

**THAI WACOAL PUBLIC COMPANY LIMITED**  
**Minutes of the 44<sup>th</sup> General Meeting of Shareholders**  
**Held on Monday, April 22, 2013**

The meeting was held at Chaophaya Room 1, The Montien Riverside Hotel, situated at no. 372 Rama 3 Road, Bangklo Sub-district, Bangkholaem District, Bangkok, Thailand.

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The meeting commenced at 14.00 hours

Upon appointment time, Mrs. Onanong Saengpumpong, Company Secretary, informed the meeting that, it was then 14.00 hours already, the time set to commence the 44<sup>th</sup> general meeting of shareholders for Thai Wacoal Public Company Limited, presently being attended by 123 shareholders and proxies, representing total 165 shareholders, holding 110,143,105 shares or 91.79% out of total 120,000,000 company shares already issued and paid-up. Accordingly, the meeting quorum was formed in accordance with Article 36 of the Company's Article of Association, which specified that "In holding a shareholders' meeting, not less than 25 shareholders and proxies, representing not less than half the total number of shareholders and holding not less than one-third of the total number of shares already issued and paid-up needed to attend, in order to form a quorum".

The names of shareholders eligible to attend the 44<sup>th</sup> general meeting of shareholders were based on the record date earlier set for Monday, March 25, 2013, and later compiled by closing the shares registration book on Tuesday, March 26, 2013, in accordance with Section 225 of The Securities and Exchange Act B.E. 2535. Altogether, there were 1,073 shareholders holding the combined total of 120,000,000 shares eligible to attend this meeting. To commence the meeting, Mrs. Onanong invited Mr. Manu Leelanuwatana, Chairman of The Board of Directors, to act as Chairman of the meeting.

Mr. Manu Leelanuwatana, Chairman of the meeting, thanked all the shareholders for their attendance, and declared the meeting open.

After that, the Chairman assigned Mr. Boondee Amnuayskul, Managing Director, to introduce company directors, committee members, company secretary, executive directors, chief financial officer, and company auditors to the meeting.

Mr. Boondee Amnuayskul, Managing Director, introduced the company directors, committee members, company secretary, executive directors, chief financial officer, and company auditors to the meeting.

**The names of 11 company directors attending the meeting were as follows:**

- |             |               |   |
|-------------|---------------|---|
| 1. Mr. Manu | Leelanuwatana | Chairman of The Board of Directors<br>Chairman of The Nominating Committee<br>Member of The Remuneration Committee<br>Chairman of The Executive Board |
|-------------|---------------|---|

2.	Miss Sirikul	Dhanasarnsilp	Vice Chairman of The Board of Directors Member of The Nominating Committee Member of The Remuneration Committee Vice Chairman of The Executive Board
3.	Mr. Boondee	Amnuayskul	Director Managing Director
4.	Mr. Atsushi	Tabata	Director Deputy Managing Director
5.	Mr. Amnuay	Bumroongwongtong	Director Member of The Nominating Committee Executive Director
6.	Mr. Thamarat	Chokwatana	Director
7.	Assoc.Prof. Dr. Kulpatra	Sirodom	Independent Director Chairman of The Audit Committee
8.	Mrs. Punnee	Worawuthichongsathit	Independent Director Member of The Audit Committee
9.	Mrs. Saranya	Chindavanig	Independent Director Member of The Audit Committee
10.	Mr. Krish	Follett	Independent Director Chairman of The Risk Management Committee
11.	Assoc.Prof. Nares	Kesaprakorn	Independent Director Member of The Risk Management Committee

**4 directors were absent from the meeting, namely:**

1.	Mr. Yoshikata	Tsukamoto	Advising Director
2.	Mr. Yuzo	Ide	Vice Chairman of The Board of Directors
3.	Mr. Ikuo	Otani	Director
4.	Mr. Kiyotaka	Hiroshima	Director

**Chairman of The Remuneration Committee**

Mr. Boonsithi	Chokwatana	Advisor to The Board of Directors Chairman of The Remuneration Committee
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**Company Secretary**

Mrs. Onanong	Saengpumpong	Company Secretary Executive Director Director of Accounting and Finance Division
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Other 6 executive directors attended the meeting, namely:

- |    |                     |                    |  |
|----|---------------------|--------------------|--|
| 1. | Mr. Manus           | Ongsaranakom       | Member of The Risk Management Committee<br>Executive Director<br>Chief Financial Officer |
| 2. | Mr. Suvit           | Wongcharoenvutporn | Executive Director<br>Director of Children Wear Division                                 |
| 3. | Mr. Nonglaks        | Techaboonanek      | Executive Director<br>Director of Innerwear Division                                     |
| 4. | Miss Natcharinthorn | Pongsupachintapa   | Executive Director<br>Director of Research Development and Innovation<br>Center          |
| 5. | Mrs. Siriwan        | Vilassakdanont     | Executive Director<br>Director of Vienna Division  |
| 6. | Miss Karunee        | Surai              | Executive Director<br>Director of Human Resources and General Affairs<br>Division        |

2 company auditors from Deloitte Touche Tohmatsu Jaiyos Audit Co., Ltd., attended the meeting to provide necessary accounting information to the meeting, namely:

- |    |              |                |
|----|--------------|----------------|
| 1. | Dr. Suphamit | Techamontrikul |
| 2. | Mr. Vichai   | Lertthanongsak |

For this shareholders' general meeting, Chairman of The Board of Directors, Chairman of The Audit Committee, Chairman of The Nominating Committee, Chairman of The Remuneration Committee, Chairman of The Risk Management Committee, Chairman of The Executive Board, Chief Financial Officer, and Company Auditors all attended the meeting.

