction which cause possible conflict of interest between Executive Board or related persons (as defined by the Securities and Exchange Commission and the Stock Exchange of Thailand) and the Company and its subsidiaries. Furthermore, in case of transaction concerning to the related transaction must be approved by Board of Directors' meeting and the related persons have no rights to vote in that agenda.

Management as of the following;

| No. | Name | Position |
|-----|----------------------------|---|
| 1. | Mr. Jessada Promjarti | Chief Executive Officer / Acting Chief Operating Officer of Marketing and Engineering / Acting Executive Vice President of Engineering |
| 2. | Mr. Thongchai Praerangsi | Advisors |
| 3. | Mr. Chamnan Ngampojanavong | Chief Financial Officer for Finance and Support / Acting Executive Vice President for Financial and Accounting |
| 4. | Ms. Wanida Darachai | Executive Vice President for Organization Support / Acting Manager of Public Relation and Investors Relations/ Acting Manager of Managing Support |
| 5 | Ms.Unchisa Praerangsri | Executive Vice President for Marketing and Business Development / Acting Manager of Marketing and Business Development |

Powers, Duties, and Responsibilities of Chief Executive Officer

- 1) To make decision on the important matters. To establish missions, purposes, directions, and policies in doing business. To supervise and control the whole business operations, customers' relationship, and take responsibility to the Board of Directors.
- 2) To hire, appoint, and reshuffle all the employees as necessary and appropriated. To determine remuneration and terminate all the employees as appropriated.
- 3) To act as the Company's representative and authorized person to public concerning related business operation and beneficial to the Company.
- 4) To determine the credit term such as credit balance, term payment, buying and selling agreement, rental agreement, leasing agreement, and amend the credit term.
- 5) To approve any accrued expenses and advance payment according to company's authorization manual.
- 6) To review the fund raising of the Company and propose to the Board of Directors.



- 7) To appointed any necessary advisory services.
- 8) To manage any related normal business operation of the Company.
- 9) To approve department operation plans and approve the request from any department.
- 10) To delegate any important and necessary operation under Chief Executive Offer's consideration in accordance with laws and the Company's regulations.
- 11) To manage any operations appointed by the Board of Directors.

The approval of transactions and the assigned authorities of Chief Executive Officer will not be made to any transaction which cause possible conflict of interest between Chief Executive Officer or related persons (as defined by the Securities and Exchange Commission and the Stock Exchange of Thailand) to the Company and its subsidiaries. Furthermore, in case of transaction concerning to the related transaction must be approved by Board of Directors' meeting and the related persons have no rights to vote in that agenda.

Moreover, in the case of transaction concerning to the related transaction or transaction about acquiring or disposal of assets of the Company and its subsidiaries as defined by the Stock Exchange of Thailand, this kind of transaction must be approved by shareholders' meeting and/or any other treatment about criteria and process related to the transaction in complying with the Stock Exchange of Thailand rules and regulations.

Company Secretary

The Board of Directors' Meeting No. 6/2008 dated 17 July 2008, had resolved to appoint Miss Wanida Darachai as the company secretary who was fully qualified and had suitable experiences to be responsible and acted as secretary of the company with her duties to ensure the company's compliance with law and related requirements according to the Good Governance Principles of the company for more efficiency of management.

Scope of authorities, duties and responsibilities of company secretary

The company secretary is required to carefully and honestly perform her duties as prescribed in Section 89/15 and Section 89/16 of Securities and Exchange Act (No. 4), B.E. 2551 including also to comply with law, objectives, Articles of Association, Board of Director's resolution and of the Shareholders' Meeting. In this regard, duties according to the law of company secretary are as follows:-

- 1) To honestly and carefully comply with policy of the Board of Directors.
- 2) To provide suggestion to the Board of Directors to ensure the compliance with Good Governance Principle and to review result of such compliance.
- 3) To act as the coordinator on investor relations for the organization, to act as representative of the company in building good relation by communicating all data and disclosure of important information to the shareholders, analyst and general public.
- 4) Prepare and keep record of directors register, summon for Board of Directors' Meeting, Minutes of Meeting, annual report of the company, summon for Shareholders' Meeting and annual report of the Shareholders' Meeting.
- 5) Keep the report of interests of directors or executives.
- 6) Hold Board of Directors' Meeting including Board of Executives' Meeting, take care and prepare invitation letter for the meeting, meeting agenda including supporting documents for consideration in several agendas and deliver to the



- directors in advance at least 7 days before the meeting to provide them sufficient time to review all information before attending the meeting.
- 7) Hold Shareholders' Meeting, take care and prepare invitation for the Meeting, agenda, annual report, financial statements, power of attorney including all related documents attached to each agenda and deliver to all shareholders in advance in order to provide them sufficient time to review those information before attending the Meeting including to deliver invitation letter and all attached documents to Department of Business Development and advertise on newspaper as prescribed by law.
 - 8) Oversee to ensure correct performance according to the law on the Shareholders' Meeting date, such as, signature of the participants, authorization, quorum including voting in several agendas.
 - 9) Assist the director to comply with law and regulation of SET.
 - 10) Follow up the compliance with Memorandum of Association and Articles of Association of the company.
 - 11) Act as coordinator to keep the shareholders register book.
 - 12) Perform other duties as assigned by the Board of Directors time to time.

Selection of Board Members and Executives

Currently, the Company does not have the Nomination Committee. Potential candidate or person proposed by shareholders shall be considered from experience, knowledge, capability, and qualification set by laws. The Board of Directors shall propose the potential candidates to Shareholders' meeting for approval. For Audit Committee and Independent Directors shall be considered from experience, knowledge, capability, and qualification set by laws in regarding to the Independent Directors under the Securities and Exchange Commission regulations Re: Application for and Approval of Offer for Sale of Newly Issued Shares. The Audit Committee shall be selected from proposed list by shareholders and approved by shareholders' meeting afterwards. For Management, Board of Directors shall select from specialist in each branch such as marketing, accounting, financing and etc.

In selecting the Board of Directors as set in the Article of Association can be summarized as follows;

- 1) Board of Directors consists of five directors, half of which shall live in Thailand. Directors shall have qualifications as set by laws
- 2) The Company's directors will be approved by Shareholders' meeting under the methods as follows;
 - (a) A shareholder shall have one vote per share for each share held.
 - (b) In selecting Company's Directors, voting by each shareholder can use all the voting rights to vote for each person.
 - (c) The Directors' selection vote shall be decided on the basis of the majority of the vote cast. In case of a tie of votes, the chairman presiding over the meeting shall have the casting vote.
- 3) In Annual General Shareholders' Meeting, the directors shall be terminated by one third of total number of directors. If the number of directors can not be divided by three, the closet number shall be used. The terminated directors can be selected to be directors afterwards.

Besides the Selection of Board Members, the Company has set the three Independent Directors with the qualification and selection as follows;



- 1) Independent Directors shall not hold more than 5 percent of voting shares in the Company.
- 2) Independent Directors shall not involve in management and be the Company's employee or advisor who receives monthly remuneration and shall not have power to control the Company, its subsidiaries, and its associated as well as persons who may create a conflict of interest, in the sense that it may obstruct at least one year prior to be appointed as Independent Director.
- 3) Independent Directors must not be directly or indirectly related to the Company, its subsidiaries, and its associates, or major shareholders, or conflict of interest persons, in the sense that it may obstruct independent assessment at least one year prior to be appointed as Independent Director.
- 4) Independent Directors is not a close relative with Management, major shareholders of the Company, its subsidiaries, and its associates or conflict of interest persons and is not represent any directors, managements, or major shareholders' interest.
- 5) Independent Director has knowledge, experienced and provided independent opinion without the controlling of any persons.

Directors and Management's Remuneration

Directors' remuneration: The company considered remuneration for the director and management by considering the suitability and responsibility of the director, management, environment, economic situation and comparison with other companies in the same industrial business including comparison with other company who earned similar or nearly income and net profit. Remuneration of Board of Directors and Sub-Committee was already approved by the Annual General Meeting of Shareholders.

Board of Directors' remuneration: The Annual General Meeting of Shareholders year 2015 on Tuesday 28 April, 2015 was unanimously approved directors' remuneration as follows;

Monthly Remuneration for each position;

- Chairman of the Board of Directors at Baht 40,000.00.
- Deputy Chairman of the Board of Directors and Chairman of the Audit Committee at Baht 30,000.00 each.
- Independent Director and Director at Baht 20,000.00 each.

Meeting Allowance for each director per each attendance;

- Chairman of the Board of Directors at Baht 12,000.00
- Deputy Chairman of the Board of Directors, Chairman of the Audit Committee and Director at Baht 10,000.00 each

Directors' Bonus

- Upon dividend is paid to the shareholders, the Board of Directors is required to consider to allocate pension as deemed appropriate to the directors of all positions provided that total dividend throughout the year must not exceed Baht 5.0 million.

Any director who takes more than one position will receive monthly remuneration for only of his higher position.

Meeting allowance will be paid only to those who attend the meeting.

Remuneration for the management was in accordance with principles and policies determined by the Board of Directors based on business operating result of the company and performance of each management.

**Remuneration for director and executive****Financial remuneration**

| Board of Directors | 2014 | | 2015 | | Type |
|------------------------------------|---------|---------------|---------|---------------|--|
| | persons | Amount (Baht) | persons | Amount (Baht) | |
| Directors | 11 | 4,810,000.00 | 10 | 2,296,000.00 | Meeting Allowance and monthly remuneration |
| Executive Directors and Management | 8 | 29,692,338.54 | 7 | 25,554,812.65 | Salaries, Bonus, and Allowance |

Remark Ms.Nateeporn Duangsawasdi Resigned as effected on October 1, 2014

Remuneration for individual director

unit: Baht

| No. | Name | 2014 | | 2015 | |
|-----|-----------------------------------|--|------------------|--|-----------------|
| | | Meeting Allowance and Monthly Remuneration | Directors Bonus | Meeting Allowance and Monthly Remuneration | Directors Bonus |
| 1. | Assist.Prof.Dr.Piboon Limprapat | 600,000 | 240,000 | 576,000 | - |
| 2. | Mr. Vacharin Duangdara | 530,000 | 180,000 | 520,000 | - |
| 3. | Mr. Surin Premamornkit | 430,000 | 200,000 | 390,000 | - |
| 4. | Mrs. Werawan Boonkwan | 420,000 | 200,000 | 400,000 | - |
| 5. | Mr. Jessada Promjart ¹ | 300,000 | 180,000 | 70,000 | - |
| 6. | Mr. Thongchai Praerangsi | 70,000 | 140,000 | 60,000 | - |
| 7. | Mr. Chamnan Ngampojanavong | 100,000 | 200,000 | 80,000 | - |
| 8. | Ms. Nateeporn Duangsawasdi | 70,000 | 140,000 | - | - |
| 9. | Ms. Wanida Darachai | 100,000 | 200,000 | 70,000 | - |
| 10. | Ms. Unchisa Praerangsi | 80,000 | 160,000 | 60,000 | - |
| 11. | Ms. Junjira Praerangsi | 90,000 | 180,000 | 70,000 | - |
| | Total | 2,790,000 | 2,020,000 | 2,296,000 | - |

Remark : Directors' remunerations consisted of meeting allowance and monthly remuneration bonus

Other Benefits

Other remuneration 8 units cars for directors and management with the fuel of 360 liters per person per month.

The Company sets up provident fund for its employees on April 27th, 2007 through BT Asset Management Co., Ltd. The employees pay 2.00 percent of their salary for the provident fund and the Company pays 2.50 percent of employee's salary to the provident fund.



Corporate Governance

The Board of Director is highly committed to applying corporate governance and ensure compliance with rules and regulations of Stock Exchange of Thailand and Securities and Exchange Commission of Thailand. To achieve stability and sustainable growth, Board of Director focuses on 5 key principles as follows;

1. Right of the shareholders

The Board of Director realizes the importance of fairness and right of all shareholders. The company will not infringe the rights of shareholders and facilitate them to use their rights and ensure that basic rights of shareholders will be protected;

1. The company will keep shareholders updated about operating progress by informing them directly or communicating via company's website or Stock Exchange of Thailand's channel.

2. The company will facilitate all shareholders to attend meeting by scheduling date, time, and venue that are close to sky train or venues which are conveniently accessible . Registration for attending the meeting will be arranged 2 hours in advance

3. The company will issue invitation letter and meeting agenda to shareholders 7 days or 14 days in advance according to applicable laws. Materials include opinions of Board of Directors, 3 forms of Proxy as identified by laws, and name of at least one independent director, and advices about authorization in case that shareholders might need to delegate representative to attend meeting.

4. Prior to shareholder meeting, Company has identified meeting and voting regulations. The company has allocated sufficient meeting time and allow shareholders to share ideas, suggestions, and address questions based on agenda. Participants including chairman, chief executive officer, , directors, committees appointed for special assignments, internal auditors, legal advisors, and auditors have attended meeting to provide information and to answer questions.

5. Each shareholder earns the right to appoint each director individually in replace of the resigned director.

6. The company will not add meeting agenda or change important information without informing shareholders in advance.

7. After the meeting, significant views and queries including voting tolls were recorded iin the minutes of meeting. The minutes of meeting were disseminated to the shareholders via company's website www.chukai.co.th and Stock Exchange of Thailand's channel within 14 days after meeting.

2. Equitable treatments of Shareholders

The company had realized to maintain impartial and fair treat to all shareholders as follows:-

1. The company proposed at least 1 independent director as option for authorization of the shareholder in making Power of Attorney to exercise his right to attend the Meeting and vote in each agenda on his behalf whereby in



- the Annual General Meeting of Shareholders 2016, the company proposed Mr. Surin Premamonkit, the Audit Committee.
2. The Board of Directors proceeded the Meeting according the agendas as notified in the Invitation Letter for the Meeting and did not increase any agendas without advance notice to all shareholders in order to provide sufficient time for the shareholders to study related information in advance.
 3. The company provided voting card for all agendas by using barcode system to record and publicize voting result including also provided facilitators to collect voting card in the Meeting room. The cards were collected both of those agreed and disagreed votes except in case of the election of the board of directors whereby voting cards would be collected in all cases, i.e. agreed, disagreed and suspended votes and after the Meeting, the card collector would collect voting card for all agendas.
 4. The Board of Directors had assigned the company's secretary to correctly and completely produce and record Minutes of Meeting and publicize thereof to all shareholders via investor relation website and the company also delivered those Minutes to SET after completion of the Meeting not exceeding 14 days.
 5. The company had policy and strictly complied with internal data management by disclosing only to those related persons. Report of publication of internal data was allowed to do only by the authorized person. In this regard, all managements and directors of the company had well realized to their duties and responsibilities toward internal data and did not use thereof for personal benefit nor for security trading. Moreover, the company determined the management to report change of security holding to SEC pursuant to Section 59 of Securities and Exchange Act, B.E. 2535.
 6. To prevent conflict of interest, the Board of Directors had carefully managed upon there was any items which would be conflict of interest by determining the policy and method to prevent the management and related party to use internal data for their private benefits, as follows:-

Report on conflict of interest

The report would be approved by the Board of Directors subject to Audit Committee was also required to approved those correlated items. In this regard, approval to record correlated items was based on optimal benefit of the company, rules of fairness, reasonability of items and the compliance with market condition and market price. Moreover, the stakeholders or those who had conflict interest in correlated item was unable to involve in such approval of correlated item. This was for fairness and optimal benefit of the company. In case of such correlated item was under the scope of regulation, notification, order, requirement or rule of SEC, the company would comply with SEC by determining price and condition as if it was item made with the outsider and disclosed correlated item that contained details, item value, contractual parties, reason/necessity in annual report and annual data disclosure form.

The Board of Directors then approved in principle according to the guidelines of SEC in compliance with Section 89/12(1) of Securities and Exchange Act (No. 4), B.E. 2551 regarding director, management or related person who would do legal transaction with the company dated 13 August 2010, had resolved that the management could approve such transaction should it contained commercial agreement in the same manner which those wise men would do with their general parties in the same situations based on trading negotiation power that free from any influences from the position of director, executive



or related persons. In this regard, the management would prepare report to summarize such transaction to the Board of Directors' Meeting for acknowledgement of such intention onwards.

In the Board of Directors' Meeting, should in any agenda which some directors has any conflict of interest, the Chairman would request those directors to comply with policy by suspending vote nor comment in such agenda.

Internal Information Control

The company determined policy to control the directors and managements not to bring internal information which was still not publicized to the public to use for private benefit. The management and employee of any unit who knew about such internal information were prohibited to purchase or sell company's security at least 1 month before public announcement and at least 3 days after public announcemen. This prohibition was prescribed in the notification of the company regarding Policy on the Supervision of Business, Business Code of Conduct and Employee Code of Conduct. In this regard, the company also determined disciplinary action in Working Rules and Regulations of the Company as well. Moreover, the Company had informed the management of all departments to understand about their duties in reporting about possession of company's security of himself/herself, his/her wife/husband and immature children including change of security possession to SEC pursuant to the Securities and Exchange Act, B.E. 2535 and requirements of SET after the company was permitted by SEC to offer for sale its ordinary share for capital increase to general public

3. Roles of the stakeholder

The company emphasized on right of all groups of stakeholders regardless internal stakeholders, i.e. employees and managements of the company or external stakeholders, i.e., partner, competitor and other related organization due to the company had well realized to the support of all stakeholders which promoted the competitive ability to build profit and long term success of the company. For this purpose, the company would take care the stakeholders according to related lawful right but would not conduct any action to infringe against the right of those stakeholders, as summarized as follows:-

| <u>The stakeholder</u> | <u>Business Governance Policy</u> |
|-------------------------------|--|
| Shareholder | : The Company would sincerely engage its business and strictly adhere to develop sustainable business and become the leader in providing standard logistic service based on satisfied remuneration in long term. |
| Partner | : Concerned on equality and sincerely in business operation and joint benefit with the partner by strictly comply with all related laws and rules. |
| Competitor | : The Company would comply with good competition rules and avoid dishonest method to defeat the competitor. |
| Creditor | : The Company would strictly comply with all contract and agreed conditions . |
| Customer | : The Company paid attention and take responsibilities to the customer, both in term of good service to the standard, post sale service and keep confidential of the customers' secret. |



- Employee** : The Company equally and fairly treated all employees by providing training course to enhance knowledge and working efficiency for the employees and also provided suitable remuneration.
- Society** : The Company engaged its business based on responsibility to community environment and society by adhering on the policy about environmental maintenance and safety from activity of the company, of which, the group of companies had also been accredited by ISO 9001:2000 which related on Quality Management System and ISO 18001:1999 which related on Occupation Health & Safety from TUV Rheinland. In addition, the company committed to comply with related laws and rules.

For complaint and report of any clue related to legal offense, correctness of financial report, defective internal audit or breach against business ethics of the management and employee, can be made by mail to the Chairman of the Board of Director who is independent director at Chu Kai Public Company Limited address no. 42/62 Moo 14, Bangna-Trad Road Km. 7, Bang Kaew Sub-district, Bangplee District, Samutprakan Province 10540 or at boardoffice@chukai.co.th and all information of the reporter would be kept confidential.

4. Disclosure for transparency

Corporate Governance

The Board of Directors of the company has concerned on the importance of the Principles of Good Corporate Governance and has thus prescribed as policy to engage good transparency and auditable business by determining clear responsibility. In addition, the company also concerned on the governance and internal audit systems. For risk management, the company tried to closely control and manage risk and concerned on business ethics by maintaining fairness to the partner, shareholder and stakeholder in all groups.

Report of Board of Director

The Board of Directors was responsible to operate important business and to control financial statements of the company including also IT system as disclosed to the public in annual declaration form and annual report. Such financial statements were prepared according to the general certified accounting standard by selection to use and regularly complied with suitable accounting standard including sufficient disclosure of important data on notes to the financial statements.

In this regard, the Board of Directors had thus appointed Audit Committee which was consisted of non-management director who has sufficient freedom to take care and responsibilities about quality of such financial report and internal audit system.

Relationship of the investor

After the company had been listed in SET, the company had policy to provide investor relation coordinator to be responsible for disclosure of data which was quick, complete, transparent and thoroughly both report of financial data and general data including other important date duly impacted security price of the company by publication IT message of the company to all investors, institutes, shareholders, government officers and general publics via channels of SET. In addition, the company had publicized both Thai and English versions on investor relation website, which having, **Ms. Wanida**



Darachai, Executive Vice President of organizational support to take responsibilities about the investor relation affairs who are contactable at Telephone no. 02-715-000 or www.chukai.co.th

5. Board of Directors' responsibilities

Leadership and vision

The Board of Directors of the company has independent roles subject to good corporate governance standard in the following matters:-

- Determine vision, mission, strategy, goal, business plan and budget of the company.
- Supervise and regularly follow up performance of the management to ensure it is in accordance with work plan to achieve targeted goals.
- Maintain and regularly follow up sufficient internal control.
- Maintain and regularly follow up sufficient risk management for optimal benefit of the company.
- Promote the company directors to attend training course of the Thai Institute of Directors.

Business Ethics

The company determined procedures about ethics of Board of Directors, management and employee for guidelines of other persons to sincerely, honestly, fairly and responsible to perform their duties and responsible for the stakeholder, shareholder and all related parties.

Authority balance of non-management director

In 2015, the company had altogether 10 directors as consisted of:-

- | | |
|------------------------------------|-----------------|
| ● Directors who are the management | Total 6 persons |
| ● Independent directors | Total 4 persons |

Therefore the company thus had directors who were outsiders and non-management total 4 person or 40 % of total Board of Directors which was more than one-half of the whole directors. The stakeholders therefore felt confidence that the directors would be able to independently perform their duties as representative of the shareholders, of which, this could balance and repeatedly check management of the directors.

Integrated or separated position director

The company determined the Chairman of the Board of Directors and Chief Executive Officer was not the same person by clearly prescribing scope of authority and duties of Chairman and Chief Executive Officer. Chairman and Chief Executive Officer were thus had no absolute authority. This was to balance the important resolution which required approval from the Board of Directors or Shareholders' Meeting. Moreover, authority and power vested to the Managing Director or Board of Directors was unable to approve any item which they or other stakeholder had benefit thereon or may had conflict of interest in any other manner with the company or affiliated companies.

