

- TRANSLATION-

TISCO FINANCIAL GROUP PUBLIC COMPANY LIMITED (“TISCO”)

MINUTES

THE SHAREHOLDER ORDINARY GENERAL MEETING  
FOR THE YEAR 2014

The meeting was convened in the Conference Room, 12<sup>th</sup> floor, TISCO Tower, North Sathorn Road, Silom, Bangrak, Bangkok, on April 22, 2014, at 14.00 hours.

The directors, Management Committee and auditors presented at the meeting were:

**Directors**

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| 1. Mr. Pliu Mangkornkanok                     | Chairman of the Board of Directors and Independent Director  |
| 2. Mr. Hon Kit Shing (Mr. Alexander H. Shing) | Vice Chairman of the Board of Directors and Member of the Nomination and, Compensation Committee           |
| 3. Ms. Oranuch Apisaksirikul                  | Director, Chairperson of the Executive Board and Group Chief Executive (Group CEO)                         |
| 4. Assoc. Prof. Dr. Angkarat Priebjrivat      | Independent Director and, Chairperson of the Audit Committee   |
| 5. Prof. Dr. Pranee Tinakorn                  | Independent Director, Chairperson of the Nomination and Compensation Committee                             |
| 6. Ms. Patareeya Benjapolchai                 | Independent Director, Chairperson of the Corporate Governance Committee, and Member of the Audit Committee |
| 7. Ms. Panada Kanokwat                        | Independent Director and Member of the Audit Committee   |
| 8. Mr. Pichai Chanvirachart                   | Independent Director and Member of the Corporate Governance Committee                                      |
| 9. Prof. Dr. Teerana Bhongmakapat             | Independent Director and Member of the Corporate Governance Committee                                      |
| 10. Mr. Yasuro Yoshikoshi                     | Director, Member of the Executive Board, and Member of the Nomination and Compensation Committee           |
| 11. Mr. Chi-Hao Sun                           | Director and Member of the Executive Board   |
| 12. Mr. Suthas Ruangmanamongkol               | Director, Member of the Executive Board and, President of TISCO Bank Public Company Limited                |

## **Management Committee**

(\* positions seconded to manage in subsidiary companies)

1. Mr. Pitada Vatcharasiritham                      Senior Executive Vice President  
(\* Senior Executive Vice President – Corporate Banking,  
TISCO Bank Public Company Limited)
2. Mr. Metha Pingsuthiwong                      First Executive Vice President  
(\* First Executive Vice President – Retail Banking,  
TISCO Bank Public Company Limited)
3. Ms. Araya Thirakomen                      First Executive Vice President  
(\* President ,  
TISCO Asset Management Company Limited)
4. Mr. Paiboon Nalinthrangkurn                      First Executive Vice President  
(\* Chief Executive Officer,  
TISCO Securities Company Limited, and  
Deutsche TISCO Investment Advisory Company Limited )
5. Mr. Chatri Chandrangam                      Executive Vice President – Risk and Financial  
Control

## **Auditors (EY Office Limited)**

1. Ms. Ratana Jala
2. Ms. Yuppadee Satchawannakul

There were also representatives from Bank of Thailand observed the meeting.

Mr. Pliu Mangkornkanok, Chairman of the Board of Directors, chaired the meeting and thanked the shareholders for attending. He stated that Notice of the Shareholder Ordinary General Meeting for the year 2014 had been duly sent out before the date of the meeting, in compliance with TISCO's Articles of Association and other relevant laws. In addition, TISCO had publicly informed shareholders of the meeting's agenda on February 28, 2014 through the dissemination channels of the Stock Exchange of Thailand (SET) and on TISCO's website to allow adequate time to study meeting material.

The Chairman also informed the meeting that TISCO had provided a period from August 29, 2013 - December 31, 2013 for all shareholders to propose any matter which they may deem significant and appropriate to be included as the agenda of the ordinary general meeting. However, no shareholders proposed any matters to be included as meeting agenda.

The Chairman noted that 1,168 shareholders holding 514,335,974 shares, or 64.24% of the total paid-up shares, were present, either in person or by proxy, thereby constituting a quorum as specified under TISCO's Articles of Association. The Chairman hence declared the meeting duly convened.

The Chairman informed the meeting that in accordance with TISCO's Articles of Association regarding voting, every shareholder present in person or being represented by proxy is entitled to one vote per share, with the exception of voting for the election of directors. For this specific agenda, TISCO has implemented cumulative voting procedure. In addition, to accommodate shareholders in voting, shareholders could cast their votes in advance by completing the details of voting on the Registration and Voting Form which had been sent out together with Notices of shareholders' meeting. For those who intended to vote at the meeting, TISCO had made voting forms available prior to the meeting. He added that shareholders who had not cast their votes in advance and intended to vote "Against", "Abstain", or split the votes (in case of foreign shareholder with custodian in Thailand) on any of the agenda items could complete the voting forms, and then submit them to Company's officer to calculate the voting result for each agenda. For cases in which shareholders have appointed a proxy and assigned their proxy to vote as directed, their votes would be recorded in the computer system for calculation on each agenda.

The Chairman also informed the meeting that for shareholders, who wished to leave the meeting before the meeting adjourned, shall return "Registration Receipt" and unused "Voting Form" (if any) to the Company's officer at the entrance of the meeting room.

In addition, TISCO assigned EY Office Limited (formerly known as Ernst & Young Office Limited) to monitor and oversee the shareholder meeting in order to ensure transparency and compliance with the law and TISCO's Articles of Association. EY Office Limited assigned officer as an observer to the registration and vote counting throughout the meeting.

However, in each agenda, if shareholders have any questions or suggestion. Please provide your name to the meeting for the purpose of the meeting minutes.

The Chairman proposed that the meeting consider the following agenda:

<b>Agenda 1: To certify the minutes of the Shareholder Ordinary General Meeting for the year 2013</b>
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The Chairman proposed that the meeting certify the minutes of the Shareholder Ordinary General Meeting for the year 2013, convened on April 25, 2013. Copies of the minutes had been sent to shareholders along with the Notice of this meeting.

Mr. Kraiwal Katavanich, a shareholder, asked and the Management explained the issues as follows;

Question: The shareholder questioned the advanced voting method and voting procedure for each agenda during meetings. The shareholder also suggested for the separation of meeting registration form and voting form to avoid any confusion.

Answer: Ms. Oranuch Apisaksirikul, the Group CEO, clarified that for advance voting, shareholders must complete and sign the form. For shareholders who want to vote in the meeting, they can cast their vote in the voting form and submit to officers to count votes for each agenda. The vote can be submitted throughout the meeting, until the agenda is closed. The Company apologized on behalf of the officers for unclear explanation on the voting procedure and any confusion

made on registration and voting form.

The Management has taken the issues into the consideration for further improvement on procedure and document.

Question: Complaint on inconveniences of registration procedure and making a recommendation to Certificate of Registration which used to collect souvenir and snack.

Answer: The Chairman apologized for any inconvenience and thanked the shareholders for their overwhelming interest in attending Company's shareholders meeting this year as well as all the suggestion made. The Company will take the issues for further improvement.

Ms. Suree Laoworawit, a shareholder, inquired on the procedure for collecting the voting forms in each agenda and suggested for only collecting the vote for "Against" and "Abstain". For other voting result, such vote should to be collected once the meeting is dismissed. Thus, time would not be wasted on collecting and counting votes on each agenda.

