



## The Minutes of Annual General Meeting of Shareholders for the year 2016

## Sanko Diecasting (Thailand) Public Company Limited

Date, Time and Venue

The meeting was held on the 28<sup>th</sup> April 2016 at 1.30 p.m. in the meeting room of Sanko Diecasting (Thailand) Plc. at 3/14 Rojana Industrial Park, T. Nongbua, A. Bankhai, Rayong, 21120.

Attended Directors

- |                                    |  |
|------------------------------------|--|
| 1. Mr. Masami Katsumoto            | President and Chairman of the Board                      |
| 2. Mr. Rattawat Suksaichol         | Director and Chief Executive Officer                     |
| 3. Mr. Naohiro Hamada              | Director   |
| 4. Mrs. Poonsri Pattamavorakulchai | Director   |
| 5. Mr. Yutthana Taepangthong       | Director   |
| 6. Miss Walaiporn Kanignunta       | Chairman of the Audit Committee and Independent Director |
| 7. Mr. Niphan Tungpiruttham        | Audit Committee and Independent Director                 |
| 8. Miss Sakultip Homanee           | Company Secretary and Minutes Taker                      |

Attended Executives

- |                                   |  |
|-----------------------------------|--|
| 1. Mr. Pathom Torteeka            | Director of Production Department          |
| 2. Mr. Kiattipoom Poomminun       | Director of Sales and Marketing Department |
| 3. Mr. Chaovapong Pipatjadsadakul | Director of Engineering Department         |
| 4. Mr. Suwanna Manasati           | Director of Accounting Department          |

Other Attended Parties

- |                                 |                 |
|---------------------------------|-----------------|
| 1. Mr. Kraisit Silapamongkonkul | Account Auditor |
| 2. Mr. Bunjong Pichayaprasat    | Account Auditor |

Meeting Commence

The total number of participants in the Annual General Meeting for both attending in person and as proxy is 74 people. This is divided into 30 shareholders attending the meeting in person and 44 people as proxies of the shareholders, amounting to 209,794,788 shares or 70.45% of the total shares at 297,807,944 shares. At the beginning of the meeting, the total number of shareholders attending in person and as proxies was 65 people, divided into 27 shareholders coming in person and 38 people as proxies, amounting to 142,364,138 shares or 47.81% of the total value of shares at 297,807,944 shares, satisfying the quorum as stated in the Company's regulations. Mr. Katsumoto, the President, appointed Mr. Rattawat Suksaichol, the Company's Director, to be the Chairman of the Meeting for the sake of convenience and the flexibility in explaining the details to the meeting. Before proceeding to the meeting agenda, Miss Busakorn Soontornlikhit, the master of ceremony, explained the details of the voting and the counting procedures in the meeting depending on the agendas as displayed in the voting manuals which can be summarized as follows;



For the voting and counting process, the Company had introduced the barcode system in order to facilitate the general meeting which will reduce the time taken in the said procedures. The Company will display the total amount of votes of the shareholders in all agenda that requires a resolution for the shareholders to know the results immediately. The Company would like to explain the voting procedures during the meeting to the shareholders as follows;

1. To vote, use the voting card which has been prepared by the staffs during the registration prior to the meeting. Each shareholder may vote as much as the number of shares that they hold by considering 1 share is equal to 1 vote. As for the proxy to whom the shareholders have already voted in the power of attorney documents whether they agree, disagree or abstain from voting for each agenda of the meeting, the Company will respect the will of the shareholders and the proxy may not vote again in the meeting.

2. Once the explanation by the Directors in each agenda is over, the Chairman will allow the shareholders to voice their opinions. Those who would like to participate must raise their hands and state their names together with the amount of shares owned before giving the opinions. If there are no conflicting opinions to the Directors or the shareholders wish to abstain the votes, then the Chairman will move on to the next agenda by considering the shareholders as unanimously agree or approve of the agenda presented. However, the Company will also display the result of the votes in each of the meeting agenda.

3. If any shareholders disagree with the Directors, or would like to abstain from voting for any agenda, raise the hands when the Chairman finishes asking for opinions in the meeting. In this case, the Chairman will allow the shareholders who disagree or wish to abstain from voting, pass on the voting cards to the staffs only for that specific agenda. The staff will then collect all voting cards and notify the meeting the result of how many agreeing votes, disagreeing votes and abstaining votes.

When counting the votes, the Company will remove the disagreeing votes or abstaining votes from the total votes. As for the shareholders that have the proxies attended the meeting and have already voted for each agenda whether or not they agree, disagree or abstain from votes, the Company will record the votes made by the shareholders in the Computer for counting up the votes in each agenda.

4. For the agenda involving the election of new Directors to replace the existing Directors who retire by rotation, for the sake of transparency, the Company requires all of the shareholders in the meeting to use the voting cards issued during the registration process, whether or not they agree, disagree or abstain from voting in order to select the Directors individually.

5. Shareholders who do not understand the voting procedures may ask the staffs which will facilitate and explain in details. In this Annual General Meeting, the Company has provided the video footage of the meeting in digital file, available on the Company's website ([www.sankothai.net](http://www.sankothai.net)) for the shareholders who are interested but could not attend the meeting. The meeting will be conducted in Thai, so that shareholders can mutually understand. In the case of foreign shareholders and wishes to ask questions in English, notify the registration staffs and the Company will arrange an interpreter to translate the questions further into Thai.



Before the Chairman of the Meeting proceeds to the agendas, the shareholders have the following inquiries;

**Mr. Prasit Chongatsayakul (Shareholder):** Mr. Chairman, I am Prasit Chongatsayakul, a shareholder. Just to not waste time while you're resolving the computer issues, I would like to ask about the meeting today whether or not the regulations for the meeting will follow those that Sanko Diecasting Plc had announced through the website, or that of the Stock Exchange?

**Mr. Rattawat Suksaichol (Director):** Regulations about what exactly?

**Mr. Prasit Chongatsayakul (Shareholder):** The regulations for the meeting. By notifying through the website, does it mean that the regulations have been enforced for this meeting?

**Mr. Rattawat Suksaichol (Director):** Concerning the requests for adding the agendas?

**Mr. Prasit Chongatsayakul (Shareholder):** This is your meeting and there are several issues involve the regulations. Which regulations will you follow or which one that you will not, should be informed to the shareholders.

**Mr. Rattawat Suksaichol (Director):** If you mean the regulations for requesting additional agendas, then we still use the original regulation, not the one that was announced at the beginning of the year. Everything else remains the same.

**Mr. Prasit Chongatsayakul (Shareholder):** As for the announcement made in the beginning of the year, when will that be enforced since it was already announced?

**Mr. Rattawat Suksaichol (Director):** We use the regulation of the 2016 accounting year. The shareholders meeting will be held in 2017.

**Mr. Prasit Chongatsayakul (Shareholder):** Mr. Chairman, please excuse me again but, in summary the announcement that you made through the website is not in effect at the moment? Because you announced the regulations but then said that it is not in effect, so which is it?

**Mr. Rattawat Suksaichol (Director):** It is the regulation, but will take effect in the year 2016.

**Mr. Prasit Chongatsayakul (Shareholder):** But it has not been stated?



Mr. Rattawat Suksaichol (Director): In the website it indicates that the regulation is for the year 2016.

Mr. Thanadej Mahaphokhai (Shareholder): So is it enforced in this meeting? Do we follow this regulation, or is it for the next meeting?

Mr. Rattawat Suksaichol (Director): It is for the next meeting.

Mr. Rattawat Suksaichol discussed with the meeting to proceed first with the agendas while waiting for the voting system to resolve. When everything is back to order then the meeting will continue with the voting. The majority of the meeting raised their hands in agreement. Then, Mr. Rattawat Suksaichol proceeds with the agendas as follows;

Agenda 1) To consideration and certify the minutes of the Extraordinary Meeting of Shareholders No. 1/2015 Mr. Rattawat Suksaichol proposed to the meeting to consider and approve of the 2015 Annual General Meeting Report (1<sup>st</sup>/2015) which was held on the 9<sup>th</sup> July 2015 in which the Company has already sent to all shareholders together with the invitations to the Annual General Meeting, as displayed in the attachment 1.