The company determined to hold Board of Directors' Meeting at least once every 3 months and additional special Meeting as deemed necessary by producing Invitation Letter including Meeting agendas and other supporting documents 7



days before the Meeting day to enable all directors sufficient and reasonable time to study all related data before attending the Meeting.

In each Board of Directors' Meeting, the Chairman had sufficiently allocated time for the Directors to carefully summarize important problem. In addition, Chairman and Board of Directors had invited the auditor to attend the Board of Directors Meeting in order to provide additional information and record Minutes of Meeting in written, to compile the Minutes duly approved by the Board for verification of other related parties.

The Board of Director determined the management to prepare operating result report on monthly basis to propose to the up coming Meeting to enable the Board of Director to follow up the progressiveness of business operation of the company.

In 2015, the Board of Directors had held altogether 8 Meetings, each at approx. 3 hours. In each Meeting, other related persons were invited to provide additional information. The Audit Committee had held 8 Meetings, being normal agenda 4 Meetings and Meeting between Audit Committee and Auditor 4 Meetings details of attendance in Board of Directors' Meeting in 2015 are as follows:-

Details of attendance in Board of Directors' Meeting in 2015

| Name | Position | Board of Directors' Meeting | Audit Committee's Meeting |
|------------------------------------|---|-----------------------------|---------------------------|
| | | Total Meeting (8) | Total Meeting (8) |
| 1. Asist.Prof.Dr. Piboon Limprapat | Chairman of the Board of Directors/Independent Director | 8/8 | - |
| 2. Mr. Vatcharin Duangdara | Chairman of the Audit Committee/Independent Director | 8/8 | 8/8 |
| 3. Mr. Surin Premamornkit | Audit Committee / Independent Director | 8/8 | 7/8 |
| 4. Mr. Jessada Promjart | Director | 7/8 | - |
| 5. Ms. Werawan Boonkwan | Audit Committee / Independent Director | 8/8 | 8/8 |
| 6. Mr. Thongchai Praerangsi | Deputy Chairman of the Board of Directors / Director | 6/8 | - |
| 7.Mr. Chamnan Ngampojanavong | Director | 8/8 | - |
| 9. Ms. Wanida Darachai | Director/Company's Secretary | 7/8 | - |
| 10. Ms. Unchisa Praerangsi | Director | 6/8 | - |
| 11. Ms. Junjira Praerangsi | Director | 7/8 | - |

Sub-committee

The Extraordinary Meeting of Shareholders No. 2/2549, dated 25 August 2006; the Board of Directors' Meeting No. 19/2549 dated 8 December 2006; The Board of Directors' Meeting, No. 3/2551 dated 27 March 2551 and the Board of Directors' Meeting, No. 5/2552 dated 26 June 2009, had appointed 4 Audit Committees, each of them were retained in position



for 3 years per rotation to supervise the company's affairs whereby the authorities and powers of the Audit Committee was in accordance with details in clause 8 of management structure. The Audit Committee would hold their Meeting at least one every quarter and may be specially held in emergency agenda.

The Executive Board duly consisted of 6 Executives Board of Directors whereby the authorities and powers of the Executives Board of Directors was in accordance with details in clause 8 of management structure. The Executives Board of Directors would hold their Meeting in jointly with the managements regularly at least once a month and may be specially held in emergency agenda.

Remuneration for director and management

Remuneration for director : The Company considered remuneration for the director and management by considering the suitability and responsibility of the director, management, environment, economic situation and comparison with other companies in the same industrial business including comparison with other company who earned similar or nearly income and net profit. Remuneration of Board of Directors and Sub-Committee was already approved by the Annual General Meeting of Shareholders.

Remuneration for the management was in accordance with principles and policies determined by the Board of Directors based on result of business operating of the company and performance of each management.

In 2015, the company had paid remuneration to the directors and managements total Baht 25.55 Million

Internal control and internal audit

- 1. Internal control and internal audit:** The Company had emphasized on the internal control both in management and operation levels. To enhance its efficiency, the company thus determined duties, authorities of the management in written with control the use of company's property for greatest benefit and divided duties among the operator, the follower and to control and separately assess to make balance and suitably audit each other. In addition, the company provided internal control about financial aspect as the company provided financial report system to propose to the responsible management. Moreover, PV Audit Co., Ltd., who was the company's auditor had also assessed and reviewed internal control system of the company in examining annual account and there was no any weakness nor significant failure were reported in the comment toward financial statement and issued unconditional auditor's report. In addition, the company had Internal Audit Department to audit to ensure that major operation and significant financial activities of the company was in line with the prescribed guidelines and effective including the audition and compliance with law and all controls. To provide freedom for internal control unit, the Board of Directors defined that result of audit was directly reported to the Audit Committee and also assessed by the Audit Committee.
- 2. Risk assessment** The company had assessed both internal and external risk factors which would impact business operation of the company including to analyze and follow up all situations which was the cause of risk factor to determine appropriate measure to regularly manage risk and follow up result thereto.



Corporate Social responsibilities

1. Fair business operation

The company determines to treat related person in every unit, shareholders, customers, trade partners, creditors, employees and the society with fairness and morality and to give accurate recommendations about the products and to serve for the highest benefit, including following all conditions toward customers.

2. Fair treatment to the labor

The company focus on fairness toward employees, respects their rights and their liberty. No use of children workers, the company encourage employees to have a good quality of life and career, by offering provident fund and allowances such as life insurance, employee's uniforms, lunchbox, scholarships for employees' children and funeral support of employee's relatives.

3. Responsibilities to the consumer

The company adheres and complies with policy to respond the customer's demand who purchased products and services directly from the company to ensure that they shall receive products and services at fair price and good quality, the company also has the policy that the customer shall be fairly treated in case of receiving unfair product or under standard service by providing warranty under the reasonable conditions and period.

4. CSR

In 2015, the company arranged CSR projects as follows:

♦ Education Development : The company arranged the 14th scholarship program for children of its employees.



Internal Control

In the Board of Directors' Meeting No. 1/2016 dated 25 February 2016, there were 3 members of Audit Committee attending the Meeting, an evaluation in respect of the Company's internal control was made by the Board of Directors as follows;

1. Organization and Environment : The Company's Management has set up an organization chart and responsibilities of Board of Directors as well as business goal for evaluation of management and employees. Moreover, the Company has also set up a code of conduct, three manuals for its procurement practices and the penalty for violation.
2. Risk Management : The Company has always been attentive to the internal and external risks which may have significant effects to the Company's business. The Company always analyzes various risk related incidents and has procedures for implementation and monitors all risks management regularly.
3. Control over Management's Practice : Scope of duties and responsibilities of each management level have been set up including procedure of connected transactions with major shareholders, directors, managements, and related persons.
4. Information Technology and Communication Systems : The Board of Directors has been provided with sufficient and accurate information to be considered in each meeting. The information regarding asset utilization between the Company and its subsidiaries has been made every month for asset management and account receivables management. With this information system, the Company shall be published accounting and financial information online.
5. Follow – up System : Actual operational results have been reported to the Company's Board of Directors by management on a quarterly year basis in order to compare with the Company's target.

In addition, the auditor of the company was PV Audit Co., Ltd., had studied and assessed the efficiency of internal control in accounting as deemed appropriate for benefit in determining intensive and suitable operation scope. The auditor commented that no any material mistake was found in expressing comment toward financial statements and issued unconditional auditor's report.

Internal Audit Chief

In the Meeting of Audit Committee No. 7/2011 dated 28 November 2011, the Meeting resolved to appoint Mrs. Chittra Thongsamut as internal audit chief of the company since 7 December 2011 since she was knowledgeable and capable as considered from her past performance, her understanding in activities and operation of the company according to her qualification as appeared in Annex 3.



Dividend Policy

The Company has set up policy to pay dividend no less than 50 percent of net profit after tax and legal reserve of the Company; however, the dividend payment will be paid depend upon the Company's financial results, financial condition and cash requirements, investment plan, and such other factors as the Company's management consider appropriated.

The dividend policy for its subsidiaries will depend upon their financial results, investment plans, financial condition and cash requirements.



Related Party Transaction

Rules and procedures for approving connected transactions

In case that the Company has a transaction with a related companies or related persons who may have conflicts of interest or stakes or future conflicts of interest, the transaction shall be made on the appropriateness of fair market price by considering all the conditions in according with operations in the same type of industry and comparing with the external price or the market price. If the related transaction has been made under the normal business operation, the management is allowed to approve the transaction but have to quarterly reviewed by the Audit Committee for consideration of the fairness and reasonableness of such transactions.

If the related transaction has not been made under the normal business operation, the Audit Committee has to approve the transaction prior to the transaction taking place. If the Audit Committee is not specialized on the related transaction, the Company will provide an independent specialist or the Company's Auditor to make suggestions on the transaction for the decision making of the Board of Directors, the Audit Committee or the shareholders. Besides, the related transactions of the Company will comply with the obligations, announcements, orders or the requirements of the Stock Exchange of Thailand. Thus the executive who may have conflicts of interest or a vested interest or benefits from the transaction has no rights to vote on that related transaction.

Policy or the Tendency of Future Related Transactions

In the future related transactions, which is regular transaction, the Company has set up criteria and direction in compliance with the general commerce by referring to reasonable price and appropriate conditions which can be audited and be presented to the Audit Committee to consider approval the criteria and directions. The Audit Committee shall opine in necessity and reasonableness of such transaction including all conditions. If the Audit Committee is not specialized on the related transaction, the Company will provide an independent specialist to make suggestions on the transaction for the decision making of the Audit Committee, and passed to the Board of Directors or the shareholders for final approval.

The approval of the related transactions shall comply with the obligations, announcements, orders or the requirements of the Stock Exchange of Thailand and shall disclose in the Notes to Financial Statement or electronic devices of the Stock Exchange of Thailand.



| Related Companies / Related Persons | Relationship | Transaction | Consolidate d Financial Statement | Necessity and Reasonableness |
|-------------------------------------|--|---|---|--|
| | | | 2015 | |
| Farm Valley Co.,Ltd | Shareholder (Mr. Thongchai Praerangsi) | <p>Repair cost, purchasing of machine, the balance declares the total amount of trade with companies in CRANE's group.</p> <p><u>Trading Debtors:-</u></p> <p>- Beginning Balances 0.00</p> <p>- Increasing 3.01</p> <p>- Decreasing <u>3.01</u></p> <p>- Balance of Payment <u>0.00</u></p> <p><u>Commercial Creditors:-</u></p> <p>- Beginning Balances 0.00</p> <p>- Increasing 0.00</p> <p>- Decreasing <u>0.00</u></p> <p>- Balance of Payment <u>0.00</u></p> | | <p>This transaction includes service fees and selling price depending on market price and using general criteria such as general customers, thus Mr. Thongchai Praerangsi has been appointed to be a director of the company.</p> <p>Audit Committee of the company reviewed the above transaction and resolved as appropriate.</p> |



Report of Board of Directors' Responsibilities

The Company's Board of Directors recognize the significance of duties and responsibilities to manage the business of the Company in compliance with the law, the Company's objectives, the Articles of Association as well as the resolution of the shareholders' meeting with integrity and care for the best benefits of the company, all shareholders and investors by providing reasonable assurance that the financial statements recorded accuracy, adequate and present fairly financial position of the Company.

The Board of Directors have appointed the Audit Committee which comprises of qualified independent directors in compliance with regulations of the Stock Exchange of Thailand and other Securities and Exchange Act to review and responsible for the accuracy, and adequate disclosure of the Company's financial statement as well as to provide and to maintain efficient internal control system for the reasonable believe on the credibility of financial statements, good prevention system for property maintenance that freed from corruption item nor any abnormal operation including to comply with related laws and regulations and the disclosure of related transactions and conflicts of interest as well as compliance with related laws and regulations. The Audit Committee has prepared a report on the committee's monitoring activities and disclosed these to the Board of Directors

The Board of Directors have opined that the financial statements for the year 2015 of Chu Kai Public Company Limited and subsidiaries being consolidated, in which the Audit Committee, the Company's management and independent auditor have all reviewed, have been prepared in accordance with Generally Accepted Accounting Principle and present fairly financial position of the Company.

.....
(Assist. Prof. Dr. Piboon Limprapat)

Chairman of the Board of Directors



| Name-Surname Position | Age Years | Education / Training | Shares Holding (%) | Relationship to other executives | Working Experiences | |
|--|--------------|---|--------------------------|--|---|---|
| | | | | | Duration | Positions and Places |
| Mr. Surin Premamornkit ♦ Audit Committee ♦ Independent Director | 67 | <ul style="list-style-type: none"> ♦ Bachelor Degree of Finance and Banking, Thammasart University, <p><u>Duly passed training program</u></p> <ul style="list-style-type: none"> ♦ Risk Management Committee Program(RMP) ,The Thai Institute of Directors(IOD) ♦ Director0 Accreditation Program (DAP) Class 59 (IOD) ♦ Director Certification Program (DCP) Class 147 (IOD) ♦ Audit Committee Class 39 (IOD) ♦ Role of Compensation Committee (RCC) Class 14 (IOD) ♦ Finance Executive 8 (Finex'8) The Thai Institute of Banking and Finance Association ♦ Syndicated Loans The Euro Money Institute Hong Kong ♦ BOURSE GAME ASIA Singapore | - | - | 2009 - present 2008 - present 1999 - 2008 2008 - 2008 2006 - 2008 2005 - 2006 1999 - 2005 | <ul style="list-style-type: none"> ♦ Audit Committee and Independent Director Chu Kai Public Company Limited ♦ Audit Committee and Independent Director Sriwichai Wetwivat Co., Ltd. ♦ Senior Executive Vice President, Business Corporation 2, Bank Thai Public Co., Ltd. ♦ Director BT Business Consulting Co.,Ltd. ♦ Director BT Securities Co., Ltd. ♦ Director BT Asset Management Co., Ltd. ♦ Director BT Insurance Co., Ltd |
| Mrs. Werawan Boonkwan ♦ Audit Committee ♦ Independent Director | 45 | <ul style="list-style-type: none"> ♦ Master's degree (Finance & International Business), University of Wisconsin, USA. ♦ Bachelor's degree (Accounting) Chulalongkorn University <p><u>Duly passed training program</u></p> <ul style="list-style-type: none"> ♦ Director Accreditation Program (DAP) year 2006 (IOD) ♦ Director Certification Program (DCP) year 2008 (IOD) | - | - | 2013 - present 2013 – present 2006- present 2002 - 2007 2000 - 2002 1999 – 2000 | <ul style="list-style-type: none"> ♦ Director and Audit Committee, Sahamitr Pressure Container PCL ♦ CFO / Director BBB & V Co.,Ltd. ♦ Director and Audit Committee Chu Kai PLC ♦ CFO Business Consultant & Advisory Co., Ltd. ♦ General Manager A Thai Market Co., Ltd. ♦ Analyst-Asset Management Bangkok Capital Aluance Co., Ltd. |



| Name-Surname Position | Age Years | Education / Training | Shares Holding (%) | Relationship to other executives | Working Experiences | |
|--|--------------|--|--------------------------|--|---|--|
| | | | | | Duration | Positions and Places |
| Mr. Jessada Promjart ♦ Chief Executive Officer ♦ Authorized Director | 53 | <ul style="list-style-type: none"> ♦ Master's degree (Accounting) Thammasat University ♦ Bachelor's degree (Accounting) Thammasat University <p><u>Duly passed training program</u></p> <ul style="list-style-type: none"> ♦ Director Certification Program (DCP) year 2004 (IOD) ♦ Company Secretary Program (CSP) year 2004 (IOD) ♦ Anti-corruption strategic management course for senior executives SanyaDharmasakti anti- corruption institute office of the National Anti-Corruption Commission(Class 1) year 2009 ♦ TLCA Executive Development Program (EDP Class 9) year 2011 ♦ Advanced Certificate Course in Public Administration and Law for Executives of King Prajadhipok's Institute (Class 12) year 2013 | - | - | <ul style="list-style-type: none"> Dec.2015-Present Apr.2015–Present Sep.2014 - Present Dec.2009- Aug.2014 Jan - Nov. 2009 Mar.2008-Aug.2014 Mar.2008-Present 2006 - Feb. 2008 2004 - Feb. 2008 2003 - 2004 2000 - 2007 1998 - 2000 | <ul style="list-style-type: none"> ♦ Director and Audit Committee Government Saving Bank ♦ Director and Audit Committee Nation Broadcasting Corp. PCL. ♦ Audit Committee and Advisor to Executive Committee Chulabhorn Hospital ♦ Chief Executive Office Chu Kai PLC. ♦ Executive Vice President and Chief Financial Officer MCOT Public Company Limited ♦ Assistant Managing Director Piyavate Hospital Public Company Limited ♦ Audit Committee and Independent Committee Chu Kai Public Company Limited ♦ Director D-Land Development Co., Ltd. ♦ Director Media Studio Co., Ltd. M&D Entertainment Co., Ltd. MOM International Co., Ltd. ♦ Director and Secretary to the Board of Director Media of Medias Public Company Limited ♦ Director and Audit Committee Media of Medias Public Company Limited ♦ Manager to Office of the President BBTV Co., Ltd. ♦ General Manager Chu Kai Company Limited |



| Name-Surname Position | Age Years | Education / Training | Shares Holding (%) | Relationship to other executives | Working Experiences | |
|---|--------------|---|--------------------------|---|---|---|
| | | | | | Duration | Positions and Places |
| Mr. Thongchai Praerangsi ♦ Advisor ♦ Authorized Directors | 62 | ♦ Certificate, Nida Business School Duly passed training program ♦ Director Accreditation Program (DAP) year 2006 (IOD) | 34.46 | Ms. Jiraluck, Ms. Jiraporn and Ms. Junjira Praerangsi' ^s father | Sep.2014-present 2012–Aug.2014 2005 - 2012 2006 - present 1996 - present 19947 - present 1992 - present | ♦ Advisor Chu Kai PCL ♦ Acting Chief Executive Officer and Director Chu Kai PCL ♦ Chief Executive Officer and Director Chu Kai PCL ♦ Director The Crane Services Co., Ltd. ♦ Director The Crane Heavy Lift Co.,Ltd. ♦ Director The Crane Rayong Co., Ltd. ♦ Director The Crane Laem Chabang Co., Ltd. |
| Mr. Chamnan Ngampojanavong ♦ Chief Financial Officer ♦ Authorized Directors | 54 | ♦ Master's degree (Management) Kasetsart University ♦ Bachelor's degree (Capital Accounting) Chulalongkorn University Duly passed training program ♦ Director Accreditation Program (DAP) year 2008 (IOD) ♦ Director Certification Program (DCP) Class 167 / 2012 (IOD) | - | - | 2008- present Oct. 2008-present 1993 - 2008 1990 – 1993 1985 - 1990 | ♦ Chief Financial Officer and Director Chu Kai PCL ♦ Director The Crane Laem Chabang Co., Ltd. The Crane Rayong Co., Ltd. The Crane Heavy Lift Co.,Ltd. ♦ Senior President Medium and Small Enterprises Bank Thai PCL ♦ Finance & Accounting Manager Pulthip Housing Co., Ltd. ♦ Primary Manager – Credit Management Department Siam Commercial Bank PCL |



| Name-Surname Position | Age Years | Education / Training | Shares Holding (%) | Relationship to other executives | Working Experiences | |
|---|--------------|--|--------------------------|--|---|---|
| | | | | | Duration | Positions and Places |
| Ms. Wanida Darachai ♦ Executive Vice President ♦ Authorized Directors ♦ Company Secretary | 47 | ♦ Bachelor of Arts Ramkhamhaeng University <u>Duly passed training program</u> ♦ Director Accreditation Program (DAP) year 2005 (IOD) ♦ Director Certification Program (DCP) year 2008 (IOD) ♦ Company Secretary Program (CSP) year 2005 (IOD) ♦ | 4.03 | - | 2004 - present 2006 -present 2001 - present | ♦ Executive Vice President and Director Chu Kai PCL ♦ Director The Crane Services Co., Ltd. ♦ Director The Crane Laem Chabang Co., Ltd. The Crane Heavy Lift Co., Ltd. The Crane Rayong Co., Ltd. |
| Ms. Unchisa Praerangsi ♦ Executive Vice President ♦ Authorized Directors | 33 | ♦ Bachelor's degree, Marketing Assumption University <u>Duly passed training program</u> ♦ Director Accreditation Program (DAP) year 2006 (IOD) ♦ Director Certification Program (DCP) Class 167 / 2012 (IOD) | 4.44 | Mr. Thongchai Praerangsi's daughter | 2012 - present 2008 - 2012 2006 – present | ♦ Director Chu Kai PCL ♦ Managing Director The Crane Laem Chabang Co., Ltd. ♦ Director The Crane Laem Chabang Co., Ltd. |
| Ms. Junjira Prairungsi ♦ Authorized Directors | 35 | ♦ Master Degree, In Organization Change and Development Hawaii Pacific University <u>Duly passed training program</u> ♦ Director Accreditation Program (DAP) year 2006 (IOD) ♦ Director Certification Program (DCP) Class 167 / 2012 (IOD) | 4.44 | Mr. Thongchai Praerangsi's daughter | 2013 – present 2013 – present 2006 - 2013 | ♦ Director Chu Kai PCL ♦ Managing Director The Crane Laem Chabang Co., Ltd. ♦ Director The Crane Rayong Co., Ltd. ♦ Managing Director The Crane Rayong Co., Ltd. |
| Miss Wilai Nakwila ♦ Accounting Manager | 47 | ♦ Bachelor Degree, Accounting Program Ramkhamhaeng Universit | - | - | 2012 – present 2007 – 2012 1997 - 2007 | ♦ Accounting Manager Chu Kai PCL. ♦ Accounting-Financial Division Manager The Crane Heavy Lift Co.,Ltd. ♦ Accounting-Financial Chief The Crane Heavy Lift Co.,Ltd. |



| Name-Surname Position | Age Years | Education / Training | Shares Holding (%) | Relationship to other executives | Working Experiences | |
|--|--------------|--|--------------------------|--|--|---|
| | | | | | Duration | Positions and Places |
| Ms. Pajaree Srisuwan ♦ Financial Manager | 52 | ♦ Bachelor Degree Accounting Program Ramkhamhaeng University | - | - | 2014-present 2012 - 2014 2008 - 2012 | ♦ Financial Manager Chu kai Public Co., Ltd. ♦ Asst. Financial Manager Chu kai Public Co., Ltd. ♦ Office Manager Wattanasiri Metal Work Co.,Ltd. |

Remarks: All the Company's Board of Directors has qualifications in compliance with the requirements of the Securities and Exchange Commission under the Securities and Exchange Act.