An auditor representative acted as the witness for the vote-counting procedure in the meeting as follows:

Miss Tunyaluck Limrungsi

who was an auditor from Deloitte Touche Tohmatsu Jaiyos Audit Co., Ltd. She was seated together with company officials who carried out vote tallying for each meeting agenda.

After that, the Managing Director assigned the Company Secretary to provide information relating to the meeting management and the voting procedures.

Mrs. Onanong Saengpumpong, Company Secretary, informed the meeting that, for the shareholders' meeting in 2013, the company duly followed good corporate governance practices relating to the rights and equitable treatment of shareholders as follows:

1. Provided the shareholders with the opportunity to propose meeting agenda and/or nominate candidates to be elected as company directors during December 1 - 30, 2012, by facilitating said information to the

shareholders via the news channel of The Stock Exchange of Thailand and the company website. However, there was no shareholder proposing meeting agenda and/or nominating candidates to be elected as company director prior to said meeting.

2. Provided the shareholders with the opportunity to pose their questions for the meeting in advance via e-mail or registered mail to the address specified in the meeting notice. However, there was 1 shareholder sending questions to the company prior to the meeting; where as, The Board of Directors shall answer all of those questions at the end of agenda 8 "Other topics".

3. Provided the opportunity for the shareholder unable to attend the meeting in person, to appoint independent director to act as his/her proxy to attend the meeting instead.

The voting method for this meeting followed Article 43 of the Company's Articles of Association, which required each share to be counted as one vote, and the voting to be carried out in a transparent manner. The shareholders may cast either approval vote, disapproval vote, or abstention vote, for each meeting agenda, whereas only disapproval and/or abstention votes would be taken into account, by deducting them from the total votes present at the meeting, in order to arrive at the number of approval votes. Whereas in the case where the shareholder had appointed a proxy to attend the meeting and cast vote according to his/her wish, and had already submitted such proxy appointment letter to the company in advance, the company would record said vote accordingly with the vote compilation system.

In the case where the shareholder or proxy arrived for meeting registration after the meeting had already commenced, said shareholder or proxy would be allowed to cast vote only for the remaining agenda not yet entering consideration. The company would then add the number of shareholders or proxies so arrived, to the total meeting quorum, for such remaining agenda for further recording in the meeting minutes. In that regard, the company would notify the meeting of any increase in the number of shareholders or proxies attending the meeting, if such an event took place.

In order for the vote-counting procedure to be carried out in an orderly and transparent manner, the company employed barcode system for the vote-counting procedures, thereby allowing all meeting attendants to view the voting result for each agenda clearly on screen at the same time.

The voting method for the meeting agenda could be classified into the followings:

1. **All agenda, except the agenda for the election of director** In case of disapproval or abstention vote, the shareholders were required to raise their ballot paper. The company officers would then distribute voting card for the shareholder to fill in together with his/her signature, and to be collected immediately for vote tallying.
2. **The election of director agenda** Ballot cards were distributed to all shareholders upon their meeting registration, in order for them to cast their votes for the election of each director together with their signatures. In the case of disapproval or abstention vote in the election of the director, the shareholders were required to raise their ballot paper.

The company officers would then collect voting card from all shareholders at the end of this agenda.

The Company Secretary then informed the meeting that, in their capacity as shareholders, company directors would cast their votes in accordance with the opinions proposed by The Board of Directors for each meeting agenda. In case the director was assigned to vote for the shareholder, his or her voting would have to comply with such instruction specified by the shareholder in the proxy form.

The Chairman then assigned Mr. Boondee Amnuayskul, Managing Director, to further conduct the meeting for all meeting agenda, except for agenda 6 Appointment of company auditor(s) and approval of audit remuneration budget which was assigned to Assoc.Prof. Dr. Kulpatra Sirodom, Chairman of The Audit Committee, to conduct said meeting agenda.

Mr. Boondee Amnuayskul, Managing Director, then proceeded with the meeting agenda according to the order earlier set forth in the notice for the general meeting of shareholders as follows:

Before entering agenda no.1, the Company Secretary informed the meeting that at present, 5 more persons had joined the meeting, representing 6 shareholders and holding 11,205 shares, thereby rendering the total number of shareholders and proxies attending the meeting to become 128 persons, representing 171 shareholders and holding 110,154,310 shares altogether, accounting for 91.80% of the company shares already issued and paid-up.

#### **Agenda 1 Endorsement of the Minutes of the 43<sup>rd</sup> General Meeting of Shareholders, held on April 23, 2012**

The Managing Director informed the meeting that the meeting minutes was compiled within 14 days subsequent to the meeting date, and submitted to The Stock Exchange of Thailand and The Commerce Ministry within the timeframe specified by law, as well as disseminated through the company website at <http://www.wacoal.co.th>. The company had earlier sent out the copy of meeting minutes for 43<sup>rd</sup> general meeting of shareholders, held on April 23, 2012, together with the notice of the meeting to the shareholders in advance. The Board considered that said meeting minutes had been duly and accurately recorded.

Accordingly, the Managing Director requested the meeting to consider said minutes, and to endorse them accordingly.

