

**THAI WACOAL PUBLIC COMPANY LIMITED**  
**Minutes of the 48<sup>th</sup> General Meeting of Shareholders**  
**Held on Monday, April 24, 2017**

The meeting was held at Chaophaya Room 2, 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 15.00 hours

Upon appointment time, Mrs. Onanong Saengpumpong, Company Secretary, informed the meeting that, it was then 15.00 hours already, the time set to commence the 48<sup>th</sup> general meeting of shareholders for Thai Wacoal Public Company Limited, presently being attended by 57 shareholders present in person, representing 5,143,408 shares, and 47 shareholders by proxy, representing 101,667,150 shares, thereby rendering the total number of shareholders and proxies attending the meeting to become 86 persons, representing total 104 shareholders, holding 106,810,558 shares or 89.01% 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 48<sup>th</sup> general meeting of shareholders were based on the record date earlier set for Monday, March 20, 2017, and later compiled by closing the shares registration book on Tuesday, March 21, 2017, in accordance with Section 225 of The Securities and Exchange Act B.E. 2535. Altogether, there were 1,076 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, welcomed all the shareholders to the general meeting of shareholders, and declared the meeting open.

After that, the Chairman assigned Mr. Boondee Amnuayskul, Chief Executive Officer (CEO) and Managing Director, to introduce company directors, committee members, company secretary, management members, chief financial officer, and company auditors to the meeting.

Mr. Boondee Amnuayskul, the CEO and Managing Director, introduced the company directors, committee members, company secretary, management members, 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 |
| 2. | Mr. Boondee  | Amnuayskul           | Director<br>Member of The Corporate Governance Committee<br>CEO and Managing Director                              |
| 3. | Mr. Nozomu   | Otsuka               | Director<br>Deputy Managing Director   |
| 4. | Mr. Amnuay   | Bumroongwongtong     | Director<br>Member of The Nominating Committee   |
| 5. | Mr. Thamarat | Chokwatana           | Director   |
| 6. | Miss Karunee | Surai                | Director<br>Member of The Corporate Governance Committee<br>Executive Director                                     |
| 7. | Dr. Kulpatra | Sirodom              | Independent Director<br>Chairman of The Audit Committee<br>Chairman of The Corporate Governance Committee          |
| 8. | Mrs. Punnee  | Worawuthichongsathit | Independent Director<br>Member of The Audit Committee  |
| 9. | Mr. Krish    | Follett              | Independent Director<br>Chairman of The Risk Management Committee  |

- |     |                   |                |  |
|-----|-------------------|----------------|--|
| 10. | Assoc.Prof. Nares | Kesaparakorn   | Independent Director<br>Member of The Risk Management<br>Committee |
| 11. | Miss Waraporn     | Kulsawatpakdee | Independent Director<br>Member of The Audit Committee              |

**4 directors were absent from the meeting due to overseas assignments, namely:**

- |    |               |             |   |
|----|---------------|-------------|---|
| 1. | Mr. Yoshikata | Tsukamoto   | Advising Director                       |
| 2. | Mr. Masaya    | Wakabayashi | Vice Chairman of The Board of Directors |
| 3. | Mr. Masaaki   | Yajima      | Director                                |
| 4. | Mr. Takuya    | Miura       | Director                                |

**Chairman of The Remuneration Committee**

- |               |            |   |
|---------------|------------|---|
| Mr. Boonsithi | Chokwatana | Advisor to The Board of Directors<br>Chairman of The Remuneration Committee |
|---------------|------------|---|

**Company Secretary**

- |              |              |   |
|--------------|--------------|---|
| Mrs. Onanong | Saengpumpung | Company Secretary<br>Member of The Corporate Governance<br>Committee<br>Executive Director<br>Chief Financial Officer |
|--------------|--------------|---|