**Details about directors of subsidiary companies**

| Name-Surname | Chu Kai Public Company Limited | The Crane Services Company Limited | The Crane Laem Chabang Company Limited | The Crane Rayong Company Limited | The Crane Heavy Lift Company Limited |
|---------------------------------|--------------------------------|------------------------------------|--|----------------------------------|--------------------------------------|
| Assist.Prof.Dr.Piboon Limprapat | 1,3 | | | | |
| Mr. Vacharin Doungdara | 3,6 | | | | |
| Mr .Surin Premaornkit | 3,7 | | | | |
| Ms. Werawan Boonkwan | 3,7 | | | | |
| Mr. Jessada Promjart | 3,5,9 | 3 | 3 | 3 | 3 |
| Mr. Thongchai Praerangsi | 3,4,9 | 3 | 3 | 3 | 3 |
| Mr. Chamnan Ngampojanavong | 3,5,9 | 3 | 3 | 3 | 3 |
| Ms. Wanida Darachai | 3,5,9 | 3, 8 | 3 | 3 | 3 |
| Ms. Unchisa Praerangsi | 3,5,9 | | 3 | | |
| Ms. Junjira Praerangsi | 3 | | 3, 8 | 3 | |
| Mr. Lert Nitheranont | 9 | | | | |
| Ms. Janjira Praerangsi | | | | 3, 8 | |

| | | | | |
|-----------|---|--------------------|---|--|
| หมายเหตุ: | 1 | Chairman | 6 | Chairman of the Audit Committee and Independent Director |
| | 2 | Deputy Chairman | 7 | Audit Committee and Independent Director |
| | 3 | Director | 8 | Managing Director |
| | 4 | Executive Chairman | 9 | Executive |
| | 5 | Executive Director | | |



Financial Statements and Operating Result Analysis

Statement of Comprehensive Income

In 2015, the company suffered losses in performance due to overall economic stagnation. Investments in various government and private sector projects did not achieve the original expectation to begin latest in mid-2015 and were delayed, which affected the company's business, especially machinery sales. The significant drops in oil prices impacted the oil and petrochemical industries, which are the primary business group for which the company provides machinery rental services. Although electricity businesses have higher machine rental demands, the need is insufficient. Consequently, the company's total income was less than 2014 by 19 percent, a reduction in both machinery sales and service income with a sales-to-service income ratio of 40 : 60 in 2015.

The company is confident in its ability to return to positive performance in 2016 with readiness in machinery where previous investments and public sector investment projects should begin to arrive periodically. This will result in greater demand for machinery. The fact that the company is the exclusive dealer for XCMG cranes, the largest manufacturer of heavy construction machinery in the People's Republic of China and the world's fifth largest (the company cancelled sales representation for ZOOMLION cranes in 2015). The fact that XCMG is ready to support and stay in close cooperation with the company will help enhance competition efficiency in terms of both products and post-sale services. Furthermore, the company will increase income bases in 2016 from foundation work businesses such as increased sales and rental services for construction machinery used in construction work such as drilling rigs, wall grabs and etc.

Profit and Loss Analysis

Revenue

The company had lower total income by 19 percent in 2015 when compared to 2014. Sales income dropped by 13 percent and service income dropped by 23 percent due to economic stagnation, delayed investment in government sector projects, customer purchase order delays in addition to significant and rapidly diminished oil prices, causing impacts on oil and petrochemical businesses which are the company's major customer base, resulting in delays to various construction projects including factory machinery maintenance. Although windmill installation work came in the final quarter of the year, the work was inadequate to compensate for income.

Sales and Management Costs

In 2015, the company had a total sales and management expense of 179.3 million baht, increase by 7.3 million baht or 4 percent when compared to 172.0 million baht in 2014 as a result of higher allowance for doubtful accounts in 2015 by 19.0 million baht for accounts which have exceeded payment schedules while no allowance for doubtful accounts were set for 2014.



Financial Expenses Costs

In 2015, the company had higher financial expenses by 10.7 million baht or 20 percent from 52.3 million baht in 2014 to 63.0 million baht in 2015 from financial loans for more investments. In addition, economic stagnation required longer collection periods and a need for higher Working Cap balance when compared to 2014 when the company had land sale income to ease liability burdens, resulting in higher interest expenses in 2015.

Net profit and Net profit margin

In 2015, the company had a net loss of 45.2 million baht, a reduction by 284.3 million baht or 119 percent when compared to the net profit of 239.1 million baht in 2014. This was due to diminished income while depreciation for machinery and financial expenses increased from investment and the aforementioned allowance for doubtful accounts. Consequently, the company had negative profits (losses) in 2015 at 5 percent of total income when compared to the positive net profit ratio of 22 percent of total income in 2014.

Nevertheless, part of the net profit in 2014 at 122.0 million baht consisted of profits from land sales, leaving the net profit from business operations of 117.1 million baht or the positive net profit ratio of 11 percent. Therefore, when only net profit from business operations in 2015 was considered, the company's profit had reduced by 162.3 million baht or a reduction by 138.6 percent when compared to 2014 which had the net profit from business operations of 117.1 million baht.

Statement of Financial Status

Assets

The company's total assets in 2015 amounted to 2,788.45 million baht when compared to 2,726.23 million baht in the same period for the previous year, or an increase of 62.22 million baht or 2.3 percent. The increase in assets was mostly due to increases in machinery and equipment while inventory dropped from gradual sales and drops in trade accounts receivable in line with reduced income as follows:

Liabilities

As of 31 December 2015, the company's total liabilities amounted to 1,429.84 million baht, or an increase by 116.62 million baht or 8.88 percent when compared to 1,313.22 million baht in 2014. Liabilities mostly increased due to entry into financial leases to invest in machinery purchases. However, concerning liabilities in repurchase contracts in 2015, a financial institute sued the company and the Supreme Court ruled for the company to repay the aforementioned amount. On 7 August 2015, the company negotiated with the creditor and completed repayments on 30 October 2015 with a discount of 36.4 million baht recorded as Other Income in the profit/loss statement.

Shareholders' Equity

As of 31 December 2015, the company's shareholders' equity was valued at 1,358.62 million baht, a reduction from 1,413.02 million baht in 2014 by 54.40 million baht or 3.85 percent as a result of reductions in retained earnings from net performance losses in 2015.

**Liquidity**

The company's liquidity ratio has been declined from 1.06 in 2014 to 0.75 in 2015. Revenues from sales and services were underachieved, and the company has invested in new machines, thus requiring loan from financial institutions. Cash flow gained from operating activities was 72.3 million baht, cash flow spent for investing activities was 75.8 million baht, and cash flow spent for fund raising was 3.2 million baht. Therefore, cash and cash equivalents in business at the end of accounting period were 10.5 million baht, and Debt to Equity ratio increased from 0.93 in 2014 to 1.05 in 2015.

Economic climate in 2016 is expected to be recovered; government's projects delayed from 2015 can be likely to be implemented by latest mid 2016, which include wind turbine installation that started since end 2015 and planned to proceed throughout 2016. Company plans to focus more on foundation works which are able to support turnover of the company in terms of revenues from sales and services. Moreover, the company plans to rapidly release remaining stock to improve liquidity.



AUDITOR'S REPORT & FINANCIAL REPORT

AUDITOR'S REPORT

To the Board of Directors and Shareholders of Chukai Public Company Limited

I have audited the accompanying consolidated financial statements of Chukai Public Company Limited and its subsidiaries, which comprise the consolidated statement of financial position as at December 31, 2015, and the consolidated statement of comprehensive income, statement of changes in shareholders' equity and statement of cash flows for the year then ended, and a summary of significant accounting policies and other explanatory information. I have also audited the accompanying separate financial statements of Chukai Public Company Limited which comprise the separate statement of financial position as at December 31, 2015, and the separate statement of comprehensive income, statement of changes in shareholders' equity and statement of cash flows for the year then ended, and a summary of significant accounting policies and other explanatory information.

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 audit opinion.

Opinion

In my opinion, the financial statements present fairly, in all material respects, the consolidated financial position of Chukai Public Company Limited and its subsidiaries as at December 31, 2015, and their financial performance and cash flows for the year then ended, and the separate financial position of Chukai Public Company Limited as at December 31, 2015, and its financial performance and cash flows for the year then ended in accordance with Thai Financial Reporting Standards.

Registration Number 4917

PV Audit Co., Ltd.

Bangkok, February 25, 2016



CHUKAI PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES

STATEMENTS OF FINANCIAL POSITION

AS AT DECEMBER 31, 2015

| | Note | Baht | | | |
|-------------------------------------|-------|-----------------------------------|-------------------------|-------------------------------|-------------------------|
| | | Consolidated financial statements | | Separate financial statements | |
| | | 2015 | 2014 | 2015 | 2014 |
| Assets | 3 | | | | |
| Current assets | | | | | |
| Cash and cash equivalents | 5 | 10,534,468.67 | 17,277,668.23 | 1,183,661.85 | 15,106,218.04 |
| Trade and other receivables | 4, 6 | 137,347,520.73 | 209,666,977.06 | 184,088,058.16 | 162,475,838.91 |
| Short-term loans to related parties | 4 | - | - | 98,900,000.00 | 22,000,000.00 |
| Inventories | 7 | 264,336,181.51 | 332,828,148.54 | 262,507,416.30 | 334,117,720.14 |
| Other current assets | | 20,955,027.15 | 24,499,540.37 | 4,412,066.63 | 8,825,779.07 |
| Total current assets | | 433,173,198.06 | 584,272,334.20 | 551,091,202.94 | 542,525,556.16 |
| Non-current assets | | | | | |
| Restricted bank deposits | 9 | 411,119.92 | 504,258.71 | 280,766.24 | 275,716.49 |
| Investments in subsidiaries | 4, 10 | - | - | 299,991,430.00 | 299,991,430.00 |
| Investment property | 11 | 1,760,606.42 | 1,784,769.65 | - | - |
| Property, plant and equipment | 12 | 2,264,521,045.02 | 2,072,315,724.15 | 727,972,810.50 | 895,259,728.15 |
| Deferred tax assets | 13 | - | 3,646,405.56 | - | - |
| Other non-current assets | | 88,588,592.99 | 63,707,105.27 | 24,884,207.81 | 28,525,799.93 |
| Total non-current assets | | 2,355,281,364.35 | 2,141,958,263.34 | 1,053,129,214.55 | 1,224,052,674.57 |
| Total assets | | 2,788,454,562.41 | 2,726,230,597.54 | 1,604,220,417.49 | 1,766,578,230.73 |



CHUKAI PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES

STATEMENTS OF FINANCIAL POSITION

AS AT DECEMBER 31, 2015

| | Note | Baht | | | |
|---|-------|-----------------------------------|-------------------------|-------------------------------|-----------------------|
| | | Consolidated financial statements | | Separate financial statements | |
| | | 2015 | 2014 | 2015 | 2014 |
| Liabilities and shareholders' equity | 3 | | | | |
| Current liabilities | | | | | |
| Bank overdrafts and short-term loans | | | | | |
| from financial institutions | 14 | 65,456,007.19 | 68,156,167.94 | 49,579,273.53 | 65,301,465.48 |
| Trade and other payables | 4, 15 | 134,195,646.61 | 84,420,114.98 | 79,319,353.77 | 28,234,474.60 |
| Current portion of debts | 16 | 355,871,390.04 | 287,375,329.57 | 76,425,374.11 | 100,537,969.53 |
| Liability under repurchase agreement | 19 | - | 88,850,121.89 | - | - |
| Short-term loans from related parties | 4 | - | - | 82,400,000.00 | 158,050,000.00 |
| Accrued income tax | | 285,996.79 | 1,000,809.68 | - | - |
| Other current liabilities | | 20,196,086.77 | 23,020,272.14 | 10,749,299.66 | 10,460,339.66 |
| Total current liabilities | | 576,005,127.40 | 552,822,816.20 | 298,473,301.07 | 362,584,249.27 |
| Non-current liabilities | | | | | |
| Long-term loans from financial institutions | 17 | 164,686,000.00 | 222,574,000.00 | 159,936,000.00 | 214,824,000.00 |
| Long-term liabilities under finance leases | 18 | 604,136,885.03 | 449,794,666.56 | 15,159,947.19 | 36,576,476.90 |
| Deferred tax liabilities | 13 | 52,738,547.41 | 59,340,306.88 | 27,205,479.16 | 29,679,858.26 |
| Employee benefit obligations | 20 | 20,426,439.10 | 16,124,654.69 | 9,877,986.84 | 8,019,316.31 |
| Other non-current liabilities | 4 | 11,846,441.01 | 12,558,610.34 | 2,310,119.10 | 2,204,890.10 |
| Total non-current liabilities | | 853,834,312.55 | 760,392,238.47 | 214,489,532.29 | 291,304,541.57 |
| Total liabilities | | 1,429,839,439.95 | 1,313,215,054.67 | 512,962,833.36 | 653,888,790.84 |

CHUKAI PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES
STATEMENTS OF FINANCIAL POSITION
AS AT DECEMBER 31, 2015

| | Note | Baht | | | |
|---|------|-----------------------------------|-------------------------|-------------------------------|-------------------------|
| | | Consolidated financial statements | | Separate financial statements | |
| | | 2015 | 2014 | 2015 | 2014 |
| Shareholders' equity | | | | | |
| Share capital | 21 | | | | |
| Authorized share capital - 696,426,133 ordinary shares in year 2015 and 626,784,419 ordinary shares in year 2014, Baht 1 par value | | 696,426,133.00 | 626,784,419.00 | 696,426,133.00 | 626,784,419.00 |
| Issued and paid-up share capital - 696,424,685 ordinary shares in year 2015 and 626,783,520 ordinary shares in year 2014, fully paid-up | | 696,424,685.00 | 626,783,520.00 | 696,424,685.00 | 626,783,520.00 |
| Premium on ordinary shares | 22 | 209,553,500.00 | 209,553,500.00 | 209,553,500.00 | 209,553,500.00 |
| Surplus arising from business combination under common control | 2 | 39,195,609.23 | 39,195,609.23 | - | - |
| Retained earnings | | | | | |
| Appropriated - legal reserve | 23 | 31,524,151.37 | 31,524,151.37 | 31,524,151.37 | 31,524,151.37 |
| Unappropriated | 21 | 381,917,176.86 | 505,958,762.27 | 153,755,247.76 | 244,828,268.52 |
| Total shareholders' equity | | 1,358,615,122.46 | 1,413,015,542.87 | 1,091,257,584.13 | 1,112,689,439.89 |
| Total liabilities and shareholders' equity | | 2,788,454,562.41 | 2,726,230,597.54 | 1,604,220,417.49 | 1,766,578,230.73 |

CHUKAI PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES
STATEMENTS OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED DECEMBER 31, 2015

| | Note | Baht | | | |
|--|----------|-----------------------------------|-------------------------|-------------------------------|-----------------------|
| | | Consolidated financial statements | | Separate financial statements | |
| | | 2015 | 2014 | 2015 | 2014 |
| | 3 | | (Restated) | | (Restated) |
| Revenue from sales and services | 4 | 864,083,549.92 | 1,067,683,682.69 | 883,009,534.65 | 543,646,975.00 |
| Cost of sales and services | 2, 4, 24 | (701,532,677.91) | (719,535,879.48) | (791,910,334.32) | (459,850,931.37) |
| Gross profit | | 162,550,872.01 | 348,147,803.21 | 91,099,200.33 | 83,796,043.63 |
| Other income | 4 | 38,077,746.21 | 176,511,866.49 | 19,626,131.88 | 186,404,670.22 |
| Selling and service expenses | 2, 4, 24 | (38,205,006.95) | (47,325,100.33) | (19,285,952.35) | (21,434,349.73) |
| Administrative expenses | 2, 4, 24 | (141,071,085.51) | (124,669,932.19) | (83,841,653.16) | (79,865,553.48) |
| Finance costs | 4, 25 | (62,995,618.62) | (52,318,116.42) | (23,852,755.30) | (15,404,399.10) |
| Profit (loss) before income tax | | (41,643,092.86) | 300,346,520.76 | (16,255,028.60) | 153,496,411.54 |
| Tax income (expense) | 2, 27 | (3,550,291.62) | (61,230,427.27) | 2,492,026.62 | (32,685,462.79) |
| Profit (loss) for the year | | (45,193,384.48) | 239,116,093.49 | (13,763,001.98) | 120,810,948.75 |
| Other comprehensive income: | 2 | | | | |
| Items that will never be reclassified to profit or loss | | | | | |
| Defined benefit plan actuarial gains (losses) | | (1,834,490.10) | (3,418,976.90) | 88,237.58 | (1,123,143.20) |
| Income tax relating to defined benefit plan actuarial gains (losses) | 27 | 366,898.01 | 683,795.38 | (17,647.52) | 224,628.64 |
| Other comprehensive income (loss) for the year - net of tax | | (1,467,592.09) | (2,735,181.52) | 70,590.06 | (898,514.56) |
| Total comprehensive income (loss) for the year | | (46,660,976.57) | 236,380,911.97 | (13,692,411.92) | 119,912,434.19 |
| Basic earnings (loss) per share | 2, 3 | | | | |
| Profit (loss) attributable to equity holders of the Company | | (0.0649) | 0.3433 | (0.0198) | 0.1735 |
| Weighted average number of ordinary shares (Shares) | | 696,424,685 | 696,424,685 | 696,424,685 | 696,424,685 |



CHUKAI PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES
 STATEMENTS OF CHANGES IN SHAREHOLDERS' EQUITY
 FOR THE YEAR ENDED DECEMBER 31, 2015

| Baht | | | | | | |
|--|-------------------------------------|-------------------------------|---|----------------------|------------------------------|-------------------------|
| Consolidated financial statements | | | | | | |
| Note | Issued and paid-up share capital | Premium on ordinary shares | Surplus arising from business combination under common control | Retained earnings | | Total |
| | | | | Appropriated | Unappropriated (Restated) | |
| Beginning balance as at January 1, 2014 | 578,570,233.00 | 209,553,500.00 | 39,195,609.23 | 25,528,529.66 | 329,144,790.26 | 1,181,992,662.15 |
| Changes in shareholders' equity | | | | | | |
| Profit for the year | - | - | - | - | 239,116,093.49 | 239,116,093.49 |
| Other comprehensive loss for the year | 2 | - | - | - | (2,735,181.52) | (2,735,181.52) |
| Legal reserve | 23 | - | - | 5,995,621.71 | (5,995,621.71) | - |
| Increase in ordinary shares | 21 | 48,213,287.00 | - | - | - | 48,213,287.00 |
| Dividend payment | 21 | - | - | - | (53,571,318.25) | (53,571,318.25) |
| Ending balance as at December 31, 2014 | 626,783,520.00 | 209,553,500.00 | 39,195,609.23 | 31,524,151.37 | 505,958,762.27 | 1,413,015,542.87 |
| Changes in shareholders' equity | | | | | | |
| Loss for the year | - | - | - | - | (45,193,384.48) | (45,193,384.48) |
| Other comprehensive loss for the year | 2 | - | - | - | (1,467,592.09) | (1,467,592.09) |
| Increase in ordinary shares | 21 | 69,641,165.00 | - | - | - | 69,641,165.00 |
| Dividend payment | 21 | - | - | - | (77,380,608.84) | (77,380,608.84) |
| Ending balance as at December 31, 2015 | 696,424,685.00 | 209,553,500.00 | 39,195,609.23 | 31,524,151.37 | 381,917,176.86 | 1,358,615,122.46 |

CHUKAI PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES
STATEMENTS OF CHANGES IN SHAREHOLDERS' EQUITY
FOR THE YEAR ENDED DECEMBER 31, 2015

| | Baht | | | | | |
|--|-------------------------------|-------------------------------------|-------------------------------|----------------------|------------------------------|-------------------------|
| | Separate financial statements | | | | | |
| | Note | Issued and paid-up share capital | Premium on ordinary shares | Retained earnings | | Total |
| | | | | Appropriated | Unappropriated (Restated) | |
| Beginning balance as at January 1, 2014 | | 578,570,233.00 | 209,553,500.00 | 25,528,529.66 | 184,482,774.29 | 998,135,036.95 |
| Changes in shareholders' equity | | | | | | |
| Profit for the year | | - | - | - | 120,810,948.75 | 120,810,948.75 |
| Other comprehensive loss for the year | 2 | - | - | - | (898,514.56) | (898,514.56) |
| Legal reserve | 23 | - | - | 5,995,621.71 | (5,995,621.71) | - |
| Increase in ordinary shares | 21 | 48,213,287.00 | - | - | - | 48,213,287.00 |
| Dividend payment | 21 | - | - | - | (53,571,318.25) | (53,571,318.25) |
| Ending balance as at December 31, 2014 | | 626,783,520.00 | 209,553,500.00 | 31,524,151.37 | 244,828,268.52 | 1,112,689,439.89 |
| Changes in shareholders' equity | | | | | | |
| Loss for the year | | - | - | - | (13,763,001.98) | (13,763,001.98) |
| Other comprehensive income for the year | 2 | - | - | - | 70,590.06 | 70,590.06 |
| Increase in ordinary shares | 21 | 69,641,165.00 | - | - | - | 69,641,165.00 |
| Dividend payment | 21 | - | - | - | (77,380,608.84) | (77,380,608.84) |
| Ending balance as at December 31, 2015 | | 696,424,685.00 | 209,553,500.00 | 31,524,151.37 | 153,755,247.76 | 1,091,257,584.13 |