Answer: Ms. Oranuch Apisaksirikul explained to the shareholder the vote collecting and counting procedure and accepted to take the shareholders' recommendation for further consideration.

To smoothly and concisely operate meeting without consuming more time from shareholders, the Chairman proposed the shareholders for proceeding to the next agenda while waiting for voting result. No oppositions were raised from the shareholders.

No shareholder objected or requested that the minutes be amended otherwise. The meeting considered the matter and cast votes.

(The voting in this agenda item requires a shareholders' resolution with the majority votes of the shareholders who attended the meeting and casted their votes.)

**Resolution:** The shareholders **certified** the minutes of the Shareholder Ordinary General Meeting for the year 2013 as proposed, with the votes as presented below:

	<u>Votes</u>	<u>%</u>
• For	515,173,455	99.98
• Against	24,003	0.00
• Abstain	55,400	0.01
• Void	0	0.00

**Agenda 2: To ratify the Board of Directors' business activities conducted in 2013 as described in the Annual Report**

The Chairman summarised the Board of the Directors' business activities conducted in 2013 and proposed the meeting to ratify the activities. Details were described in the "Report from the Board of Directors" on page A1-A2 of the Annual Report, which had been sent to shareholders along with the Notice of this meeting.

Ms. Pianpohn Deetade, a shareholder, asked and the Management explained the issues as follows.

Question: The shareholders mentioned the credit approval for the Xayaburi Hydropower Project in the Lao People's Democratic Republic and informed that the latest Mekong River Commission Summit Conference (MRC) where four lower Mekong countries (Thailand, Cambodia, Laos and Vietnam) have agreed to conduct further studies on cross border impact causing by Hydropower Project including Xayaburi project. In addition, the final dam design has not been concluded or approved. The fish passage design which will be adapted by the project in order to reduce ecological impact remained lack of clarity. The shareholder inquired about the Company's readiness to accept the risks causing by the discontinuity of this project.

Answer: Ms. Oranuch Apisaksirikul thanked the shareholder for the information and informed that the Bank considered the project from various aspects. Hence, the matter is not in the area of the Bank's specialty, the Bank have to confer the issue from the expertise, related studies and consultants' opinions. Names of the well-recognised consultants employed for the project are as follows:

1. Team Consultant Company Limited
2. Poyry Energy AG
3. The Company National du Rhone (CNR)
4. Asia Institution of Technology (AIT)
5. AF-Colenco Company Limited

The Bank has taken all opinions and information concerning the project into the consideration. Besides, loan conditions have specifically specified that the project must not get oppositions from any Mekong countries. Even though it has been requested to perform additional Environmental Impact Assessment (EIA) from other organizations such as MRC and the Thai Bankers' Association, all reports and studies has indicated significantly low environmental and social impact causing by the project. Ms. Oranuch Apisaksirikul further added that the project has brought in new technology and concept in an attempt to reduce possible environmental impact. Horizontal layout of the dam may lead to raising water level, but not as much comparing to other dam's design. The fish passage was also constructed to reduce environmental impact. In addition, regarding benefits of the project, Thailand is currently in need of Laos' electricity supply and by developing this project, it is considering to be beneficial for Thailand especially in terms of providing energy. Regarding the risk, the Bank has been keeping track of progress and information of the project, resulting in effective risk management

and control.

Mr. Rattawit Ruengprakone, a shareholder, further added about the credibility of the studies on ecological impact, issues on raising Mekong water level affecting Mekong community, cross-border impact, and other relating studies. The shareholder also asked the Company to further consider on potential risks and long-term environmental and social impact. He also requested for the contact details of the Company.

The Chairman thanked the shareholder for the suggestion.

Mr. Charoempol Waitayangkul, a shareholder, asked and the Management explained the issues as follows.

Question: The reason why the Company propose the shareholder for the ratification on this agenda. The shareholder explained that only voidable acts are deem to be ratified. It is more appropriate for the resolution of this agenda to be “certify”.

Answer: Ms. Oranuch Apisaksirikul explained that ratification can be legally applied to any kind of transaction. On legal aspect, ratification is stronger and more precise than certification. The Company, therefore, regarded that with the shareholder ratification, this will signify the shareholders' firm certification for the Board of Directors' business activities in past year.

Question: Since major source of revenue of the Company came from loan, especially Hire Purchase loan, the shareholder therefore inquired for the Company's plan in responding to decreasing purchasing power resulting from this year's economic downturn and increasing level of household debt.

Answer: Ms. Oranuch Apisaksirikul stated that only 50% of total household credit was issued by Commercial Banks while the remaining was issued by Government Banks. TISCO Bank's Policy clearly specifies that no loan approval is granted for any clients who have debt service of over 40% of their monthly income, resulting in the Bank's ability to control Non-Performing Loan (NPL) at low level.

To cope with a declining trend of lending business, the Company has increased its fee revenue, all of which, when considering in details, came from business operation. Most of the fee revenue was mainly contributed from Insurance Commission fee, which the Company has specially developed personnel for this specific duty. For loan approval process, the Company has placed the great emphasis on risk management. With 98-99% of approved credit loan is loan with collateral, the Company's risk management was considered very effective.

Question: The Company's and the shareholders' benefits from the decrease of Corporate Income Tax.

Answer: Ms. Oranuch Apisaksirikul informed that the decrease of Corporate Income Tax, generally, leads to higher revenue of the Company.

Question: Possibilities of the Bank to be listed in the Stock Exchange of Thailand.

Answer: Ms. Oranuch Apisaksirikul stated that TISCO Group is a financial conglomerate, operating under the consolidate supervision governing policy, with TISCO Financial Group Public Company Limited as the parent company under the Bank of Thailand's supervision. TISCO is managed as the financial group in order to diversify the risk. This is because each company within the Group exposes to different risk levels. The Bank which offers loan service, for example, exposes to higher risk level than securities business that mostly engages with operational risk. This also includes diverse level of capital fund required for each type of business. The aforementioned management prevents the possibility of problems occurring to one business to impact others. Strategically, TISCO Group divides business group according to client groups, consisting of Retail Banking, Corporate Banking, and Wealth Management, with cross-selling scheme to respond to various client needs and leverage the synergies among businesses, under transparent management. Thus, the Company has no plan to list the Bank in the Stock Exchange of Thailand.

Question: The shareholder remarked on the decreasing monetary policy interest rate which has led to the lower interest rate gap. He further asked about the Company's perspective on the interest and its effects to the Company.

Answer: Mr. Suthas Ruangmanamongkol, President of the Bank, clarified that due to recent economic recession, the current policy interest rate was lowered to 2%. For interest rate trend, considering current inflation rate and economy direction, the rate is at appropriate level. Regarding the impact to the Company, the Company has followed the policy on managing the interest rate gap by controlling it to be at the appropriate rate. However, the economic condition has more impact to the Company than changes in interest rate as good economy will lead to lower non-performing loan and sound profit of the Company.

Question: Asking for the policies on SME loan as the amount of SME loan is considerably low comparing to other types of loan.

Answer: Ms. Oranuch Apisaksirikul explained that the Company limits the numbers of loan for working capital or overdraft credit facility (OD credit) due to difficulties in controlling and managing the facility resulting from no defined lending purpose. Most approved credit facilities are for projects or transactions with well-defined lending propose such as hire purchase facility for trucks. For such facility, the Company's cash flow, including sources of revenues and expenses are clearly defined. Furthermore, secured collateral is generally required for this type of credit facility. However, over the past five years, the Company's SME loan has grown from 0% to 10% which is quite a rapid growth.