**Meeting resolution** The meeting unanimously endorsed the minutes according to the following votes:

Approved, representing 110,154,310 votes, equivalent to 100.00%

Disapproved, representing \_\_\_\_\_ - votes, equivalent to \_\_\_\_\_ -

Abstained, representing \_\_\_\_\_ - votes, equivalent to \_\_\_\_\_ -

out of the total votes by shareholders attending the meeting and having the right to vote.

#### **Agenda 2 Reports on the company's performance results for year 2012**

The Managing Director reported to the meeting that, the report by The Board of Directors and the company's performance results for year 2012 were published in the 2012 annual report, earlier sent out to the shareholders together with the notice for the general meeting of shareholders, and prepared in accordance with the requirements set forth by The Securities and Exchange Commission and The Stock Exchange of Thailand.

He then asked the meeting whether they had any comment on this matter.

As the meeting had no comments, the Managing Director informed the meeting that this was an acknowledgement agenda requiring no vote-casting, and proceeded to the next meeting agenda.

Before entering agenda no.3, the Company Secretary informed the meeting that at present, 1 more person had joined the meeting, representing 2 shareholders and holding 187,250 shares, thereby rendering the total number of shareholders and proxies attending the meeting to become 129 persons, representing 173 shareholders and holding 110,341,560 shares altogether, accounting for 91.95% of the company shares already issued and paid-up.

### **Agenda 3 Approval of financial statements ending December 31, 2012**

The Managing Director reported to the meeting that, above financial statements were compiled at the end of the company's fiscal year. They were verified and certified by the certified public accountant of Deloitte Touche Tohmatsu Jaiyos Audit Co., Ltd., and endorsed by The Audit committee and The Board of Directors, whose details appeared per the financial statements of the 2012 annual report earlier forwarded with the notice of the meeting to the shareholders.

He then asked the meeting whether they had any comment on this matter.

As the meeting had no comments, The Managing Director requested the meeting to consider to approve the financial statements.

**Meeting resolution** Upon consideration, the meeting unanimously approved the financial statements ending December 31, 2012, according to the following votes:

Approved, representing__110,341,560	votes,	equivalent to__100.00%
Disapproved, representing_____ -	votes,	equivalent to_____ -
Abstained, representing_____ -	votes,	equivalent to_____ -

out of the total votes by shareholders attending the meeting and having the right to vote.

Before entering agenda no.4, the Company Secretary informed the meeting that at present, 2 more persons had joined the meeting, representing 2 shareholders and holding 1,500 shares, thereby rendering the total number of shareholders and proxies attending the meeting to become 131 persons, representing 175 shareholders and holding 110,343,060 shares altogether, accounting for 91.95% of the company shares already issued and paid-up.

### **Agenda 4 Approval of profits appropriation and dividend payments proposal**

The Managing Director reported to the meeting that in general, the company would follow its policy in authorizing regular dividend payments at the rate of Baht 0.25 per share (representing 25% of the par value), while also taking into account the company's performance results and the prevailing economic condition.

Based on its performance results for 2012, the company posted the following results :

Unappropriated retained earnings	Baht	3,010,163,146.61
Plus Net profits for year 2012	Baht	431,832,847.72
<u>Less</u> Actuarial losses on retirement benefit plans	Baht	<u>14,286,158.00</u>
Total profits for appropriation	Baht	<u>3,427,709,836.33</u>

In accordance with the resolution by The Board of Directors' meeting no.6/2012 on March 6, 2013, the meeting also took into consideration the company's business performances, liquidity position, and investments made in several business projects, and adopted the resolution on profits appropriation as follows:

1) Statutory reserve allocation

Since the company had fulfilled its statutory reserve up to said 10% level required by law already, the Board proposed to allocate the amount of Baht 21,591,642.39.- as general reserve, and requested the meeting to consider the proposal.

2) Dividend payment allocation

The Board of Directors resolved to propose dividend payments at the rate of Baht 2.40 per share, for total 120,000,000 shares, for total dividend payments amount of Baht 288,000,000, accounting for 66.69% of total net profits for 2012, to be drawn from the net profits already subject to 30% corporate income tax.

Whereby individual shareholder could apply for tax credit. The shareholders entitled to receive dividend payments would be those with their names appearing on the record date on Tuesday, May 7, 2013. Said shareholders' names would then be compiled according to Section 225 of The Securities and Exchange Act B.E. 2535 by closing the shares registration book on Wednesday, May 8, 2013. Payment date was set for Friday, May 17, 2013.

Above dividend payment rate duly complied with the company's policy and did not pose any adverse effect on its liquidity status. Accordingly, the company would post unappropriated retained earnings of Baht 3,118,118,193.94.-

The meeting was requested to consider this proposal.

Meeting resolution Upon consideration, the meeting unanimously granted approval to general reserve allocation of Baht 21,591,642.39, as well as dividend payment proposal for dividend payment at the rate of Baht 2.40 per share for total amount Baht 288,000,000, to be drawn from the net profits already subject to 30% corporate income tax, according to the following votes:

Approved, representing <u>110,343,060</u> votes,	equivalent to <u>100.00%</u>
Disapproved, representing _____ - votes,	equivalent to _____ -
Abstained, representing _____ - votes,	equivalent to _____ -

out of the total votes by shareholders attending the meeting and having the right to vote.

Before entering agenda no.5, the Company Secretary informed the meeting that at present, 2 more persons had joined the meeting, representing 2 shareholders and holding 29,550 shares, thereby rendering the total number of shareholders and proxies attending the meeting to become 133 persons,

representing 177 shareholders and holding 110,372,610 shares altogether, accounting for 91.98% of the company shares already issued and paid-up.