CHUKAI PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES

STATEMENTS OF CASH FLOWS

FOR THE YEAR ENDED DECEMBER 31, 2015

| | Baht | | | |
|---|-----------------------------------|------------------------|-------------------------------|-------------------------|
| | Consolidated financial statements | | Separate financial statements | |
| | 2015 | 2014 | 2015 | 2014 |
| | | (Restated) | | (Restated) |
| Cash flows from operating activities | | | | |
| Profit (loss) before income tax | (41,643,092.86) | 300,346,520.76 | (16,255,028.60) | 153,496,411.54 |
| Adjustments to reconcile profit (loss) before income tax to net cash provided by (used in) operating activities | | | | |
| Depreciation | 266,451,237.18 | 217,570,285.24 | 73,204,812.75 | 76,906,743.22 |
| Doubtful accounts (reversal) | 18,575,405.34 | (2,145,168.41) | 1,273,272.08 | 1,064,669.26 |
| Loss from obsolete stock (reversal) | 1,981,832.79 | (154,777.80) | 1,981,832.79 | (154,777.80) |
| Loss from impairment of assets and written-off assets | 4,414,322.96 | 3,244,601.61 | 4,414,321.96 | 108,203.32 |
| Gain on sales of assets | (1,265,875.28) | (159,516,072.27) | (1,265,875.28) | (157,619,625.55) |
| Fine from litigation (reversal) | (31,850,121.89) | 6,011,091.37 | - | - |
| Unrealized (gain) loss on exchange rate and revaluation | 282,342.09 | (8,341.20) | 569,239.77 | - |
| Interest income | (128,524.71) | (84,813.10) | (3,651,138.29) | (3,364,659.47) |
| Interest expenses | 62,995,618.62 | 51,907,341.42 | 23,852,755.30 | 14,993,624.10 |
| Employee benefit obligations | 2,949,770.71 | 2,052,254.98 | 1,980,716.01 | 1,175,852.47 |
| Profit from operating activities before change in operating assets and liabilities | 282,762,914.95 | 419,222,922.60 | 86,104,908.49 | 86,606,441.09 |
| Change in operating assets (increase) decrease | | | | |
| Trade and other receivables | 48,746,329.11 | (28,672,119.92) | (20,089,069.43) | (50,018,522.02) |
| Inventories | (200,388,963.39) | 223,945,305.90 | 169,422,039.14 | 237,330,300.31 |
| Other current assets | 3,544,584.46 | 25,132,963.81 | 4,413,783.68 | 25,865,718.35 |
| Restricted bank deposits | 93,138.79 | (8,757.29) | (5,049.75) | (6,007.76) |
| Other non-current assets | (5,102,307.73) | 2,832,695.59 | 2,369,149.76 | (6,165,000.00) |
| Change in operating liabilities increase (decrease) | | | | |
| Trade and other payables | 36,400,966.24 | (666,028,209.95) | 48,908,385.35 | (662,661,977.91) |
| Liability under repurchase agreement | (57,000,000.00) | - | - | - |
| Other current liabilities | (2,824,185.37) | 4,564,533.11 | 288,960.00 | 2,943,960.64 |
| Employee benefit obligations paid | (482,476.40) | (2,225,721.08) | (33,807.90) | (1,423,813.98) |
| Other non-current liabilities | (712,169.33) | 413,453.19 | 105,229.00 | (78,841.85) |
| Cash generated (paid) from operations | 105,037,831.33 | (20,822,934.04) | 291,484,528.34 | (367,607,743.13) |
| Interest received | 126,246.59 | 71,895.90 | 854,716.39 | 8,299,888.79 |
| Proceeds from income tax refund | - | 5,966,541.26 | - | - |
| Income tax paid | (32,887,792.04) | (57,811,835.61) | (4,982,609.28) | (24,077,219.99) |
| Net cash provided by (used in) operating activities | 72,276,285.88 | (72,596,332.49) | 287,356,635.45 | (383,385,074.33) |



CHUKAI PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES

STATEMENTS OF CASH FLOWS

FOR THE YEAR ENDED DECEMBER 31, 2015

| | Baht | | | |
|---|-----------------------------------|-------------------------|-------------------------------|-----------------------|
| | Consolidated financial statements | | Separate financial statements | |
| | 2015 | 2014 | 2015 | 2014 |
| | | (Restated) | | (Restated) |
| Cash flows from investing activities | | | | |
| (Increase) decrease in short-term loans to related parties | - | - | (76,900,000.00) | 91,500,000.00 |
| Increase in investment in subsidiary | - | - | - | (125,000,000.00) |
| Purchases of property, plant and equipment | (85,385,148.20) | (186,340,657.43) | (9,417,511.78) | (51,565,587.26) |
| Proceeds from sales of assets | 9,607,476.64 | 487,786,726.85 | 9,607,476.64 | 484,568,748.35 |
| Net cash provided by (used in) investing activities | (75,777,671.56) | 301,446,069.42 | (76,710,035.14) | 399,503,161.09 |
| Cash flows from financing activities | | | | |
| Increase (decrease) in bank overdrafts and short-term loans from financial institutions | (2,700,160.75) | 47,369,961.73 | (15,722,191.95) | 53,282,393.45 |
| Proceeds from short-term loans from related parties | - | - | 58,350,000.00 | 61,150,000.00 |
| Repayment for short-term loans from related parties | - | - | (134,000,000.00) | (49,250,000.00) |
| Proceeds from sale and leaseback agreement and finance lease agreement | 392,452,400.00 | - | - | - |
| Repayment for liabilities under finance leases | (263,707,929.01) | (201,805,964.31) | (46,023,155.70) | (45,910,083.88) |
| Proceeds from long-term loans from financial institutions | - | 251,500,000.00 | - | 251,500,000.00 |
| Repayment for long-term loans from financial institutions | (57,888,000.00) | (254,268,139.35) | (54,888,000.00) | (250,382,000.00) |
| Interest paid | (63,658,744.38) | (53,015,128.66) | (24,546,429.11) | (16,143,578.64) |
| Dividend payment | (7,739,379.74) | (5,357,983.59) | (7,739,379.74) | (5,357,983.59) |
| Net cash used in financing activities | (3,241,813.88) | (215,577,254.18) | (224,569,156.50) | (1,111,252.66) |
| Net increase (decrease) in cash and cash equivalents | (6,743,199.56) | 13,272,482.75 | (13,922,556.19) | 15,006,834.10 |
| Cash and cash equivalents at the beginning of the year | 17,277,668.23 | 4,005,185.48 | 15,106,218.04 | 99,383.94 |
| Cash and cash equivalents at the end of the year | 10,534,468.67 | 17,277,668.23 | 1,183,661.85 | 15,106,218.04 |

Additional details of non-cash items

- The Company and subsidiaries purchased the machinery and equipment for rent and vehicles at cost in the amount of Baht 0.59 million (year 2014: Baht 14.66 million) in the separate financial statements and in the amount of Baht 97.41 million (year 2014: Baht 207.33 million) in the consolidated financial statements by cash payment in the amount of Baht 0.10 million (year 2014: Baht 2.81 million) in the separate financial statements and in the amount of Baht 3.31 million (year 2014: Baht 22.57 million) in the consolidated financial statements and by entering into a finance lease agreement for the remainder.
- The Company sold the machinery and equipment for rent to the subsidiaries with by cash received according to the lease agreement in the amount of Baht 392.45 million.



CHUKAI PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2015

1. GENERAL INFORMATION

Chukai Public Company Limited “the Company” was incorporated in Thailand under the Civil and Commercial Code on May 26, 1997 and became a public company limited on June 8, 2005. The Company’s principal activities are to trade, repair and provide maintenance services, rental services and transportation services for cranes, forklifts, trailers and trucks.

On January 29, 2008, the Company was listed on the Stock Exchange of Thailand in Market for Alternative Investment (mai). On August 7, 2014, the Company’s listed securities were moved to trade on the Stock Exchange of Thailand (SET).

The office of the Company is at 42/62, Moo 14, Bangkaew, Bangplee, Samutprakarn.

2. BASIS OF PREPARATION OF THE FINANCIAL STATEMENTS

The accompanying financial statements are prepared in accordance with Thai Financial Reporting Standards (“TFRS”) including related interpretations and guidelines promulgated by the Federation of Accounting Professions (“FAP”) in accordance with generally accepted accounting principles in Thailand.

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

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

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

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

BASIS OF PREPARATION OF THE CONSOLIDATED FINANCIAL STATEMENTS

The consolidated financial statements consisted of the financial statements of Chukai Public Company Limited, and subsidiaries (together referred to as “the Group”) as follows:

| Subsidiaries | Located in | Business type | Percentage of holding | |
|---------------------------------|------------|-------------------------------------|-----------------------|------|
| | | | 2015 | 2014 |
| The Crane Lamechabang Co., Ltd. | Thailand | Sales and rental service for cranes | 100% | 100% |
| The Crane Rayong Co., Ltd. | Thailand | Sales and rental service for cranes | 100% | 100% |
| The Crane Heavy Lift Co., Ltd. | Thailand | Sales and rental service for cranes | 100% | 100% |
| The Crane Service Co., Ltd. | Thailand | Sales and rental service for cranes | 100% | 100% |

All significant intercompany transactions and accounts are eliminated in preparing the consolidated financial statements.

The preparation of the consolidated financial statements has been based on the same accounting policies for the same or similar accounting transactions or accounting events.

Subsidiaries are an entity controlled by the Company. The Company is deemed to have control over an investee or subsidiaries if it has rights, or is exposed, to variable returns from its involvement with the investee, and it has the ability to direct the activities that significantly affect the amount of its returns. The financial statements of subsidiaries are included in the consolidated financial statements from the date that control commences until the date that control ceases.

The surplus arising from business combination under common control is the difference between the net book value of such acquired investment and cost of acquired investment from restructuring into the Company under common control. These said investments are from merging the entities which have the same shareholders and management team. The said surplus is presented in the statement of financial position under shareholders’ equity.

Adoption of New Thai Financial Reporting Standards

FAP has issued Notifications, mandating the use of new and revised Conceptual Framework for Financial Reporting (revised 2015), Thai Accounting Standards (“TAS”), TFRS, Thai Standard Interpretations (“TSIC”) and Thai Financial Reporting Interpretations (“TFRIC”) as follows:

- a) Conceptual Framework for Financial Reporting (revised 2015) which is immediately effective for the year 2015.
- b) TAS, TFRS, TSIC and TFRIC which are effective for the financial statements for the period beginning on or after January 1, 2015 as follows:

| TAS/TFRS/TSIC/TFRIC | Topic |
|----------------------|--------------------------------------|
| TAS 1 (revised 2014) | Presentation of Financial Statements |



| TAS/TFRS/TSIC/TFRIC | Topic |
|-----------------------|--|
| TAS 2 (revised 2014) | Inventories |
| TAS 7 (revised 2014) | Statement of Cash Flows |
| TAS 8 (revised 2014) | Accounting Policies, Changes in Accounting Estimates and Errors |
| TAS 10 (revised 2014) | Events after the Reporting Period |
| TAS 11 (revised 2014) | Construction Contracts |
| TAS 12 (revised 2014) | Income Taxes |
| TAS 16 (revised 2014) | Property, Plant and Equipment |
| TAS 17 (revised 2014) | Leases |
| TAS 18 (revised 2014) | Revenue |
| TAS 19 (revised 2014) | Employee Benefits |
| TAS 20 (revised 2014) | Accounting for Government Grants and Disclosure of Government Assistance |
| TAS 21 (revised 2014) | The Effects of Changes in Foreign Exchange Rates |
| TAS 23 (revised 2014) | Borrowing Costs |
| TAS 24 (revised 2014) | Related Party Disclosures |
| TAS 26 (revised 2014) | Accounting and Reporting by Retirement Benefit Plans |
| TAS 27 (revised 2014) | Separate Financial Statements |
| TAS 28 (revised 2014) | Investments in Associates and Joint Ventures |
| TAS 29 (revised 2014) | Financial Reporting in Hyperinflationary Economies |
| TAS 33 (revised 2014) | Earnings per Share |
| TAS 34 (revised 2014) | Interim Financial Reporting |



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



| TAS/TFRS/TSIC/TFRIC | Topic |
|-------------------------|--|
| TSIC 31 (revised 2014) | Revenue - Barter Transactions Involving Advertising Services |
| TSIC 32 (revised 2014) | Intangible Assets - Web Site Costs |
| TFRIC 1 (revised 2014) | Changes in Existing Decommissioning, Restoration and Similar Liabilities |
| TFRIC 4 (revised 2014) | Determining whether an Arrangement contains a Lease |
| TFRIC 5 (revised 2014) | Rights to Interests arising from Decommission, Restoration and Environmental Rehabilitation Funds |
| TFRIC 7 (revised 2014) | Applying the Restatement Approach under TAS 29 (revised 2014) Financial Reporting in Hyperinflationary Economies |
| TFRIC 10 (revised 2014) | Interim Financial Reporting and Impairment |
| TFRIC 12 (revised 2014) | Service Concession Arrangements |
| TFRIC 13 (revised 2014) | Customer Loyalty Programmes |
| TFRIC 14 | TAS 19 (revised 2014) - The Limit on a Defined Benefit Asset, Minimum Funding Requirements and their Interaction |
| TFRIC 15 (revised 2014) | Agreements for the Construction of Real Estate |
| TFRIC 17 (revised 2014) | Distributions of Non-cash Assets to Owners |
| TFRIC 18 (revised 2014) | Transfers of Assets from Customers |
| TFRIC 20 | Stripping Costs in the Production Phase of a Surface Mine |

During the year, the Group has adopted Conceptual Framework for Financial Reporting (revised 2015), new and revised TFRS which are effective for the accounting period beginning on or after January 1, 2015. These Conceptual Framework for Financial Reporting (revised 2015) and TFRS were aimed at alignment with the



corresponding International Financial Reporting Standards, with most of the changes directed towards revision of wording and terminology, and provision of interpretations and accounting guidance to users of standards. The adoption of these Conceptual Framework for Financial Reporting (revised 2015) and TFRS does not have any significant impact on the financial statements of the Group, except TFRS as follows:

TAS 1 (revised 2014) Presentation of financial statements

The key change is that the Group is required to group items presented in “Other Comprehensive Income” on the basis of whether they are potentially reclassifiable to profit or loss subsequently. This standard will only impact the presentation of other comprehensive income items in the statement of comprehensive income of the Group.

TAS 19 (revised 2014) Employee benefits

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

The Group’s management has assessed the effects of such changes which adjusted retrospectively in the financial statements and presented in the statements of comprehensive income for the years ended December 31, 2015 and 2014 as follows:

| | Baht | | | |
|--|-----------------------------------|----------------|-------------------------------|----------------|
| | Consolidated financial statements | | Separate financial statements | |
| | 2015 | 2014 | 2015 | 2014 |
| | | (Restated) | | (Restated) |
| Statements of comprehensive income | | | | |
| Decrease in cost of sales and services | 2,653,397.10 | 2,537,744.46 | 1,607,676.52 | 784,672.09 |
| Decrease in selling and service expenses | 413,870.94 | 267,757.72 | 5,403.93 | 2,017.74 |
| (Increase) decrease in administrative expenses | (1,232,777.94) | 613,474.72 | (1,701,318.03) | 336,453.37 |
| (Increase) decrease in tax expense | (366,898.01) | (683,795.38) | 17,647.52 | (224,628.64) |
| Increase (decrease) in profit (loss) for the year | 1,467,592.09 | 2,735,181.52 | (70,590.06) | 898,514.56 |
| Increase (decrease) in basic earnings (loss) per share | 0.0021 | 0.0039 | (0.0001) | 0.0013 |
| Other comprehensive income | | | | |
| Items that will never be reclassified to profit or loss | | | | |
| Defined benefit plan actuarial gains (losses) | (1,834,490.10) | (3,418,976.90) | 88,237.58 | (1,123,143.20) |
| Income tax relating to defined benefit plan | | | | |
| actuarial gains (losses) | 366,898.01 | 683,795.38 | (17,647.52) | 224,628.64 |
| Increase (decrease) in other comprehensive income (loss) | (1,467,592.09) | (2,735,181.52) | 70,590.06 | (898,514.56) |

**TFRS 13 Fair value measurement**

This standard provides guidance on how to measure fair value and stipulates disclosures related to fair value measurement. The Group is to apply the guidance under this standard if it is required by other TFRS to measure its assets or liabilities at fair value. The effects of the adoption of this standard are to be recognised prospectively.

The Group disclosed information in accordance with this standard as described in Note 31.

New and revised Thai Financial Reporting Standards not yet effective

During the year 2015, FAP has issued Notifications, mandating the use of new and revised TAS, TFRS, TSIC, TFRIC and accounting guidance (“AG”) as follows:

TAS, TFRS, TSIC, TFRIC and AG which are effective for the financial statements for the period beginning on or after January 1, 2016 as follows:

| TAS/TFRS/TSIC/TFRIC/AG | Topic |
|-------------------------------|--|
| TAS 1 (revised 2015) | Presentation of Financial Statements |
| TAS 2 (revised 2015) | Inventories |
| TAS 7 (revised 2015) | Statement of Cash Flows |
| TAS 8 (revised 2015) | Accounting Policies, Changes in Accounting Estimates and Errors |
| TAS 10 (revised 2015) | Events after the Reporting Period |
| TAS 11 (revised 2015) | Construction Contracts |
| TAS 12 (revised 2015) | Income Taxes |
| TAS 16 (revised 2015) | Property, Plant and Equipment |
| TAS 17 (revised 2015) | Leases |
| TAS 18 (revised 2015) | Revenue |
| TAS 19 (revised 2015) | Employee Benefits |
| TAS 20 (revised 2015) | Accounting for Government Grants and Disclosure of Government Assistance |



| TAS/TFRS/TSIC/TFRIC/AG | Topic |
|------------------------|--|
| TAS 21 (revised 2015) | The Effects of Changes in Foreign Exchange Rates |
| TAS 23 (revised 2015) | Borrowing Costs |
| TAS 24 (revised 2015) | Related Party Disclosures |
| TAS 26 (revised 2015) | Accounting and Reporting by Retirement Benefit Plans |
| TAS 27 (revised 2015) | Separate Financial Statements |
| TAS 28 (revised 2015) | Investments in Associates and Joint Ventures |
| TAS 29 (revised 2015) | Financial Reporting in Hyperinflationary Economies |
| TAS 33 (revised 2015) | Earnings per Share |
| TAS 34 (revised 2015) | Interim Financial Reporting |
| TAS 36 (revised 2015) | Impairment of Asset |
| TAS 37 (revised 2015) | Provisions, Contingent Liabilities and Contingent Assets |
| TAS 38 (revised 2015) | Intangible Assets |
| TAS 40 (revised 2015) | Investment Property |
| TAS 41 | Agriculture |
| TFRS 2 (revised 2015) | Share-based Payment |
| TFRS 3 (revised 2015) | Business Combinations |
| TFRS 4 (revised 2015) | Insurance Contracts |
| TFRS 5 (revised 2015) | Non-current Assets Held for Sale and Discontinued Operations |
| TFRS 6 (revised 2015) | Exploration for and Evaluation of Mineral Resources |
| TFRS 8 (revised 2015) | Operating Segments |



| TAS/TFRS/TSIC/TFRIC/AG | Topic |
|-------------------------|--|
| TFRS 10 (revised 2015) | Consolidated Financial Statements |
| TFRS 11 (revised 2015) | Joint Arrangements |
| TFRS 12 (revised 2015) | Disclosure of Interests in Other Entities |
| TFRS 13 (revised 2015) | Fair Value Measurement |
| TSIC 10 (revised 2015) | Government Assistance - No specific Relation to Operating Activities |
| TSIC 15 (revised 2015) | Operating Leases - Incentives |
| TSIC 25 (revised 2015) | Income Taxes - Changes in the Tax Status of an Entity or its Shareholders |
| TSIC 27 (revised 2015) | Evaluating the Substance of Transactions Involving the Legal Form of a Lease |
| TSIC 29 (revised 2015) | Service Concession Arrangements: Disclosures |
| TSIC 31 (revised 2015) | Revenue - Barter Transactions Involving Advertising Services |
| TSIC 32 (revised 2015) | Intangible Assets - Web Site Costs |
| TFRIC 1 (revised 2015) | Changes in Existing Decommissioning, Restoration and Similar Liabilities |
| TFRIC 4 (revised 2015) | Determining whether an Arrangement contains a Lease |
| TFRIC 5 (revised 2015) | Rights to Interests arising from Decommission, Restoration and Environmental Rehabilitation Funds |
| TFRIC 7 (revised 2015) | Applying the Restatement Approach under TAS 29 (revised 2015) Financial Reporting in Hyperinflationary Economies |
| TFRIC 10 (revised 2015) | Interim Financial Reporting and Impairment |

| TAS/TFRS/TSIC/TFRIC/AG | Topic |
|-------------------------------|--|
| TFRIC 12 (revised 2015) | Service Concession Arrangements |
| TFRIC 13 (revised 2015) | Customer Loyalty Programmes |
| TFRIC 14 (revised 2015) | TAS 19 (revised 2015) - The Limit on a Defined Benefit Asset, Minimum Funding Requirements and their Interaction |
| TFRIC 15 (revised 2015) | Agreements for the Construction of Real Estate |
| TFRIC 17 (revised 2015) | Distributions of Non-cash Assets to Owners |
| TFRIC 18 (revised 2015) | Transfers of Assets from Customers |
| TFRIC 20 (revised 2015) | Stripping Costs in the Production Phase of a Surface Mine |
| TFRIC 21 | Levies |

Accounting guidance for the measurement and recognition of bearer plants.

The management of the Group is assessing the impacts of these TFRS on the financial statements for the year in which they are initially applied.

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The measurement bases used in preparing the financial statements

Other than those disclosed elsewhere in the summary of significant accounting policies and other notes to the financial statements, the financial statements are prepared on the historical cost basis.

Revenues

Revenue excludes value added taxes or other sales taxes and is arrived at after deduction of trade discounts.

Revenues from services of rental and transportation are recognized when services are rendered.

Revenue is recognized in the statement of comprehensive income when the significant risks and rewards of ownership have been transferred to the buyer. No revenue is recognized if there is continuing management involvement with the goods or there are significant uncertainties regarding recovery of the consideration due, associated costs or the probable return of goods.

Revenue from rental

Revenue from rental is recognized to the statement of comprehensive income by the straight-line method over the term of the agreement.



Interest income

Interest income is recognized as interest accrues, based on the effective rate method.

Dividends income

Dividends incomes are recognized when the right to receive the dividends is established.

Other income

Other income is recognized on an accrual basis.