Resolution: The meeting has considered and approved with the majority votes, the 2015 Annual General Meeting Report as presented with the following votes;

Agree	Disagree	Abstain	Total Votes
135,752,588	74,042,200	0	209,794,788
64.71%	35.29%	-	100%

Agenda 2) To consider and acknowledge the Board of Directors' report proposing to the meeting regarding the result of the Company's operation during the preceding year and suggestions as to future business operation plan

Mr. Rattawat Suksaichol proposed to the meeting to acknowledge the Board of Director's report portraying the Company's performance in the past year and also the recommendation for future business operations. The summary is as follows;

The overall performance of the operation in the year 2015 when compared with the year 2014 was that the sales had increased 17%. In 2014, the total sales was 365 million Baht, while in 2015, the total sales was 427 million Baht. When divided into quarters, the sales also went up. This is true for all categories such as Sale Part, Sale Mold and other income; all departments rose up from the year 2014. The gross profit of 2014 was at 10% while in 2015 was at 16%. Averagely the profit had been improving in all quarters with the annual rate of about 16%. The administrative expense for 2014 was 16% while it was 15% in 2015 and the average would be better if we split them quarterly. The overall interest paid in 2015 was less than 2014 due to the



decline in the liability. In 2014, the net profit was at 16 million Baht loss while in 2015 only 3 million Baht loss resulting from a better performance, a 13 million Baht difference from 2014. As for assets, in 2015, the Company's current asset was approximately 125 million Baht and 116 million Baht in 2014. The Company's non-current asset in 2015 was at 207 million Baht while in 2014 was at 218 million Baht. The total asset in 2015 was approximately 332 million Baht and about 334 million Baht in 2014. As for debts, it was approximately 197 million Baht in 2014 and about 138 million Baht in 2015. The non-current liabilities in 2014 were at 10 million Baht while in 2015 was at 13 million Baht. The total debts of 2015 had reduced from 2014 with 207 million Baht for the year 2014 and the total debts of 151 million Baht for 2015. The total number of domestic clients is approximately 56 clients with 5 companies with confirmed orders (Ampas Industry Co., Ltd., Cosmos Tech Co., Ltd., Stebel (Asia-Pacific) Limited. ,Thai Stanley Electric Public Co., Ltd.and Trelleborg Vibracoustic (Thailand) Co., Ltd.), 2 clients with high purchase possibility (Panasonic Automotive Systems Asia Pacific(Thailand) Co., Ltd and Nifco (Thailand) Co., Ltd.) and another 49 companies which requires follow up. As for international clients, there are roughly 17 clients that the Company had contacted and 2 of them had become our clients which are Jabil Circuit Hungary Ltd. and Valeo Systems Themique Sas, exporting to Hungary with exporting value of about 16 million Baht. The other 14 clients are still under negotiation, inspection and transporting samples.

Mr. Rattawat further reported that we still have the opportunity to grow in our industry. We can see that the world' automobile industry is still in demand with high amount of sales. If separated by zones, the best zone is green, follow by yellow. Green represents China, ASEAN and even America. Yellow is safe to say that it is still growing, meaning that there are opportunities to increase our market. In all of these zones, if we divide them by countries, we can see that China is the largest portion at 27%, America at 23% and 17% for Europe. This is our goal for finding new markets in the high opportunities zones. According to the survey in 2015, the production in Thailand ranks 12<sup>th</sup> whereas in 2013 we were as high as 9<sup>th</sup>, but since the decline of the Thai economy, the sales and the production had been falling behind in 2015 although it is still considered no.1 in ASEAN. As for the Clusters structure, the industry is divided into 25 automobile assembling factories, 386 first tier companies and 2,300 second and third tier companies together. At the moment our Company is both second and first tier, some of our parts are for first tier and some parts are for the second tier. In the past year, the sales of the Company were at 427 million Baht, the goal of the Company for 2017 is set at 450 million Baht. This is considered from the domestic economy and also the world economy which we believe is still growing but in the slower rate. In 2018 – 2020, we set the target goal at 500, 650 and 750 million Baht respectively. In 2018, the Company plans to open up the mold section with the aim to produce our own brand. According to the estimation by the government, the world's economic expansion in 2016 will be better than that of 2015 but not by very much. As for Thailand, there are supporting factors such as the government investment and other policies from the public sector in conjunction with the government sector, including the increase in tourism and the weakening of the Thai Baht, the financial cost is low and the interests rate is



declining. In terms of obstacles, there is an issue of a slowdown in exports and a still recovering household income due to insufficient purchasing power. The financial costs from the US loans are still high. The Thai Fishing industry's problems still have not been solved and also the purchasing powers of other partner countries are still not enough because of the weak state of the world economy. In closing, Mr. Rattawat mentioned the Company's activities in the past year which involved CSR that had been in practice for 3-4 years and other awards and honors that the Company had earned. Additional details can be found in the attachment 2.

When the presentation was over, the meeting had the following questions;

**Mr. Thanadej Mahaphokhai (Shareholder):** From the model that you explained, what is the Company's expected revenue this year? In the future, how much larger would the revenue increase and how can you be confident in making the revenue grow in such a way? This is because the performance of the Company last year was getting better but still not the best. If we look at the numbers from 5 years back, the sales in 2012 was the best at 474 million Baht which was better than the past year with the addition of profit. Since we entered the stock market, we have always been making a loss, therefore, how can we be sure that our revenue will increase and so will the profit? Thank you.

**Mr. Rattawat Suksaichol (Director):** To answer the question about what is the Company's goal, we have set the targeted goal at 450 million Baht, which is larger than the previous year at 427 million Baht or about 5% more. The Company perceived this goal from the economic situation for both the automobile industry and the domestic economy in the present state where shortages is a grave issue. As for how will the Company grow in the future, as I have notified that in 2017, the Company plans to open the mold department. Currently, we use the molds roughly 50-60 molds per year. If we can produce by our self, the Company will generate more profit since the profit for mold making is around 20-30%. If we can indeed do it, the performance will be better resulting in better profit. As for the question concerning the Company making a loss after entering into the stock market, as we all remember that in 2012 there was the First Car Scheme by the government which was considered a boom at that time. The result was that everybody demanded cars thus increasing in production and parts orders, making our sales high and generating profit. But in 2014, as we all know, it was the after effect of the First Car Scheme and together with the economic depression in 2014 and 2015 and also the coup. The Thai economy is considered weak. You ask whether or not we have any ideas for startup projects or creating new products? As you may know, we are the public company, so whatever we do, we always have the shareholders in mind. We spend your money. If there are projects which are not safe or risky, we do not wish to invest or do anything presently, not that the Company does not think about improving or adjusting. Right now, we emphasize on the control of the internal production costs and increasing production efficiency so that we can maintain profit in the mist of the weak economy. Then we look ahead to the year 2017-2018



when the economy returns to normal then the Company will invest. When you saw that we had investment plans, we must also decide from the overall picture of the economy.

**Mr. Prasit Chongatsayakul (Shareholder):** I am Prasit Chongatsayakul, a shareholder attending the meeting in person. From listening to the Chairman's explanation, the summary is that 1) Due to the economic situation, the sales had been declining from 2012 and also from the government's First Car Scheme, the sales had been slowly reducing and 2) During the year 2013, 2014 and 2015 that the Company had been in the stock exchange, the Board of Directors had tried to reduce the costs in order to compete and turn the profit for the Company but due to the economic crisis, the Company had been making a loss all this time. This is what you have explained in the meeting. In the beginning you stated that the Company's sales in 2015 increased from that of 2014, but again in 2015 the costs in percentage reduced from the year 2014. From what I have read in the financial statement, as the shareholder, the auditor also presented many issues relating to the budgets so I would like to ask for your confirmation here so that we are all on the same page. What is your definition for the 'administrative expense'? What does it consist of?

**Mr. Rattawat Suksaichol (Director):** I will let our accounting expert answer that question. Mr. Yutthana, would you please?