**Other 6 Executive Directors and management members attended the meeting, namely:**

- |    |                     |                    |   |
|----|---------------------|--------------------|---|
| 1. | Mr. Suvit           | Wongcharoenvutporn | Executive Director<br>Director of Children Wear Division        |
| 2. | Mrs. Nonglaks       | Techaboonanek      | Executive Director  |
| 3. | Miss Natcharinthorn | Pongsupachintapa   | Executive Director<br>Director of Human Science Research Center |
| 4. | Mrs. Siriwan        | Vilassakdanont     | Executive Director<br>Director of Vienna Division               |
| 5. | Mr. Sompong         | Rasameetham        | Executive Director<br>Director of Innerwear Division            |
| 6. | Mr. Worathep        | Assavakasem        | Executive Director  |

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

1. Mr. Manoon                      Manusook
2. Miss Kornthong                Luangvilai
3. Miss Jantawan                 Janpli

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 Corporate Governance Committee, Chairman of The Executive Board, Chief Financial Officer, and Company Auditors all attended the meeting.

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

Miss Matchima                      Chanyakorn

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

After that, the CEO and 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 2017, 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, 2016, 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 no shareholder sending such advanced question to the company prior to the meeting.

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 and/or the votes according to the voided ballot (if any) 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.

A ballot is considered void if a ballot on which more than one mark is placed or a ballot with any crossing-out without a signature thereon.

In the case where the shareholder arrived for meeting registration after the meeting had already commenced, said shareholder would be allowed to cast vote only for the remaining agenda not yet entering consideration. The company would then add the number of shareholders 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 attending the meeting, if such an event took place.

In order to implement the vote-counting procedure in an orderly and transparent manner, the company employed the barcode system for such vote-counting procedure, thereby allowing all meeting attendants to view the voting result for each agenda clearly appearing 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 To cast the disapproval or abstention vote, the shareholder was required to express by raising the signcard in hand. The officer would count the votes including distribute the ballot. Please filled in the registration number, accompanied by any comment and own signature on the ballot, and returned promptly to the officer on duty.

2. The election of director agenda Each shareholder was required to exercise own voting right, by casting vote on an individual basis, accompanied by own signature on the ballot on the right side of the signcard. To cast the disapproval or abstention vote for any particular candidate, the shareholder was required to raise the signcard in hand, accompanied by such expression on the ballot, to be immediately collected and tallied by the officer on duty.

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 on behalf of the shareholder, his / her voting would need to comply with such instruction specified by the shareholder per the proxy form. Should the shareholder have any inquiry to make during each meeting agenda in process, he / she would be required to raise the hand before exercising such right to inquire.

The Chairman then assigned Mr. Boondee Amnuayskul, the CEO and Managing Director, and Mrs. Onanong Saengpumpomg, the Company Secretary, to further conduct the meeting for all meeting agenda, except for agenda 7 Appointment of company auditor(s) and approval of audit remuneration budget which was assigned to Dr. Kulpatra Sirodom, Chairman of The Audit Committee, to conduct said meeting agenda.

Mr. Boondee Amnuayskul, the CEO and 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, 3 more persons had joined the meeting, representing 3 shareholders and holding 238,720 shares, thereby rendering the total number of shareholders and proxies attending the meeting to become 89 persons, representing 107 shareholders and holding 107,049,278 shares altogether, accounting for 89.21% of the company shares already issued and paid-up.

#### Agenda 1 Endorsement of the Minutes of the 47<sup>th</sup> General Meeting of Shareholders, held on April 25, 2016

The CEO and 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 [www.wacoal.co.th](http://www.wacoal.co.th). The company had earlier sent out the copy of meeting minutes for 47<sup>th</sup> general meeting of shareholders, held on April 25, 2016, together with the notice of the meeting to the shareholders in advance. The Board considered that said meeting minutes had been accurately recorded.

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

**Meeting resolution** The meeting endorsed the minutes by unanimous votes out of the total votes representing the attending shareholders with the voting rights.