Expenses

Operating leases

Payments made under operating leases are recognized in the statement of comprehensive income on a straight-line basis over the term of the lease. Lease incentives received are recognized in the statement of comprehensive income as an integral part of the total lease payments made. Contingent rentals are charged to the statement of comprehensive income in the accounting period in which they are incurred.

Finance costs

Borrowing costs directly attributable to the acquisition, construction or production of an asset that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalised as part of the cost of the respective assets. All other borrowing costs are expensed in the period they are incurred. Borrowing costs consist of interest and other costs that an entity incurs in connection with the borrowing of funds.

The interest component of finance lease payments is recognized in the statement of comprehensive income using the effective interest rate method.

Expenses are recognized on an accrual basis.

Employee benefits

Short-term benefits

The Group recognizes salaries, wages, bonus and social security contribution as expenses when incurred.

Post-employment benefits – defined contribution plan

The Group operates a provident fund that is a defined contribution plan. The assets of which are held in a separate trust fund. The provident fund is funded by payments from employees and the relevant companies. Contributions to the provident fund are charged to the statement of comprehensive income in the period to which they relate.

Post-employment benefits – defined benefit plan

The employee benefits liabilities for severance payment as the labor law is recognized as a charge to results of operations over the employee's service period. It is calculated by estimating the amount of future benefit earned by employees in return for service provided to the Group in the current and future periods, with such benefit being discounted to determine the present value. The reference point for setting the discount rate is the yield rate of



government bonds as at the reporting date. The calculation is performed by actuarial technique using the Projected Unit Credit Method.

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

When the actuarial assumptions are changed, the Group recognizes all actuarial gains (losses) immediately in other comprehensive income.

Termination benefits

The Group recognizes termination benefits as a liability and expense when the Group terminates the employment of an employee or group of employees before the normal retirement date.

Fair value measurement

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

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

- Level 1 Use of quoted market prices in an observable active market for such assets or liabilities
- Level 2 Use of other observable inputs for such assets or liabilities, whether directly or indirectly
- Level 3 Use of unobservable inputs such as estimates of future cash flows

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

Income tax

Income tax expense for the year comprises current and deferred tax. Current and deferred tax are recognized in profit or loss except to the extent that they relate to items recognized directly in shareholders' equity or in other comprehensive income.



Current tax is the expected tax payable or receivable on the taxable income or loss for the year, using tax rates enacted or substantively enacted at the end of reporting period date, and any adjustment to tax payable in respect of previous years.

Deferred tax is recognized in respect of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes.

Deferred tax is measured at the tax rates that are expected to be applied to the temporary differences when they reverse, using tax rates enacted or substantively enacted at the end of reporting period date.

In determining the amount of current and deferred tax, the Group takes into account the impact of uncertain tax positions and whether additional taxes and interest may be due. The Group believes that its accruals for tax liabilities are adequate for all open tax years based on its assessment of many factors, including interpretations of tax law and prior experience. This assessment relies on estimates and assumptions and may involve a series of judgements about future events. New information may become available that causes the Group to change their judgement regarding the adequacy of existing tax liabilities; such changes to tax liabilities will impact tax expense in the period that such a determination is made.

Deferred tax assets and liabilities are offset if there is a legally enforceable right to offset current tax assets and liabilities, and they relate to income taxes levied by the same tax authority on the same taxable entity, or on different tax entities, but they intend to settle current tax liabilities and assets on a net basis or their tax assets and liabilities will be realized simultaneously.

A deferred tax asset is recognised to the extent that it is probable that future taxable profits will be available against which the temporary differences can be utilised. Deferred tax assets are reviewed at the end of reporting period date and reduced to the extent that it is no longer probable that the related tax benefit will be realized.

Cash and cash equivalents

Cash and cash equivalents are cash on hand, current deposits and savings deposits, cash at bank with an original maturity of 3 months and short-term investments with high liquidity excluded deposits at bank on obligation.

Trade and other receivables

Trade and other receivables are stated at their invoice value less allowance for doubtful accounts.

Allowance for doubtful accounts is provided for the estimated losses that may be incurred in collection of receivables. The allowance is generally based on collection experiences and analysis of debtor aging.

In determining an allowance for doubtful accounts, the management needs to make judgment for estimated losses for each outstanding debtor. The allowances for doubtful accounts are determined through a combination of analysis of debt aging, collection experience, and taking into account change in the current economic conditions. However, the use of different estimates and assumptions could affect the amounts of allowances for receivable losses and adjustments to the allowances may therefore be required in the future.

**Inventories**

Inventories are valued at the lower of the specific identification cost method or net realizable value.

Cost comprises all costs of purchase, costs of conversion and other costs incurred in bringing the inventories to their present location and condition. In the case of manufactured inventories, cost includes an appropriate share of overheads based on normal operating capacity.

Net realizable value is the estimated selling price in the normal course of business less the costs to make the sale.

A provision for devaluation of inventories is made for all deteriorated, damaged, obsolete and slow-moving inventories.

Investments in subsidiaries

Investments in subsidiaries in the separate financial statements are accounted for using the cost method less allowance for impairment loss (if any).

Investment property

Investment property is land and building which is held to earn rental income, for capital appreciation or for both, but not for sale in the ordinary course of business, use in the production or supply of goods or services or for administrative purposes.

Land is stated at cost less allowance for impairment (if any).

Building is stated at cost less accumulated depreciation and allowance for impairment (if any).

Depreciation

Depreciation is computed by the straight-line method based on the estimated useful lives of building of 30 years.

The cost of major renovations is included in the carrying amount of the asset when it is probable that future economic benefits will be more than one period. Major renovations are depreciated over the remaining useful life of the related asset.

Property, plant and equipment

Land is stated at cost. Buildings and equipment are stated at cost less accumulated depreciation and allowance for impairment (if any).

Depreciation

Depreciation is computed by the straight-line method based on the estimated useful lives of assets as follows:



| Type of assets | Years |
|----------------------------------|-------------|
| Land improvements | 5 and 30 |
| Buildings | 3 and 30 |
| Machinery and equipment for rent | 5, 7 and 15 |
| Machinery and factory equipment | 5 |
| Furniture and office equipment | 5 |
| Vehicles | 5 |

Depreciation is included in determining income and no depreciation is provided on land, part of land improvement and construction in progress and assets in transit.

Repairs and maintenance are charged to the statement of comprehensive income during the financial period in which they are incurred. The cost of major renovations is included in the carrying amount of the asset when it is probable that future economic benefits to be used during more than one period. Major renovations are depreciated over the remaining useful life of the related asset.

Gains and losses on disposals are determined by comparing the proceeds with carrying amount and are included in the statement of comprehensive income.

The machinery and equipment for lease had an objective to lease and sell. Therefore, the machinery and equipment which did not sell, then the assets go to service were recorded in "Property, plant and equipment" and were depreciated over its useful life as above recorded in "Cost of services" until there are sales will stop the depreciation and will be reclassified to be "Inventories" if sold out and will recognize the cost of sales at the net book value (cost less accumulated depreciation) on the disposed date to the statement of comprehensive income in the period in which they are incurred.

Finance lease

Leases of property, plant or equipment which substantially transfer all the risks and rewards of ownership are classified as finance leases. Finance leases are capitalized at the inception of the lease at the lower of the fair value of the leased property or the present value of the minimum lease payments. Each lease payment is allocated to the principal and to the finance costs so as to achieve a constant rate on the finance balance outstanding. The outstanding rental obligations, net of finance costs, are included in other long-term payables. The interest element of the finance cost is charged to the statement of comprehensive income over the lease period. The property, plant or equipment acquired under finance leases is depreciated over the shorter of the useful life of the asset or the lease term.

Under finance leases has condition about bargain purchase option under finance leases when complete at the value or the rate agreement. Therefore, if the Group has policy purchase such assets, will record the amount of payment of assets include in liabilities under finance leases.

**Impairment of assets**

The carrying amounts of the Group's assets are reviewed at each in the statement of financial position date to determine whether there is any indication of impairment. If any such indication exists, the asset's recoverable amount is estimated.

An impairment loss is recognized whenever the carrying amount of an asset or its cash-generating unit exceeds its recoverable amount. The impairment loss is recognized in the statement of comprehensive income.

Calculation of recoverable amount

The recoverable amount is the greater of the assets' fair value less cost to sell and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. For an asset that does not generate cash inflows largely independent of those from other assets, the recoverable amount is determined for the cash-generating unit to which the asset belongs.

Reversals of impairment

An impairment loss is reversed if there has been a change in the estimates used to determine the recoverable amount.

An impairment loss is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortization, if no impairment loss had been recognized.

Provisions

A provision is recognized in the statement of financial position when the Group has a present legal or constructive obligation as a result of a past event, and it is probable that an outflow of economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. If the effect is material, provisions are determined by discounting the expected future cash flows at a pre-tax rate that reflects current market assessments of the time value of money and, where appropriate, the risks specific to the liability. Significant judgments and estimates are as follows:

Commercial disputes and litigation

The Group has contingent liabilities as a result of commercial disputes and litigation. The management has used judgment to assess of the results of the commercial disputes and litigation and believes that no loss will result. Therefore no provision is recorded as at the statement of financial position date. However, actual results could differ from the estimates.

Foreign currencies**Foreign currency transactions**

Transactions in foreign currencies are translated into the functional currencies using the exchange rate at the date of transactions.

Monetary assets and liabilities denominated in foreign currencies at the end of reporting period date are translated into the functional currency using the exchange rate at the end of reporting period date. Forward exchange contracts at the transaction date are converted to Thai Baht by using the contract rates.

Outstanding forward exchange contracts are marked to market by comparing contract rates to forward rates established by the contracting Bank with the same maturity. At each balance sheet date, the unrealized gains or losses on outstanding forward exchange contracts, calculated as describe above, are included within other receivables or other payables from forward exchange contracts in the statement of financial position.

Gain or loss on conversion is included in the statement of comprehensive income.

Dividends

Dividend and interim dividend payment are recorded in the consolidated and separate financial statements in the period in which they are approved by Shareholders' meeting and Board of Directors' meeting.

Basic earnings (loss) per share

Basic earnings (loss) per share for the year ended December 31, 2015 and 2014 is calculated by dividing profit (loss) for the years attributable to ordinary shareholders by the weighted average number of ordinary shares issued during the years, after adjusting the number of ordinary shares to reflect the impact of the stock dividend as disclosed in the Note 21. The basic earnings (loss) per share has been recalculated as if the stock dividend had been distributed at the beginning of the earliest period reported.

For the years ended December 31, 2015 and 2014 were as follows:

| | Consolidated | | Separate | |
|--|----------------------|----------------|----------------------|----------------|
| | financial statements | | financial statements | |
| | 2015 | 2014 | 2015 | 2014 |
| | | (Restated) | | (Restated) |
| Profit (loss) for the year (Baht) | (45,193,384.48) | 239,116,093.49 | (13,763,001.98) | 120,810,948.75 |
| Weighted average number of ordinary shares (shares) | | | | |
| Issued ordinary shares at January 1 | 626,783,520 | 578,570,233 | 626,783,520 | 578,570,233 |
| The stock dividend for year 2014 | - | 48,213,287 | - | 48,213,287 |
| The stock dividend for year 2015 | 69,641,165 | 69,641,165 | 69,641,165 | 69,641,165 |
| Weighted average number of ordinary shares (shares) | 696,424,685 | 696,424,685 | 696,424,685 | 696,424,685 |
| Basic earnings (loss) per share (Baht) | (0.0649) | 0.3433 | (0.0198) | 0.1735 |



4. TRANSACTIONS WITH RELATED PARTIES

The Company had transactions with related parties. These parties were related through common shareholders and/or directorships. The significant transactions with related parties as included in the financial statements are determined at the prices in line occurring in the normal course of business based on the market price in general or the price as stipulated in the agreement if no market price exists.

The significant balances of assets, liabilities and other transactions occurred with those related parties were as follows:

Significant transactions with related parties for the years ended December 31, 2015 and 2014 were as follows :

| | Baht | | | |
|---------------------------------|----------------------|------|----------------------|---------------|
| | Consolidated | | Separate | |
| | financial statements | | financial statements | |
| | 2015 | 2014 | 2015 | 2014 |
| Subsidiaries | | | | |
| The Crane Lamechabang Co., Ltd. | | | | |
| Revenue from sales and services | - | - | 21,782,753.39 | 48,524,011.88 |
| Interest income | - | - | 937,431.50 | 28,489.73 |
| Other income | - | - | 4,748,400.00 | 4,748,400.00 |
| Purchase of goods | - | - | 3,150,000.00 | 2,520,000.00 |
| Cost of sales and services | - | - | 933,086.48 | 2,604,202.79 |
| Selling and service expenses | - | - | 664,816.22 | 596,970.51 |
| Administrative expenses | - | - | 15,775.65 | 1,763.20 |



| | Baht | | | |
|---------------------------------|----------------------|--------------|----------------------|---------------|
| | Consolidated | | Separate | |
| | financial statements | | financial statements | |
| | 2015 | 2014 | 2015 | 2014 |
| Subsidiaries | | | | |
| The Crane Rayong Co., Ltd. | | | | |
| Revenue from sales and services | - | - | 421,286,043.07 | 55,576,610.28 |
| Interest income | - | - | 2,588,065.04 | 3,258,017.10 |
| Other income | - | - | 4,200,000.00 | 4,220,000.00 |
| Purchase of goods | - | - | 18,005,000.00 | 7,020,000.00 |
| Cost of sales and services | - | - | 1,412,456.52 | 425,745.86 |
| Selling and service expenses | - | - | 84,387.25 | 90,768.00 |
| The Crane Heavy Lift Co., Ltd. | | | | |
| Revenue from sales and services | - | - | - | 251,715.00 |
| Other income | - | - | 600,000.00 | 600,000.00 |
| Purchase of goods | - | - | 680,000.00 | 10,260,000.00 |
| Cost of sales and services | - | - | 30,000.00 | - |
| Interest expenses | - | - | 643,891.09 | 620,732.98 |
| The Crane Service Co., Ltd. | | | | |
| Revenue from sales and services | - | - | 69,074,238.51 | 25,016,978.72 |
| Other income | - | - | 4,200,000.00 | 4,200,000.00 |
| Purchase of goods | - | - | 30,800,000.00 | 17,820,000.00 |
| Cost of sales and services | - | - | 1,540,506.45 | 1,600,519.71 |
| Selling and service expenses | - | - | 53,046.87 | 174,940.54 |
| Administrative expenses | - | - | 332,937.51 | 428,932.06 |
| Interest expenses | - | - | 1,259,000.93 | 2,084,783.66 |
| Related companies | | | | |
| Crane Daeng Co., Ltd. | | | | |
| Revenue from sales and services | 2,696,261.08 | 6,443,860.94 | 601,677.52 | 470,205.00 |
| Other income | 45,789.45 | - | - | - |
| Purchase of equipment | - | 270,000.00 | - | - |
| Cost of sales and services | 4,650,442.58 | 1,908,249.69 | - | - |



| | Baht | | | |
|---------------------------------------|----------------------|--------------|----------------------|--------------|
| | Consolidated | | Separate | |
| | financial statements | | financial statements | |
| | 2015 | 2014 | 2015 | 2014 |
| Related companies | | | | |
| 20 Auction Co., Ltd. | | | | |
| Revenue from sales and services | 585,027.41 | 211,039.56 | 151,650.00 | 12,240.00 |
| Other income | 139,676.20 | - | - | - |
| Cost of sales and services | 1,770.00 | - | - | - |
| Selling and service expenses | 431,766.00 | 27,900.00 | 372,300.00 | 3,300.00 |
| The Farm Valley Co., Ltd. | | | | |
| Revenue from sales and services | 2,817,075.00 | - | 2,817,075.00 | - |
| Barter of land | 7,798,436.00 | - | 7,798,436.00 | - |
| Related persons (shareholders) | | | | |
| Purchase of land | - | 4,350,000.00 | - | 4,350,000.00 |
| Sale of land | 9,000,000.00 | 9,000,000.00 | 9,000,000.00 | 9,000,000.00 |

Key management personnel compensation

Key management personnel compensation for the years ended December 31, 2015 and 2014 consisted of:

| | Baht | | | |
|--------------------------|----------------------|---------------|----------------------|---------------|
| | Consolidated | | Separate | |
| | financial statements | | financial statements | |
| | 2015 | 2014 | 2015 | 2014 |
| Short-term benefits | 46,677,737.25 | 47,882,930.65 | 46,368,369.44 | 47,415,663.69 |
| Post-employment benefits | 130,462.62 | 1,790,907.81 | 130,462.62 | 1,790,907.81 |
| Total | 46,808,199.87 | 49,673,838.46 | 46,498,832.06 | 49,206,571.50 |



The significant balances of assets and liabilities with related parties as at December 31, 2015 and 2014 were as follows:

| | Baht | | | |
|--|----------------------|--------------|----------------------|----------------|
| | Consolidated | | Separate | |
| | financial statements | | financial statements | |
| | 2015 | 2014 | 2015 | 2014 |
| Subsidiaries | | | | |
| The Crane Lamechabang Co., Ltd. | | | | |
| Accrued interest income | - | - | 592,020.54 | 12,945.21 |
| Deposit | - | - | 95,700.00 | 95,700.00 |
| The Crane Rayong Co., Ltd. | | | | |
| Accrued interest income | - | - | 2,326,386.94 | 124,263.70 |
| The Crane Heavy Lift Co., Ltd. | | | | |
| Accrued interest expenses | - | - | 198,760.93 | 212,075.41 |
| The Crane Service Co., Ltd. | | | | |
| Other receivable | - | - | - | 2,333,149.76 |
| Accrued interest expenses | - | - | 153,171.25 | 768,928.78 |
| Accrued expenses | - | - | 16,000.00 | - |
| Investments in subsidiaries (see Note 10) | - | - | 299,991,430.00 | 299,991,430.00 |
| Related persons (director / shareholders) | | | | |
| Receivable from sales of assets | - | 5,000,000.00 | - | - |
| Accrued expenses | 1,200,000.00 | 6,200,000.00 | - | - |
| Other payable | - | 570,245.00 | - | - |

**Trade receivables – related parties**

Trade receivables – related parties as at December 31, 2015 and 2014 consisted of:

| | Baht | | | |
|---------------------------------|----------------------|---------------------|-----------------------|-----------------------|
| | Consolidated | | Separate | |
| | financial statements | | financial statements | |
| | 2015 | 2014 | 2015 | 2014 |
| The Crane Lamechabang Co., Ltd. | - | - | 52,427,732.16 | 51,854,771.94 |
| The Crane Rayong Co., Ltd. | - | - | 82,993,672.18 | 75,895,500.89 |
| The Crane Heavy Lift Co., Ltd. | - | - | 221,400.00 | 50,000.00 |
| The Crane Service Co., Ltd. | - | - | 11,905,568.02 | 7,133,723.61 |
| Crane Daeng Co., Ltd. | 252,554.00 | 1,661,137.39 | 227,054.00 | - |
| 20 Auction Co., Ltd. | 268,862.16 | 386,925.29 | 84,112.70 | 13,096.80 |
| Total | 521,416.16 | 2,048,062.68 | 147,859,539.06 | 134,947,093.24 |

Trade payables – related parties

Trade payables – related parties as at December 31, 2015 and 2014 consisted of:

| | Baht | | | |
|---------------------------------|----------------------|---------------------|----------------------|---------------------|
| | Consolidated | | Separate | |
| | financial statements | | financial statements | |
| | 2015 | 2014 | 2015 | 2014 |
| The Crane Lamechabang Co., Ltd. | - | - | 695,270.94 | 1,564,824.63 |
| The Crane Rayong Co., Ltd. | - | - | 4,845,481.92 | 534,948.80 |
| The Crane Heavy Lift Co., Ltd. | - | - | 32,100.00 | - |
| The Crane Service Co., Ltd. | - | - | 222,839.64 | 648,541.94 |
| Crane Daeng Co., Ltd. | 104,105.00 | 1,483,480.67 | - | - |
| Total | 104,105.00 | 1,483,480.67 | 5,795,692.50 | 2,748,315.37 |

Short-term loans to related parties

Short-term loans to related parties as at December 31, 2015 and 2014 consisted of:

| | Baht | |
|---------------------------------|----------------------|----------------------|
| | Separate | |
| | financial statements | |
| | 2015 | 2014 |
| The Crane Lamechabang Co., Ltd. | 28,400,000.00 | 7,000,000.00 |
| The Crane Rayong Co., Ltd. | 70,500,000.00 | 15,000,000.00 |
| Total | <u>98,900,000.00</u> | <u>22,000,000.00</u> |

Movements of short-term loans to related parties for the years ended December 31, 2015 and 2014 were as follows:

| | Baht | | | |
|-------------------|----------------------|----------|----------------------|----------------------|
| | Consolidated | | Separate | |
| | financial statements | | financial statements | |
| | 2015 | 2014 | 2015 | 2014 |
| Beginning balance | - | - | 22,000,000.00 | 113,500,000.00 |
| Increase | 23,000,000.00 | - | 108,900,000.00 | 46,500,000.00 |
| Decrease | (23,000,000.00) | - | (32,000,000.00) | (138,000,000.00) |
| Ending balance | <u>-</u> | <u>-</u> | <u>98,900,000.00</u> | <u>22,000,000.00</u> |

The Company had short-term loans to The Crane Lamechabang Co., Ltd. and The Crane Rayong Co., Ltd. by issuing promissory notes, due at call with interest charged at the rate referred to minimum overdraft rate (MOR) and unsecured.

The Crane Service Co., Ltd. had short-term loans to Company's director by having lands of related person as collateral with no interest charged (see Note 32.1).

