

**THAI WACOAL PUBLIC COMPANY LIMITED**  
**Minutes of the 45<sup>th</sup> General Meeting of Shareholders**  
**Held on Monday, April 21, 2014**

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 15.30 hours

Upon appointment time, Mrs. Onanong Saengpumpung, Company Secretary, informed the meeting that, it was then 15.30 hours already, the time set to commence the 45<sup>th</sup> general meeting of shareholders for Thai Wacoal Public Company Limited, presently being attended by 107 shareholders and proxies, representing total 140 shareholders, holding 107,776,862 shares or 89.81% 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 45<sup>th</sup> general meeting of shareholders were based on the record date earlier set for Thursday, March 20, 2014, and later compiled by closing the shares registration book on Friday, March 21, 2014, in accordance with Section 225 of The Securities and Exchange Act B.E. 2535. Altogether, there were 1,118 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, management members, chief financial officer, and company auditors to the meeting.

Mr. Boondee Amnuayskul, 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   |
|    |          |               | Chairman of The Nominating Committee |
|    |          |               | Member of The Remuneration Committee |
|    |          |               | 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 Chairman of The Corporate Governance Committee
8.	Mrs. Punnee	Worawuthichongsathit	Independent Director Member of The Audit Committee
9.	Mrs. Saranya	Chindavanig	Independent Director Member of The Audit Committee Member of The Corporate Governance Committee
10.	Mr. Krish	Follett	Independent Director Chairman of The Risk Management Committee
11.	Assoc.Prof. Nares	Kesaparakorn	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
		Member of The Corporate Governance Committee
		Executive Director
		Director of Accounting and Finance Division

**Other 6 management members attended the meeting, namely:**

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

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 witness for the vote-counting procedure in the meeting as follows:**

Miss Tunyaluck	Limrungsi
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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 2014, 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, 2013, 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 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 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, Managing Director, 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 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, 2 more persons had joined the meeting, representing 2 shareholders and holding 600 shares, thereby rendering the total number of shareholders and proxies attending the meeting to become 109 persons, representing 142 shareholders and holding 107,777,462 shares altogether, accounting for 89.81% of the company shares already issued and paid-up.

**Agenda 1 Endorsement of the Minutes of the 44<sup>th</sup> General Meeting of Shareholders, held on April 22, 2013**

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 [www.wacoal.co.th](http://www.wacoal.co.th). The company had earlier sent out the copy of meeting minutes for 44<sup>th</sup> general meeting of shareholders, held on April 22, 2013, 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 endorsed the minutes by unanimous votes out of the total number of votes representing attending shareholders with the voting rights.

Approval by 107,777,462 votes, representing 100.00%

Disapproval by        -        votes, representing        -       

Abstention by        -        votes, representing        -

## **Agenda 2 Reports on the company's performance results for year 2013**

The Managing Director reported to the meeting that, the report by The Board of Directors and the company's performance results for year 2013 were published in the 2013 annual report, earlier sent out to the shareholders together with the notice for the general meeting of shareholders.

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.

## **Agenda 3 Approval of financial statements ending December 31, 2013**

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 2013 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 approved the financial statements ending December 31, 2013 by unanimous votes out of the total number of votes representing attending shareholders with the voting rights.

Approval by 107,777,462 votes, representing 100.00%

Disapproval by        -        votes, representing        -       

Abstention by        -        votes, representing        -       

## **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 2013, the company posted the following results :

Unappropriated retained earnings	Baht	3,202,977,062.93
Plus Net profits for year 2013	Baht	<u>270,313,381.90</u>
Total profits for appropriation	Baht	<u><u>3,473,290,444.83</u></u>

In accordance with the resolution by The Board of Directors' meeting no.6/2013 on March 4, 2014, 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 13,515,669.10.- as general reserve allocation, 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 2.25 per share, for the total 120,000,000 shares, resulting in total dividend payment budget of Baht 270,000,000, accounting for 99.88% of total net profits for 2013, to be drawn from the retained earnings already subject to 30% 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 Tuesday, May 6, 2014. 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 7, 2014. Payment date was set for Tuesday, May 20, 2014.