Approval by 107,049,278 votes, representing 100.00%

Disapproval by            -            votes, representing            -           

Abstention by            -            votes, representing            -           

Voided Ballot by            -            votes, representing            -           

## **Agenda 2 Reports on the company's performance results for year 2016**

The CEO and Managing Director reported to the meeting that, the report by The Board of Directors and the company's performance results for year 2016 displayed in the 2016 annual report, had been earlier sent out to the shareholders together with the notice for the general meeting of shareholders, according to the three significant details as follows:

### **1. Operating results and financial status**

#### **● Consolidated operating results for 2016**

The company and subsidiary companies achieved total sales revenues of Baht 4,138 million, representing an increase of Baht 166 million or 4.18% YoY. The increase in total sales revenues resulted from increased sales of products locally in Thailand of Baht 68 million, or equal to 2.36% YoY, due to the company's distributor expanding its sales channels and increasing its marketing promotions campaigns. Total revenues from export sales increased by Baht 98 million, or 9.04% YoY, mainly due to the company had received higher volume of orders from Japan.

In 2016, total achieved net profit was Baht 311 million, representing a decrease of Baht 23 million or 7% YoY. This was equal to an earnings per share (EPS) of Baht 2.59.

- **Financial status**

The company had total assets, as at the end of 2016, of Baht 6,687 million, representing an increase of Baht 91 million, or 1.37%, from the end of the previous year. It could be classified as follows: current assets of Baht 2,233 million, representing a decrease of Baht 132 million from the previous year mainly consisting of the accept of the return in short-term loans from related parties, and non-current assets of Baht 4,454 million, representing an increase of Baht 223 million from the previous year, mainly due to investments made in ordinary shares of related parties and purchasing additional property, plant and equipments during the year.

As at the end of 2016, the company had total liabilities of Baht 1,247 million, representing a decrease of Baht 169 million, or 11.93% YoY, compared to the end of the previous year mainly due to the company returned the short-term loan to financial institutions.

The value of the equity, as at the end of 2016, totaled Baht 5,440 million, representing an increase of Baht 260 million or 5.01% YoY. As such, the company's book value per share, as at the end of 2016, equaled to Baht 45.33, representing a YoY increase of Baht 2.16 per share.

## 2. The Company products

For 2016, the company launched new collections with outstanding innovation which were as follows:

1) **BODY BASE** : The innovative design for the smoothness of the body with special knitting technology by using highly fine and flexible fiber that tightens the belly and beautifully uplifts the round hip. It is flexible in all directions for freedom of every movement. Free Cut edge is smooth and comfortable to wear with special technique of Bonding that provides seamless smoothness.

2) **SMOOTH BRA** : Lingerie comes with functions that fit the body of women. Smooth Bra is beautiful, smooth, firm, and seamless with the innovation of Bonding 3 D for all-round seamless feature.

3) **feel free** : The latest innovative underwear with the production of special fabric that does not make the edge to roll and loose, together with the bottom molding technique for close-fitting, smooth and soft touch is comfortable in every movement.

### 3. Progress on investment projects

According to the company's investment in a new business platform for its Supply Chain Management system, in order to further develop the overall strength and sustainability for the company in the long term by investing 2 projects as follows:

1) The joint investment project in raw materials supply chain system for the ladies' lingerie products by establishing 2 companies as follows:

- A Tech Textile Co., Ltd. has invested in new machines, improved work processes and workplace with knowhow collaboration from Japanese experts.

- G Tech Material Co., Ltd. has invested in new machines and developed innovative products such as the use of rubber as a part of lingerie raw materials.

The 2 companies have started operation on February 1, 2016 and they have operated according to the plan.

2) The Company undertook a joint venture investment with Wacoal Corp. through establishing Myanmar Wacoal Co., Ltd. in Thilawa Special Economic Zone, in order to expand its manufacturing base for ladies' lingerie products in Myanmar which has started the production of ladies' lingerie products and sent back to sell in Thailand.

### 4. Corporate Social Responsibility (CSR)

The company has set a vision and policy on corporate social responsibility which represents the focus on developing a social responsibility approach to long-term business sustainability.