**Mr. Yutthana Taepangthong (Director):** Yes, the administrative expense of 2015 was 57.45 .

**Mr. Prasit Chongatsayakul (Shareholder):** Excuse me, Mr. Chairman; my question does not concern the year or the numbers. My question is about what is in your administrative expense. I do not doubt the numbers at all.

**Mr. Yutthana Taepangthong (Director):** It is mainly the salary of the administrative such as the executives, office staffs and also rent, water and electricity bills. Everything related to the office and also the depreciation of the buildings.

**Mr. Prasit Chongatsayakul (Shareholder):** Is the executive remuneration also included?

**Mr. Yutthana Taepangthong (Director):** It is included.

**Mr. Prasit Chongatsayakul (Shareholder):** Then I will ask from the numbers that I got from you and from what the auditors have presented. Next question, I don't quite understand what you mean by high level executives. Is this one person or the board of executives?



Mr. Yutthana Taepangthong (Director): I meant the board of executives.

Mr. Prasit Chongatsayakul (Shareholder): Who are the board of executives?

Mr. Yutthana Taepangthong (Director): The 4 first level CEO and down to the Managing Director.

Mr. Prasit Chongatsayakul (Shareholder): Consist of how many people?

Mr. Yutthana Taepangthong (Director): About 5 people.

Mr. Prasit Chongatsayakul (Shareholder): Ok. Let's roll the numbers back a little. In 2014, the sales were approximately 356 million Baht and increased to 420 million Baht in 2015. You and the auditor had calculated that sales went up 17.8%. The remuneration for the board of executive excludes the salary and all other regular benefits, is that correct?

Mr. Yutthana Taepangthong (Director): May I ask where this information came from? Is it from the financial statement? If so which page?

Mr. Prasit Chongatsayakul (Shareholder): Which numbers? This is from your financial statement.

Mr. Yutthana Taepangthong (Director): The numbers that you said are from the auditors. You mentioned that this is from the financial statement of the auditor?

Mr. Prasit Chongatsayakul (Shareholder): I did not say that it was the auditor's financial statement. I said that the auditor had put a remark on this issue. Besides, all the numbers I'm quoting now all came from your data. I am just merely repeating the facts. When Mr. Chairman explained the data, he mentioned these numbers for comparison so I am taking this information from him. I have not said anything more. My only question was that whether or not the remuneration for the board of executives is included in the salary and the regular benefits?

Mr. Yutthana Taepangthong (Director): It is included.

Mr. Rattawat Suksaichol (Director): Included with everything.

Mr. Prasit Chongatsayakul (Shareholder): So it is included then. Please make a record that everything is included since earlier I asked you, which you replied that they were separated but now you said they are included. Next question, the remuneration for the board of executive was 9.9 million Baht and increased to 13





million Baht in 2015 or about 30% increase. What is 13 million Baht equal to in terms of sales percentage? How many percent of the overall costs? You are making a loss but you increase the remunerations for the board of executives to 30% which is 13 million Baht while the Company suffered a loss of 3 million Baht. You mentioned that sales increased 17%, but here you increased the remuneration of 30% for 4 people. Please make a record of these 4 people of who they are. I am waiting to see more details but first of all please give some explanation here.

**Mr. Rattawat Suksaichol (Director):** We will have to identify the numbers in question and will give a clear explanation. However, if we look at the administrative expense in percentage, as I have notified, the costs in 2015 decreased when compared to 2014 in conjunction with sales.

**Mr. Prasit Chongatsayakul (Shareholder):** If you would excuse me, Mr. Chairman, I don't understand why you have to spend the time to identify the numbers. These are all your data. The remunerations increased from 9.6 million Baht to 13 million Baht, about 30%. I would like to know the reason for this increase. What does the board of executives do for the Company that the remunerations have to increase by 30% while the Company is making a loss? You said that you do everything for the shareholders and save costs, if you explained that the other numbers have decreased this means that the members of staff have not had their remuneration increased, or only an insignificant increase. However the 4 board of executives have had their remuneration significantly increase. This is according to what you said since I have not seen any written information by you, only what the auditors have analyzed.

**Mr. Theerayuth Thavornkij (Shareholder):** If you would excuse me, I am Theerayuth Thavornkij, attending as a proxy. From what I have read in the financial statement, the auditor had reported that you have paid the remunerations for the executives according to the article 90 of the Public Limited Companies Act. Is this correct? I would like the auditor to clarify this for the sake of transparency. I think that the numbers here are the remunerations excluding the salary. I believe that you are following the public company limited law.

**Mr. Bunjong Pichayaprasat (Account Auditor):** I am Bunjong, the representing auditor. Please allow me to answer your questions. I am not certain that your question follows the article 90 of the Public Limited Companies Act. The amount that you asked was 410,000 Baht for the year 2015 and 490,000 Baht for 2014, correct? This is the different numbers from what Mr. Prasit mentioned. I don't want the shareholders to be confused with these 2 numbers. From the 2 lines that I have separated, the numbers are different. If it were the same I would not have included them. Therefore, the number on the top here is the remuneration of the board of executives, salaries and all benefits. The directors' remuneration will be other specific items since we



define this as directors and not executives. So the payment will be in the form of attendance fee which is not related to the top line. The top line is for the executives while the bottom is for the directors.

**Mr. Theerayuth Thavornkij (Shareholder):** OK

**Mr. Bunjong Pichayaprasat (Account Auditor):** So then, when the bottom line is approved from the shareholders, it will be according with the article 90 of the Public Limited Companies Act. This is also according to the law since the shareholders approve of it themselves. The top line is associated with the Labour law. They are both from different laws. I don't want the meeting to be confused by the 2, if you wish to ask about the 13 million Baht, then it is a different story.

**Mr. Theerayuth Thavornkij (Shareholder):** That is ok. For the 13 million Baht, what is the percentage increase in the past year?

**Mr. Bunjong Pichayaprasat (Account Auditor):** Here it is; the numbers as shown in the remarks.

**Mr. Theerayuth Thavornkij (Shareholder):** I mean for the approval of the increase in salary.

**Mr. Bunjong Pichayaprasat (Account Auditor):** That is according to the Board of Directors and not related to the shareholders. It is an issue within the board that they have to approve according to the Company's regulation for what should be the Executives' remunerations. The auditor cannot interfere whether which amount is appropriate.

**Mr. Theerayuth Thavornkij (Shareholder):** But the results are nothing abnormal?

**Mr. Bunjong Pichayaprasat (Account Auditor):** Everything is normal. The procedure can be inspected that the payment has truly been paid and received. The adjustment, however, depends of the Executives. You must understand that we cannot inspect or justify whether or not it is above average or incorrect. The auditor absolutely cannot interfere.

**Mr. Theerayuth Thavornkij (Shareholder):** In summary, these costs are ordinary costs, nothing abnormal?

**Mr. Bunjong Pichayaprasat (Account Auditor):** It is normal and follows the documents that have been approved by the Company. The transactions also have paper evidence.



**Mr. Theerayuth Thavornkij (Shareholder):** Thank you.

**Mr. Bunjong Pichayaprasat (Account Auditor):** I would like to inform Mr. Prasit regarding the financial statement from the audit. Please understand that the financial statement belongs to the Company, my responsibility is only limited to the reporting page. The audit takes responsibility for the report and my duty is to inspect all the information in the statement. Therefore, the financial statement comes from the Company not produced by the audit. If you record it as the audit's financial statement it would lead to more misunderstandings. Thank you for your understanding.