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 3,189,774,775.73.-

The meeting was requested to consider this proposal.

**Meeting resolution** Upon consideration, the meeting resolved to grant approval to general reserve allocation of Baht 13,515,669.10, as well as dividend payment proposal for dividend payment at the rate of Baht 2.25 per share for total amount Baht 270,000,000, to be drawn from the retained earnings already subject to 30% corporate income tax, by unanimous votes out of the total number of votes representing attending shareholders with the voting rights.

Approval by 107,777,462 votes, representing 100.00%

Disapproval by - votes, representing -

Abstention by - votes, representing -

**Agenda 5 Election of 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 45<sup>th</sup> general meeting of shareholders as follows:

1.	Mr. Yoshikata	Tsukamoto	Advising Director
2.	Mr. Boondee	Amnuayskul	Director
			Managing Director
3.	Mr. Amnuay	Bumroongwongtong	Director
			The Nominating Committee Member
			Executive Director
4.	Mr. Ikuo	Otani	Director
5.	Mr. Krish	Follett	Independent Director
			Chairman of The Risk Management 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 terms of knowledge and experiences, qualifications complying with the requirements for the vacated positions, 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. Yoshikata	Tsukamoto
2.	Mr. Boondee	Amnuayskul
3.	Mr. Amnuay	Bumroongwongtong
4.	Mr. Ikuo	Otani
5.	Mr. Krish	Follett

Whereas Mr. Krish Follett, an independent director, has served as company director for term duration less than 9 years.

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. Boodee Amnuayskul acting as the director in Pattaya Manufacturing Co., Ltd.
2. Mr. Amnuay Bumroongwongtong acting as the director in Pattaya Manufacturing Co., Ltd.  
acting as the Chairman in Morgan De Toi (Thailand) 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. Yoshikata Tsukamoto
2. Mr. Boondee Amnuayskul
3. Mr. Amnuay Bumroongwongtong
4. Mr. Ikuo Otani
5. Mr. Krish Follett

**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. Yoshikata Tsukamoto	107,593,962	99.8297	183,500	0.1703	-	-
2. Mr. Boondee Amnuayskul	107,777,462	100.0000	-	-	-	-
3. Mr. Amnuay Bumroongwongtong	107,593,962	99.8297	183,500	0.1703	-	-
4. Mr. Ikuo Otani	107,593,962	99.8297	183,500	0.1703	-	-
5. Mr. Krish Follett	107,777,462	100.0000	-	-	-	-

**Note\*** : The total number of votes representing attending shareholders with the voting rights.

As the result, The Board of Directors for 2014 would comprise 15 directors, with their names 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 6 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 2013, the company has allocated remuneration budget to the directors for total amount Baht 16,542,000 according to the details as follows:

- |   |                   |
|---|-------------------|
| - Annual remuneration for The Board of Directors  | Baht 15,000,000.- |
| - Meeting allowances for The Board of Directors   | Baht 640,000.-    |
| - Meeting allowances for The Audit Committee      | Baht 628,000.-    |
| - 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.-

In that regard, The Nominating Committee proposed to the meeting to consider the remuneration criteria for 2014. 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. 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. **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. <u>Meeting allowance</u></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, The Corporate Governance Committee	Baht 10,000 / time	Baht 8,000 / time
<b>2. <u>Quarterly meeting allowance</u> (For The Audit Committee)</b>	Baht 60,000 / time	Baht 30,000 / time

3. **Other remuneration** : - None -

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 by unanimous votes out of the total number of votes representing attending shareholders.