Question: Since trading securities with TISCO Securities Company Limited is limited to only cash trading, this may affect the company's market share.

Answer: Ms. Oranuch Apisaksirikul explained that for the securities business, the Company has no policy on providing Margin Loan. This is aligning with the Company's risk management policy in consideration of possible risk from market

volatility. Besides, the Company targets on client group who are long-term investors rather than short-term speculators. Long-term investor normally trades with cash account. For market share, the Company has always been in the top tier of the industry in terms of profitability, and consistently maintains its profit level and market share. Ms. Oranuch Apisaksirikul further added that the Company has put special focus on institutional investor and the joint venture with Deutsche Bank over the past year has significantly increased the proportion of Company's domestic and international institutional investors.

Question: The enforcement of anti-corruption policy by specifying the bribery refusal clause in trading partner contracts.

Answer: The management has taken the shareholder's suggestion for consideration.

Mr. Pruethanan Sriwonglieng, a proxy holder, asked and the Management explained the issues as follows.

Question: Credit risk from unregistered transfer of vehicle and forgery or counterfeit of vehicle registration's documents.

Answer: Ms. Oranuch Apisaksirikul explained that for hire purchase business, the lender own the asset (vehicle). However, for certain cases with very low financing amount, vehicle transfer fee is considered relatively high comparing to financing amount. By allowing unregistered transfer, the client will receive such financial benefit while the Company is still able to manage its risk efficiently while maintaining NPL at very low level.

Regarding the concern on document forgery, the Company has a complete and secured system of checking for registration book and loan document.

Mr. Chatchai Khun-ngam, a shareholder, asked and the Management explained the issues as follows.

Question: Proportion of revenue from insurance business to total revenue of the Company.

Answer: Ms. Oranuch Apisaksirikul explained that approximately 15% of total revenue is from insurance commission fee.

Question: The Company's shareholding percentage change of Ms. Oranuch Apisaksirikul, the Group CEO.

Answer: Ms. Oranuch Apisaksirikul informed that she has transferred shares to her children as she does not have time to manage the securities due to work load.

(The voting in this agenda item requires a shareholders' resolution with the majority votes of the shareholders who attended the meeting and casted their votes.)

**Resolution:** The shareholders **ratified** the Board of Directors' business activities conducted in 2013 as described in the Annual Report as proposed, with the votes as presented below:

Votes                      %

• For	556,328,978	99.91
• Against	41,265	0.01
• Abstain	476,369	0.09
• Void	0	0.00

**Agenda 3: To adopt TISCO Financial Group Public Company Limited and its subsidiary companies' Statement of Financial Position and Statement of Comprehensive Income for the year ended December 31, 2013**

The Chairman proposed that the meeting adopt TISCO Financial Group Public Company Limited and its subsidiary companies' Statement of Financial Position and Statement of Comprehensive Income for the year ended December 31, 2013. The Audit Committee agreed with the auditors that the Statement of Financial Position and Statement of Comprehensive Income presented fair and comprehensive performance and financial position of TISCO Group, in compliance with generally accepted accounting principles. Details were published in the Annual Report, which had been sent to shareholders along with the Notice of this meeting. The Chairman invited Ms. Oranuch Apisaksirikul, the Group CEO, to summarize the details of Agenda 3-4 to the meeting.

Ms. Oranuch Apisaksirikul summarized the financial statements and invited Mr. Chatri Chandrangam, Executive Vice President – Risk and Financial Control, to present the details of the financial statements.

Mr. Chatri Chandrangam presented the meeting with the details and analysis of the Statement of Financial Position and Statement of Comprehensive Income.

Ms. Oranuch Apisaksirikul presented the meeting with the summary of comprehensive performance.

Mr. Chatchai Khun-ngam, a shareholder, asked and the Management explained the issues as follows.

Question: Reasons for the decrease in Return on Equity (ROE) from previous year and whether the decrease was due to changes in Repo Rate or changes in used car price.

Answer: Ms. Oranuch Apisaksirikul informed that during the second half of 2013, the Company was taken the effect from the Government's First Car Policy. Even though the NPL ratio remained unchanged, significantly decrease in the used car price and increased number of used car inventory has made the Company to provide more reserve. Such provision is in line with TISCO's prudent risk management policy. However, the increase in reserve may affect the level of ROE to decrease slightly comparing with last year .

Mr. Preutthanan Sriwonglieng, a proxy holder, asked and the Management explained the issues as follows.

Question: Key factors to be considered in opening new branches.

Answer: Ms. Oranuch Apisaksirikul informed that the factors to be considered consist of chance to create revenue, business volume, demand and other related factors. Each branch's feature, image, as well as products and services provided are varied depending on target client group in such area. For example, for area with high income clients, the branch would feature as an Investment Center focusing on investment advising and deposit services. For high credit demand area, the branch would be Loan Office, which operated at lower cost. The Company has set a clear breakeven point for each branch to establish operational targets such as monthly deposit amount and monthly approved credit quantity. Each new branch generally must reach breakeven within 2-3 years.

Question: Number of Loan Offices and types of credit services provided.

Answer: Ms. Oranuch Apisaksirikul stated that currently there are approximately 80 Loan Offices mostly focusing on consumer loan.

Question: Policy for setting Allowance for Doubtful Account.

Answer: Ms. Oranuch Apisaksirikul explained that for retail credit, the Company applies collective approach in provision setting. Moreover, TISCO Bank is the only bank using Internal Ratings-Based Approach (IRB) in capital calculation based on the Company's actual risk. These approaches allow the Company to actively manage and quickly adapt to risk and economic situation. With secured and effective risk management policies, the Group's NPL is in very low level. The Company determine provisions for corporate loans on an individual case by case basis.

Mr. Chalernpol Waitayangkul, a shareholder, asked and the Management explained the issues as follows.

Question: Solving plan for potential loan loss if the Government could not return First Car tax or the tax returning is delayed.

Answer: Ms. Oranuch Apisaksirikul clarified that the Company has set the strict conditions in approving loan under First Car policy such as 25% down payment ratio and demand guarantor or joint obligor of high credibility, etc., which resulted in low level of NPL. In addition, up until now, most of First Car buyers have paid installments over half of their terms. As a result, the Company expect these customers to complete their remaining installments.

Question: Effects from the changes in accounting standards.

Answer: Ms. Oranuch Apisaksirikul explained that accounting standards alters from time to time. The Company has Assoc. Prof. Dr. Angkarat Priebjriwat, Chairperson of the Audit Committee, a respectable accounting expert, to help review and advise the Company on appropriate accounting practices. Changes in accounting standards are unlikely to have any adverse impact on the Company.

Question: Request additional explanation on auditor's opinion in the Independent Auditor's Report under "Emphasis of Matter", which read "My opinion is not qualified in

respect of this matter".

**Answer:** Ms. Rattana Jala, the Company's Certified Public Auditor, explained that the quoted phrase is to provide additional clarification to shareholders or readers of the financial statements regarding the changes in accounting policy, which is in accordance with the new accounting standards.

The meeting considered the matter and cast votes.