**Mr. Prasit Chongatsayakul (Shareholder):** Please excuse me but we have to make it clear. I said that the audit had presented the numbers. I did not say that it was your budget statement. You have analyzed the financial statement and presented to us that the board of executives' remuneration had increased from 9.6 million Baht in 2014 to 13 million Baht in 2015. I am not debating whether or not it is according to the labour law, since I have worked as the associate judge at the Labour Court for more than 10 years, but I asked you as a shareholder. The Company promotes good governance, considers the well-being of the shareholders and considers the costs. Just now Mr. Chairman also reported about the performance and that the Company is aware of the costs. So I asked further regarding the 30% increase from 9.6 million Baht to 13 million Baht, while sales at that time you mentioned proudly was increasing by 17%. However, the numbers show that you are making a constant loss due to the economic crisis. Once I heard all of your reports, I asked simply who are the board of executives? To which you replied that it means 4 people. I then asked please explain to me who those 4 are, what good deeds do they contribute to the Company that warrants a 30% increase in remunerations? But then you told me that the actual costs in percentage is, in fact, even lower than in 2014. This surprised me as to why that is? It means that in the past year of 2015, the remunerations of other staffs and other management levels have not been significantly increase, only the 4 people. That is why the numbers come out like this. If all other staffs salary had increased by 30% as much as these 4 people, your costs would be much higher than this. I am also making an observing that the Company is making a 3 million Baht loss while you pay among yourselves 13 million Baht. I don't know who are the board of executives but won't be far off the people in the Board. I may be wrong and that is why I am questioning you about the reason, about the good governance. I am not talking about the labour law since I know that all transactions are done correctly with signature of approval and tax deduction. What I am talking about is rather the spirit of good governance.

**Mr. Thanadej Mahaphokhai (Shareholder):** Allow me to add some more explanation. Earlier when Mr. Chairman explained to me the strategies, I still did not fully understand and a little bit confuse to be honest. So I had to sit and think for a while about what you said, about what concrete method that could increase our



sales. At least I am rather pleased that you still confirmed that this year's sales will grow about 5% from last year. But at the same time, you stated that the Company had been trying to cut down the costs. I think that this is not the case. If we look at the numbers for the administrative expense in 2015, it was at 13.66%. I have prepared the numbers for you so you can come and retrieve it. So in 2011, our costs were also considered quite high as well as in the year 2012 around 11.52%. Therefore your costs have been increasing, not decreasing. This is what I am not so confident with. My first question was how the Company can increase its sales and subsequently its profit. So I then looked at the Company's sales. It had been fluctuating between 300-400 million Baht which I can accept that this came from the economic situation and various factors. However I would like to ask the executives and also the Board of Directors, what are our plans so that we can compete and increase sales and profits in a more sustainable way? This is all for the best interests of the shareholders, to satisfy and hopefully be able to gain some profits from this.

**Mr. Rattawat Suksaichol (Director):** Actually, the 4 I mentioned was 4 levels, not 4 people. The number was actually 5 people. As for reducing the costs, we implemented the plans for the factories. In terms of the administrative expense, of course every year there must be salary adjustment and more remuneration. We also take in more staffs namely for the sales department. During the year 2014 we did not start fully in that year but certainly in 2015 it was for the whole year, so the costs for this part had increased. We are not deliberately trying to make it abnormal or anything. The costs that we try to reduce are associated with the production efficiency. We emphasize on production efficiency greatly.

**Mr. Prasit Chongatsayakul (Shareholder):** Excuse me, Mr. Chairman. I am becoming very confused. Just now, I think everyone here can still remember, I asked you that who you mean by the board of executives? Is it one person or several? You replied that it meant 4 people.

**Mr. Rattawat Suksaichol (Director):** He did say 4 levels\*.

\* The Manager or the first 4 Executives immediately following the Manager. All person in the position equivalent to the forth executive's position and including the Executive in the Accounting department or Finance Department who are the Department Managers or above.

**Mr. Yutthana Taepangthong (Director):** 5 people.

**Mr. Prasit Chongatsayakul (Shareholder):** I asked you how many people, your answer is 5 people then. But now the Chairman had rephrased again that the 13 million Baht was for marketing, for the new sales persons. So which is it? We have to make a clear record of this.



**Mr. Rattawat Suksaichol (Director):** It was for the Director of Sales. He started fully in 2015 but in 2014 he entered the Company towards the middle or end of the year, I am not too sure. The costs for this part had to increase.

**Mr. Prasit Chongatsayakul (Shareholder):** So in 2014, you did not have a Director of Sales, correct?

**Mr. Rattawat Suksaichol (Director):** No we did not.

**Mr. Prasit Chongatsayakul (Shareholder):** Ok. Is it possible then, for you to disclose this information through your website? Because if you don't, the minority shareholders will ask for the Extraordinary General Meeting and requests for this information.

**Mr. Rattawat Suksaichol (Director):** We can clarify all items regarding what they consist of in terms of the administrative expenses.

**Mr. Thanadej Mahaphokhai (Shareholder):** Excuse me, Mr. Chairman. As far as I am aware, the Company's Directors receive the remunerations in the form of attendance fees, correct? Now I have some information which I am quite uncertain and would like you to clarify. For the remarks accompanying the 4<sup>th</sup> section of the financial statement, for accounting transaction with individuals or related business, if we look at page 25, there is one transaction for consultant fees and is indicated that it is for the Directors. In 2014, the amount was 300,000 Baht, in 2015 the amount was 738,000. My question is what are these consultant fees? For what terms are they paid and under which circumstances? This is because the Director's remuneration does not indicate that there is a consultant fee.

**Mr. Rattawat Suksaichol (Director):** One of the directors is both the Director and the finance and accounting consultant. In our case, at present, we only have Accounting Department Assistant, we have yet to find the Director of Accounting since he quit last year. Since we are still looking, we appoint one of our directors to be the finance and accounting consultant and that is why there are 2 parts to the remuneration.

**Mr. Prasit Chongatsayakul (Shareholder):** Let us carry on. I would like to ask about the consultant fees. Does it fall under any regulations of the Company?

**Mr. Rattawat Suksaichol (Director):** It is within the power and the authority of the CEO.



**Mr. Prasit Chongatsayakul (Shareholder):** Alright, so it was the decision of the Board of Directors of the Executives, not in the regulation. So continuing on, by becoming the consultant, had the approval been made by the shareholders? Not only this year but for the previous years as well. Also, I would like to extend the question further to the auditor whether or not this transaction is right by the Public Company Limited law? Please enlighten me.

**Mr. Bunjong Pichayaprasat (Account Auditor):** For the consultant fees, since it is within the power of the CEO and the Board of Directors, it can be done. Also, to check whether or not it is under the law, the Company has a law consultant which specifically checks on these issues where as for me, I check on the accounting only. Therefore we did communicate with the lawyers about all kinds of the Company's transactions to see if there is anything out of the ordinary. The checkup is done quarterly and this particular transaction did not have anything against the Public Company Limited law at all.

**Mr. Prasit Chongatsayakul (Shareholder):** Mr. Auditor, have you checked the Public Company Limited law article 90 under 'Board of Directors' at all? It states that the directors cannot receive payment in any form except the meeting attendance fees, unless enforced by other regulations or authorized in the shareholders' meeting with no less than 2 out of 3 of the votes. This is article 90 which I have already checked. As you have explained in the meeting that it is within the power of the CEO, have you also checked with the article 90 of the law?

**Mr. Bunjong Pichayaprasat (Account Auditor):** This is the result from consulting with the lawyers and the discussions through mails. He advised that it was within the scope of the law. If, however, there is a problem here, we will have the consulting lawyers revise the issue again.

**Mr. Prasit Chongatsayakul (Shareholder):** Allow me to read this out to everyone here. Article 90 forbids the Company from paying the Directors in the form of cash or assets, unless it is the remunerations under the Company's regulations. In the case that it was not stated in the Company's regulations the remunerations should be given according to paragraph 1, following the resolution of the shareholders' meeting consisting of the votes no less than 2 out 3 of the total attended shareholders. Which of the consulting lawyers have given the consent? Please make note of the person, since this is damaging to the shareholders and all stakeholders. Now we can all know who it was that gave the green light. Please make note of this clearly.

**Mr. Bunjong Pichayaprasat (Account Auditor):** Understood. In the next meeting we will have to confirm with the consulting lawyers once more. In regards to accounting, we also have to run these numbers with the lawyers how this came about and what the regulations of the Company are. Also we have to track back



whether or not in the past has there been any approvals similar to this case before. First we must check there so I leave this to the Company to coordinate with the consulting lawyers please.