**Agenda 5 Election of the directors to replace those retiring upon term completion, and approval of directors' remuneration budget**

**Agenda 5.1 Election of the directors to replace those retiring upon term completion**

The Managing Director reported to the meeting that, Section 71 of The Public Company Act B.E. 2535 and Article 21 of the Company's Articles of Association specified that "One-third of the sitting directors would be required to retire by rotation at the time of each annual general meeting of shareholders. In the case where such directors number could not be equally divided into 3 portions, the closest to such one-third number would apply, while retiring directors would be eligible for re-election as directors".

At present, The Board of Directors had 15 members, whereby 5 directors were due to retire upon term completion at the 44<sup>th</sup> general meeting of shareholders as follows:

- |    |                          |               |   |
|----|--------------------------|---------------|---|
| 1. | Mr. Manu                 | Leelanuwatana | Chairman of The Board of Directors<br>Chairman of The Nominating Committee<br>Member of The Remuneration Committee<br>Chairman of The Executive Board         |
| 2. | Mr. Yuzo                 | Ide           | Vice Chairman of The Board of Directors   |
| 3. | Miss Sirikul             | Dhanasarnsilp | Vice Chairman of The Board of Directors<br>Member of The Nominating Committee<br>Member of The Remuneration Committee<br>Vice Chairman of The Executive Board |
| 4. | Mr. Kiyotaka             | Hiroshima     | Director  |
| 5. | Assoc.Prof. Dr. Kulpatra | Sirodom       | Independent Director<br>Chairman of The Audit Committee   |

The company had earlier provided shareholders with the opportunity to nominate candidates to be elected as directors prior to the general meeting of shareholders. However, no shareholder submitted the name of person to be considered for the election of directors.

The Board of Directors excluding those directors having possible conflict of interests, had paid careful consideration to the qualifications of those persons being nominated as directors on an individual basis, in term of knowledge and experiences, leadership, vision, ethics and morality, working record, and expertise in specialized field, together with their past contributions to the company's achievements in their capacity, as company directors and members of other committees so far as well as having no qualification or nature subject to forbidden restrictions according to Article 68 of The Public Company Act B.E. 2535, and the requirement set forth by The Securities and Exchange Commission. Accordingly, The Board of Directors adopted the resolution agreeing with The Nominating Committee's opinion to propose to the shareholders' meeting to re-elect these 5 retiring directors to serve another term as directors as follows:



- |                             |               |
|-----------------------------|---------------|
| 1. Mr. Manu                 | Leelanuwatana |
| 2. Mr. Yuzo                 | Ide           |
| 3. Miss Sirikul             | Dhanasarnsilp |
| 4. Mr. Kiyotaka             | Hiroshima     |
| 5. Assoc.Prof. Dr. Kulpatra | Sirodom       |

Furthermore, the meeting was informed of The Public Company Act B.E. 2535, Section 86 and Article 30 of the Company's Articles of Association, which specified that "Company directors are not allowed to engage in other businesses having the same business nature, or otherwise competing with the company's business, or becoming a partner in ordinary partnership, or unlimited partner in registered ordinary partnership, or becoming the director in other companies having the same business nature or otherwise competing with the company's business, whether for own or other persons' benefits, except only in such cases where the shareholders' meeting has been duly notified in advance prior to such appointment".

In that regard, prior to seeking the resolution from the meeting, the Managing Director informed the meeting regarding the directors being nominated for re-election this time, who concurrently served as director in other companies having the same business nature or otherwise competing with the company's business, whose names were as follows:

- |                 |               |   |
|-----------------|---------------|---|
| 1. Mr. Manu     | Leelanuwatana | acting as the Chairman in Pattaya Manufacturing Co., Ltd.   |
| 2. Miss Sirikul | Dhanasarnsilp | acting as the Managing Director in Pattaya Manufacturing Co., Ltd.<br>acting as the Chairman in Pattaya Lamphun Co., Ltd. |

The profile of these 5 persons being nominated as directors and definitions of independent director, had earlier been sent out to the shareholders together with the notice of the meeting.

Since this agenda required direct vote-casting by the meeting, all meeting attendants were required to cast own votes, indicating whether approval, disapproval, or abstention votes, for each director in the ballots. Once the voting for all 5 directors were completed, the meeting staff then collected those ballots duly signed by the attendants, for further tallying and recording purpose.

The meeting was requested to cast votes to elect the directors replacing those retiring upon term completion, based on individual basis, according to the following order :

- |                             |               |
|-----------------------------|---------------|
| 1. Mr. Manu                 | Leelanuwatana |
| 2. Mr. Yuzo                 | Ide           |
| 3. Miss Sirikul             | Dhanasarnsilp |
| 4. Mr. Kiyotaka             | Hiroshima     |
| 5. Assoc.Prof. Dr. Kulpatra | Sirodom       |

**Meeting resolution** After deliberation, the meeting resolved to elect the directors to replace those retiring upon term completion, according to voting results for each individual director as follows:

Name			Approval		Disapproval		Abstention	
			Votes	%*	Votes	%*	Votes	%*
1.	Mr. Manu	Leelanuwatana	110,372,610	100.0000	-	-	-	-
2.	Mr. Yuzo	Ide	110,189,110	99.8337	183,500	0.1663	-	-
3.	Miss Sirikul	Dhanasarnsilp	110,189,110	99.8337	183,500	0.1663	-	-
4.	Mr. Kiyotaka	Hiroshima	110,372,610	100.00	-	-	-	-
5.	Assoc.Prof. Dr. Kulpatra	Sirodom	110,372,610	100.00	-	-	-	-