(The voting in this agenda item requires a shareholders' resolution with the majority votes of the shareholders who attended the meeting and casted their votes)

**Resolution:** The shareholders **adopted** TISCO Financial Group Public Company Limited and its subsidiary companies' Statement of Financial Position and Statement of Comprehensive Income for the year ended December 31, 2013 as proposed, with the votes as presented below:

	<b><u>Votes</u></b>	<b><u>%</u></b>
• For	556,633,164	99.95
• Against	24,004	0.00
• Abstain	250,869	0.05
• Void	0	0.00

**Agenda 4: To approve the appropriation of profit arising from year 2013 operations for statutory reserve, dividend and others**

Ms. Oranuch Apisaksirikul informed the meeting that TISCO shall appropriate 5% of its annual net profit as statutory reserve until the statutory reserve attains an amount of 10% of the Company's registered capital. Thus, TISCO appropriated Baht 91,000,000 from the annual profit amount as statutory reserve in 2013. In compliance with the Public Limited Companies Act, B.E. 2535, the dividend payment shall be paid based on separate financial statement. Consequently, the remaining unappropriated retained earnings based on separate financial statement available for the dividend payment was detailed as follows.

	<b>Baht</b>
Beginning Unappropriated Retained Earnings 2013	2,365,744,577
Dividend payment from profit arising from 2012 operations	(1,745,845,034)
Net Profit for year 2013	1,818,716,822
Required Statutory Reserve	(91,000,000)
Actuarial Gain/Loss	(2,965,605)
Unappropriated Retained Earnings for year 2013	2,350,581,970
Adjust non-cash items	(28,653,535)
<b><i>Unappropriated Retained Earnings available for dividend payment for year 2013</i></b>	<b>2,321,918,435</b>

Total unappropriated retained earnings available for dividend payment for the year ended 2013 is Baht 2,321,928,435 after appropriation of Baht 91,000,000 as statutory reserve.

TISCO Group has a policy to pay dividend at the appropriate rate based on operating performance of the group while also maintaining sufficient Capital Adequacy Ratio (BIS Ratio) for group business expansion. Also, such dividend payment shall have no impact on the status of TISCO's subsidiary as a Qualified Bank under the criteria defined by the Bank of Thailand.

The Board therefore recommends the shareholders consider and approve the dividend payment from the net profit arising from year 2013 operations at Baht 2.00 per share for common shareholders and preferred shareholders. The proposed dividend payment amount will be approximately Baht 1,601 Million, equivalent to the dividend pay-out ratio of 38% on consolidated basis, compared to dividend pay-out ratio of 47% for year 2012. The remaining net profit from year 2013 operations after statutory reserve and dividend payment, on consolidated basis, will be appropriated as capital fund.

The meeting considered the matter and cast votes.

(The voting in this agenda item requires a shareholders' resolution with the majority votes of the shareholders who attended the meeting and casted their votes)

**Resolution:** The shareholders resolved the followings as proposed;

- **Approved** the appropriation of profit arising from year 2013 operations of Baht 91,000,000 as statutory reserve;
- **Approved** the appropriation of profit arising from year 2013 operations after statutory reserve as dividend payment for common and preferred shareholders at Baht 2.00 per share;
  - The shareholders whose names are shown in the registration book as of May 6, 2014 will be entitled to receive the dividend;
  - Dividend payment shall be made on May 21, 2014; and
- **Approved** the appropriation of profit arising from year 2013 operations after dividend payment, as capital fund according to the Consolidated Supervision guidelines.

with the votes as presented below:

	<u>Votes</u>	<u>%</u>
• For	556,693,996	99.96
• Against	152,612	0.03
• Abstain	61,429	0.01
• Void	0	0.00

**Agenda 5: To approve the number of directors and the appointment of directors**

The Chairman informed the meeting that since the Agenda 5 and 6 were matters relating to directors, all directors would voluntarily leave the meeting in light of good corporate governance. He proposed the meeting elect a shareholder to conduct the meeting for the Agenda 5 and 6.

The meeting elected Dr. Suwan Valaisathien, a shareholder, to conduct the meeting during the Agenda 5 and 6.

Dr. Suwan Valaisathien informed the meeting that according to TISCO's Articles of Association, the whole Board of Directors shall be simultaneously elected at the general meeting of shareholders of each year. Thus, the current Board of Directors was due to retire today.

He further added that consideration of this agenda would be divided into two sections, (1) To approve the number of directors and (2) To approve the appointment of directors.

Pursuant to TISCO's Articles of Association, the shareholders shall, from time to time by resolution of a general meeting, determine the number of directors which shall not be less than five (5), provided that not less than one half of the directors must domicile in Thailand. In addition, the number of directors who are persons of Thai nationality shall be in compliance with related laws, which shall be not less than 75% of the total number of directors.

The Board of Directors with recommendations from the Nomination and Compensation Committee has considered the number of directors which are appropriate according to the good corporate governance practices. The candidate's qualifications and the uses each candidate might bring into the Board were also considered. Upon contemplating the board size and composition which is most suitable to the need of TISCO, the Board proposed that the shareholders approved the number of directors at 12 (twelve).

Dr. Suwan Valaisathien proposed that the meeting approved the number of board members and informed the meeting that shareholders, present in person or represented by proxy, were entitled to one (1) vote per share.

Dr. Suwan Valaisathien further informed the meeting that TISCO's Articles of Association required cumulative voting for the election of directors. This mechanism would increase the opportunity for minority shareholders to nominate persons to become TISCO directors. He further explained details of Cumulative Voting to the meeting.

In addition to those required by laws, the Company emphasizes good corporate governance by assigning the Nomination and Compensation Committee to identify and propose the qualified nominees for director positions as deemed appropriated and to ensure the suitable size and composition of the board of directors. TISCO had allowed time frame during August 29, 2013 - December 31, 2013 for all shareholders to propose qualified candidate for director position in advance of the Shareholder Ordinary General Meeting for the year 2014. No shareholder has proposed candidates for director position within the mentioned period.

The Nomination and Compensation Committee shall select qualified candidates by considering their knowledge, experiences, sufficient understanding of finance and banking, economics, law or any other related fields based upon the need and maximum benefit of the Company,

corporate governance practices, related laws and regulations, in order to attain the most appropriate size and composition of the board.

In addition, a person to be nominated or appointed as an independent director must meet the requirements in TISCO's Corporate Governance Policy, which are more stringent than those of the Securities and Exchange Commission of Thailand (SEC) and the Stock Exchange of Thailand (SET), and shall not have any relationship with the Company, other companies in TISCO Group, and management, in the manner that may cause conflict of interest.

For the year 2014, Mr. Pichai Chanvirachart has expressed his wish not to continue his term of director position of the Company. However, in order to remain the Board's size at 12 (twelve), the Nomination and Compensation Committee has been considering the qualified candidates in replacement of the independent director who do not wish to continue his term.

The Board of Directors, after considering the Nomination and Compensation Committee's recommendation on the qualifications of the candidates, proposed the shareholders to approve the election of the following qualified candidates as the Company's directors. The candidates' profiles were presented in the Notice which had been sent to shareholders.

<b><u>Name – Surname</u></b>	<b><u>Proposed Position</u></b>
1. Mr. Pliu Mangkornkanok	Independent Director
2. Mr. Hon Kit Shing (Mr. Alexander H. Shing)	Director
3. Ms. Oranuch Apisaksirikul	Director
4. Assoc. Prof. Dr. Angkarat Priebjrivat	Independent Director
5. Prof. Dr. Pranee Tinakorn	Independent Director
6. Ms. Patareeya Benjapolchai	Independent Director
7. Ms. Panada Kanokwat	Independent Director
8. Prof. Dr. Teerana Bhongmakapat	Independent Director
9. Mr. Sathit Aungmanee	Director
10. Mr. Yasuro Yoshikoshi	Director
11. Mr. Chi-Hao Sun	Director
12. Mr. Suthas Ruangmanamongkol	Director

Dr. Suwan Valaisathien requested every shareholder who did not cast votes in advance to complete the voting forms and submit them to TISCO's officers to calculate voting results.