**Mr. Prasit Chongatsyakul (Shareholder):** I'm asking you as the auditor, you have to be certain that you received this opinion regarding this issue from the consulting lawyers?

**Mr. Bunjong Pichayaprasat (Account Auditor):** I am.

**Mr. Prasit Chongatsyakul (Shareholder):** The questions may extend to you as the auditor that you are accountable for this. Have you investigated this issue thoroughly?

**Mr. Bunjong Pichayaprasat (Account Auditor):** Certainly. We have paper documents that can prove this.

**Mr. Thanadej Mahaphokhai (Shareholder):** I have another point to add. I happen to notice in the remarks of the Company's financial statement under 'obligations under financial lease'. At the section that the Company labeled as 'Sale & Lease back', if I remember correctly. The question is, what did we sell and what did we lease back? Are the things that we sold considered business assets? The next point concerns with lease. What is the lease for? Is it for financial lease or operating lease? Please explain in details.

**Mr. Rattawat Suksaichol (Director):** Which year is this from?

**Mr. Thanadej Mahaphokhai (Shareholder):** The most recent year, the remarks for the no.17, page 38 of the financial statement 'Sale & Lease back' section 2. To be frank, the value is rather high so I would like to know what was sold and whether or not it was significant asset. And also what did we lease back? Financial lease or operating lease ?

**Mr. Rattawat Suksaichol (Director):** This was our imported machinery and later on we signed a Sale & Lease back contract with a leasing company.

**Mr. Thanadej Mahaphokhai (Shareholder):** I thought so. Therefore it was a financial lease, then. My follow up question still concerns the sale & lease back. The debts obligation for the leasing contract should be displayed clearer than this. It made me curious about some of the numbers in the budget. If we look back to 2015, we can see that the Company's debts from leasing contract was very low while the numbers for sale & lease back was high. This is the first question. If we engage in sale & lease back, then the assets of the Company should have been increased somewhat since it must record the assets. The last point that I am



curious about is that, if we look at the cash flow statement, all the shareholders please take a look also at the part for funds raising activities, towards the last pages, the Company has liquidated the obligation under financial lease in 2014 of about 13 million Baht and in 2015 about 12 million Baht. I am trying to figure out as to which debts these sum are put into. I cannot find anything.

**Mr. Rattawat Suksaichol (Director):** Which page is that?

**Mr. Thanadej Mahaphokhai (Shareholder):** It's in the financial statement, the cash flow statement in the table labeling 'funds raising activities' line 5-6. These numbers are contradicting themselves, since you paid the financial lease for more than 10 million Baht while the sum of the debts were not displayed at all. In my opinion the numbers are not correct. The final point that I would like to check is the financial statement which appears to be a little odd. If we look back at the depreciation costs for the cash flow statement in the 2<sup>nd</sup> line of the operating costs, we can see that the depreciation costs is about 26-27 million Baht while the assets of the Company is worth 100 million Baht. Then there is the additional investment for the activities at about 10 million Baht. My question is that where does this difference come from? This is why I am not certain whether or not the sale & lease back and the financial lease contract are done correctly. Please explain.

**Mr. Yutthana Taepangthong (Director):** Could you repeat the question please? I don't quite understand what you mean by the depreciation costs and the increase in assets.

**Mr. Thanadej Mahaphokhai (Shareholder):** When we sign the sale & lease back contract and it becomes a financial lease. In terms of accounting principle, you must record the assets and the debts. So, the simple thing to look at here is the debts, whether or not the financial lease which you recorded is displayed in the financial statement. Here you can see that the sum is rather low. You can also see the non-current liabilities which you put down here, the sum is very little. At the same time, the current liabilities you hide it in the liabilities due within 1 year section, where the sum is again, not very much. But then you display in the cash flow statement for the fund raising activities that you have the operating lease of 12-13 million Baht. The numbers are contradicting themselves and there is quite a large difference.

**Mr. Bunjong Pichayaprasat (Account Auditor):** Since this is about the financial statement, please let me explain otherwise the shareholders will think that there are mistakes in the report. Looking from the numbers that you asked, the assets are the transactions that were sold and leased back in the form of financial lease since they are of the same asset category. Usually there is a standard regulation stating that if the assets that were sold have been leased back for operation, the accounting record will be considered as financing. Therefore, this type of finance accounting will not have the records of selling out, but do have the records for





buying back as the money from leasing or financing. This transaction is recorded with debit banking and the obligations under financial lease are debts. So you won't find this transaction in the cash flow or shown as movement that assets have been sold and leased back. As for the question regarding the repayment of the 12 million Baht debts, I would like you to acknowledge that in 2014, the costs for rent is at the minimum 12 million Baht, and the selling and leasing back was at 15.2 million Baht. This means that the Company made 15.2 million Baht alone from sale & lease back. The payments then have been taken care of, to repay the lease due of 12 million Baht. The overall sum to the year 2015 was exactly at 17 million Baht. In summary, the principal debt was at 12 million Baht plus the financing so increased to 15 million Baht, canceled out with the repayment of 12 million Baht so we are back at closer to 17 million Baht. The difference is due to the interests since the financing that we paid out, some were interests and some were principle.

**Mr. Thanadej Mahaphokhai (Shareholder):** Where is this 17 million Baht?

**Mr. Bunjong Pichayaprasat (Account Auditor):** Please look here. For the year 2014, there was a minimum rent at the remarks of the financial statement section 17 which you mentioned. The remarks stated in the last line that, in 2015, the Company had signed the contract for selling and leasing back the machineries with the value equal to the leasing contract, which is the financing value at 15.26 million Baht. Now when we look in the cash flow, it states that there was a debt repayment under the financial lease contract of 12.06 million Baht, correct? Therefore, if we calculate them back, the values of the debts are pretty close. The debts remained of the last accounting day of 2015 was roughly 16.36 million Baht, so the principal debts plus the financing and subtracts by the debts repayment, it will be approximately the same with the outstanding debts at the end of the period.

**Mr. Thanadej Mahaphokhai (Shareholder):** Yes but where does the 16.36 written in the statement? Directly on the financial statement, where is it? Not in the remarks.

**Mr. Bunjong Pichayaprasat (Account Auditor):** This number is separated from the current portion. If you look at the remarks for the section 17 of the financial statement, you will see that it is split into 2 parts but the total sum is 16.36 million Baht. One part is in the current portion at 8.12 million Baht and another in the long term portion for more than 1 year at 8.23 million Baht. The number 8.12 million Baht will be disclosed in the debts due within 1 year section, in the remarks of the financial statement under section 15. The remarks for the financial statement section 15 will display a link to the numbers for the remarks of section 17 at 8.12 million Baht, which is the current portion. As for the 8.23 million Baht which is the long term payment, this is shown in the long term financial lease. Both of them add up to 16.36 million Baht. We have to separate the debts that must be paid within 1 year and longer than 1 year apart according to the general standard.



**Mr. Thanadej Mahaphokhai (Shareholder):** I will have to trouble the Company and advise that in the future, you should separate the current liabilities and debts due within 1 year apart and which one is loan and which one in financial lease, not mix them all up.

**Mr. Bunjong Pichayaprasat (Account Auditor):** I would like you to kindly look at the remarks for the financial statement section 15. I have separated the loans from financial institution which is due within 1 year at 2.7 million Baht, and then the obligations under financial lease which is due within 1 year linking to the remarks of the financial statement section 17 at 8.12 million Baht. We clearly separated the loans between the financial institution and leasing company, not mixing them all up.

**Mr. Thanadej Mahaphokhai (Shareholder):** Alright. Finally, concerning the cash flows and the fund raising activities, there is one transaction which is the loan repayment to the financial institution of around 12 million Baht on average between the year 2014 and 2015. Where are these sums shown?