In 2016, the company implemented several CSR projects such as

#### 1) "Wacoal Pink Ribbon...Fight Against Breast Cancer" Project

Thai Wacoal has been organizing the "Wacoal Pink Ribbon...Fight Against Breast Cancer" Project continuously for over 16 years by launching various projects to campaign and educate about protecting oneself from breast cancer. The company also assist patients to receive treatment immediately if it is found at an early stage and can be treated. Various projects and activities are as follows:-

- **“Wacoal Pink lady service” Activity**

Wacoal product has cooperated with National Cancer Institute and organized training for 800 PC salespersons to spread knowledge and to give suggestions about breast cancer to customers such as how to check breasts correctly by themselves and how to select Balancing Bra to regain confidence, etc.

- **“Balancing Bra Donation” Project**

The company donated Balancing Bra and artificial breasts in amount of 9,700 sets totaling Baht 8.8 million to women who lost their breasts and have shortages of money from Year 2008 - Present.

**2) “Wacoal Bra Day” Project**

Thai Wacoal is the first manufacturer of lingerie product group in Thailand to manage waste or deteriorated products systematically with international standard and it does not affect the environment. The 3R's Principles are reuse, reduce and recycle.

From project implementation, the company received donations of over 150,000 bras, which reduce communities garbage of 15 tons, decrease in carbon dioxide emissions of 8.94 tons Co<sub>2</sub>eq., replace in the use of coal of 20 tons, and equal to plant 380 trees.

**3) “Wacoal Eco System” Project**

Wacoal Eco System Project is a company product and process management system ranging from the selection of standard raw materials, the quality production process, the effective inventory management, the provision of accurate information, and the right way to dispose without impact on the environment.

**4) “Wacoal Body Clinic” Project**

The company has brought its knowledge, expertise from over 46 years of experience to establish Wacoal Body Clinic in order to provide advices and suggestions to women and customers with physiological problems. Currently, the company has provided 4 Wacoal Body Clinic centers in Bangkok, Chiang Mai, Udon Thani and Songkhla.

**5. Corporate Governance Operation** The company has focused and committed to continuous improvement to raise standards of corporate governance and led business operations of the company to be full of transparency, effectiveness and sustainable growth.

### Progress on participating in the anti-corruption campaign

On October 14, 2016, the company was certified as a member of Private Sector Collective Action Coalition against Corruption (CAC). The company implemented the activities as follows:

- 1) The Board of Directors laid down its policy, regulations and practice guidelines on anti-corruption in writing, as well as reviewed and revised them on yearly basis.
- 2) Set up an anti-corruption working team in order to be a good organizational culture which will not accept any kind of corruption. The working team has reported the progress and operation to The Corporate Governance Committee annually.
- 3) Assessed corruption risk and determined control measures in order to prevent and monitor, as well as evaluate the operation in compliance with anti-corruption policy.
- 4) Communicated the company's anti-corruption policy and related regulations to the attention of its business partners and external persons. In addition, the company informed its subsidiaries and associates to implement the policy and regulations as the business practice guidelines in order to create corporate culture in anti-corruption.
- 5) Organized training sessions and knowledge promotion regarding anti-corruption to the directors, the management members, supervisors and employees at all levels, together with disseminated to new employees at orientation sessions.
- 6) Set up communication channel to receive complaints or information relating to fraud and corruption, and determined the whistleblower protection measures. The whistleblower will receive protection, care and keep as secret. The issue will enter the audit process discreetly, cautiously and fairly.

The meeting was then asked whether they had any comment on this matter.

For this agenda, 1 shareholder posed questions to The Board of Directors, which could be summarized as follows:

**Mr. Anu Wongsarnkij** (Shareholder)

In 2016, the revenue of the company increased, why did the gross profit decrease?

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

**Mrs. Onanong Saengpumpong** (Executive Director and Chief Financial Officer)

The company's gross profit decreased because the company slowed down production capacity in 2016 to control inventory to the appropriate level. As a result, production efficiency had been decreased from 2015. Cost was slightly higher; therefore, the company's gross profit decreased. In addition, in the year 2016, the company recognized the share of loss from investment in associate which was just started in the first year. It also affected company's net profit.

**Mr. Anu Wongsarnkij** (Shareholder)

Why did the company invest in Myanmar?