Ms. Warunee Thippayachai, a shareholder, proposed the Company to change the method of board election that the board of directors retire by proportion, for example one-half or two-third, instead of the whole board, proposed fewer number of directors, expressed her personal opinions on certain directors, and proposed that a director cannot serve more than two (2) companies.

The shareholder also proposed the Company to clarify directors' compensation for the year 2013 thoroughly in the Notice of the meeting, expressed her disagreement regarding directors'

remunerations for they are too high, expressed her disagreement regarding appropriateness of auditor fee and transparency of audit firm.

Mr. Thanaprasert Pamonpauroj, a shareholder, asked and Dr. Suwan Valaisathien explained the issues as follows.

Question: Is the election of the whole Board of Directors in accordance with the rules of the Stock Exchange of Thailand ?

Answer: Dr. Suwan Valaisathien informed that the election followed the Company's Articles of Association.

Question: The possibility to amend the Articles of Association by providing the election of directors to be one out of three or three out of four likes other companies.

Answer: Dr. Suwan Valaisathien informed that if a shareholder wants to propose amendments to the Articles of Association related to the directors' election. It can be achieved by proposing in Agenda 10 Others, in order to bring this matter for consideration. However, this meeting conduct under the current Articles of Association, so the election of the Board of Directors need to proceed under the current TISCO's Articles of Association as well.

Mr.Pruettanun Sriwongleung, a representative by proxy, asked and Dr. Suwan Valaisathien explained the issues as follows.

Question: The type and the number of directors in each type.

Answer: Dr. Suwan Valaisathien clarified that the type of directors has already been stated in the Notice of the Shareholder Ordinary General Meeting. Independent directors should be at least five (5) persons since the law requires company to have independent directors at least one third of all directors.

Mr. Pairat Srivilairit, Company Secretary, further informed that Articles of Association determined a term of the Board of Directors to finish at the AGM of each year and elect the whole Board of Directors in one time. However, before the AGM meeting, the company has offered to shareholders the opportunity to nominate qualified person to be elected as the Company's director in advance. But at the end of the specified period, there was no qualified person nominated by shareholder.

Ms. Surat Malaigrong, a representative by proxy, asked the Company to amend the Articles of Association related to the election of directors. The shareholder asked and Dr. Suwan Valaisathien explained the issues as follows.

Question: How should the company proceed if the election of the required number of directors has not been completed ?

Answer: Dr. Suwan Valaisathien explained the directors' election method to shareholders. A director who did not receive even a single "For" vote from shareholders shall be deemed as not be selected. However, in voting for directors' election, shareholders may give all their votes or divide their votes to agree or disagree

with any one director or several directors according to their wishes.

Mr. Chatchai Khunngam, a shareholder, gave a comment that the shareholders who disagreed with the number of directors which has been proposed at 12 (twelve) persons may give a dissenting vote in Agenda 5.1. The shareholders who disagreed with any directors may give a disagree vote on such directors in Agenda 5.2. Mr. Chatchai Khunngam further added that cumulative voting provides more chance for minority shareholders to elect their representatives to be director. This cumulative voting was proposed, yet has not been considered, in the AGM of many companies.

Mr. Chatchai Khunngam further added that he did not have much knowledge on using the Internet or computer. However, in the following years, shareholder who want to nominate right candidate, should follow the Company's announcement on Internet, especially at the end of the year period where the majority of the company allow shareholders to nominate suitable persons to be candidate.

Dr. Suwan Valaisathien said the Company normally provide the opportunity for shareholders to nominate a suitable for the position of director, starting from October to December of each year.

Mr. Boonya Udom, a shareholder, asked and Dr. Suwan Valaisathien explained the issues as follows.

Question: The need to have foreigner as company directors.

Answer: Dr. Suwan Valaisathien clarified that the Company have a proportion of foreign directors because the Company has some foreign shareholders.

Question: The language used in the Company's meeting and the directors' ability to communicate in the meeting.

Answer: Dr. Suwan Valaisathien said that all directors are competent in many areas. However, communication issues are not likely to occur because the current businesses have to deal with foreign countries. The language used in the meeting can be both with Thai and English. Foreign directors possibly have an interpreter to help them in communication.

Senior Col Suratthep Apaijit, a shareholder, requested the Company to consider to amend the Articles of Association regarding the election of the whole Board of Directors.

Mr. Pruettanun Sriwongleung, a representative by proxy, asked and Dr. Suwan Valaisathien explained the issues as follows.

Question: The Company's procedure if the election of directors cannot reach the determined number of persons.

Answer: Dr. Suwan Valaisathien clarified that the company must follow the shareholders' resolution. If the election of directors cannot reach the determined number of persons, the Company may need to proceed with searching for candidate and election.

Mr. Surasak Chunlasorn, asked and Dr. Suwan Valaisathien explained the issues as follows.

Question: The total attendance of the Audit Committee meeting by Assoc. Prof. Dr. Angkarat Priebjrivat.

Answer: Mr. Pairat Srivilairit clarified that it has already been specified in the note that Assoc. Prof. Dr. Angkarat Priebjrivat has been elected to be member on April 2013, and has attended all the meetings of the Audit Committee.

Mrs. Warunee Thippayachai, a shareholder, proposed the determination on the number of company that a director could serve for his/ her position, and a director should serve not more than another one company. The assignment for position in agency should be only one agency as well.

The meeting considered the matter and cast votes.

(The voting in this agenda item requires a shareholders' resolution with the majority votes of the shareholders who attended the meeting and casted their votes for the number of directors part. For the appointment of director part, cumulative voting will be applied according to the Articles of Association)

**Resolution:** The shareholders **resolved** the followings as proposed:

- **Approved** the number of directors at 12, with the votes as presented below:

	<u>Votes</u>	<u>%</u>
• For	556,513,789	99.93
• Against	43,605	0.01
• Abstain	170,143	0.03
• Void	180,500	0.03

- **Approved** the appointment of the following director candidates as the Company's directors, with the votes as presented below:

	<u>Name - Surname</u>	<u>For (votes)</u>	<u>Against (votes)</u>
1	Mr. Pliu Mangkornkanok	469,543,560	7,544,583
2	Mr. Hon Kit Shing (Mr. Alexander H. Shing)	947,384,391	9,329,548
3	Ms. Oranuch Apisaksirikul	476,590,287	12,207
4	Assoc. Prof. Dr. Angkarat Priebjrivat	476,198,869	341,105
5	Prof. Dr. Pranee Tinakorn	476,563,869	11,105
6	Ms. Patareeya Benjapolchai	475,778,855	1,002,010
7	Ms. Panada Kanokwat	476,311,414	82,605

8	Prof. Dr. Teerana Bhongmakapat	440,420,892	35,896,187
9	Mr. Sathit Aungmanee	468,847,436	7,544,583
10	Mr. Yasuro Yoshikoshi	458,131,559	18,210,460
11	Mr. Chi-Hao Sun	949,196,048	7,567,891
12	Mr. Suthas Ruangmanamongkol	476,074,114	341,105
	<b>Total</b>	<b>6,591,061,294</b>	<b>87,883,389</b>
		<b>Abstain (votes)</b>	<b>3,831,761</b>
		<b>Void (votes)</b>	<b>120,000</b>

<p><b>Agenda 6: To approve the directors' remuneration and acknowledge current directors' remuneration</b></p>
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Dr. Suwan Valaisathien informed the meeting that on April 25, 2013, the Shareholder Ordinary General Meeting for the year 2013 approved the annual directors' remuneration in the form of reward, monthly fee, meeting fee and bonus at the amount of not greater than Baht 2,400,000 for the Chairman of the Board and not greater than Baht 500,000 for each Board member, provided that the amount of such remuneration so determined shall be valid until amended. The Board of Directors, under the authority delegated by the shareholders, will determine appropriate amount and the exact amount to be paid each time. Besides, the directors are entitled to receive other remuneration or benefits paid for other appointments or special assignments from the Board of Directors.