**Mr. Bunjong Pichayaprasat (Account Auditor):** The remarks for the financial statement report under the loans section 16, correct? It states here that the principal debt is roughly 16 million Baht. It also shows the movement of the repayment between each due at 12.43 million Baht with 4.16 million Baht remaining. This 4.16 million Baht is taken from the current portion for about 2.78 million Baht and leaves the long term payment at 1.36 million Baht as explained by the remarks. When you calculate them together, the numbers will match with the cash flows stating that debts repayment had been made. The long term portion is at 12.43 million Baht.

**Mr. Thanadej Mahaphokhai (Shareholder):** Did you also consider the numbers from the year 2015? Let me explain, I am not much of an expert on this but please look at the fund raising activities page. If we take the portion which is the repayment to the loan from the financial institution of 12.43 million Baht, plus the payment to the financial lease of about 12.06 million baht, the 2 transactions comes to approximately 24.5 million Baht. This should be in the portion of debts due within 1 year, while in 2014 the debts stated here was around 21 million Baht. Where does the 3 million Baht difference come from?

**Mr. Bunjong Pichayaprasat (Account Auditor):** The Company paid off the debts earlier than it was due. This made the real payment according to the cash flow higher than what we paid at the current portion. The debts due payment is as you said, following the remarks of the financial statement, the payment was around 20 million Baht. The real payment is much higher so it reflects in the cash flows with higher amount of debts paid.

**Mr. Thanadej Mahaphokhai (Shareholder):** Why did you pay more?



**Mr. Bunjong Pichayaprasat (Account Auditor):** In order to reduce the burden on the interests. We raised funds and received the payment for the ordinary shares of 55 million Baht so we paid the principal to reduce the interests' burden.

**Mr. Thanadej Mahaphokhai (Shareholder):** Then I have to return to my question. Why did we have to do the sale & lease back when we had good response for investment?

**Mr. Bunjong Pichayaprasat (Account Auditor):** The sale & lease back happened before the funds raising took place. If you look at the remarks, it took place before 2014.

**Mr. Thanadej Mahaphokhai (Shareholder):** But it was also in 2015, for both years.

**Mr. Bunjong Pichayaprasat (Account Auditor):** Yes, during 2015, it already happened in the beginning of the year when we did the sale & lease back. Only after that we proceeded with the funds raising, and then repaid the debts. I am merely sequencing the events here. I will leave the actual reason for the management to answer.

**Mr. Thanadej Mahaphokhai (Shareholder):** That is why I wanted to ask, for what purpose did we do the sale & lease back? On average, the leasing cost is much higher than the interest rates. Please explain your reason.

**Mr. Rattawat Suksaichol (Director):** Actually it was all to do with timing. Sometime when we manage the finances, the timing and the necessity are crucial since if we wish to increase our capital, we must hold the shareholders meeting, correct? Sometimes the demands do not match, so only after we did the sale & lease back that we raised the capital.

**Mr. Thanadej Mahaphokhai (Shareholder):** The reason does not seem sound. If we look in the financial statement, it is clear that we have account overdraft and short term loans of about 56.7 million Baht in 2014. However in 2015, there was 37 million Baht left. This means that we had enough budgets to utilize this sum. Therefore, by proceeding with the sale & lease back, the costs are more expensive than the interests from the loans. My question is why the Company did it.

**Mr. Rattawat Suksaichol (Director):** I am not certain about this but I think that the left over budgets are PN (Promissory Notes) and also TR (Trust Receipts) which the bank will determine how to use them according to the terms negotiated with the bank. In some cases it cannot be used for other purposes, such as TR which is used with the invoice for buying materials and other goods. We cannot use this amount for other purposes even the budget remains.



**Mr. Thanadej Mahaphokhai (Shareholder):** If we look carefully, our debtors have been decreasing all along. Are we having any issues with suppliers? Since judging from the ratio, all debtors compared to costs have been decreasing for the past 5 years. So I think it is worth to have a look whether or not there are any problems because that may be the root of our response issues.

**Mr. Rattawat Suksaichol (Director):** I think some of the issues concern credit terms. We made some adjustments to the suppliers' credit term. So, some of the budget had decreased.

**Mr. Bunjong Pichayaprasat (Account Auditor):** I would like you to look at the remarks for the financial statement section 14. The account payables that had decreased were in 2014 where the transfer of 10 million Baht was made to the wrong account. The total sum was at 77 million Baht but the wrong transfer of 10 million Baht left the account with 67 million Baht. This 67 million Baht when compared to th 63 million Baht, the difference was about 4 million Baht.

**Mr. Thanadej Mahaphokhai (Shareholder):** Thank you for pointing it out here. I am not looking at just this year, but I am looking for trends from several years. I am using approximation here and I think that the shareholders would benefit from this. In 2015, our account payables compared to costs, we have about 18% of account payables while in 2013, this by the way has no relation to the wrong transfers, we had account payables compared to costs of about 21.83%. Please note that it has decreased by about 3%. This is the basic picture. If we move back further to 2011, let us do 2012, we can also see that our account payables were at 23%. It has been decreasing all the time. So my question is, what happened? Are we having problems with suppliers? Or do the suppliers not trust us, which is why the credit term had been decreased?

**Mr. Rattawat Suksaichol (Director):** Please allow me to work on the questions. I cannot give the answers right away since the information is not at hand and it is also not on the agenda. Let me check back on it. If I try to answer right now, with insufficient information it may be correct or incorrect. The budget information is not on hand right now.

**Mr. Thanadej Mahaphokhai (Shareholder):** How will you notify us? Will you display it onto the Company's website, disclosing it to all shareholders?

**Mr. Rattawat Suksaichol (Director):** May I reply by written documents?



**Mr. Thanadej Mahaphokhai (Shareholder):** If you produce a written document then only my self will be notified. I wish for all the shareholders to know what happened if that is ok? Everyone here is also at stake, like me.

**Mr. Rattawat Suksaichol (Director):** What issue is the problem here? Which issues are your concerns?

**Mr. Thanadej Mahaphokhai (Shareholder):** The question I asked earlier. Any questions that you will clarify, or for all questions if possible. I suggest that you put up the details on the website so that all shareholders are notified.

**Mr. Rattawat Suksaichol (Director):** This meeting report will be up anyway.

**Mr. Thanadej Mahaphokhai (Shareholder):** But the report is what we are discussing in this room. The details that you cannot explain now, I suggest that you put it up on the Company's website so that all the shareholders can acknowledge the questions that have been left unanswered from the meeting.

**Mr. Rattawat Suksaichol (Director):** Could you perhaps define the issues clearly, so that I can get this done correctly.

**Mr. Thanadej Mahaphokhai (Shareholder):** The final question please, regarding the debtors. Also about the sale & lease back of what took place and why it was done the way that left the leasing credit.

**Mr. Rattawat Suksaichol (Director):** But the auditor already explained just now that there was a mistake in the transfer.

**Mr. Thanadej Mahaphokhai (Shareholder):** Yes. But that was for the year 2014. I said that if we move back to 2013, there was an abnormal implication in the numbers, not the mistake in transferring the sum. The mistake only happened in the one year, not in 2013, not in 2012 and definitely not in 2011. I have prepared the numbers from the past 5 years to ask you what happened and reflects on how you could improve. We, as shareholders, want our returns. We do not want to be shareholders just for the sake of being them and receive nothing.

**Mr. Theerayuth Thavornkij (Shareholder):** Please excuse me, Mr. Chairman; I am Theerayuth, attending the meeting as a proxy. I feel that putting up the information onto the website is inappropriate since it is the Company's confidential information. If any shareholders have any doubts in the numbers, have the Company prepared the documents to explain in details, as the Chairman suggested, should be more suitable. If



possible, after the meeting today, those who wish to have these documents can leave their names, since it is confidential. Thank you.

**Mrs. Kullaya Sathukrai (Shareholder):** Greetings. I am from Juthawan Assets. I agree with what the previous speaker (Mr. Theerayuth Thavornkij) had suggested. It should be this way since this is already 3.30pm and our agendas still have not been preceded at all.

**Mr. Rattawat Suksaichol (Director):** As with the shareholders and I have notified the meeting. If any shareholders have any doubts or questions, please by all means inform us and we will prepare documents to explain to you. Let us move on to the agendas.