Short-term loans from related parties

Short-term loans from related parties as at December 31, 2015 and 2014 consisted of:

| | Baht | |
|--------------------------------|----------------------|-----------------------|
| | Separate | |
| | financial statements | |
| | 2015 | 2014 |
| The Crane Heavy Lift Co., Ltd. | 46,400,000.00 | 44,150,000.00 |
| The Crane Service Co., Ltd. | 36,000,000.00 | 113,900,000.00 |
| Total | 82,400,000.00 | 158,050,000.00 |

Movements of short-term loans from related parties for the years ended December 31, 2015 and 2014 were as follows:

| | Baht | |
|-----------------------|----------------------|-----------------------|
| | Separate | |
| | financial statements | |
| | 2015 | 2014 |
| Beginning balance | 158,050,000.00 | 146,150,000.00 |
| Increase | 58,350,000.00 | 61,150,000.00 |
| Decrease | (134,000,000.00) | (49,250,000.00) |
| Ending balance | 82,400,000.00 | 158,050,000.00 |

The Company borrowed short-term loans from The Crane Heavy Lift Co., Ltd. and The Crane Service Co., Ltd. by issuing short-term promissory notes with interest charged at the rate referred to fixed deposit of commercial bank and unsecured.

Co-guarantee for liabilities with related parties

As at December 31, 2015, the Group had co-guarantee liabilities with related parties as follows:

The Company

The Company had co-guarantee for liabilities under finance leases of subsidiaries at book value in the amount of Baht 857.53 million (see Note 29).

The Company had co-guarantee for bank overdrafts and loans from financial institutions of subsidiaries in the amount of Baht 38 million (see Notes 14 and 17).

The Company had co-guarantee for bank guarantees from financial institutions of subsidiaries in the amount of Baht 2 million.

Related persons (director / shareholders)

Related persons had co-guarantee for liabilities under finance leases of the Group at book value in the amount of Baht 239.13 million.

Related persons had co-guarantee for bank overdrafts and loans from financial institutions of the Group (see Notes 14 and 17).

Nature of relationship

| Name | Country | Relation | Type of relation |
|---------------------------------|----------|-----------------|---|
| The Crane Lamechabang Co., Ltd. | Thailand | Subsidiary | Direct holding |
| The Crane Rayong Co., Ltd. | Thailand | Subsidiary | Direct holding |
| The Crane Heavy Lift Co., Ltd. | Thailand | Subsidiary | Direct holding |
| The Crane Service Co., Ltd. | Thailand | Subsidiary | Direct holding |
| Crane Daeng Co., Ltd. | Thailand | Related company | Management and/or shareholders of the same family |
| 20 Auction Co., Ltd. | Thailand | Related company | Management and/or shareholders of the same family |
| The Farm Valley Co., Ltd. | Thailand | Related company | Management and/or shareholders of the same family |

Bases of measurement for intercompany revenues and expenses

| | Pricing policies |
|---|--|
| Purchase - sale of machinery and equipment for rent and goods | Stipulate in the agreement |
| Purchase - sale of land | Appraised value of the independent appraisal |
| Rendering of rent and transportation services | Stipulate in the agreement |
| Rendering of repair services | Stipulate in the agreement |
| Services and administrative expenses | Stipulate in the agreement |
| Interest income and expense | Referred to the bank's interest rate. |

5. CASH AND CASH EQUIVALENTS

Cash and cash equivalents as at December 31, 2015 and 2014 consisted of:

| | Baht | | | |
|---------------|----------------------|----------------------|----------------------|----------------------|
| | Consolidated | | Separate | |
| | financial statements | | financial statements | |
| | 2015 | 2014 | 2015 | 2014 |
| Cash | 212,500.00 | 147,586.72 | 51,976.50 | 5,085.00 |
| Cash at banks | 10,321,968.67 | 17,130,081.51 | 1,131,685.35 | 15,101,133.04 |
| Total | 10,534,468.67 | 17,277,668.23 | 1,183,661.85 | 15,106,218.04 |

6. TRADE AND OTHER RECEIVABLES

Trade and other receivables as at December 31, 2015 and 2014 consisted of:

| | Baht | | | |
|--|------------------------|------------------------|-----------------------|-----------------------|
| | Consolidated | | Separate | |
| | financial statements | | financial statements | |
| | 2015 | 2014 | 2015 | 2014 |
| Trade receivables | 159,544,083.06 | 200,314,231.76 | 182,480,809.35 | 162,742,633.36 |
| Less: Allowance for doubtful accounts | (44,031,049.23) | (26,735,476.14) | (1,396,319.94) | (1,134,920.11) |
| Trade receivables - net | 115,513,033.83 | 173,578,755.62 | 181,084,489.41 | 161,607,713.25 |
| Other receivables | | | | |
| Accrued income | 20,913,085.91 | 28,849,864.95 | 2,933,630.81 | 137,208.91 |
| Advance payments | 878,114.30 | 1,427,540.57 | 55,313.10 | 3,372.00 |
| Others | 943,619.91 | 6,325,949.14 | 399,824.84 | 727,544.75 |
| Total | 22,734,820.12 | 36,603,354.66 | 3,388,768.75 | 868,125.66 |
| Less: Allowance for doubtful accounts | (900,333.22) | (515,133.22) | (385,200.00) | - |
| Other receivables - net | 21,834,486.90 | 36,088,221.44 | 3,003,568.75 | 868,125.66 |
| Trade and other receivables - net | 137,347,520.73 | 209,666,977.06 | 184,088,058.16 | 162,475,838.91 |



As at December 31, 2015 and 2014, the Group had outstanding balances of trade receivables aged by number of months as follows:

| | Baht | | | |
|-------------------------------|-----------------------|-----------------------|-----------------------|-----------------------|
| | Consolidated | | Separate | |
| | financial statements | | financial statements | |
| | 2015 | 2014 | 2015 | 2014 |
| Current | 38,556,678.70 | 100,942,005.21 | 4,957,304.42 | 18,168,765.19 |
| Overdue | | | | |
| Not over 3 months | 62,783,658.97 | 67,290,196.16 | 39,729,566.28 | 47,321,610.00 |
| Over 3 months up to 6 months | 13,095,758.53 | 4,838,117.49 | 19,704,766.79 | 13,553,056.29 |
| Over 6 months up to 12 months | 14,095,988.15 | 1,845,956.02 | 46,745,688.60 | 74,569,528.81 |
| Over 12 months | 31,011,998.71 | 25,397,956.88 | 71,343,483.26 | 9,129,673.07 |
| Total | <u>159,544,083.06</u> | <u>200,314,231.76</u> | <u>182,480,809.35</u> | <u>162,742,633.36</u> |

Movements of allowance for doubtful accounts for the years ended December 31, 2015 and 2014 were as follows:

| | Baht | | | |
|---|----------------------|----------------------|----------------------|---------------------|
| | Consolidated | | Separate | |
| | financial statements | | financial statements | |
| | 2015 | 2014 | 2015 | 2014 |
| Beginning balance | 27,250,609.36 | 31,788,269.99 | 1,134,920.11 | 70,250.85 |
| Add (less): Doubtful accounts (reversal) | 18,575,405.34 | (2,705,267.23) | 1,273,272.08 | 1,064,669.26 |
| Less: Written-off bad debts | (894,632.25) | (1,832,393.40) | (626,672.25) | - |
| Ending balance | <u>44,931,382.45</u> | <u>27,250,609.36</u> | <u>1,781,519.94</u> | <u>1,134,920.11</u> |

7. INVENTORIES

Inventories as at December 31, 2015 and 2014 consisted of:

| | Baht | | | |
|---|-----------------------|-----------------------|-----------------------|-----------------------|
| | Consolidated | | Separate | |
| | financial statements | | financial statements | |
| | 2015 | 2014 | 2015 | 2014 |
| Cranes | 168,526,261.28 | 231,483,508.05 | 169,714,262.88 | 232,671,509.65 |
| Forklifts | 21,079,881.27 | 21,079,881.27 | 21,079,881.27 | 21,079,881.27 |
| Excavator | 44,200,255.81 | 55,852,682.22 | 44,200,255.81 | 55,852,682.22 |
| Spare parts and component | 16,904,064.65 | 16,878,888.75 | 17,005,634.65 | 16,980,458.75 |
| Work in process | 17,418,551.29 | 9,344,188.25 | 14,300,214.48 | 9,344,188.25 |
| Total | 268,129,014.30 | 334,639,148.54 | 266,300,249.09 | 335,928,720.14 |
| Less: Allowance for devaluation of inventories | (3,792,832.79) | (1,811,000.00) | (3,792,832.79) | (1,811,000.00) |
| Inventories - net | 264,336,181.51 | 332,828,148.54 | 262,507,416.30 | 334,117,720.14 |

Movements of allowance for devaluation of inventories for the years ended December 31, 2015 and 2014 were as follows:

| | Baht | |
|--|--|---------------------|
| | Consolidated and separate financial statements | |
| | 2015 | 2014 |
| Beginning balance | 1,811,000.00 | 1,965,777.80 |
| Add (less): Loss from obsolete stock (reversal) | 1,981,832.79 | (154,777.80) |
| Ending balance | 3,792,832.79 | 1,811,000.00 |

8. RECEIVABLE UNDER REPURCHASE AGREEMENT

Receivable under repurchase agreement as at December 31, 2014 consisted of:

| | Baht |
|--|------------------------|
| | Consolidated |
| | financial statements |
| Receivable under repurchase agreement | 45,820,560.75 |
| Less: Allowance for doubtful accounts | (45,820,560.75) |
| Receivable under repurchase agreement - net | - |

The Crane Service Company Limited (“subsidiary”) putting up collateral against a finance lease agreement for repurchase assets if the customer does not perform according to the agreement for its accounts receivable as the debt payment was defaulted upon with the payable (see Note 19).

During the year 2015, the subsidiary has written-off all receivable under repurchase agreement (see Note 19).

9. RESTRICTED BANK DEPOSITS

Restricted bank deposits as at December 31, 2015 and 2014 consisted of:

| | Baht | | | | Guarantee |
|----------------|----------------------|------------|----------------------|------------|--------------------------------------|
| | Consolidated | | Separate | | |
| | financial statements | | financial statements | | |
| Cash at banks | 2015 | 2014 | 2015 | 2014 | |
| Fixed deposits | 411,119.92 | 504,258.71 | 280,766.24 | 275,716.49 | Letters of guarantee for electricity |

10. INVESTMENTS IN SUBSIDIARIES

Investments in subsidiaries stated by the cost method, as at December 31, 2015 and 2014 consisted of:

| Subsidiaries | Baht | | | | | |
|---------------------------------|-------------|------|-----------------------|----------------|----------------|----------------|
| | Holding (%) | | Paid-up share capital | | Cost | |
| | 2015 | 2014 | 2015 | 2014 | 2015 | 2014 |
| The Crane Lamechabang Co., Ltd. | 100 | 100 | 25,000,000.00 | 25,000,000.00 | 24,999,300.00 | 24,999,300.00 |
| The Crane Rayong Co., Ltd. | 100 | 100 | 150,000,000.00 | 150,000,000.00 | 149,999,200.00 | 149,999,200.00 |
| The Crane Heavy Lift Co., Ltd. | 100 | 100 | 25,000,000.00 | 25,000,000.00 | 24,999,930.00 | 24,999,930.00 |
| The Crane Service Co., Ltd. | 100 | 100 | 100,000,000.00 | 100,000,000.00 | 99,993,000.00 | 99,993,000.00 |
| Total | | | | | 299,991,430.00 | 299,991,430.00 |

In the year 2014, the Company invested in ordinary shares of the increased share capital of subsidiary in amount of Baht 125 million (see Note 21).

**11. INVESTMENT PROPERTY**

Investment property as at December 31, 2015 and 2014 consisted of:

| | Baht | | | | |
|---|----------------------|--------------|-----------------------------------|----------------------|------|
| | Consolidated | | | Separate | |
| | financial statements | | | financial statements | |
| | Land and | | | | |
| Land | commercial buildings | Total | Land | | |
| Cost | | | | | |
| At January 1, 2014 | 321,053,512.00 | 3,563,066.00 | 324,616,578.00 | 321,053,512.00 | |
| Purchases / transfer in | - | - | - | - | |
| Disposals / transfer out | (321,053,512.00) | - | (321,053,512.00) | (321,053,512.00) | |
| At December 31, 2014 | - | 3,563,066.00 | 3,563,066.00 | - | |
| Purchases / transfer in | - | - | - | - | |
| Disposals / transfer out | - | - | - | - | |
| At December 31, 2015 | - | 3,563,066.00 | 3,563,066.00 | - | |
| Accumulated depreciation | | | | | |
| At January 1, 2014 | - | 1,754,133.12 | 1,754,133.12 | - | |
| Depreciation | - | 24,163.23 | 24,163.23 | - | |
| Disposals / transfer out | - | - | - | - | |
| At December 31, 2014 | - | 1,778,296.35 | 1,778,296.35 | - | |
| Depreciation | - | 24,163.23 | 24,163.23 | - | |
| Disposals / transfer out | - | - | - | - | |
| At December 31, 2015 | - | 1,802,459.58 | 1,802,459.58 | - | |
| Net book value | | | | | |
| At December 31, 2014 | - | 1,784,769.65 | 1,784,769.65 | - | |
| At December 31, 2015 | - | 1,760,606.42 | 1,760,606.42 | - | |
| | | | Millions Baht | | |
| | | | Consolidated financial statements | | |
| | | | 2015 | 2014 | |
| Depreciation for the years ended December 31, were included in administrative expenses | | | | 0.02 | 0.02 |



As at December 31, 2015, the subsidiary has pledged land including existing construction and to be constructed as well as the benefits from insurance of construction against bank overdrafts from financial institutions (see Note 14).

| As at December 31, 2015 | | | | | |
|-----------------------------------|---------------------------------|----------------|-----------------|------|---|
| The rate of | | | | | |
| lease per month | | | | | |
| | Parties | Period | (Millions Baht) | Note | |
| Property lease agreement (lessor) | | | | | |
| | The Crane Lamechabang Co., Ltd. | Another person | 1 year | 0.01 | - |

On January 15, 2014, the Company entered into a sale agreement of land with other company in the amount of Baht 500 million.

12. PROPERTY, PLANT AND EQUIPMENT

Property, plant and equipment as at December 31, 2015 and 2014 consisted of:

| | Baht | | | | | | | | |
|---------------------------------|-----------------------------------|----------------------|----------------|------------------------------------|-----------------------------------|-----------------|-------------------------------------|--|------------------|
| | Consolidated financial statements | | | | | | | | |
| | Land | Land improvements | Buildings | Machinery and factory equipment | Furniture and office equipment | Vehicles | Machinery and equipment for rent | Construction in progress and assets in transit | Total |
| Cost | | | | | | | | | |
| At January 1, 2014 | 236,406,282.16 | 47,567,760.04 | 155,592,024.55 | 21,242,436.64 | 31,264,154.05 | 44,945,439.49 | 2,508,933,528.97 | 52,063,888.64 | 3,098,015,514.54 |
| Purchases / transfer in | 22,129,904.63 | - | 1,102,713.27 | 2,894,044.26 | 1,229,521.03 | 23,659,841.11 | 310,020,398.84 | 43,983,819.08 | 405,020,242.22 |
| Transfer out / adjust | - | - | - | 919,800.00 | - | - | - | (919,800.00) | - |
| Disposals / transfer out | (5,000,000.00) | - | (133,248.23) | (97,000.00) | (1,628,687.31) | (14,292,297.09) | (75,623,521.39) | - | (96,774,754.02) |
| At December 31, 2014 | 253,536,186.79 | 47,567,760.04 | 156,561,489.59 | 24,959,280.90 | 30,864,987.77 | 54,312,983.51 | 2,743,330,406.42 | 95,127,907.72 | 3,406,261,002.74 |
| Purchases / transfer in | 1,211,056.65 | - | 46,728.97 | 12,119,690.00 | 1,573,501.76 | 2,191,530.57 | 558,983,052.42 | 22,223,715.74 | 598,349,276.11 |
| Transfer out / adjust | 747,663.55 | - | 43,408.41 | 3,233,300.00 | - | - | 35,982,541.75 | (40,006,913.71) | - |
| Disposals / transfer out | (12,128,706.32) | - | (2,956,482.12) | - | (16,401.87) | (2,715,826.79) | (231,493,381.32) | - | (249,310,798.42) |
| At December 31, 2015 | 243,366,200.67 | 47,567,760.04 | 153,695,144.85 | 40,312,270.90 | 32,422,087.66 | 53,788,687.29 | 3,106,802,619.27 | 77,344,709.75 | 3,755,299,480.43 |
| Accumulated depreciation | | | | | | | | | |
| At January 1, 2014 | - | 12,997,764.39 | 66,406,911.98 | 17,942,955.25 | 22,684,060.07 | 28,752,730.12 | 1,016,093,824.27 | - | 1,164,878,246.08 |
| Depreciation | - | 6,943,054.79 | 4,119,203.82 | 1,579,212.15 | 2,297,929.60 | 5,094,202.80 | 197,512,518.85 | - | 217,546,122.01 |
| Disposals / transfer out | - | - | (25,631.32) | (96,996.00) | (1,605,043.93) | (12,098,136.39) | (41,024,851.51) | - | (54,850,659.15) |
| At December 31, 2014 | - | 19,940,819.18 | 70,500,484.48 | 19,425,171.40 | 23,376,945.74 | 21,748,796.53 | 1,172,581,491.61 | - | 1,327,573,708.94 |
| Depreciation | - | 6,943,054.79 | 4,797,952.83 | 3,983,375.04 | 2,401,490.07 | 6,414,628.98 | 241,886,572.24 | - | 266,427,073.95 |
| Disposals / transfer out | - | - | (2,956,482.12) | - | (16,400.87) | (2,172,661.43) | (104,448,372.71) | - | (109,593,917.13) |
| At December 31, 2015 | - | 26,883,873.97 | 72,341,955.19 | 23,408,546.44 | 25,762,034.94 | 25,990,764.08 | 1,310,019,691.14 | - | 1,484,406,865.76 |

| | Baht | | | | | | | | |
|-----------------------------|-----------------------------------|-------------------|---------------|---------------------------------|--------------------------------|---------------|----------------------------------|--|------------------|
| | Consolidated financial statements | | | | | | | | |
| | Land | Land improvements | Buildings | Machinery and factory equipment | Furniture and office equipment | Vehicles | Machinery and equipment for rent | Construction in progress and assets in transit | Total |
| Impairment of assets | | | | | | | | | |
| At January 1, 2014 | - | - | - | - | 623,672.53 | - | 4,147,897.12 | - | 4,771,569.65 |
| Transfer in / adjust | - | - | - | - | - | - | 1,600,000.00 | - | 1,600,000.00 |
| Disposals / transfer out | - | - | - | - | - | - | - | - | - |
| At December 31, 2014 | - | - | - | - | 623,672.53 | - | 5,747,897.12 | - | 6,371,569.65 |
| Transfer in / adjust | - | - | - | - | - | - | - | - | - |
| Disposals / transfer out | - | - | - | - | - | - | - | - | - |
| At December 31, 2015 | - | - | - | - | 623,672.53 | - | 5,747,897.12 | - | 6,371,569.65 |
| Net book value | | | | | | | | | |
| At December 31, 2014 | 253,536,186.79 | 27,626,940.86 | 86,061,005.11 | 5,534,109.50 | 6,864,369.50 | 32,564,186.98 | 1,565,001,017.69 | 95,127,907.72 | 2,072,315,724.15 |
| At December 31, 2015 | 243,366,200.67 | 20,683,886.07 | 81,353,189.66 | 16,903,724.46 | 6,036,380.19 | 27,797,923.21 | 1,791,035,031.01 | 77,344,709.75 | 2,264,521,045.02 |

| | Baht | | | | | | | | |
|---------------------------------|-------------------------------|-------------------|----------------|---------------------------------|--------------------------------|----------------|----------------------------------|--|------------------|
| | Separate financial statements | | | | | | | | |
| | Land | Land improvements | Buildings | Machinery and factory equipment | Furniture and office equipment | Vehicles | Machinery and equipment for rent | Construction in progress and assets in transit | Total |
| Cost | | | | | | | | | |
| At January 1, 2014 | 214,921,073.37 | 28,589,033.21 | 90,669,190.56 | 4,498,978.09 | 12,599,997.61 | 18,421,503.78 | 860,882,163.27 | 51,505,776.39 | 1,282,087,716.28 |
| Purchases / transfer in | 22,129,904.63 | - | 1,102,713.27 | 38,782.25 | 552,332.41 | 14,660,613.01 | 28,800,202.87 | 5,206,981.58 | 72,491,530.02 |
| Transfer out / adjust | - | - | - | - | - | - | - | - | - |
| Disposals / transfer out | (5,000,000.00) | - | (133,248.23) | - | (720,773.94) | (6,063,241.38) | (34,913,364.27) | - | (46,830,627.82) |
| At December 31, 2014 | 232,050,978.00 | 28,589,033.21 | 91,638,655.60 | 4,537,760.34 | 12,431,556.08 | 27,018,875.41 | 854,769,001.87 | 56,712,757.97 | 1,307,748,618.48 |
| Purchases / transfer in | 1,211,056.65 | - | 46,728.97 | 546,490.00 | 1,114,031.39 | 2,191,530.57 | 9,931,147.29 | 3,342,350.00 | 18,383,334.87 |
| Transfer out / adjust | 747,663.55 | - | 43,408.41 | - | - | - | - | (791,071.96) | - |
| Disposals / transfer out | (12,128,706.32) | - | (2,956,482.12) | - | - | (2,715,826.79) | (161,013,537.22) | - | (178,814,552.45) |
| At December 31, 2015 | 221,880,991.88 | 28,589,033.21 | 88,772,310.86 | 5,084,250.34 | 13,545,587.47 | 26,494,579.19 | 703,686,611.94 | 59,264,036.01 | 1,147,317,400.90 |
| Accumulated depreciation | | | | | | | | | |
| At January 1, 2014 | - | 12,396,845.87 | 24,382,804.29 | 4,015,967.58 | 9,175,685.59 | 10,740,066.17 | 295,668,435.11 | - | 356,379,804.61 |
| Depreciation | - | 4,448,697.20 | 2,762,500.33 | 160,733.33 | 807,450.26 | 2,712,450.22 | 66,014,911.88 | - | 76,906,743.22 |
| Disposals / transfer out | - | - | (25,631.32) | - | (700,268.82) | (5,187,488.20) | (16,727,838.21) | - | (22,641,226.55) |
| At December 31, 2014 | - | 16,845,543.07 | 27,119,673.30 | 4,176,700.91 | 9,282,867.03 | 8,265,028.19 | 344,955,508.78 | - | 410,645,321.28 |
| Depreciation | - | 4,448,697.20 | 3,441,249.34 | 168,016.46 | 901,793.29 | 3,714,422.91 | 60,530,633.55 | - | 73,204,812.75 |
| Disposals / transfer out | - | - | (2,956,482.12) | - | - | (2,172,661.43) | (61,219,969.13) | - | (66,349,112.68) |
| At December 31, 2015 | - | 21,294,240.27 | 27,604,440.52 | 4,344,717.37 | 10,184,660.32 | 9,806,789.67 | 344,266,173.20 | - | 417,501,021.35 |