Approval by 107,777,462 votes, representing 100.00%

Disapproval by - votes, representing -

Abstention by - votes, representing -

**Agenda 7 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 2013, 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 1,735,000.-

For 2014, 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. Niti Jungnitnirundr certified public accountant registration no. 3809 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 had served 3 terms as company auditor certifying the company's financial statements from 2011 - 2013, Mr. Niti Jungnitnirundr had earlier served as company auditor certifying the company's financial statements from 2006 - 2010, and Mr. Manoon Manusook had never served as company auditors 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	890,000
Audit fee for annual consolidated financial statements	Baht	90,000
Review fee for financial statements for quarters 1, 2, 3	Baht	330,000
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>1,775,000</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 2,615,000.- Altogether, total audit remuneration for the company and its 5 subsidiaries amounted to total Baht 4,390,000.-

The meeting was requested 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 number of votes representing attending shareholders with the voting rights.

Approval by 107,777,462 votes, representing 100.00%

Disapproval by        -        votes, representing        -       

Abstention by        -        votes, representing        -       

**Agenda 8 Approval of amendment to Article 3 of the Memorandum of Association (Company's Business Objectives Nos. 21, 22 and 23)**

The Managing Director reported to the meeting that, in or der for company operations to become more flexible and capable of accommodating business expansion further, The Board of Directors resolved to propose to the shareholders' meeting to grant approval to an amendment to Article 3 of the Memorandum of Association (Company's Business Objectives), by adding 3 more items to the existing 20 items, thus becoming total 23 items, according to the details per the notice of the meeting as follows:

Present Business Objective	Proposed Business Objective Revision	Rationale
- None -	No.21 To engage in direct-selling and direct-marketing operations, as specified under the laws regarding direct-selling and direct-marketing practices, together with further provisions relating to direct-selling and direct-marketing practices (upon receiving authorized approval from relevant government agencies to come into effect).	In order to accommodate the company's expanding business operations, by expanding its selling channels to include selling transactions through the internet and other media tools, so as to gain broader access to customers.
- None -	No.22 To engage in operations selling products or services on e-commerce basis, in compliance with the company's business objectives. Or to engage in business operations employing such media tools as the internet, print media, TV, electronic media, or other media applying the use of electronic tools. Such operations scope also cover the creation and management of websites providing financial services, advertising services on the internet, information-searching services on the internet, together with the collection of related service fees, advertising fees, or other form of remuneration (upon receiving authorized approval from relevant government agencies).	In order to accommodate the company's expanding business operations, by expanding its selling channels to include selling transactions through the internet and other media tools, so as to gain broader access to customers.
- None -	No.23 To engage in operations providing electronic payment services, based on such provisions governing and facilitating electronic payment services, and other related laws. Such operations also include payment acceptance services on behalf of government agencies (upon receiving authorized approval from said relevant government agencies).	

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 resolved to amend Article 3 of the Memorandum of Association (Company's Business Objectives Nos. 21, 22 and 23) 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, by unanimous votes out of the total number of votes representing attending shareholders with the voting rights.

Approval by 107,777,462 votes, representing 100.00%

Disapproval by           -           votes, representing           -          

Abstention by           -           votes, representing           -          

#### **Agenda 9 Other topics (if any)**

After completing the deliberation of the meeting agenda, 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 :

**Questions by Miss Darunrat Piyayodilokchai** (The proxy appointed by Bangkok Life Assurance Plc.)

Wished to seek clarification in relation to the company's performance results for year 2013 as follows:

1. The factors causing the company's overall sales revenue to decline by around 10%. Was such decline in line with its earlier sales forecast?
2. The factors causing substantial decline about 15% in export sales. Apart from such major factor of the Baht appreciation, were sales demand and orders from overseas customers seriously affected?
3. What were the prospects for export sales to Japan and the U.S. destinations? Could the company negotiate with the customers regarding pricing conditions and order volume?
4. What were the factors causing the company's selling and administrative expenses ratio to rise by almost 19%, representing the highest level recorded in its business history so far?

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

Major factors causing the company's operating results to decline substantially were, the sluggish economic situation prevailing in the country, coupled with the continued ongoing political conflict with no immediate end in sight. Such adverse development partly caused the decline in the number of foreign visitors, and subsequent less tourist spending as the result.