Resolution: This agenda is for notifying the meeting, no votes required.

Agenda 3) To consider and approve the reviewed interim financial statements as of 31 December 2015

Opinion of the Board

Mr. Rattawat Suksaichol proposed to the meeting to approve the Company's financial statement for the year 2015, accounting year end on 31<sup>st</sup> December 2015 which had been inspected by the certified auditor including the auditor reports as shown in the attachment 2.

Resolution: The meeting had considered and approved, with the majority votes, the Company's financial statement for the year 2015, accounting year end on 31<sup>st</sup> Decemeber 2015, with the following votes;

Agree	Disagree	Abstain	Total Votes
135,752,488	74,042,200	100	209,794,788
64.71%	35.29%	-	100%

Agenda 4) To consider and approve the directors' remuneration and the audit committee's remuneration for the year 2016.

Mr. Rattawat Suksaichol proposed to the meeting to consider and approve the Directors remunerations for the year 2016 in the following rate;

1. Board of Directors	Attendance fees per meeting	5,000 Baht
2. Audit Committee	Monthly remunerations	5,000 Baht
	Attendance fees per meeting	5,000 Baht

Once the proposal was over, the meeting has the following questions;

**Mr. Thanadej Mahaphokhai (Shareholder):** Just to clarify, the monthly remunerations that the Board of Directors must request for the approval of the shareholders does not include the consulting fees, correct?



Mr. Rattawat Suksaichol (Director): No, it does not include.

Resolution: The meeting had considered and approved the Directors remunerations for the year 2016 as proposed with the following votes;

Agree	Disagree	Abstain	Total Votes
108,726,211	74,042,200	0	182,768,411
59.49%	40.51	-	100%

\*Remarks: This agenda consists of 3 stakeholders which have had their votes removed from the calculations.

These are;

Mr. Masami Katsumoto	22,458,800 shares
Mr. Naohiro Hamada	2,858,000 shares
Mr. Rattawat Suksaichol	1,709,577 shares

Agenda 5) To consider and approve the dividend paid for the year 2015.

Mr Rattawat Suksaichol informed the meeting that, following the annual report which the Company had already notified to the shareholders in the agenda 2 and 3 that, in the year 2015, the Company had made a total loss of 3,127,377.77 Baht. Therefore the Board of Directors is of the solution that it is appropriate for the Company to refrain from paying out the dividends for the year 2015.

Resolution: The meeting had considered and agreed with the majority votes to refrain the pay outs of dividends for the year 2015 with the following votes;

Agree	Disagree	Abstain	Total Votes
164,226,988	44,687,200	880,600	209,794,788
78.28%	21.30%	0.42%	100%

Agenda 6) To consider and approve the appointment of auditors and the audit configuration of 2016.

Mr Rattawat Suksaichol proposed at the meeting to approve the appointment of Mr. Pravitt Wiwattananutr, certified auditor license no. 4917 or Mr. Bunjong Pichayaprasat, certified auditor license no. 7147 or Mr. Kraisit Silapamongkonkul, certified auditor license no. 9429 or Miss Khemananta Chaichuen, certified auditor license 8260 and other members of PV Audit co.ltd, to be the auditors for Sanko Diecasting (Thailand) Plc. and set the audit budget for the year 2016 at 900,000 Baht as presented.

Resolution: The meeting had considered and agreed with the majority votes to appoint the auditors and set the audit budget for the year 2016 as proposed, with the following votes;

Agree	Disagree	Abstain	Total Votes
141,554,288	46,157,800	22,082,700	209,794,788
67.47%	22.00%	10.53%	100%



Agenda 7) To consider and approve the elimination of deficit by offsetting with the legal reserve and share premium

Mr. Rattawat Suksaichol proposed at the meeting to consider the approval of eliminating the retained deficit by offsetting with legal reserve and the premium on shares. The summary was that, according to the Company's Budget, the retained deficit was 52,870,818.28 Baht and reserves, according to the law, of 2,215,417.96. At present, the retained benefit is at 22,854,974.32 Baht, therefore, the reserves will be deducted first at 2 million Baht and also the reserves themselves of about 20 million Baht. The total amount for eliminating the retained deficit was 32,231,261.92 Baht.

Resolution: The meeting has considered and approved with the majority votes to eliminate the retained

deficits by offsetting with the legal reserves and premium on shares as proposed, with the votes as follows;

Agree	Disagree	Abstain	Total Votes
135,752,588	74,042,200	0	209,794,788
64,71%	35.29%	-	100%

Agenda 8) To consider and approve the appointment of new directors as a replacement for the retired directors.

Mr. Rattawat Suksaichol proposed for the meeting to consider and approve the appointment of new Directors, replacing the Directors who retired by rotation. The Directors who retired by rotation and requested for the meeting to appoint them back to the post one more term are as follows;

1. Mr. Yutthana Taepangthong
2. Mrs. Poonsri Pattamaworakulchai
3. Mr. Niphan Tungpiruttham

Details as displayed in attachment 3.

Once the presentation was over, the following questions were raised;

**Mr. Prasit Chongatsayakul (Shareholder):** The regulations which we discussed in the beginning about the website, has that already gone passed the resolution of this Board of Directors?

**Mr. Rattawat Suksaichol (Director):** Yes it has.

**Mr. Prasit Chongatsayakul (Shareholder):** This means that the current board also holds responsibility over that resolution, correct?





Mr. Theerayuth Thavornkij (Shareholder): The regulation that Mr. Chairman displays on the website, in which year will it be enforced?

Mr. Rattawat Suksaichol (Director): In 2016.

Mr. Theerayuth Thavornkij (Shareholder): This means that in this meeting, it is not yet enforced?

Mr. Rattawat Suksaichol (Director): Not yet.

Mr. Theerayuth Thavornkij (Shareholder): Thank you.

Resolution: The meeting has considered and approved with the majority votes, the appointment of the 3 directors to the Board of Directors for another term with the following votes;

1. Mr. Yutthana Taepangthong

Agree	Disagree	Abstain	Total Votes
135,752,588	74,042,200	0	209,794,788
64.71%	35.29%	-	100%

2. Mrs. Poonsri Pattamaworakulchai

Agree	Disagree	Abstain	Total Votes
135,752,588	46,347,800	27,694,400	209,794,788
64.71%	22.09%	13.20%	100%

3. Mr. Niphan Tungpiruttham

Agree	Disagree	Abstain	Total Votes
135,752,488	46,347,900	27,694,400	209,794,788
64.71%	22.09%	13.20%	100%

Agenda 9) To consider and approve the revised of articles of association due to misspelling and collecting of clause number.

Mr. Rattawat Suksaichol proposed for the meeting to consider and approve the editing and rearranging of the clauses in the Company's regulations as shown in the attachment 4.

Resolution: The meeting has considered and disapprove of editing and rearranging the clauses in the Company's regulations (this agenda uses 3/4 of the votes), with the following votes;



Agree	Disagree	Abstain	Total Votes
141,554,288	44,497,200	23,743,300	209,794,788
64.47%	21.21%	11.32%	100%

Agenda 10) To consider other matters (if any).

No shareholders proposed any other agendas.

At the end of the meeting, the audience raised the following questions;

**Mr. Prasit Chongatsayakul (Shareholder):** Mr. Chairman, allow me to inquire your Board of Directors. We will go back to the beginning of the meeting about the guidelines for the minority shareholders to propose the agendas for the shareholders meeting and to propose the names of the Directors in advance in which I asked you earlier whether or not the regulations had been enforced. In fact I checked on the website but it never indicate that it will be in effect next year, however you might have already added that in saying that it will be enforced for the meeting next year. The 2<sup>nd</sup> question, you already replied that the resolution had gone through the Board of Directors. The 3<sup>rd</sup> question concerns the agenda. The guidelines that you speak of, did you have the approval of the Stock Exchange or the Securities Exchange Commissions at all? The 4<sup>th</sup> question is in regards to your announcement of the practice of good governance about the equality of shareholders. With all the regulations, do you feel that they are contradicting with your principle of good governance? You do not allow the shareholders who hold under 100,000 shares and holding the shares for less than 1 year to propose the agendas. Does this contradict your principle of good governance? The final question, do you think this is against the law and do you have the authority to do it? Please do not forget that the Board of Directors is the group of people selected by the shareholders to run the Company in the best interests of the shareholders. The Board of Directors does not have any authority from the shareholders to implement regulations that limit the rights of the minority shareholders. Please elaborate on these issues.