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

The company together with Wacoal Japan planned for Thailand to be the center of lingerie manufacturer. The company will be the supply chain to supply Wacoal products to Wacoal throughout the world in America, Europe, Japan and Asia. Therefore, the company invested in supply chain business in raw materials such as A Tech Textile Co., Ltd. and G Tech Material Co., Ltd. to produce raw materials for lingerie. Meanwhile, the company had a joint venture with Wacoal Corp. to establish Myanmar Wacoal Co., Ltd. to expand production to Myanmar because of its lower production costs than Thailand. The company has planned Myanmar to be a production hub for exports to Wacoal around the world in the future.

**Mr. Anu Wongsarnkij** (Shareholder)

In 2016, the company exported more to Japan, how did Wacoal Corp. help boosting sales to the company?

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

For oversea markets, the company has exported more to Japan. Wacoal Corp. has ordered the products to distribute in Japan because of the confidence in product quality, raw material quality and the readiness of the company.

**Mr. Anu Wongsarnkij** (Shareholder)

How is the children wear branded Enfant currently growth?

**Mr. Suvit Wongcharoenvutporn** (Executive Director and Director of Children Wear Product Division)

The children wear branded Enfant is growing. The company has developed product quality and added more variety of product categories in addition to children wear to make exports abroad better.

**Mr. Anu Wongsarnkij** (Shareholder)

How will the company boost sales to maintain the number one market share in the ladies' lingerie market?

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

The company will always launch innovative products by developing innovation in raw materials and products. Meanwhile, there are also new distribution channels together with the promotion. All of this will result in the company's sales growth.

**Mr. Anu Wongsarnkij** (Shareholder)

What is the proportion of export sales in the future after the company has invested in Myanmar which will result in a significant increase in sales?

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

The proportion of export sales should be around 25 - 30%.

After the answers to above questions, since no other question was raised by the meeting, the CEO and Managing Director informed the meeting that this was an acknowledgement agenda requiring no vote-casting, and proceeded to the next meeting agenda.

### **Agenda 3 Approval of the financial statements for the year ended December 31, 2016**

The CEO and Managing Director reported to the meeting that, above financial statements were compiled at the end of the company's fiscal year based on Thai Financial Reporting Standards. 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 2016 annual report earlier forwarded with the notice of the meeting to the shareholders.

The meeting was then asked whether they had any comment on this matter.

For this agenda, 1 shareholder posed questions to The Board of Directors, which could be summarized as follows:

**Mr. Anu Wongsarnkij** (Shareholder)

In 2015, the Company had provided short-term loans to related parties in the amount of approximately Baht 100 million, has the company received loan payment?

**Mrs. Onanong Saengpumpong** (Executive Director and Chief Financial Officer)

In 2016, the company already received a payment of short-term loans to related parties Baht 99 million loan from related parties. For other short-term loans to other business, the company had received the payment and had remaining amount of Baht 51 million as shown in the financial statements.

**Mr. Anu Wongsarnkij** (Shareholder)

Why the company had no deposits in 2016 comparing to a lot of deposit previously?

**Mrs. Onanong Saengpumpong** (Executive Director and Chief Financial Officer)

Deposits are divided into short-term and long-term deposits. The company's short-term deposits decreased because the company had invested over Baht 200 million in the raw material supply chain project as reported to the shareholders. For long-term deposits, the company invested in debentures which are still not maturing.

After the answers to above questions, since no other question was raised by the meeting, the CEO and Managing Director requested the meeting to consider the approval of the financial statements for the year ended December 31, 2016.

**Meeting resolution** Upon consideration, the meeting approved the financial statements for the year ended December 31, 2016 by unanimous votes out of the total votes representing the attending shareholders with the voting rights.

Approval by 107,049,278 votes, representing 100.00%

Disapproval by       -       votes, representing       -      

Abstention by       -       votes, representing       -      

Voided Ballot by       -       votes, representing       -

Before entering agenda no.4, the Company Secretary informed the meeting that at present, 1 more person had joined the meeting, representing 1 shareholder and holding 300 shares, thereby rendering the total number of shareholders and proxies attending the meeting to become 90 persons, representing 108 shareholders and holding 107,049,578 shares altogether, accounting for 89.21% of the company shares already issued and paid-up.