**Note\*** : Representing the total votes by shareholders attending the meeting and having the right to vote.

As the result, The Board of Directors for 2013 comprised 15 members, whose names appeared as follows:

1. Mr. Yoshikata                      Tsukamoto
2. Mr. Manu                              Leelanuwatana
3. Mr. Yuzo                                Ide
4. Miss Sirikul                            Dhanasarnsilp
5. Mr. Boondee                          Amnuayskul
6. Mr. Atsushi                            Tabata
7. Mr. Amnuay                            Bumroongwongtong
8. Mr. Thamarat                         Chokwatana
9. Mr. Ikuo                                 Otani
10. Mr. Kiyotaka                         Hiroshima
11. Assoc.Prof. Dr. Kulpatra            Sirodom
12. Mrs. Punnee                          Worawuthichongsathit
13. Mrs. Saranya                         Chindavanig
14. Mr. Krish                              Follett
15. Assoc.Prof. Nares                    Kesaparakorn

Whereas one-third of the members of The Board of Directors were independent directors, equivalent to 5 directors out of the total 15 directors, whose names appeared as follows:

1. Assoc.Prof. Dr. Kulpatra            Sirodom
2. Mrs. Punnee                          Worawuthichongsathit
3. Mrs. Saranya                         Chindavanig
4. Mr. Krish                              Follett
5. Assoc.Prof. Nares                    Kesaparakorn

#### **Agenda 5.2 Approval of the directors' remuneration budget**

The Managing Director reported to the meeting that Article 32 of the Company's Articles of Association, specified that "The company is not allowed to provide the directors with any financial payments or assets, other than those remuneration and benefits duly accorded the directors, excluding other remuneration and benefits duly

accorded the directors as company employees.” The shareholders’ meeting had earlier approved annual directors’ remuneration budget not exceeding Baht 20,000,000, and assigned The Remuneration Committee to allocate said budget amount as authorized by the shareholders’ general meeting. For year 2012, the company has allocated remuneration budget to the directors for total amount Baht 14,560,000 according to the details as follows:

- Annual remuneration for The Board of Directors	Baht 13,000,000.-
- Meeting allowances for The Board of Directors	Baht 572,000.-
- Meeting allowances for The Audit Committee	Baht 688,000.-
- Meeting allowances for The Nominating committee	Baht 52,000.-
- Meeting allowances for The Remuneration committee	Baht 32,000.-
- Meeting allowances for The Risk Management committee	Baht 216,000.-

In that regard, The Nominating Committee proposed to the meeting to consider the remuneration criteria for 2013. Such criteria was based on the consideration regarding the performances by The Board of Directors, the budget amount approved by the shareholders’ meeting, the remuneration amount for the previous year and the comparison with other companies in similar businesses, as well as the authority, duty and responsibility scope of the directors.

The details for the directors’ remuneration were proposed as follows:

1. **Annual remuneration** : paid to all directors, based on the consideration by The Remuneration Committee.
2. **Meeting allowance** : paid to person attending the meeting.

Details of meeting allowance payments were as follows:

	Chairman	Member
<b>1. Meeting allowance</b>		
1.1 For The Board of Directors	Baht 12,000 / time	Baht 10,000 / time
1.2 For The Audit Committee, The Nominating Committee, The Remuneration Committee, The Risk Management Committee	Baht 10,000 / time	Baht 8,000 / time
<b>2. Quarterly meeting allowance (For The Audit Committee)</b>	Baht 60,000 / time	Baht 30,000 / time
Whereas above remuneration criteria need to receive the approval by The Board of Directors, and cannot exceed the budget amount approved by the shareholders’ meeting.		

Since The Board of Directors had earlier endorsed the proposal submitted by the Remuneration Committee, the meeting was requested to approve the directors’ remuneration budget for amount not exceeding Baht 20,000,000 per year, the same as the preceding year, excluding other remuneration or benefits duly accorded the directors as company employees or staff member. Furthermore, the meeting was requested to authorize The

Remuneration Committee to allocate said budget amount to the directors as approved by the shareholders' meeting, to take effect from the approval date until further notice.

The meeting was requested to consider above proposal, whereby not less than two-thirds of the votes present at the meeting would be required to adopt the resolution.

**Meeting resolution** Upon consideration, the meeting approved said remuneration proposal according to the following votes:

Approved, representing 110,201,310 votes, equivalent to 99.8448%

Disapproved, representing      - votes, equivalent to      -

Abstained, representing 171,300 votes, equivalent to 0.1552%

out of the total votes by shareholders attending the meeting.

**Agenda 6 Appointment of company auditor(s) and approval of audit remuneration budget**

Assoc.Prof. Dr. Kulpatra Sirodom, Chairman of The Audit Committee, reported to the meeting that Article 49 of the Company's Articles of Association specified that "An auditor shall not be a director, staff member, employee or a person holding any office or having any duty in the company" and Article 50 specified that "An auditor shall be elected annually by the general meeting of shareholders. A retiring auditor may be re-elected".