According to the Company's Articles of Association, the Board of Directors may assign directors to conduct the businesses on behalf of the Board of Directors. In this connection, the remuneration to be paid to such directors for other appointments or special assignments shall be determined by the Board of Directors. Duties and responsibilities of board members who are assigned to other committee are detailed under Part 2, Section 8 and Section 9 Management in the Annual Report.

The Nomination and Compensation Committee shall consider appropriate remuneration for director and propose to the Board of Directors. The scale and components of remuneration for directors should be appealing enough to attract and retain quality directors, but avoid excessive pays. Remuneration for non-executive directors should be comparable to the general practice in the industry with regard to work experience and commitment, as well as the benefits each director brings. Directors who are assigned with extra work (being members of other committee, for example) should be paid appropriately. The remuneration to be paid to such director or directors will be approved by the board.

Regarding directors' remuneration for companies in TISCO Group, in addition to directors' remunerations paid to directors of TISCO, the Parent Company, starting from year 2013 there are only remuneration to be paid to directors who do not hold any directorship in TISCO and/or management position in other subsidiary companies in the form of reward, monthly fee, meeting fee, and bonus in the same form and amount to TISCO Board member, to be valid until amended. The Board of Directors, under the authority delegated by the shareholders, will

determine appropriate amount and the exact amount to be paid each time. Besides, the directors are entitled to receive other remuneration or benefits paid for other appointments or special assignments from the Board of Directors.

In this regard, the Nomination and Compensation Committee had made an annual review of the directors' remuneration to ensure that remuneration is commensurate with their duties and responsibilities. The study suggested that TISCO current remuneration of directors was still in line with the industry.

The Board, with the recommendation from the Nomination and Compensation Committee, recommended shareholders to approve current annual directors' remuneration in the form of reward, monthly fee, meeting fee and bonus at the amount of not greater than Baht 2,400,000 for the Chairman of the Board and not greater than Baht 500,000 for each Board member, to be valid until amended. The Board of Directors, under the authority delegated by the shareholders, will determine appropriate amount and the exact amount to be paid each time. Besides, the directors are entitled to receive other remuneration or benefits paid for other appointments or special assignments from the Board of Directors. The Board also recommended the shareholders to acknowledge current director remuneration. Details of current director remuneration are as follows:

	<b>Remuneration</b>	
	<b>Monthly Fee (Baht/Month)</b>	<b>Meeting Fee (Baht/Meeting)</b>
<b>Board of Directors</b>		
Chairman	200,000	-
Director	40,000	-
Advisory	40,000	
<b>Executive Board</b>		
Chairman	-	40,000
Member	-	35,000
<b>Audit Committee</b>		
Chairperson	-	50,000
Member	-	40,000
<b>Nomination and Compensation Committee</b>		
Chairperson	-	50,000
Member	-	40,000
<b>Corporate Governance Committee</b>		
Chairperson	-	50,000
Member	-	40,000

The payment of such remuneration requires the shareholders' resolution with the votes of not less than two-thirds of the total number of votes of shareholders who attended the meeting. Moreover, the directors who held shares were considered as having a conflict of interest in this matter and were not entitled to vote.

Mr.Pruettanun Sriwongleung, a representative by proxy, asked Dr. Suwan Valaisathien explained the issues as follows.

Question: The reason of difference of remuneration between Chairman of the Board of Directors and directors.

Answer: Dr. Suwan Valaisathien clarified that the remuneration of Chairman of the Board of Directors was higher than directors' remuneration because Chairman of the Board of Directors have more obligations and responsibilities than directors such as proceeding the meeting, advising and consulting with the Chief Executive and Company Secretary regarding the agenda that should be included in board meeting, etc.

Question: Name of directors who are the Company's permanent employees receiving remuneration, salary and welfare during their tenure as management of the Company.

Answer: Dr. Suwan Valaisathien clarified that two directors who are also executives of the Company receiving salary and company welfare are Ms. Oranuch Apisaksirikul and Mr. Suthas Ruangmanamongkol.

Mrs. Warunee Thippayachai, a shareholder, asked and Dr. Suwan Valaisathien explained the issues as follows.

Question: Remuneration paid to directors who hold multiple positions or who are director in multiple companies. Remuneration of each director should be disclosed in details in the Notice of meeting.

Answer: Mr. Pairat Srivilairit clarified that directors who received compensation as directors of TISCO Financial Group Public Company Limited will not receive remuneration for their serving as directors in other subsidiaries. On the other hand, there was no duplicated payment of director's remuneration.

The meeting considered the matter and cast votes.

(The voting in this agenda item requires a shareholders' resolution with the votes of not less than two-thirds of the total number of votes of shareholders who attended the meeting. The directors who held shares were considered as having a conflict of interest in this matter and were not entitled to vote)

**Resolution:** The shareholders **approved** annual directors' remuneration in the form of reward, monthly fee, meeting fee, and bonus at the amount of not greater than Baht 2,400,000 for the Chairman of the Board and not greater than Baht 500,000 for each Board member, to be valid until amended. The Board of Directors, under

the authority delegated by the shareholders, will determine appropriate amount and the exact amount to be paid each time. Besides, the directors are entitled to receive other remuneration or benefits paid for other appointments or special assignments from the Board of Directors, as proposed, with the votes as presented below:

	<u>Votes</u>	<u>%</u>
• For	553,280,881	99.35
• Against	83,811	0.02
• Abstain	210,212	0.04
• Void	0	0.00

The shareholder also **acknowledged** current directors' remuneration as proposed.

After the meeting considered the director-related agenda, all the elected directors re-joined the meeting.

<b>Agenda 7: To approve the appointment of the auditors and their remuneration for the year 2014</b>
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The Chairman proposed the meeting to consider the appointment of the auditors and their remunerations for the year 2014 and subsequently invited Assoc. Prof. Dr. Angkarat Priebjrivat, Chairperson of the Audit Committee, to summarise this agenda item to the meeting.

Assoc. Prof. Dr. Angkarat Priebjrivat informed that the Company's Articles of Association required that the shareholders approve the appointment of auditors and their remuneration. The Audit Committee, in accordance with the Company's External Auditor Selection Guideline, had considered proposals for the appointment of the Company's auditors for the year 2014.

The Board of Directors, recommended by the Audit Committee, proposed the shareholders to consider the appointment of auditors from EY Office Limited (formerly known as Ernst & Young Office Limited) to be the Company's auditors for the year 2014 with the audit fee of not exceeding Baht 540,000.