| | Baht | | | | | | | | |
|-----------------------------|-------------------------------|-------------------|---------------|---------------------------------|--------------------------------|---------------|----------------------------------|--|----------------|
| | Separate financial statements | | | | | | | | |
| | Land | Land improvements | Buildings | Machinery and factory equipment | Furniture and office equipment | Vehicles | Machinery and equipment for rent | Construction in progress and assets in transit | Total |
| Impairment of assets | | | | | | | | | |
| At January 1, 2014 | - | - | - | - | 623,672.53 | - | 1,219,896.52 | - | 1,843,569.05 |
| Transfer in / adjust | - | - | - | - | - | - | - | - | - |
| Disposals / transfer out | - | - | - | - | - | - | - | - | - |
| At December 31, 2014 | - | - | - | - | 623,672.53 | - | 1,219,896.52 | - | 1,843,569.05 |
| Transfer in / adjust | - | - | - | - | - | - | - | - | - |
| Disposals / transfer out | - | - | - | - | - | - | - | - | - |
| At December 31, 2015 | - | - | - | - | 623,672.53 | - | 1,219,896.52 | - | 1,843,569.05 |
| Net book value | | | | | | | | | |
| At December 31, 2014 | 232,050,978.00 | 11,743,490.14 | 64,518,982.30 | 361,059.43 | 2,525,016.52 | 18,753,847.22 | 508,593,596.57 | 56,712,757.97 | 895,259,728.15 |
| At December 31, 2015 | 221,880,991.88 | 7,294,792.94 | 61,167,870.34 | 739,532.97 | 2,737,254.62 | 16,687,789.52 | 358,200,542.22 | 59,264,036.01 | 727,972,810.50 |

| | Millions Baht | | | |
|---|----------------------|---------------|----------------------|---------------|
| | Consolidated | | Separate | |
| | financial statements | | financial statements | |
| | 2015 | 2014 | 2015 | 2014 |
| Depreciation for the years ended December 31, were included in | | | | |
| - Cost of services | 247.75 | 201.19 | 62.24 | 67.79 |
| - Selling and administrative expenses | 18.68 | 16.35 | 10.96 | 9.12 |
| Total | 266.43 | 217.54 | 73.20 | 76.91 |
| As at December 31, Book value of equipment before less accumulated depreciation which have been fully depreciated and still in use. | 575.42 | 457.21 | 75.71 | 47.76 |
| Transferred machinery and equipment for rent to inventories at net book value and recognized as cost of sales when disposed the assets for the years ended December 31, | 130.61 | 38.25 | 99.79 | 18.19 |
| Transferred inventories to machinery and equipment for rent for the years ended December 31, | - | 7.56 | - | 7.56 |
| The Company included interest from loan, as a part of machinery and equipment for rent for the years ended December 31, (see Note 25) | - | 1.05 | - | 1.05 |
| As at December 31, the net book value of assets under finance lease agreements (see Note 18) | | | | |
| - machinery and equipment for rent | 1,259.34 | 968.93 | 92.09 | 125.22 |
| - vehicles | 24.06 | 29.91 | 14.63 | 17.91 |
| Total | 1,283.40 | 998.84 | 106.72 | 143.13 |



As at December 31, 2015 and 2014, the Group pledged land including existing construction and to be constructed as well as the benefits from insurance of construction against bank overdrafts and loans from financial institutions (see Notes 14 and 17).

On July 28, 2015, the Company bartered land with other company in the book value amount of Baht 23.40 million and related party in the book value amount of Baht 7.80 million and sold land to related person in the book value amount of Baht 7.80 million (see Note 4).

| As at December 31, 2015 | | | | | |
|-----------------------------------|---------------------------------|-------------|---------------|------|---|
| The rate of | | | | | |
| lease per month | | | | | |
| | Parties | Period | Millions Baht | Note | |
| Property lease agreement (lessee) | | | | | |
| | The Crane Lamechabang Co., Ltd. | The Company | 3 years | 0.10 | - |
| | The Crane Service Co., Ltd. | The Company | 1 year | 0.05 | - |
| | The Crane Heavy Lift Co., Ltd. | The Company | 3 years | 0.05 | - |

13. DEFERRED TAX

Deferred tax as at December 31, 2015 and 2014 consisted of:

| | Baht | | | |
|--------------------------|-----------------------------------|-----------------|-------------------------------|-----------------|
| | Consolidated financial statements | | Separate financial statements | |
| | 2015 | 2014 | 2015 | 2014 |
| Deferred tax assets | - | 3,646,405.56 | - | - |
| Deferred tax liabilities | (52,738,547.41) | (59,340,306.88) | (27,205,479.16) | (29,679,858.26) |

Movements in deferred tax assets and deferred tax liabilities during the years were as follows:

| | Baht | | | | | | |
|---------------------------------|-----------------------------------|------------------------|----------------------------------|----------------------|----------------------|----------------------------------|----------------------|
| | Consolidated financial statements | | | | | | |
| | January 1, 2014 | Profit (loss) | Other comprehensive income | December 31, 2014 | Profit (loss) | Other comprehensive income | December 31, 2015 |
| Deferred tax assets | | | | | | | |
| Trade and other receivables | 5,902,043.69 | (609,486.64) | - | 5,292,557.05 | 3,472,425.05 | - | 8,764,982.10 |
| Inventories | 393,155.56 | (30,955.56) | - | 362,200.00 | - | - | 362,200.00 |
| Investment property | 2,260,569.76 | (2,260,569.76) | - | - | - | - | - |
| Property, plant and equipment | 343,766.94 | 295,053.15 | - | 638,820.09 | (24,946.86) | - | 613,873.23 |
| Provision | 7,121,452.16 | 1,167,525.05 | 683,795.38 | 8,972,772.59 | (5,254,382.77) | 366,898.01 | 4,085,287.83 |
| Tax loss carry forward | 10,117,759.81 | (10,117,759.81) | - | - | 22,274,316.18 | - | 22,274,316.18 |
| Total | 26,138,747.92 | (11,556,193.57) | 683,795.38 | 15,266,349.73 | 20,467,411.60 | 366,898.01 | 36,100,659.34 |
| Deferred tax liabilities | | | | | | | |
| Property, plant and equipment | (57,723,121.49) | (13,237,129.56) | - | (70,960,251.05) | (17,878,955.70) | - | (88,839,206.75) |

| | Baht | | | | | | |
|---------------------------------|-------------------------------|-----------------------|-------------------|--------------------------|---------------------|--------------------|----------------------|
| | Separate financial statements | | | | | | |
| | Other comprehensive income | | | Other comprehensive loss | | | |
| | January 1, 2014 | Profit (loss) | December 31, 2014 | Profit (loss) | December 31, 2015 | December 31, 2015 | |
| Deferred tax assets | | | | | | | |
| Trade and other receivables | 550,000.00 | 211,692.65 | - | 761,692.65 | 67,571.34 | - | 829,263.99 |
| Inventories | 393,155.56 | (30,955.56) | - | 362,200.00 | - | - | 362,200.00 |
| Investment property | 2,260,569.76 | (2,260,569.76) | - | - | - | - | - |
| Property, plant and equipment | 343,766.94 | (24,946.85) | - | 318,820.09 | (24,946.86) | - | 293,873.23 |
| Provision | 1,428,826.93 | (49,592.31) | 224,628.64 | 1,603,863.26 | 389,381.63 | (17,647.52) | 1,975,597.37 |
| Tax loss carry forward | 7,310,795.68 | (7,310,795.68) | - | - | 6,943,039.16 | - | 6,943,039.16 |
| Total | 12,287,114.87 | (9,465,167.51) | 224,628.64 | 3,046,576.00 | 7,375,045.27 | (17,647.52) | 10,403,973.75 |
| Deferred tax liabilities | | | | | | | |
| Property, plant and equipment | (27,473,274.81) | (5,253,159.45) | - | (32,726,434.26) | (4,883,018.65) | - | (37,609,452.91) |

14. BANK OVERDRAFTS AND SHORT-TERM LOANS FROM FINANCIAL INSTITUTIONS

Bank overdrafts and short-term loans from financial institutions as at December 31, 2015 and 2014 consisted of:

| | Baht | | | |
|------------------|----------------------|----------------------|----------------------|----------------------|
| | Consolidated | | Separate | |
| | financial statements | | financial statements | |
| | 2015 | 2014 | 2015 | 2014 |
| Bank overdrafts | 16,654,872.78 | 9,384,487.94 | 778,139.12 | 6,529,785.48 |
| Promissory notes | 45,000,000.00 | 15,000,000.00 | 45,000,000.00 | 15,000,000.00 |
| Trust receipts | 3,801,134.41 | 43,771,680.00 | 3,801,134.41 | 43,771,680.00 |
| Total | 65,456,007.19 | 68,156,167.94 | 49,579,273.53 | 65,301,465.48 |

| Lender | Type of credit | Credit lines (Millions Baht) | | Referred interest rate |
|---------------------|-----------------------------------|------------------------------|--------|------------------------|
| | | 2015 | 2014 | |
| The Company | | | | |
| Bank | Bank overdrafts | 35.00 | 35.00 | MOR |
| Bank | Promissory notes | 45.00 | 45.00 | MLR |
| Bank | Trust receipt / Letter of credit | 250.00 | 150.00 | MLR |
| Bank | Forward foreign currency contract | 170.52 | 70.52 | |
| Subsidiaries | | | | |
| Bank | Bank overdrafts | 23.00 | 23.00 | MOR |

| Lender | Type of credit | Credit lines (Millions Euro) | |
|--------------------|------------------|------------------------------|------|
| | | 2015 | 2014 |
| The Company | | | |
| Bank | Letter of credit | - | 3.48 |

The Group pledged land including existing construction and to be constructed as well as the benefits from insurance of construction against bank overdrafts and loans from financial institutions. Moreover, the loans were also guarantee by the Group's directors. The Company had co-guarantee for liabilities of subsidiaries (see Notes 4 and 12).

15. TRADE AND OTHER PAYABLES

Trade and other payables as at December 31, 2015 and 2014 consisted of:

| | Baht | | | |
|-----------------------------------|------------------------------|-----------------------------|-----------------------------|-----------------------------|
| | Consolidated | | Separate | |
| | financial statements | | financial statements | |
| | 2015 | 2014 | 2015 | 2014 |
| Trade payables | 80,041,664.48 | 24,053,906.84 | 69,078,524.37 | 6,911,834.08 |
| Other payables | | | | |
| Accrued expenses | 12,387,558.96 | 55,633,779.95 | 6,679,576.58 | 20,197,302.75 |
| Payables from purchases of assets | 35,323,904.20 | 1,885,505.37 | 2,928,848.00 | 969,754.00 |
| Others | 6,442,518.97 | 2,846,922.82 | 632,404.82 | 155,583.77 |
| Total | <u>54,153,982.13</u> | <u>60,366,208.14</u> | <u>10,240,829.40</u> | <u>21,322,640.52</u> |
| Grand total | <u><u>134,195,646.61</u></u> | <u><u>84,420,114.98</u></u> | <u><u>79,319,353.77</u></u> | <u><u>28,234,474.60</u></u> |

16. CURRENT PORTION OF DEBTS

Current portion of debts as at December 31, 2015 and 2014 consisted of:

| | Note | Baht | | | |
|-----------------------------------|------|-----------------------|-----------------------|----------------------|-----------------------|
| | | Consolidated | | Separate | |
| | | financial statements | | financial statements | |
| | | 2015 | 2014 | 2015 | 2014 |
| Loans from financial institutions | 17 | 57,888,000.00 | 57,888,000.00 | 54,888,000.00 | 54,888,000.00 |
| Liabilities under finance leases | 18 | 297,983,390.04 | 229,487,329.57 | 21,537,374.11 | 45,649,969.53 |
| Total | | <u>355,871,390.04</u> | <u>287,375,329.57</u> | <u>76,425,374.11</u> | <u>100,537,969.53</u> |

17. LOANS FROM FINANCIAL INSTITUTIONS

Loans from financial institutions as at December 31, 2015 and 2014 consisted of:

| | Baht | | | |
|---|----------------------|-----------------|----------------------|-----------------|
| | Consolidated | | Separate | |
| | financial statements | | financial statements | |
| | 2015 | 2014 | 2015 | 2014 |
| Loans from financial institutions | 222,574,000.00 | 280,462,000.00 | 214,824,000.00 | 269,712,000.00 |
| Less: Current portion of debts | (57,888,000.00) | (57,888,000.00) | (54,888,000.00) | (54,888,000.00) |
| Long-term loans from financial institutions | 164,686,000.00 | 222,574,000.00 | 159,936,000.00 | 214,824,000.00 |

Movements of loans from financial institutions for the years ended December 31, 2015 and 2014 were as follows:

| | Baht | | | |
|-------------------|----------------------|------------------|----------------------|------------------|
| | Consolidated | | Separate | |
| | financial statements | | financial statements | |
| | 2015 | 2014 | 2015 | 2014 |
| Beginning balance | 280,462,000.00 | 283,230,139.35 | 269,712,000.00 | 268,594,000.00 |
| Increase | - | 251,500,000.00 | - | 251,500,000.00 |
| Decrease | (57,888,000.00) | (254,268,139.35) | (54,888,000.00) | (250,382,000.00) |
| Ending balance | 222,574,000.00 | 280,462,000.00 | 214,824,000.00 | 269,712,000.00 |



The details of the loans were summarized as follows:

| Credit line | Lender | Millions Baht | | | | Period | Referred Interest Rate | Repayment |
|---------------------|--------|---------------|--------|---------------|---------------|-----------------------|---------------------------|--|
| | | Credit line | | Principal | | | | |
| | | 2015 | 2014 | 2015 | 2014 | | | |
| The Company | | | | | | | | |
| 1 | Bank | 30.00 | 30.00 | 19.12 | 22.96 | Feb. 2012 - Feb. 2021 | MLR | Monthly principal repayment totaling 108 installments, Baht 0.32 million each |
| 2 | Bank | 7.00 | 7.00 | 4.08 | 5.09 | Jan. 2014 - Jan. 2021 | MLR | Monthly principal repayment totaling 84 installments, Baht 0.08 million each |
| 3 | Bank | 250.00 | 250.00 | 191.62 | 241.66 | Oct. 2014 - Oct. 2019 | MLR | Monthly principal repayment totaling 60 installments, Baht 4.17 million each |
| | | | | <u>214.82</u> | <u>269.71</u> | | | |
| Subsidiaries | | | | | | | | |
| 4 | Bank | 15.00 | 15.00 | 7.75 | 10.75 | Jul. 2013 - Jul. 2018 | MLR | Monthly principal repayment totaling 60 installments, Baht 0.25 million each |
| | | | | <u>7.75</u> | <u>10.75</u> | | | |
| | | | | <u>222.57</u> | <u>280.46</u> | | | |

The Group pledged land including existing construction and to be constructed as well as the benefits from insurance of construction against loans from financial institutions with the full personal guarantee of the directors of the Group. Moreover, the Company had co-guarantee for loan from financial institution of subsidiaries (see Notes 4 and 12).

18. LIABILITIES UNDER FINANCE LEASES

Liabilities under finance leases as at December 31, 2015 and 2014 consisted of:

| Baht | | | | | | | | | | | | |
|------------------------------|-----------------------------------|----------------------|-----------------------|-------------------------------|---------------------|----------------------|-----------------------------------|----------------------|-----------------------|-------------------------------|---------------------|----------------------|
| | 2015 | | | | | | 2014 | | | | | |
| | Consolidated financial statements | | | Separate financial statements | | | Consolidated financial statements | | | Separate financial statements | | |
| | | | Minimum | | | Minimum | | | Minimum | | | Minimum |
| Year | Present value | Deferred interest | lease payment | Present value | Deferred interest | lease payment | Present value | Deferred interest | lease payment | Present value | Deferred interest | lease payment |
| Finance leases | | | | | | | | | | | | |
| 1 | 286,446,853.62 | 36,517,425.86 | 322,964,279.48 | 16,005,010.58 | 641,705.19 | 16,646,715.77 | 224,327,951.50 | 35,829,424.22 | 260,157,375.72 | 40,490,591.46 | 2,836,436.16 | 43,327,027.62 |
| 2 - 5 | 566,643,026.78 | 37,759,225.20 | 604,402,251.98 | 5,571,006.27 | 210,010.97 | 5,781,017.24 | 434,673,363.30 | 33,854,425.93 | 468,527,789.23 | 21,455,173.64 | 817,659.26 | 22,272,832.90 |
| | <u>853,089,880.40</u> | <u>74,276,651.06</u> | <u>927,366,531.46</u> | <u>21,576,016.85</u> | <u>851,716.16</u> | <u>22,427,733.01</u> | <u>659,001,314.80</u> | <u>69,683,850.15</u> | <u>728,685,164.95</u> | <u>61,945,765.10</u> | <u>3,654,095.42</u> | <u>65,599,860.52</u> |
| Sale and leaseback agreement | | | | | | | | | | | | |
| 1 | 11,536,536.42 | 2,161,541.70 | 13,698,078.12 | 5,532,363.53 | 883,262.59 | 6,415,626.12 | 5,159,378.07 | 1,256,248.05 | 6,415,626.12 | 5,159,378.07 | 1,256,248.05 | 6,415,626.12 |
| 2 - 5 | 37,493,858.25 | 3,062,308.29 | 40,556,166.54 | 9,588,940.92 | 569,133.62 | 10,158,074.54 | 15,121,303.26 | 1,452,396.21 | 16,573,699.47 | 15,121,303.26 | 1,452,396.21 | 16,573,699.47 |
| | <u>49,030,394.67</u> | <u>5,223,849.99</u> | <u>54,254,244.66</u> | <u>15,121,304.45</u> | <u>1,452,396.21</u> | <u>16,573,700.66</u> | <u>20,280,681.33</u> | <u>2,708,644.26</u> | <u>22,989,325.59</u> | <u>20,280,681.33</u> | <u>2,708,644.26</u> | <u>22,989,325.59</u> |
| Total | | | | | | | | | | | | |
| 1 | 297,983,390.04 | 38,678,967.56 | 336,662,357.60 | 21,537,374.11 | 1,524,967.78 | 23,062,341.89 | 229,487,329.57 | 37,085,672.27 | 266,573,001.84 | 45,649,969.53 | 4,092,684.21 | 49,742,653.74 |
| 2 - 5 | 604,136,885.03 | 40,821,533.49 | 644,958,418.52 | 15,159,947.19 | 779,144.59 | 15,939,091.78 | 449,794,666.56 | 35,306,822.14 | 485,101,488.70 | 36,576,476.90 | 2,270,055.47 | 38,846,532.37 |
| | <u>902,120,275.07</u> | <u>79,500,501.05</u> | <u>981,620,776.12</u> | <u>36,697,321.30</u> | <u>2,304,112.37</u> | <u>39,001,433.67</u> | <u>679,281,996.13</u> | <u>72,392,494.41</u> | <u>751,674,490.54</u> | <u>82,226,446.43</u> | <u>6,362,739.68</u> | <u>88,589,186.11</u> |



The Group entered into the finance lease agreements for purchase machinery and equipment for rent and vehicles, payable monthly in the amount of Baht 29.57 million. As at December 31, 2015, the current portion of liabilities under the finance leases in the amount of Baht 297.98 million (year 2014: Baht 229.49 million) for the consolidated financial statements and Baht 21.54 million (year 2014: Baht 45.65 million) for the separate financial statements was presented under current portion.

The partial of liabilities under finance leases are also personally fully guaranteed by the related person (see Note 4).

19. LIABILITY UNDER REPURCHASE AGREEMENT

Liability under repurchase agreement as at December 31, 2015 and 2014 consisted of:

| | Baht | |
|--|----------------------|-----------------|
| | Consolidated | |
| | financial statements | |
| | 2015 | 2014 |
| Liability under repurchase agreement | 60,110,913.64 | 60,110,913.64 |
| Provision from litigation | 52,189,448.07 | 47,693,481.10 |
| Total | 112,300,361.71 | 107,804,394.74 |
| Less: Cash withheld by The Legal Execution Department paid to plaintiff | (18,954,272.85) | (18,954,272.85) |
| Less: Payment | (57,000,000.00) | - |
| Less: Reversal of provision from litigation | (36,346,088.86) | - |
| Balance | - | 88,850,121.89 |

On December 16, 1996, The Crane Service Co., Ltd. (“subsidiary”) sold assets to a customer by finance lease through a Leasing Company; on condition that subsidiary had joint responsibility to repurchase assets if the customer did not perform according to the agreement.

On October 8, 2001, the subsidiary entered into a debt confirmation letter with a Leasing Company because the subsidiary’s customer did not perform according to the agreements in the amount of Baht 73.62 million. A debt confirmation letter indicated that the Subsidiary had to pay principal and interest which the first repayment started on October 2001. The liabilities were also fully guaranteed by the subsidiary’s directors.

The subsidiary recorded the lessee to accounts receivable from repurchase agreement that were presented under current assets in the amount of Baht 45.82 million (see Note 8) according to the amount to be repaid by the subsidiary. The subsidiary had reclaimed the debt in the amount of Baht 68.20 million.

The Group and director are litigation a suit brought against it involving compensation of breach debt confirmation agreement in co-defendant, however, the Subsidiary has already recorded the provision of the damage fine as the Civil Court and Appeal Court judged (see Note 31.1). Anyway the subsidiary classified such provision to current liability.

On September 30, 2015, The Crane Service Co., Ltd. (“Subsidiary”) entered into the memorandum of debt repayment with the creditor and the Subsidiary repaid the whole amount on October 29, 2015 (see Note 32.1) with reversal of provisions from litigation and written-off receivable under repurchase agreement (see Note 8).