For 2012, the shareholders' meeting resolved to appoint

- Dr. Suphamit Techamontrikul certified public accountant registration no. 3356 and/or
- Mr. Chavala Tienpasertkij certified public accountant registration no. 4301 and/or
- Mr. Manoon Manusook certified public accountant registration no. 4292

representing Deloitte Touche Tohmatsu Jaiyos Audit Co., Ltd., as company auditors, by setting the audit remuneration budget for the company at Baht 1,705,000.-

For 2013, The Board of Directors resolved to propose to the shareholders' meeting to appoint the company auditors and to approve the audit remuneration budget, as proposed by The Audit Committee. The consideration was based on their independency, performances, good working principles and other qualifications according to the Company's Articles of Association, together with the requirements set forth by The Securities and Exchange Commission. Name list of company auditors were as follows:

1. Dr. Suphamit Techamontrikul certified public accountant registration no. 3356 and/or
2. Mr. Chavala Tienpasertkij certified public accountant registration no. 4301 and/or
3. Mr. Manoon Manusook certified public accountant registration no. 4292

representing Deloitte Touche Tohmatsu Jaiyos Audit Co., Ltd. to serve as company auditors. Among the 3 nominees, Dr. Suphamit Techamontrikul, certified public accountant registration no. 3356, had served 2 terms as company auditor certifying the company's financial statements for year 2011 - 2012, whereas other auditors had never served as company auditors in certifying the company's financial statements.

Furthermore, above auditors from Deloitte Touche Tohmatsu Jaiyos Audit Co., Ltd., recommended for further appointment by the shareholders' meeting, were from the same auditing office as those auditors acting as

company auditors for the company's subsidiaries. In that regard, the company confirmed that these 2 groups of auditors were independent and did not have any prior relationship or any stakeholding interests in both the company or its subsidiaries, and were not related to their management, major shareholders, or other parties related to those persons.

The company and its subsidiaries did not make any non-audit fee payment to the auditing office where the auditors belonged, or to other parties or businesses related to the auditors or their auditing office.

Audit remuneration details were as follows:

Audit fee for annual financial statements	Baht	865,000
Audit fee for annual consolidated financial statements	Baht	90,000
Review fee for financial statements for quarters 1, 2, 3	Baht	315,000
Review fee for consolidated financial statements for quarters 1, 2, 3	Baht	300,000
Royalty audit services	Baht	25,000
Information technology system audit fee	Baht	<u>140,000</u>
<b>Total</b>	<b>Baht</b>	<b><u>1,735,000</u></b>

At the same time, to also inform the shareholders' meeting of the audit remuneration budget for the company's 5 subsidiaries, whereby payments were made only for audit services without any other payment for non-audit services for total amount Baht 2,595,000.- Altogether, total audit remuneration for the company and its 5 subsidiaries amounted to total Baht 4,330,000.-

The meeting was requested to consider the proposal.

**Meeting resolution** Upon consideration, the meeting unanimously resolved to appoint above auditors as company auditors and approve the audit remuneration budget according to the following votes:

Approved, representing 110,372,610 votes, equivalent to 100.00%

Disapproved, representing \_\_\_\_\_ - votes, equivalent to \_\_\_\_\_ - \_\_\_\_\_

Abstained, representing \_\_\_\_\_ - votes, equivalent to \_\_\_\_\_ - \_\_\_\_\_

out of the total votes by shareholders attending the meeting and having the right to vote.

**Agenda 7 Approval of amendment to Article 3 of the Memorandum of Association (Company's Business Objectives No.2 and No.4)**

The Managing Director reported to the meeting that in order to facilitate the company's operations to cover all areas of transactions related to its business operations. Accordingly, upon consideration, The Board of Directors resolved to propose to the shareholders' meeting to approve the amendment to the Article 3 of the Memorandum of Association (Company's Business Objectives No.2 and No.4) according to the details in the notice of the meeting as follows:

Present Business Objective	Proposed Business Objective Revision	Rationale
No.2 To sell, transfer, mortgage, <u>pledge</u> , exchange, and disposal of assets through other means.	No.2 To sell, transfer, exchange, and disposal of assets through other means.	To clearly classify grouping according to transaction type.
No.4 To enter into borrowing and overdraft drawing transactions from bank, legal entity, or financial institutes, and to enter into transactions providing loan or credit by other means, either with or without collateral. Furthermore, to enter into transaction to accept, issue, transfer, and endorse promissory note or other negotiable instruments, for those transactions not lying in the operations scope for <u>bank, trust, and credit foncier</u> .	No.4 To enter into borrowing and overdraft drawing transactions from bank, legal entity, or financial institutes, and to enter into transactions providing loan or credit by other means, either with or without collateral. <u>To enter into transaction pledging asset or accepting pledging of asset, and to enter into mortgage transaction for both movable and immovable properties. To enter into transaction accepting asset mortgage as guarantee for employee starting employment, and to accept asset mortgage as guarantee for payment to the company. To enter into sale transaction of asset with redemption right, or accept such sale transaction of asset for the company's benefits. To provide guarantee or act as guarantor for individual or legal entity in carrying out their contractual obligations, particularly for customer, individual, or legal entity engaging in transaction with the company.</u> Furthermore, to enter into transaction to accept, issue, transfer, and endorse promissory note or other negotiable instruments, for those transactions not lying in the operations scope for <u>financial institutions</u> .	In order to cover the scope of transactions and operations engaged by the company.

In addition, the meeting resolved to authorize company directors to file for registration for Memorandum of Association amendments, and to authorize them to amend wording or sentence in said Memorandum of Association, in line with the recommended by The Registrar, Department of Business Development, Ministry of Commerce.

The meeting was requested to consider the proposal, whereby no less than three-fourths of the votes present at the meeting and having the right to vote, would be required to adopt the resolution.