- Ms. Ratana Jala CPA License No. 3734
- Ms. Rachada Yongsawadvanich CPA License No. 4951 and,
- Ms. Somjai Khunapasut CPA License No. 4499

Any one of these auditors is authorized to certify the auditor's report. The approval for the appointment has been obtained from the Bank of Thailand

In addition, to apply the same standard to financial statements of all companies in TISCO Group, auditors of EY Office Limited shall also be appointed as auditors for ten (10) subsidiary companies with total remuneration of not exceeding Baht 7,080,000.

The reason for the increase of TISCO Group's total audit fee proposed for the year 2014 is Baht 7,620,000 by Baht 220,000, equivalent to the rate of 3.0%, compared to the previous year was on the normal increasing rate of business volume and increase of workload due to increase in

business activities, and additional implementation of new accounting standards and related laws and regulations. The fee increase is in line with increase in business activities of TISCO.

Mr. Thanaprasert Pamornpairoj, a representative by proxy, asked, and the Management explained the issues as follows.

Question: Proposed to adjust the format of information presentation in Agenda 4 and Agenda 6. They should be in the form of a comparison table by comparing the changes during the year.

Answer: The management has taken the shareholder's suggestion for consideration.

Mr. Pruettanun Sriwongleung, a representative by proxy, asked, and the Management explained the issues as follows.

Question: The reason of increase in audit fee especially in some companies like Always Co Ltd, and Deutsche TISCO Investment Advisory Co Ltd, which increased 10 per cent and 9.1 per cent respectively.

Answer: Assoc. Prof. Dr. Angkarat Priebjrivat clarified that the rate of increase of audit fee in some companies was due to the low calculation base amount. The amount of money increases is not too high. In addition the increased fee was due to inflation, increased business volume and the auditor's workload following the increase in business activities, as well as the additional implementation of new accounting standards and related laws and regulations. However, the Company has considered the auditor's works in many aspects including its accuracy and completeness and quality of work, and viewed that the increase in audit fee is appropriate.

The meeting considered the matter and cast votes.

(The voting in this agenda item requires a shareholders' resolution with the majority votes of the shareholders who attended the meeting and casted their votes)

**Resolution:** The shareholders **approved** the appointment of the following auditors of EY Office Limited (formerly known as Ernst & Young Office Limited), with total remuneration of not exceeding Baht 540,000 as proposed, as the Company's auditors for the year 2014;

- Ms. Ratana Jala CPA License No. 3734
- Ms. Rachada Yongsawadvanich CPA License No. 4951 and,
- Ms. Somjai Khunapasut CPA License No. 4499

Any one of these auditors is authorised to certify the auditor's report, with the votes as presented below:

	<u>Votes</u>	<u>%</u>
• For	556,413,561	99.91
• Against	443,607	0.08

• Abstain	50,869	0.01
• Void	0	0.00

**Agenda 8: To approve the amendment of Section 33 Power of the Board of Directors of the Company’s Articles of Association**

The Chairman proposed that the meeting approve the amendment of Section 33 Power of the Board of Directors of the Company’s Articles of Association and invited Ms. Oranuch Apisaksirikul, the Group CEO, to summarize the details of the agenda to the meeting.

Ms. Oranuch Apisaksirikul informed that the proposed amendment was to clarify and reflect the current practice of the Company. The draft amendment was presented in page 110 of the Notice.

The meeting considered the matter and cast votes.

(The voting in this agenda item requires a shareholders’ resolution with the votes of not less than three-fourths of the total number of votes of shareholders who attend the meeting and have the right to vote.)

**Resolution:** The shareholders **approved** the amendment of Section 33 Power of the Board of Directors of the Company’s Articles of Association as proposed by adding the following clause;

*“The Chairperson of the Executive Board singly, or two other executive directors jointly is/are empowered to sign on behalf of the Company and in all cases the common seal of the Company shall be appended along with such signature or signatures.”*

with the votes as presented below:

	<u>Votes</u>	<u>%</u>
• For	552,560,898	99.22
• Against	4,018,479	0.72
• Abstain	328,660	0.06
• Void	0	0.00

**Agenda 9: To approve the amendment of Section 43 Seal of the Company of the Company's Articles of Association**

The Chairman presented to align with the recent launch of new branding program to strengthen TISCO Group's brand image, the new logo designed under the concept of "opportunity" has been introduced as TISCO's new identity. The new logo will replace all existing logo and will represent a unification of all operations under TISCO brand.

In this regard, the Board is therefore proposed the meeting to consider the amendment of Section 43 Seal of the Company of the Company's Articles of Association. The proposed seal of the Company was presented in page 112 of the Notice.

Mr. Pruettanun Sriwongleung, a representative by proxy, asked, and the Management explained the issues as follows.

Question: The design process of the new logo has been created by the organization itself or by a third party.

Answer: Ms. Oranuch Apisaksirikul, the Group CEO, clarified that this modification improved the way of communication to be clearer, since in the past, the communication of the meaning of the Company's vision "Wealth of Possibilities" was not so clear. For clearer communication and ease of understanding, the Company decided to hire outsourced agency to design new logo in order to reflect the "Creating Opportunities" vision of the organization. The circle appears in the logo meant wealth. Blue colour represents water flowing smoothly. Red colour means the energy to stimulate advancement. New logo is an annular ring in a three dimension shape reflecting a ring of opportunities that the Company delivered to all stakeholders.

An attendee, who did not wish to leave name, asked, and the Management explained the issues as follows.

Question: The cost of designing a new logo.

Answer: Ms. Oranuch Apisaksirikul, the Group CEO, informed that the cost of designing is not expensive. However, there will be additional costs involved in changing the logos of more than 100 branches.

The meeting considered the matter and cast votes.

(The voting in this agenda item requires a shareholders' resolution with the votes of not less than three-fourths of the total number of votes of shareholders who attend the meeting and have the right to vote.)

**Resolution:** The shareholders **approved** the amendment of Section 43 Seal of the Company of the Company's Articles of Association as proposed. The seal of the Company will be presented as follow.



บริษัท ทีเอสเอฟไฟแนนเชียลกรุ๊ป จำกัด (มหาชน)  
TISCO Financial Group Public Company Limited

with the votes

	<u>Votes</u>	<u>%</u>
• For	556,749,643	99.97
• Against	49,509	0.00
• Abstain	108,885	0.02
• Void	0	0.00

#### **Agenda 10: Others, if any**

The Chairman informed the meeting that all agenda items had been considered and invited the shareholders to bring forward any additional matters, issues, or concerns that they might wish to discuss.

Mr. Thanaprasert Pamornpairoj, a shareholder, asked, and the Management explained the issues as follows.

Question: Request the Board to consider the amendment of the election, to match with other companies which elect directors only for one-third or one-half of the whole board.

Answer: Chairman thanked the shareholder and took his suggestion for consideration. Chairman said that the directors will be the representative of the shareholders, so the Company give the shareholders right to consider the appropriateness for re-appointment of directors. In addition, this method of election will benefit minority shareholders in electing their representatives and preventing domination by major shareholder.

Question: Do all directors have to retire and be re-elected if a director resigned or died?