While on the export front, the sharp appreciation of the Baht currency from earlier Baht 38 - 39 against Yen 100, to largely the level of around Baht 30 against Yen 100, led to substantially less export sales by about Baht 145 million revenue when converted into Thai Baht.

Furthermore, the sharp hike in minimum wages to Baht 300 per day implemented across the country further raised the company's production costs substantially. While on the other hand, the company had to shoulder considerable advertising and sales promotion expenses to support the launch of its new lingerie brand "B'me" to the market.

With regard to export prospects to major destinations of Japan and the U.S., the company was engaged in negotiation with its major customers, with favourable response and consideration so far.

**Question by Miss Darunrat Piyayodilokchai** (The proxy appointed by Bangkok Life Assurance Plc.)

How did the company set its profit forecast for the new fiscal year?

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

The company set its profit forecast to rise by about 10% this year, while sales revenue should remain more or less at the same level as the previous year. Towards such achievement, the company would concentrate its efforts on upgrading and improving its production process and working procedures, so as to achieve better working efficiency and lower cost of expenses, eventually allowing the company to retain its operating profits on a satisfactory basis.

**Question by Miss Darunrat Piyayodilokchai** (The proxy appointed by Bangkok Life Assurance Plc.)

What was the company's objective in purchasing new plots of land?

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

In order to accommodate further expansion in the company's business operations in the future.

**Question by Mrs. Supaporn Pakasirikul** (The proxy appointed by Thai Investors Association)

Subsequent to the company signing a "Declaration of Intent to Join Thailand's Private Sector Collective Action Coalition Against Corruption" with Thai Institute of Directors (IOD), what practice guidelines would be adopted by the company to contribute to its further transparent management practices and eventually earning the certificate on that matter to delight all the shareholders?

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

The company has set a policy of compliance with the law on combating Dishonest Acts Corruption. In this regard, the following guidelines have been prescribed in the Business Ethics for the company.

1. A consciousness, value and attitude to comply with laws and regulations honestly and in good faith shall be instilled in employees.
2. An internal control system which is efficient and effective shall be in place. There shall be suitable oversight and checks of powers to prevent employee abuses or involvements in combating Dishonest Acts Corruption.
3. Company directors, executives and employees are prohibited from performing any act which amounts to a demand or acceptance of properties or other benefits for oneself or for others as an inducement to wrongfully perform or refrain from performing a duty or which could result in a loss of the company's legitimate benefits.



4. Company directors, executives and employees are prohibited from giving or offering to give properties or any other benefits to third parties to induce such person to unlawfully or wrongfully perform or refrain from an act.

5. There shall be a financial reporting system which is transparent and accurate.

6. There shall be a channel for employees and related persons to provide notices of causes for suspicion with confidence of protection. Personnel must be appointed to examine all notices of suspicion given.

Based on above commitments, the company shall exert full efforts leading to its early acquisition of said Certificate.

**Question by Mrs. Supaporn Pakasirikul** (The proxy appointed by Thai Investors Association)

Does the company have the system requiring employees to sign their names in acknowledgement of the Code of Conduct?

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

Whereas the company has not established such an official system, nevertheless, the company duly carried out necessary communication to thoroughly inform all the employees on the matter, as well as allowing the employees to post information on all related matters on the company's intranet channel.

**Comment by Mrs. Supaporn Pakasirikul** (The proxy appointed by Thai Investors Association)

As such, may we look forward to celebrating the Certificate next year.

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

Hopefully, that should be the case.

**Comment by Mr. Samrerng Manoonpol** (Shareholder)

May I take this opportunity to show sincere appreciation and encouragement to The Board of Directors successfully guiding the company to profitable operations, and allowing dividend payments to the shareholders, accounting for 99.88% of net profits. Thank you very much.

Since no further topic or comment was raised by the meeting, the Managing Director 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 support The Board of Directors to perform another term of company management supervision. In that regard, the Board members pledged to devote their best efforts and abilities so as to contribute to better competitive developments and potentials 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 with perseverance, honesty and integrity, in a transparent manner based on the principles of good governance practices, 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 16.25 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