20. EMPLOYEE BENEFITS

Movements of the present value of employee benefit obligations for the years ended December 31, 2015 and 2014 were as follows:

| | Baht | | | |
|--|------------------------------|----------------------|----------------------|---------------------|
| | Post-employment benefit plan | | | |
| | Consolidated | | Separate | |
| | financial statements | | financial statements | |
| | 2015 | 2014 | 2015 | 2014 |
| | | (Restated) | | (Restated) |
| Employee benefit obligations as at January 1 | 16,124,654.69 | 12,879,143.89 | 8,019,316.31 | 7,144,134.62 |
| Included in profit or loss: | | | | |
| Current service cost | 2,580,516.94 | 1,713,607.72 | 1,804,854.07 | 999,599.90 |
| Interest cost | 369,253.77 | 338,647.26 | 175,861.94 | 176,252.57 |
| Included in other comprehensive income: | | | | |
| Defined benefit plan actuarial (gain) loss | 1,834,490.10 | 3,418,976.90 | (88,237.58) | 1,123,143.20 |
| Benefits paid during the year | (482,476.40) | (2,225,721.08) | (33,807.90) | (1,423,813.98) |
| Employee benefit obligations as at December 31 | <u>20,426,439.10</u> | <u>16,124,654.69</u> | <u>9,877,986.84</u> | <u>8,019,316.31</u> |

The Group made defined benefit plan in accordance with severance payment as the labor law which entitled retired employee within work service period in various rates, such as more than 10 years to receive severance payment not less than 300 days or 10 months of the last month salary.

Principal actuarial assumptions as at December 31, 2015 and 2014 (expressed as weighted averages) as follows:

| | Percent | | | |
|----------------------|-----------------------------------|-------------|-------------------------------|------|
| | Consolidated financial statements | | Separate financial statements | |
| | 2015 | 2014 | 2015 | 2014 |
| Discount rate | 3.00 - 3.27 | 3.27 - 3.59 | 3.08 | 3.45 |
| Salary increase rate | 5 | 3 - 5 | 5 | 5 |

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

The actuarial assumption of mortality rate for reasonable estimation of probability of retirement in the future is estimated from mortality table in year 2008.

The result of sensitivity analysis for significant assumptions that affect the present value of the long-term employee benefit obligations as at December 31, 2015 are summarised below:

| | Baht | | | |
|------------------------------------|-----------------------------------|----------------|-------------------------------|--------------|
| | Consolidated financial statements | | Separate financial statements | |
| | Increase | Decrease | Increase | Decrease |
| Discount rate (1% Movement) | (2,011,726.47) | 2,377,369.00 | (744,004.71) | 856,784.92 |
| Salary increase rate (1% Movement) | 2,303,211.79 | (1,991,961.38) | 828,887.90 | (735,474.07) |

21. SHARE CAPITAL AND DIVIDEND PAYMENT

The Company

At the Ordinary General Meeting of Shareholders held on April 28, 2015, resolutions were passed authorizing as follows:

Decrease in ordinary shares

- A special resolution was passed to decrease registered capital of the Company from Baht 626,784,419 to Baht 626,783,520 by eliminating the unissued shares of 899 shares at the par value of Baht 1 each.

Increase in ordinary shares

- A special resolution was passed to increase registered capital of the Company from Baht 626,783,520 to Baht 696,426,133 by issuing new 69,642,613 ordinary shares at the par value of Baht 1 each for stock dividend.

The Company registered the decrease and increase of its registered share capital with the Ministry of Commerce on May 12, 2015 and May 14, 2015, respectively.

Dividend payment

- Stock dividend at the rate of 9 existing shares to 1 new share, totaling Baht 69.64 million and cash dividend at the rate of Baht 0.01234568 per share, totaling Baht 7.74 million, total dividend payment in the amount of Baht 77.38 million.

The Company registered the change in paid-up share capital from stock dividend with the Ministry of Commerce on May 27, 2015.

At the Ordinary General Meeting of Shareholders held on April 29, 2014, resolutions were passed authorizing as follows:

**Decrease in share capital**

- A special resolution was passed to decrease registered share capital from Baht 578,571,375 to Baht 578,570,233 by eliminating the unissued shares of 1,142 shares at the par value of Baht 1 each.

Increase in share capital

- A special resolution was passed to increase registered share capital from Baht 578,570,233 to Baht 626,784,419 by issuing new 48,214,186 ordinary shares at the par value of Baht 1 each for stock dividend.

The Company registered the decrease and increase of its share capital with the Ministry of Commerce on May 14, 2014 and May 15, 2014, respectively.

Dividend payment

- Stock dividend at the rate of 12 existing shares to 1 share dividend, totaling Baht 48.21 million and cash dividend at the rate of Baht 0.00925926 per share, totaling Baht 5.36 million, total dividend payment in the amount of Baht 53.57 million.

The Company registered the change in paid-up share capital from stock dividend with Ministry of Commerce on May 28, 2014.

Subsidiary

At the Extraordinary General Meeting of Shareholders of The Crane Rayong Company Limited (Subsidiary) held on April 10, 2014, a special resolution was passed to increase registered capital from Baht 25 million to Baht 150 million by issuing new 1,250,000 ordinary shares at the par value of Baht 100 each.

The Subsidiary registered the increase of its share capital with the Ministry of Commerce on April 17, 2014.

22. SHARE PREMIUM

According to the Section 51 of the Public Limited Companies Act B.E. 2535 requires companies to set aside share subscriptions received in excess of the par value of the shares issued to a reserve account (“share premium”). Share premium is not available for dividend distribution.

23. LEGAL RESERVE

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

24. EXPENSES BY NATURE

Significant expenses by nature for the years ended December 31, 2015 and 2014 consisted of:

| | Baht | | | |
|--|----------------------|----------------|----------------------|---------------|
| | Consolidated | | Separate | |
| | financial statements | | financial statements | |
| | 2015 | 2014 | 2015 | 2014 |
| Purchases of goods | 506,032,826.68 | 96,414,529.10 | 506,032,826.68 | 96,414,529.10 |
| Supplies used | 22,675,074.70 | 28,206,587.61 | 22,706,804.43 | 28,208,294.41 |
| Salaries and other related benefits | 173,438,344.59 | 186,880,488.37 | 78,555,589.82 | 82,109,943.96 |
| Cost of rental and transportation services | 46,957,346.73 | 71,261,506.21 | 4,037,492.21 | 4,709,477.68 |
| Other rental and service expenses | 9,388,786.38 | 8,592,306.97 | 2,335,951.46 | 2,064,416.76 |
| Insurance expenses | 9,084,634.13 | 8,846,573.98 | 1,685,460.30 | 1,776,167.72 |
| Maintenance expenses | 22,257,825.31 | 23,375,250.16 | 2,448,224.33 | 1,714,464.97 |
| Depreciation | 266,451,237.18 | 217,570,285.24 | 73,204,812.75 | 76,906,743.22 |
| Sale promotion expenses | 9,030,100.44 | 19,149,592.91 | 8,087,928.79 | 11,156,374.87 |
| Fees | 7,775,582.46 | 8,082,587.95 | 4,603,893.11 | 5,263,403.66 |
| Loss from impairment of assets and written-off assets | 4,414,322.96 | 3,244,601.61 | 4,414,321.96 | 108,203.32 |
| Fine from litigation | - | 6,011,091.37 | - | - |

25. FINANCE COSTS

Finance costs for the years ended December 31, 2015 and 2014 consisted of:

| | Baht | | | |
|-------------------------------------|----------------------|----------------|----------------------|----------------|
| | Consolidated | | Separate | |
| | financial statements | | financial statements | |
| | 2015 | 2014 | 2015 | 2014 |
| Interest expenses | 62,995,618.62 | 52,953,061.04 | 23,852,755.30 | 16,039,343.72 |
| Bank charge | - | 410,775.00 | - | 410,775.00 |
| Total | 62,995,618.62 | 53,363,836.04 | 23,852,755.30 | 16,450,118.72 |
| Less: Interest expenses capitalized | - | (1,045,719.62) | - | (1,045,719.62) |
| Net | 62,995,618.62 | 52,318,116.42 | 23,852,755.30 | 15,404,399.10 |

26. PROVIDENT FUND

The Group and its employees jointly registered a provident fund scheme under the Provident Fund Act B.E. 2530. The Fund is contributed to by both the employees and the Group. The Fund is managed by CIMB-Principal Asset Management Company Limited and will be paid to the employees upon termination in accordance with the rules of the Fund. In the year 2015, Baht 2.34 million (year 2014: Baht 2.21 million) in the consolidated financial statements and Baht 1.16 million (year 2014: Baht 1.14 million) in the separate financial statements have been contributed to the Fund by the Group.

27. INCOME TAX

Corporate income tax for the years ended December 31, 2015 and 2014 was calculated at a rate specified by the Revenue Department on net earnings after adjusting certain conditions according to the Revenue Code. The Group recorded the corporation income tax as expense for the years and recorded the accrued portion as liabilities in the statements of financial position.

Income tax reduction

Royal Decree No. 530 B.E. 2554 dated December 14, 2011 grants a reduction in the corporate income tax rate from 30% to 23% on net profit for the accounting period beginning on or after January 1, 2012, and will be reduced to 20% on net profit for the two consecutive accounting periods beginning on or after January 1, 2013 onwards.

Royal Decree No. 577 B.E. 2557 dated November 3, 2014 extends the reduction to 20% on net profit for the accounting period which begins on or after January 1, 2015, but not later than December 31, 2015.

Tax income (expense) for the years ended December 31, 2015 and 2014 consisted of:

| | Baht | | | |
|------------------------------------|----------------------|-----------------|----------------------|-----------------|
| | Consolidated | | Separate | |
| | financial statements | | financial statements | |
| | 2015 | 2014 | 2015 | 2014 |
| | | (Restated) | | (Restated) |
| Current tax | | | | |
| Current year | (6,138,747.52) | (36,437,104.14) | - | (17,967,135.83) |
| Deferred tax | | | | |
| Movements in temporary differences | 2,588,455.90 | (24,793,323.13) | 2,492,026.62 | (14,718,326.96) |
| Tax income (expense) | (3,550,291.62) | (61,230,427.27) | 2,492,026.62 | (32,685,462.79) |

Income tax recognized in other comprehensive income for the years ended December 31, 2015 and 2014 as follows:

| | Baht | | | |
|------------|-----------------------------------|------------|-------------------------------|------------|
| | Consolidated financial statements | | Separate financial statements | |
| | 2015 | 2014 | 2015 | 2014 |
| | | (Restated) | | (Restated) |
| Provisions | 366,898.01 | 683,795.38 | (17,647.52) | 224,628.64 |

Reconciliation of effective tax rate

| | Consolidated financial statements | | | |
|---|-----------------------------------|-----------------|-----------------|-----------------|
| | 2015 | | 2014 | |
| | Tax rate (%) | Baht | Tax rate (%) | Baht |
| Profit (loss) before income tax | | (41,643,092.86) | | 300,346,520.76 |
| Income tax using the corporate tax rate | 20 | 8,328,618.57 | 20 | (60,069,304.15) |
| Expenses not deductible for tax purposes | | (4,980,349.39) | | (5,641,684.95) |
| Revenues granted income tax exemption | | - | | 741,426.38 |
| Addition expenses deductible for tax purposes | | 22,270,004.20 | | 16,186,704.17 |
| Effects of elimination entries on consolidation | | (6,149,261.46) | | 2,227,994.60 |
| Loss carry forward | | - | | 10,117,759.81 |
| Current loss | | (25,607,759.44) | | - |
| Current tax | 15 | (6,138,747.52) | 12 | (36,437,104.14) |
| Movement in temporary differences | | 2,588,455.90 | | (24,793,323.13) |
| Tax expense | 9 | (3,550,291.62) | 20 | (61,230,427.27) |

| | Separate financial statements | | | |
|---|-------------------------------|-----------------|----------|-----------------|
| | 2015 | | 2014 | |
| | Tax rate | | Tax rate | |
| | (%) | Baht | (%) | Baht |
| | | | | (Restated) |
| Profit (loss) before income tax | | (16,255,028.60) | | 153,496,411.54 |
| Income tax using the corporate tax rate | 20 | 3,251,005.72 | 20 | (30,699,282.31) |
| Expenses not deductible for tax purposes | | (745,751.60) | | (1,369,335.45) |
| Addition expenses deductible for tax purposes | | 4,437,785.04 | | 6,790,686.25 |
| Loss carry forward | | (6,943,039.16) | | 7,310,795.68 |
| Current tax | - | - | 12 | (17,967,135.83) |
| Movement in temporary differences | | 2,492,026.62 | | (14,718,326.96) |
| Tax income (expense) | 15 | 2,492,026.62 | 21 | (32,685,462.79) |

28. SEGMENT INFORMATION

Operating segment information is reported in a manner consistent maker in order to make decisions about the allocation of resources to the segment and assess its performance. The chief operating decision maker has been identified as the directors of the Company.

The Group operates the business related to sales, provide maintenance services, rental services for cranes, forklifts, trailers and trucks and transportation services. Therefore, Management considers that the Group operates in a single line of business and operates in a single geographic area, namely in Thailand.

29. COMMITMENTS AND CONTINGENT LIABILITIES

As at December 31, 2015, the Group had commitments and contingent liabilities as follows:

The Company

29.1 Commitments for payment under agreement as follows:

29.1.1 The service agreements in the amount of Baht 0.40 million per month.

29.1.2 The land and building lease agreement in the amount of Baht 0.08 million per month.

29.1.3 Construction office building, factory and other service in the amount of Baht 3.06 million.

29.1.4 The purchase equipment agreement in the amount of USD 0.01 million and SGD 0.04 million.

29.2 The letter of guarantee issued by the bank in the amount of Baht 0.23 million.



29.3 Contingent liabilities on co-guarantee for liabilities under finance leases of subsidiaries at book value in the amount of Baht 857.53 million (see Note 4).

29.4 The commitment for payment under forward exchange contract was as follows:

| Type of contract | Currencies | Outstanding balance | | Maturity |
|------------------------|------------|---------------------|--------------------------|---------------|
| | | (Million) | Exchange rate | |
| Sold forward contracts | US Dollars | 0.32 | Baht 35.68 per US Dollar | Feb. 19, 2016 |

Subsidiaries

29.5 Commitments for payment under agreement as follows:

29.5.1 The land and/or construction agreement with the Company in the amount of Baht 0.20 million per month and other party in the amount of Baht 0.11 million per month.

29.5.2 The management agreement with the Company in the amount of Baht 0.99 million per month.

29.5.3 The service agreement in the amount of Baht 0.43 million per month.

29.6 The letter of guarantee issued by the bank in the amount of Baht 0.30 million.

29.7 The Crane Heavy Lift Co., Ltd. is litigating a suit brought against it for a claim as default agreement and the official receiver informing to pay rent in the amount of Baht 14.92 million.

30. DISCLOSURE OF FINANCIAL INSTRUMENTS

30.1 Capital management

The Board of Directors' policy is to maintain a strong capital base so as to maintain investor, creditor and market confidence and to sustain future development of the business. The Board monitors the return on capital, which the Group defines as result from operating activities divided by total shareholders' equity and also monitors the level of dividends to ordinary shareholders.

30.2 Accounting policies

The details of significant accounting policies and methods used for classification of financial assets and financial liabilities including valuation, basis of recognition of income and expenses are disclosed in Note 3.

30.3 Financial risk management policies

The Group is exposed to fluctuations in interest rates and foreign exchange rates in the market and the risks from default of the agreements by counterparties. The Group had risk management policies as follows:

30.3.1 Interest rate risk

Interest rate risk is the fluctuation of the market interest rate in the future that will affect the Group's operations and cash flows. The Group has interest rate risk from cash at banks, bank overdrafts and loans



from banks because the interest rate of the financial assets and financial liabilities fluctuate based on the market rate. In addition, the Group has not engaged in any hedging contracts related to interest rates.

30.3.2 Foreign currency risk

The Group's exchange rate risk primarily involves the purchases and sales of goods in foreign currencies.

As at December 31, 2015 and 2014, the Group had liabilities in foreign currencies as follows:

| | Millions | | | |
|-------------------|-----------------------------------|------|-------------------------------|------|
| | Consolidated financial statements | | Separate financial statements | |
| | 2015 | 2014 | 2015 | 2014 |
| Currencies | | | | |
| Yen (Japan) | 2.97 | 3.18 | 2.97 | - |
| US Dollars | 1.60 | - | 1.60 | - |
| EURO | 0.25 | - | - | - |

30.3.3 Credit risk – trade receivables

The Group has a policy to hedge credit risk from trade receivables by forming a conservative credit policy and by determining the receipt from the sales of goods and service. Therefore, the Group expects that the loss from the collection of those trade receivables should not exceed the allowance for doubtful accounts.

30.4 Fair value

Most of the financial assets are cash and cash equivalents, trade and other receivables and short-term loans to related parties which are short-term credit. Most of the financial liabilities are bank overdrafts and short-term loans from financial institutions, trade and other payables, short-term loans from related parties, loans from banks and liabilities under finance leases with interest rates close to the market rate. The carrying amount of the financial assets and financial liabilities are not significantly different from their fair value.

31. FAIR VALUE HIERARCHY

As at December 31, 2015, the Group had the liability that was measured at fair value using different levels of inputs as follows:

| | Baht | | | |
|---|--|------------|---------|------------|
| | Consolidated and separate financial statements | | | |
| | Level 1 | Level 2 | Level 3 | Total |
| Liability measured at fair value | | | | |
| Foreign currency forward contracts | - | 143,645.56 | - | 143,645.56 |

**Valuation techniques and inputs to Level 2 valuation**

The fair value of derivatives has been determined by using a discounted future cash flow model and a valuation model technique. Most of the inputs used for the valuation are observable in the relevant market, such as spot rates of foreign currencies, yield curves of the respective currencies and interest rate yield curves.

During the year, there was no transfer within the fair value hierarchy.

32. LITIGATION**The Company**

32.1 The Company and The Crane Lamechabang Co., Ltd., The Crane Rayong Co., Ltd. and The Crane Heavy Lift Co., Ltd. (“the Group”) and related person (“Company’s director”) are litigation a suit brought against it involving compensation of breach debt confirmation agreement in co-defendant in the amount of Baht 66.54 million. Because of the Group ratified the actions of The Crane Service Co., Ltd. sold assets to a customer by finance leases through a leasing company; on condition that The Crane Service Co., Ltd. had joint responsibility to repurchase assets if the customer did not perform according to the agreement. However, The Crane Service Co., Ltd. filed a suit against a creditor relating to overstated debt in the amount of Baht 49.60 million. Anyway the Court combined considering both of litigation (see Note 19).

On July 14, 2009, Civil Court and on May 31, 2013, Appeal Court and on August 7, 2015, the Supreme Court judged The Crane Service Co., Ltd. and the Group and Company’s director to pay the debt in the amount of Baht 60.11 million including the damage fine 10% per annum since January 25, 2007 until complete repayment.

The Group and related person are sequestered by the Legal Execution Department. In the year 2013, the financial institutions remitted the sequestered cash at financial institutions to the Legal Execution Department in totaling amount of Baht 20.95 million and the Legal Execution Department paid the sequestered cash to the plaintiff.

During the Supreme Court’s process, the Legal Execution Officer seized the land of Company’s director as co-defendant. During year 2015, the Legal Execution Officer had declared the land auction in order to use the proceeds from the auction to pay to the plaintiff.

Director (“Borrower”) entered into a loan agreement with The Crane Service Co., Ltd. to borrow the loans at the credit line of Baht 15 million (see Note 4) to use as collateral in the auction to purchase land. Loan repayment schedules were as follows:

- Within 3 days, in the case of no bid auction or the borrower cannot win the auction.
- If the borrower can purchase the land, then it deems as the borrower repay the loan when the Legal Execution Department pays the net proceeds from the auction to the plaintiff and then sends the income and expenses account to The Crane Service Co., Ltd.

The Crane Service Co., Ltd. has already recorded all provision of the damage fine in “Provision” (see Note 19).



On September 30, 2015, The Crane Service Co., Ltd. entered into the memorandum of debt repayment with the creditor as follows:

- Agreed to pay the creditor in the amount of Baht 45 million within October 2015.
- The Group and the Company's director waived the outsider's deposit which use as collateral in the auction to purchase land of Company's director to become the possession of the creditor in the amount of Baht 3 million.
- The Group and the Company's director waived the proceeds from the auction land of Company's director in the amount of Baht 3.24 million to become the possession of the creditor.

On October 20, 2015, The Crane Service Co., Ltd. repaid to the Group and Company's director which the financial institutions remitted the sequestered cash at financial institutions to the Legal Execution Department.

On October 21, 2015, The Crane Service Co., Ltd. paid the compensation for the auction land of Company's director including opportunity loss from business to the Company's director in the amount of Baht 9 million according to the resolution of the Board of Directors' Meeting held on September 22, 2015.

On October 29, 2015, The Crane Service Co., Ltd. paid to the creditor according to the judge of the Court in the amount of Baht 45 million with reversal of provisions from litigation (see Note 19) and written-off receivable under repurchase agreement (see Note 8).

Subsidiaries

32.2 In 2005, the Crane Heavy Lift Co., Ltd. ("subsidiary") was informed by the official receiver to pay rent in the amount of Baht 13.60 million and the cancellation of an agreement. The subsidiary denied the rental agreement with the official receiver because the subsidiary has an agreement with the subsidiary's related person. In 2012, the subsidiary did not use such land and recorded provision in the amount of Baht 11.87 million in the financial statements. However, if the subsidiary loses more than such provision, the subsidiary's director will be responsible for the total in excess. At present, other than the above letter, the subsidiary has not been contacted by the official receiver.

32.3 The Crane Heavy Lift Co., Ltd. ("subsidiary") is litigating a suit brought against it for a claim of Baht 1.32 million. Civil Court judged the subsidiary to pay the debt and Appeal Court judged to dismiss the plaintiff's plaint.

At present, the case is pending decision in the Supreme Court. However, the subsidiary expects that there is no damage from this litigation.

33. EVENTS AFTER THE REPORTING PERIOD

On January 21, 2016, the Company issued bill of exchange to a securities company in the amount of Baht 200 million due on April 21, 2016.

34. APPROVAL OF THE FINANCIAL STATEMENTS

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