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

The CEO and 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 separate financial statements for 2016, the company posted the following results :

Unappropriated retained earnings	Baht	3,352,583,697.56
<u>Plus</u> Net profits for year 2016	Baht	<u>347,281,662.21</u>
Total profits for appropriation	Baht	<u>3,699,865,359.77</u>

In accordance with the resolution by The Board of Directors' meeting no.7/2016 on March 2, 2017, 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 the 10% level required by law already, the Board proposed the amount of Baht 17,364,083.11.- as general reserve allocation, accounting for 5% of total net profits, and requested the meeting to consider the proposal.

##### **2) Dividend payment allocation**

The Board of Directors proposed to authorize dividend payment at the rate of Baht 1.30 per share, for the total 120,000,000 shares, resulting in total dividend payment budget of Baht 156,000,000, accounting for 44.92% of total net profits for 2016, to be drawn from the company's retained earnings already subject to 25% corporate income tax.

In relation to above proposal, individual shareholder could apply for tax credit benefit. Shareholders entitled to receive dividend payments would be those having their names on the record date on Wednesday, May 3, 2017. 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 Thursday, May 4, 2017. Payment date was set for Tuesday, May 23, 2017.

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 by an amount of Baht 3,526,501,276.66.-

The meeting was then asked whether they had any comment on this matter.

As the meeting had no comments, the CEO and Managing Director requested the meeting to consider the approval of profits appropriation and dividend payments proposal.

The meeting was requested to consider this proposal.

**Meeting resolution** Upon consideration, the meeting resolved to grant approval to general reserve allocation of Baht 17,364,083.11, as well as dividend payment proposal for dividend payment at the rate of Baht 1.30 per share for total amount Baht 156,000,000, to be drawn from the retained earnings already subject to 25% corporate income tax, by unanimous votes out of the total votes representing the attending shareholders with the voting rights.

Approval by 107,049,578 votes, representing 100.00%

Disapproval by - votes, representing -

Abstention by - votes, representing -

Voided Ballot by - votes, representing -

#### **Agenda 5 Election of directors to replace those retiring upon term completion**

The CEO and 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 48<sup>th</sup> general meeting of shareholders as follows:

1. Mr. Yoshikata Tsukamoto Advising Director
2. Mr. Masaya Wakabayashi Vice Chairman of The Board of Directors
3. Mr. Boondee Amnuayskul Director,  
The Corporate Governance Committee Member,  
Chief Executive Officer and Managing Director
4. Mr. Amnuay Bumroongwongtong Director and  
The Nominating Committee Member
5. Mr. Krish Follett Independent Director and  
Chairman of The Risk Management Committee

In this regard, Mr. Amnuay Bumroongwongtong indicated his intention not to seek re-nomination.

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 according to the criteria and process for the selection of directors. The persons nominated for the position of director were qualified to engage with the company's business. Their experiences and abilities benefited to the company. Moreover, persons nominated as independent directors of the company could express opinions independently and in accordance with the relevant rules. 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 4 retiring directors to serve another term as directors as follows:

1. Mr. Yoshikata Tsukamoto
2. Mr. Masaya Wakabayashi
3. Mr. Boondee Amnuayskul
4. Mr. Krish Follett



1. Mr. Yoshikata Tsukamoto
2. Mr. Masaya Wakabayashi
3. Mr. Boondee Amnuayskul
4. Mrs. Onanong Saengpumpong
5. Mr. Krish Follett

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

Name	Approval		Disapproval		Abstention		Voided Ballot	
	Votes	%*	Votes	%*	Votes	%*	Votes	%*
1. Mr. Yoshikata Tsukamoto	106,874,378	99.8363	175,200	0.1637	-	-	-	-
2. Mr. Masaya Wakabayashi	106,874,378	99.8363	175,200	0.1637	-	-	-	-
3. Mr. Boondee Amnuayskul	107,049,578	100.0000	-	-	-	-	-	-
4. Mrs. Onanong Saengpumpong	107,049,578	100.0000	-	-	-	-	-	-
5. Mr. Krish Follett	107,049,578	100.0000	-	-	-	-	-	-