**Mr. Rattawat Suksaichol (Director):** The first question I am not sure, did you mean whether or not it will be enforced in 2016?

**Mr. Prasit Chongatsayakul (Shareholder):** I already asked you. I merely repeated that you replied that it will be enforced next year, not this year.

**Mr. Rattawat Suksaichol (Director):** I can confirm that since we put up on the website, we indicated that it will be enforced in the year 2016, not just recently edited.

**Mr. Prasit Chongatsayakul (Shareholder):** Yes, I am not asking this issue anymore since you have already answered. My question was that, has this decision been approved from the Stock Exchange or the Securities



Exchange Commissions or not. The first question starts from here. I don't know whether or not it must be approved by the Stock Exchange or the SEC since you are the one implementing these guidelines.

**Mr. Rattawat Suksaichol (Director):** We discussed these guidelines with our consulting lawyers and studied from other public companies which have similar guidelines. You can say that we copy the core regulations and guidelines from them and these are public companies with outstanding corporate governance reputations. Many companies share the same wording and terms. The companies that won the Top CG Report Awards in 2014 also have similar regulations to our Company. They are not that much difference, for example, the minimum time for holding the shares, length of time in holding the shares. Examples of these companies are Bangkok Aviation Fuel Services Plc., HANA Microelectronics Plc., Intouch Holdings, Indorama, PTT Plc. and PTT Global which uses these regulations as their standard guidelines. Even the Securities and Exchange Act does not hold any clear regulations regarding this guideline, and if we go by the law, it must be within 5%. For our regulations, 100,000 shares is not even half a percent.

**Mr. Prasit Chongatsayakul (Shareholder):** Excuse me, Mr. Chairman, your guidelines does not indicate 100,000 shares. It says that the shareholders who wish to sign must have 100,000 shares per person for more than 1 year.

**Mr. Rattawat Suksaichol (Director):** Individually or in groups.

**Mr. Prasit Chongatsayakul (Shareholder):** Individually.

**Mr. Rattawat Suksaichol (Director):** Individually or in multiple groups together.

**Mr. Prasit Chongatsayakul (Shareholder):** I don't know, you should check it up. If I am wrong then we can move on to the next topic.

**Mr. Rattawat Suksaichol (Director):** Did we mention as individual or in groups.

**Mr. Prasit Chongatsayakul (Shareholder):** Next question regarding the principle of good governance. You announced that there is equality between the shareholders no matter how small the shares, is this considered equal? That is all I am asking, please explain.

**Mr. Rattawat Suksaichol (Director):** As I have said before, we provide more rights than the law regulated. The law mentions that it must be no less than 5%, but since we see the importance of the minority shareholders, that is why we indicate even lower rate. Better than the rights indicated by the law. The law said that the



shareholders must group together with no less than 5% while we allow 100,000 shares which come down to not even half of a percent. So I think we did not take away the rights nor deem the minority shareholders less important at all.

**Mr. Prasit Chongatsayakul (Shareholder):** Another issue that I need you to explain is under section 2.1 stating that you forbid the shareholders from proposing the agenda. This is beyond what the Securities and Exchange Act has allowed. Under which laws did you abide this authorization?

**Mr. Rattawat Suksaichol (Director):** What did you mean in section 2.1?

**Mr. Prasit Chongatsayakul (Shareholder):** Yes 2.1. You must take a look yourself since you said so yourself that the Securities and Exchange Act or the Public Companies Act not allowing certain agendas, but here you forbid much beyond that.

**Mr. Rattawat Suksaichol (Director):** I think that it is in the Public Companies Act, regarding the guidelines for proposing agendas must not be against the law or whichever issues is stated in the Act. It is also displayed in the Company's regulations.

**Mr. Prasit Chongatsayakul (Shareholder):** Let me read this to you. You said that it is stated by the law, I cannot find it so please describe to me which Act that this regulation is written in. The agendas that cannot be proposed are the topics which have already been proposed in the meeting in the past 1 year, the topics which have the supporting votes of less than 10%, topics which does not contribute to the good of the Company or topics that may cause significant damage to the shareholders as a whole. I would like to know who defines these topics. If the Company deems the topics unnecessary, the Company does not have to put them into the meeting agendas. How can you have these authorities more than the shareholders? You are the Board of Directors; you said that all these topics are of no benefits to the Company. It may be beneficial to the shareholders, to the Company but not to the Board of Directors. You said that you have to follow the guidelines and not putting them in the agendas. The issues that the Company had executed you also did not put them onto the agendas, but it has already been done, already been executed, correct? Is it done effectively or done as the shareholders demanded? You just said that it has already been done, and not putting it in the agendas. I am just asking and giving examples here. You want to keep to the principle of good governance like you announced, then what authority do you have to limit the rights of the shareholders? And you come to the meeting saying that it is the resolution of the Board of Directors? This is why I voted in disapproval for the directors to come back to the post for another term since this is the action that diminishes the rights of all shareholders. You said that the resolution has already been made, where will you explain that? Or you can choose not to answer? At least I have made my choice to the shareholders. If any of this is



unclear, the minority shareholders may exercise their rights in calling for the Extraordinary General Meeting especially for this, next time.

**Mr. Theerayuth Thavornkij (Shareholder):** Excuse me for interrupting, Mr. Chairman. I have already inquired Mr. Chairman about this guidelines and you said that it will be enforced in the year 2016. So in response to the questions from some of the shareholders for the other agenda, I do not think it should be considered at all. As far as I have studied the Securities Exchange Act under the article 89/28, all the things that you forbid from proposing to the meeting are all under the law. I understand that you copy them all out completely, correctly?

**Mr. Rattawat Suksaichol (Director):** That is correct.

**Mr. Theerayuth Thavornkij (Shareholder):** Therefore, I think that we should pass on this topic since the time has gone on for a while. Thank you, sir.

**Mr. Somyoj Thansakul (Thai Investors Association):** Good day, I am Somyoj Thansakul, from the Shareholders Protection Association of the Thai Investors Association. Allow me to question in order to increase the efficiency of this shareholders meeting. Regarding the anti-corruption policies, I checked in the website but still could not find it. Also about the IOD, I still cannot find the name of your Company on the list. I would like to ask about the development of your anti-corruption projects, whether or not your Company will have any or how you can participate to improve the Thai society and the Public Companies in Thailand better? Thank you.

**Mr. Rattawat Suksaichol (Director):** In actuality, I think all Directors are fully aware of the anti-corruption policies and are completely agree. However, we have not concluded clearly on how but we are definitely ready to join with the IOD and the Stock Exchange. I think within this year.

**Mr. Prasit Chongatsayakul (Shareholder):** Please let me summarize, I asked you and you still have not replied but a lawyer confirmed that what you did was not against the law, and did not have to answer. Is this your answer? I still have not heard your responses.

**Mr. Rattawat Suksaichol (Director):** It was just as I have notified. We implemented these regulations based on the laws since we have discussed with the consulting lawyers. We also study from other companies as well, following the examples I game earlier and they have similar regulations about what agendas can be put on to the meeting agendas. I think that this is a broad standard practice. It is not like I am doing something different or diminishing the rights of any shareholders. We implement this according to the law. Besides we are still a small company, we would not risk it.



Mr. Prasit Chongatsyakul (Shareholder): Thank you for your response.

Mr Rattawat Suksaichol thanked the shareholders and all honored guests.

Meeting adjourned at 16.23.

signed  Chairman of the Meeting

(Mr. Rattawat Suksaichol)

signed  Company Secretary

(Miss Sakutip Homanee)

signed  Chairman of the Board

(Mr. Masami Katsumoto)