**Meeting resolution** Upon consideration, the meeting unanimously resolved to amend Article 3 of the Memorandum of Association (Company's Business Objectives No.2 and No.4) and authorize company directors to file for registration for Memorandum of Association amendments, and to authorize them to amend the wording or sentence in the Memorandum of Association, in line with the recommended by The Registrar, Department of Business Development, Ministry of Commerce, according to the following votes:

Approved, representing 110,372,610 votes, equivalent to 100.00%

Disapproved, representing \_\_\_\_\_ - votes, equivalent to \_\_\_\_\_ - \_\_\_\_\_

Abstained, representing \_\_\_\_\_ - votes, equivalent to \_\_\_\_\_ - \_\_\_\_\_

out of the total votes by shareholders attending the meeting and having the right to vote.

**Agenda 8 Other topics (if any)**

Upon the completion of the meeting agenda for the shareholders' meeting, the Managing Director informed the meeting that there was 1 shareholder sending questions to the company prior to the meeting and the Company Secretary was assigned to read those answers to the shareholder's questions.

**Mrs. Onanong Saengpumpomg** (Company Secretary and Director of Accounting and Finance Division)

Mr. Pravit Pongsathitsunthorn, the shareholder who sent questions to the company in advance, was unable to attend the meeting as he was occupied with an urgent business and requesting the company to answer those questions on the date of the shareholders' meeting, as follows:

**Question 1 :** What are the outstanding properties of sponge materials in "Wacoal COOL" products? Do "Wacoal COOL" products use the same innovation as "Cool Biz" products?

**Answer 1 :** The two products use different types of innovation, i.e., in "Wacoal COOL" bra products, the cool fabric innovation is used so that sweats can be absorbed into the fabric and dried out rapidly due to effective air ventilation; meanwhile, in the hip pants products, "Cool Biz" innovation is used; and the fabric surface is coated with substances which help absorb sweats and heat when it is hot and the body is sweating; as a result, the temperature at the surface of fabric covering the body will decrease and will keep the wearers feeling cool and fresh all day long.

**Question 2 :** Do all "Diamond Model" products have Swarovski elements? (As it is noticed that "W65U14" underwear products have no diamond-like materials)

**Answer 2 :** Yes, all "Diamond Model" products have Swarovski elements; and "W65U14" underwear products are decorated with some diamond-like materials on the front patterns of fabric.

**Question 3 :** In the front cover of the Annual Report, it should be specified with the latest models of products; for example, in this year, the product models using the cool fabric innovation should be presented.

**Answer 3 :** The company accepted the said opinions for consideration in the next year.

**Question 4 :** According to the current situation of rapid appreciation of Thai Baht, does the company have any forward or natural hedge contract?

**Answer 4 :** In 2012, the company has executed a forward contract and has made profits of approx. Baht 10 million from such forward contract.

**Question 5 :** This is a compliment rather than a question. I would like to thank the Chairman (Mr. Manu Leelanuwatana) and all members of The Board of Directors who have kept their words at the conclusion of all meetings of shareholders that "All members of The Board of Directors are aware of their obligations to increase the business value for shareholders and stakeholders, with diligence, honesty and good faith and transparency, and to fulfill missions as entrusted by all shareholders"; and it was proved that the company's operating results have been improving every year; and the maximum rate of dividends was paid since the par value was changed from Baht 10 to Baht 1 per share; and the percentages of dividend payments have not been decreased; moreover, the company has been evaluated for its good governance with the level of "very good" for 5 consecutive years.

**Answer :** All questions have been answered; and I would like to thank the shareholder.

The Managing Director then allowed the shareholders to present questions or comments relating to the meeting. Three shareholders presented their questions and comments to the meeting, which could be summarized, as follows :

**Mr. Wittaya Puchanavanich** (Shareholder)

Regarding the general investments on Page 97 of the Annual Report, the company had its losses of totally Baht 22.67 million; the question is whether such losses were resulted from the impairment of investments or not; when compared to the current market prices, does the company have any profits (or losses)?

And on Page 65, it was reported that the company had its direct and indirect investments in approx. 23 companies, I would like to know which companies have no investment returns or profits; and what is the company's policy on such investments?

**Mrs. Onanong Saengpumpomg** (Company Secretary and Director of Accounting and Finance Division)

Regarding the first question, the company had its losses from general investments because the company had its investments in a company in which the impairment of investments was fixed at the full prices thereof; but the said company ceased to do its business; therefore, the company has restored the impairment losses and recorded the losses from such investment, which can be used for tax relief in 2012.

Regarding the second question, on Page 65 of the Annual Report, it was reported that the company held its shares equal to at least 10% of investments in approx. 23 companies with and without investment returns; and some companies fixed the impairment of investments with a lot of details, the company requested the name of shareholder and would reply to him via email and record the notification thereof to shareholders for acknowledgment.

According to the detailed reply to shareholder via email, the company had its investments in 23 companies at the cost value of Baht 411.91 million, with the book value of Baht 1,706.03 million. In 2012, the company had its dividends, totally Baht 145.09 million; and the rate of returns was equal to 35.20% of the cost



value, which is higher than the rate of fixed deposits or the Government bonds; whereby, 4 of such 23 companies still had no investment returns due to continuous losses; and the company had its policy to invest in its supply chains mainly and in other businesses; provided that there are risks of investment; but in the overview, the company had its very high rate of dividend payments when compared to the money invested.

**Mr. Wittaya Puchanavanich** (Shareholder)

What is the company's goal in this year?