Answer: Ms. Oranuch Apisaksirikul, informed that the Company emphasized importance of good corporate governance as seen from many CG related rewards received by the Company. For better transparency and rights of minority shareholders in electing directors, the number of votes by shareholders in the agenda of director election will be equivalent to number of shares multiplied by the number of directors. Shareholders can give all their votes or can divide their vote between "For" or "Against" to any one of directors or to several directors. This method will increase opportunities for minority shareholders to elect their representatives as directors and prevent the domination of major shareholder. For this reason, the

Company has adopted the Cumulative Voting to replace the former election method, which elects directors only one-third of all directors. The Board may appoint new director to replace director who resigned from position without need to re-elect the whole Board.

Mr.Chatchai Khunngam, a shareholder, said that there are many new shareholders this year who may not understand the Company's culture. He proposed the management to provide some company backgrounds to the shareholders in order to increase their understanding of corporate culture, and also proposed to increase corporate communication through press release and analyst meeting.

Chairman of the Board thanked the shareholders for the suggestion.

Attendee who did not wish to leave name asked, and the Management explained the issues as follows.

Question: Impact on the Company's stock price if the Xayaburi Hydropower Project could not be implemented and the loan become a non-performing.

Answer: Ms. Oranuch Apisaksirikul, clarified that the credit extended to this project is not high. In addition, half of the project loan comes from the Government of Laos, resulting in less possibility of becoming NPL and less impact on the Company.\_

Ms. Oranuch Apisaksirikul asked Mr. Suthas Ruangmanamongkol, President of TISCO Bank Public Company Limited, to add further information.

Mr. Suthas Ruangmanamongkol added that TISCO Bank and other financial institutions provided syndicated loan approximately at Baht 9000 Million in total to this project. The proportion of TISCO Bank was around Baht 4000 Million. The project has 8-year construction period with secured collateral. Until now, the drawdown was approximately 22.4 per cent of the total loan amount.

Ms. Oranuch Apisaksirikul further clarified that the Company kept tracking the progress of the project and allowed drawdown proportional to its progress. If the project has been opposed and could not be continued, the drawdown shall be stopped and the risk of entire loan turning to NPL is low.

Question: Clarify more about the loan which granted to one of the steel company and the impact to the Company.

Answer: Ms. Oranuch Apisaksirikul, clarified that until now, the borrower still continues to pay off debt. For the forecast which appear on media, the analysts may predict steel market conditions that fluctuate according to the business cycle, which have both up and down. However, the current situation began to develop in a good way. For the Thai borrowers company, earnings continue to be profitable. When consider on a company's cash flow, the ability to repay the debt by the company is still in the acceptable criterion.

Mr. Supasak Chunlasorn, a shareholder, provided suggestion related to Article of Association on Article 23, the Directors' Election, to be clear up. In case that some of directors did not receive a vote of approval by the shareholders at all.

Answer: Ms. Oranuch Apisaksirikul, clarified that the content as specified in the Article of Association was written to be opened in terms of legal. In case that there are many candidates being nominated for the election to serve as a directors, the candidates who received the highest number of votes will be elected to be directors.

Prof. Dr. Pranee Tinakorn, the Chairperson of the Nomination & Compensation Committee, further added that the Company allowed shareholders to nominate persons who qualified to be elected as a director in advance during August to December. So the Nomination & Compensation Committee can present to the Board for consideration and further propose to shareholders for consideration in the subsequent AGM. There was no candidate nominated by shareholders for this meeting. For the next meeting, the Company requested the shareholders' cooperation to nominate the suitable person within the specified period.

Ms. Oranuch Apisaksirikul, further clarified that the Company informed the shareholders regarding the nomination of persons qualified to be elected as a director in advance on the Company's website because at that point of time the Company could hardly know who is holding Company's share. The Company therefore could not send document to individual shareholders.

Mr. Pruettanun Sriwongleung, a representative by proxy, noted that the qualification of the shareholders who can nominate a person to be elected as a directors, as specified in the nomination criteria, was somewhat difficult for minority shareholder holding a small number of shares.

Mr. Chalermphol Waitayangkoon, a shareholder, asked and the Management explained the issues as follows.

Question: The shareholder gave comment on the election of directors using Cumulative Voting method that this election method is relatively new in Thailand. Shareholders do not understand the principles, objectives and the method of Cumulative Voting. However, the decision to choose which type of method for the elections was up to the Company's discretion. If the Company decided to use Cumulative Voting method for the election, the Company might have to communicate the process and advantage of this election method to shareholders.

A shareholder asked about the practice of the board leaving the shareholders' meeting during the agenda associated with the Directors and choosing a shareholder to preside the meeting. He noted that such person presiding the meeting may not know all the facts in issue and give correct answer to shareholders' question.

Answer: Chairman thanked the shareholders for the suggestion and clarified that the whole Board of Directors left the meeting in order to allow shareholders to fully express their views during the agenda associated with the Directors. For another suggestion, that shareholders who presided as chairman of the meeting may not be fully know all the fact, the Chairman will take this suggestion for consideration.

Prof. Dr. Pranee Tinakorn, the Chairperson of the Nomination & Compensation Committee further added that as the Chairperson of the Nomination & Compensation Committee, the whole Board of Directors should leave the meeting during the election of director agenda. However, for

the agenda of director remuneration, the Chairperson of the Nomination & Compensation Committee is willing to stay at the meeting to give information and answer shareholders' question. For director remuneration as proposed to shareholders for consideration, the rate was the same as for the past three years. Such rate has been carefully considered.

Mr. Pruettanun Sriwongleung, a representative by proxy, asked and the Management explained the issues as follows;

Question: The cause of void ballot in Agenda 5.1

Answer: Mr. Pairat Srivilairat clarified that there was a void ballot because shareholders vote For and Against in the same ballot and also vote For more than the number of shares held.

Question: A proposal to identify the characteristics of ballots that are classified as "void ballots" in the Notice of AGM for the shareholders to know before voting, and a proposal to clarify advantage and disadvantage of Cumulative Voting method for the shareholders to understand before voting.

Answer: Chairman took the suggestions for consideration.

Mrs. Warunee Thippayachai, a shareholder, asked and the Management explained the issues as follows;

Question: Requested to change to the mixed election method between the proportion voting and cumulative voting, and requested to have options in determining the number of Company's directors.

Answer: Ms. Oranuch Apisaksirikul clarified that the mixed election method proposed by the shareholder was not doable as it is conflict with the law. For the agenda in the determining the number of directors, shareholders can decide to vote agree or disagree with the amount proposed.

Mr. Thanaprasert Pamonpairoj, a shareholder, asked and the Management explained the issues as follows;

Question: Asked for comment from Ms. Pattriya Benchapolchai whether the Stock Exchange of Thailand supported Cumulative Voting method and the reason why this method was not mandatory for all companies.

Answer: Ms. Pattriya Benchapolchai, the Chairperson of Corporate Governance Committee clarified that the Company can choose method to use for the election, either one person one vote or Cumulative Voting. The Stock Exchange of Thailand encouraged listed companies to adopt Cumulative Voting perceiving that this method is more transparent and allow minority shareholders more right to vote for their preferred candidate.

However applying this method as mandatory to all companies could be a burden or cause problems for those who are not ready to follow. The Stock Exchange of Thailand viewed that it is more appropriate to start from promoting first, and raise to mandatory regulation later after the majority of companies are ready. This issue is under consideration by a sub-committee of the

Stock Exchange of Thailand.

There being no other issues, the Chairman thanked the shareholders for attending and adjourned the meeting at 18.00 hours.

*Pliu Mangkornkanok*

(Mr. Pliu Mangkornkanok)

Chairman of the Meeting and Chairman of the Board