**Note\*** : Representing the total votes by attending shareholders having voting rights.

As the result, The Board of Directors for 2017 would comprise 15 directors, with their names as follows:

1. Mr. Yoshikata Tsukamoto
2. Mr. Manu Leelanuwatana
3. Mr. Masaya Wakabayashi
4. Mr. Boondee Amnuayskul
5. Mr. Nozomu Otsuka
6. Mr. Thamarat Chokwatana
7. Miss Karunee Surai
8. Mrs. Onanong Saengpumpong
9. Mr. Masaaki Yajima
10. Mr. Takuya Miura
11. Dr. Kulpatra Sirodom
12. Mrs. Punnee Worawuthichongsathit

13. Mr. Krish Follett
14. Assoc.Prof. Nares Kesaparakorn
15. Miss Waraporn Kulsawatpakdee

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. Dr. Kulpatra Sirodom
2. Mrs. Punnee Worawuthichongsathit
3. Mr. Krish Follett
4. Assoc.Prof. Nares Kesaparakorn
5. Miss Waraporn Kulsawatpakdee

#### **Agenda 6 Approval of the directors' remuneration budget**

The CEO and 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 2016, the company has allocated remuneration budget to the directors for total amount Baht 12,142,000 according to the details as follows:

- Annual remuneration for The Board of Directors	Baht 10,500,000.-
- Meeting allowances for The Board of Directors	Baht 672,000.-
- Meeting allowances for The Audit Committee	Baht 650,000.-
- Meeting allowances for The Nominating committee	Baht 26,000.-
- Meeting allowances for The Remuneration committee	Baht 32,000.-
- Meeting allowances for The Risk Management committee	Baht 216,000.-
- Meeting allowances for The Corporate Governance committee	Baht 46,000.-

In that regard, The Remuneration Committee proposed to the meeting to consider the remuneration criteria for 2017. Such criteria was based on the consideration given to The Board of

Directors' performances, authority, duty, and responsibility scope, as well as the operating results and growth prospect for the company, the financial liquidity position, and such factors posing possible impacts on both the company and overall economic situation, together with performance of individual directors. Consideration was also given to the budget amount approved by the shareholders' meeting, the remuneration amount for the previous year and the comparison with other companies in similar businesses.

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

**1. Directors' Remuneration**

**1.1 Annual remuneration** : paid to all directors, based on the consideration by The Remuneration Committee.

**1.2 Meeting allowance** : paid to person attending the meeting.

	Chairman	Member
The Board of Directors	Baht 12,000 / time	Baht 10,000 / time

**1.3 Other remuneration and benefits** : - None -

**2. Sub-committees' Remuneration** Those committees consisted of The Audit Committee, The Nominating Committee, The Remuneration Committee, The Risk Management Committee, and The Corporate Governance Committee including any other sub-committees appointed by The Board of Directors as necessary and appropriated in the future. The remuneration was paid in the form of meeting allowances to those who attended the meeting without other remuneration and benefits.

Details of meeting allowance payments were as follows:

	Chairman	Member
<b>1. Meeting allowance</b> For The Audit Committee, The Nominating Committee, The Remuneration Committee, The Risk Management Committee, The Corporate Governance Committee	Baht 10,000 / time	Baht 8,000 / time

	Chairman	Member
2. <u>Quarterly meeting allowance</u> (For The Audit Committee)	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.

The Board of Directors had endorsed the proposal submitted by the Remuneration Committee since such remuneration were appropriate and in accordance with the authority, duty, and responsibility scope, as well as the operating results and growth prospect for the company, together with the criteria was comparable to other companies in the same business category. Accordingly, 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 then asked whether they had any comment on this matter.