**Mr. Manu Leelanuwatana** (Chairman of The Board of Directors)

This year has been a tough year because the minimum wage rate of the country was adjusted to Baht 300 per day and the Baht appreciation was the highest in the world; meanwhile, in Japan, the company's major business partner, the Japanese Yen depreciated by over 20% and tended to keep on depreciating. According to all of these factors, the industrialists in Thailand, including Thai Wacoal, must, by all means, attempt to avoid its losses and must try its best to reduce this impact; and The Board of Directors are discussing about this matter at all times.

**Miss Darunrat Piyayodilokchai** (Proxy appointed by Bangkok Life Assurance Plc.)

I would like to know the operating results in the 4<sup>th</sup> Quarter, as follows:

1. The cause of limited growth of the sales in the 4<sup>th</sup> Quarter; when compared to the previous quarter, it was obvious that there was considerable growth thereof; but when compared to those in the 4<sup>th</sup> Quarter of the previous year, there was limited growth thereof.

2. The selling expenses of the 4<sup>th</sup> Quarter, which was normally considered as a low season, were higher than those in other quarters when compared to the sales (%).

3. The administrative expenses decreased considerably (approx. 30% YOY); and what is the cause of such decrease?

4. Does the company have any measures to deal with the adjusted minimum wage rate and competitions in the industry such as the increasing import of goods from China and more severe competitions in the fashion industry?

5. What is the company's plan relating to its investment budgets and increase of its production capacity?

6. What is the company's target of sales and profits (%)?

7. What is the progress of the manufacturing operations of the company's newly established associated company in Myanmar?

**Mr. Boondee Amnuayskul** (Managing Director)

I would like to answer those questions as far as I can remember them. Regarding the matter of expenses, the company has been well prepared to adjust itself to the economic condition in this year as informed by the Chairman of The Board of Directors. In fact, the company has adjusted its working processes and has increased its production capacity. The company has taken several actions to deal with the increasing expenses; for example, the company has increased the production works in Myanmar or in Mae Sod District of Thailand in order

to reduce the cost of production; meanwhile, the expenses of exchange rates have been changing rapidly and severely, particularly the depreciation of Japanese Yen; the company has tried to adjust itself by making purchase orders at a proper level to cover its expenses.

Regarding the operating results of the company in this year, the company should have similar quantity of sales when compared to those in the previous year; meanwhile, it could be tough to generate any profits under this economic condition; however, The Board of Directors shall make its best effort and by all means to generate such profits.

**Miss Darunrat Piyayodilokchai** (Proxy appointed by Bangkok Life Assurance Plc.)

The production capacity of childrenwear and the actual quantity of production has increased; meanwhile, the production capacity of ladies' lingerie has decreased; therefore, I would like to know whether such trends would continue and what is the cause thereof.

**Mr. Boondee Amnuayskul** (Managing Director)

In each year, the trend of the production capacity and the actual quantity of production shall not be equal; meanwhile, in the previous year, the quantity of production of childrenwear considerably increased; but in this year, it tended not to increase; meanwhile, the production capacity of ladies' lingerie shall be divided into 2 parts, including the production capacity for domestic and overseas markets; whereas, the company shall at all times balance these two parts of the production capacity for the maximum flexibility, by considering whether it should adjust any portion thereof in any specific years, thus, depending on the economic condition and the exchange rates, thus, for the maximum benefits of the company.

**Miss Darunrat Piyayodilokchai** (Proxy appointed by Bangkok Life Assurance Plc.)

What is the company's investment budget for this year? Will the company expand its production capacity or will it maintain the same level thereof; or will the company reduce the number of its employees and increase its productivity instead?

**Mr. Boondee Amnuayskul** (Managing Director)

As the BOI's certificate of the company for all 3 of its subsidiaries in Kabinburi, Lamphun and Sriracha has expired; therefore, in this year, the company shall reapply for the BOI's certificate; and the company has invested in machinery, approx. Baht 100 million; and has increased its production capacity by using the increasing number of state-of-the-art machines such as automatic machines while the labour cost keeps on increasing.

**Mr. Samreng Manoonpol** (Shareholder)

I am concerned with the tough situation of the textile industry and the labour cost which has just been adjusted to Baht 300 per day. As an investor, I was further concerned that if, one day, ladies no longer wear bras, how could I get my dividend payments; however, in my second thought, Thai Wacoal has its executives with good visions, diligence and honesty; that made me feel better. Nowadays, women have died of breast cancer more increasingly; and it was clinically proven that women who wear bras will have less risks of breast cancer; therefore, I request The Board of Directors to consider manufacturing anti-breast cancer bras in Thai Wacoal's production lines; and when such an idea became true, I would get my dividend payments of over Baht 2.40 per share.

As there was no further topic or comment raised by the meeting, the Managing Director therefore requested the Chairman to close the meeting.

On behalf of The Board of Directors, the Chairman thereupon thanked all shareholders for their continued trust and support to the Board to perform another term of company management. In carrying out this important assignment, the Board members pledged to dedicate their best efforts contributing to better competitive developments for the company during the coming future.

Furthermore, all Board members also pledged to exercise their best efforts in promoting further company values and shareholders' interests, by carrying out their duties with perseverance, honesty, integrity, and transparency, according to good governance practices, throughout their coming term. The Chairman then declared the meeting close.

The meeting closed at 15.05 hours

Manu Leelanuwatana

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(Mr. Manu Leelanuwatana)

Chairman of the meeting

Minutes Recorder

Onanong Saengpumpong

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(Mrs. Onanong Saengpumpong)

Company Secretary