As the meeting had no comments, the CEO and Managing Director requested the meeting 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 by unanimous votes representing the attending shareholders.

Approval by 107,049,578 votes, representing 100.00%

Disapproval by        -        votes, representing        -       

Abstention by        -        votes, representing        -       

Voided Ballot by        -        votes, representing        -       

**Agenda 7 Appointment of company auditor(s) and approval of related audit remuneration budget**

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 2017, 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 the company auditors’ performance in the past year, their knowledge, ability, working principles, with understanding of the company’s business and its subsidiaries, including independence in performing their duties, as well as other qualifications according to the Company’s Articles of Association, and the requirements set forth by The Securities and Exchange Commission. Name list of company auditors were as follows:

1. Mr. Manoon Manusook certified public accountant registration no. 4292 and/or
2. Miss Wimolporn Boonyusthian certified public accountant registration no. 4067 and/or
3. Dr. Kiatniyom Kuntisook certified public accountant registration no. 4800

representing Deloitte Touche Tohmatsu Jaiyos Audit Co., Ltd. to serve as company auditors.

Among the 3 nominees, Mr. Manoon Manusook had served 1 term as company auditor certifying the company’s financial statements for year 2016, whereas other auditors had never served as company auditors in certifying the company’s financial statements.

Furthermore, above auditors, 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 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 attached information on the work experience and independence of each auditor which were earlier sent out together with the notice of the general meeting of shareholders.

The audit remuneration for year 2017 were appropriate to the scope of the audit, according to the details as follows :

- Annual audit fee and quarterly review fee of separate financial statements Baht 1,400,000
- Annual audit fee and quarterly review fee of consolidated financial statements Baht 390,000

- Royalty audit services	Baht 25,000
- Information technology system audit fee	Baht <u>150,000</u>
<b>Total</b>	<b>Baht <u>1,965,000</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 2,734,000.- Altogether, total audit remuneration for the company and its 5 subsidiaries amounted to total Baht 4,699,000.-

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.

Additionally, the company's associates did not use the same auditing office with the company. Since the associates are registered abroad, the auditors with knowledge, ability and experience in auditing were selected in such countries.

The meeting was then asked whether they had any comment on this matter.

As the meeting had no comments, Chairman of The Audit Committee requested the meeting to consider the proposal.

**Meeting resolution** Upon consideration, the meeting resolved to appoint above auditors as company auditors and approve the audit remuneration budget by unanimous votes out of the total votes representing the attending shareholders with the voting rights.

Approval by 107,049,578 votes, representing 100.00%

Disapproval by           -           votes, representing           -          

Abstention by           -           votes, representing           -          

Voided Ballot by           -           votes, representing           -          

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

After completing the deliberation of the meeting agenda, the CEO and Managing Director then allowed the shareholders to present questions or comments relating to the meeting. One shareholder presented his questions and comments to the meeting which could be summarized as follows :

**Mr. Anu Wongsarnkij** (Shareholder)

What is the company's growth target in 2017? How much the investment in Myanmar will generate revenue to the company? Will the sales revenue from export to Japan increase and how much?

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

The company aims to grow by 5% approximately in 2017. For the investment in Myanmar which the company just started will take a period of time to generate revenue to the company. During this beginning period, the company provides skill development for Myanmar workers to be more efficiently in order to produce quality products exported throughout the world. For the export market to Japan, the orders will increase by 10-20%.

As there was no further question or comment raised by the meeting, the CEO and Managing thereupon requested the Chairman to close the meeting.

On behalf of The Board of Directors, the Chairman expressed thanks to the shareholders for continuing to provide their support to The Board of Directors, by allowing them to carry out another term in company management. In that regard, the Board members pledged to devote their best efforts and abilities based on the good governance practices in contributing to better competitive developments for the company in the days lying ahead.

In addition, all Board members pledged to exercise their best efforts dedicated to promoting company values and shareholders' interests further, by performing their duties in a transparent and ethical manner, in return for the trust and support provided by the shareholders, throughout the coming term. The Chairman then declared the meeting close.

The meeting closed at 16.10 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