

**Document for Agenda 1 : To Certify the Minutes of the Annual General Meeting of Shareholders FY2018 held on 26 April, 2018**

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**Minutes of the Annual General Meeting of Shareholders 2018**  
**of**  
**Group Lease Public Company Limited**  
**(the “Company”)**

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**Date, Time and Venue of the Meeting**

The meeting was held on Thursday April 26, 2018 at 10.00 a.m. at Magic 2 Room, 2nd fl., The Miracle Grand Convention Hotel, No. 99, Khampang Phet 6 Road, Laksi, Donmuang, Bangkok 10210.

**The meeting commenced**

Ms. Yaowarod Klinboon (the “**Moderator**”) introduced the Board of Directors, the Audit Committee (the only sub-committee of the Company. The Company is considering to establish other sub-committees in this year), the executives, the directors who will be nominated for election as new directors and the representatives from the auditor and legal counsel, participating in the meeting, as follows:

**Directors Present at the Meeting**

- |     |                                      |   |
|-----|--------------------------------------|---|
| 1)  | Mr. Skol Harnsuthivarin              | Chairman of the Board, Independent Director and Chairman of the Audit Committee |
| 2)  | Mr. Tatsuya Konoshita                | Director, Chairman of the Executive Committee and Chief Executive Officer       |
| 3)  | Mr. Muneo Tashiro                    | Director, Member of the Executive Committee and Chief Operating Officer         |
| 4)  | Mr. Alain Jean Pascal Dufes          | Director, Chief Financial Officer and Member of the Executive Committee         |
| 5)  | Mr. Riki Ishigami                    | Director and Member of the Group Executive Committee                            |
| 6)  | Mr. Yusuke Kozuma                    | Director  |
| 7)  | Mr. Viboon Engkakul                  | Independent Director and Member of the Audit Committee                          |
| 8)  | Mrs. Sumalee Chokdeeanant            | Independent Director and Member of the Audit Committee                          |
| 9)  | Dr. Pholdej Therdphithakvanij, Ph.D. | Independent Director and Member of the Audit Committee                          |
| 10) | Mr. Troy Andrew Schooneman           | Independent Director and Member of the Audit Committee                          |

*(The ratio of present directors is 90.9 percent)*

### **Director Not Present at the Meeting**

- 1) Mr. Regis Rodolphe Martin Martin Director

### **Group Executive Directors**

- 1) Mr. Nikolay Kosyakov Chief Executive Officer, PT Group Lease Finance Indonesia
- 2) Mr. Freddy Marie Chief Technology Officer, Group Lease Plc.
- 3) Mr. Boris Zschorsch Deputy Chief Financial Officer, Accounting and Audit, Group Lease Plc.
- 4) Mr. Kaname Hashimoto Managing Director, GL Leasing (Lao) Co., Ltd. and BG Microfinance Myanmar Co., Ltd.

### **Directors who will be nominated for Election as New Directors**

- 1) Mr. Tomohiko Shoji
- 2) Mr. Kaname Hashimoto

### **Representatives of the Auditor Present in the Meeting**

- 1) Mr. Ruth Chawanakawi EY Office Limited
- 2) Ms. Pimjai Manitkajohnkit EY Office Limited
- 3) Ms. Wraporn Apichainunt EY Office Limited

### **Representatives of the Legal Counsel Present in the Meeting**

- 1) Mr. Apichart Punksorn Hunton Andrews Kurth (Thailand) Limited
- 2) Ms. Yaowarod Klinboon Hunton Andrews Kurth (Thailand) Limited (acting as the Moderator)

The Moderator informed the meeting that according to the Public Limited Company Act, B.E. 2535 (1992) (including the amendments thereof) and the Articles of Association of the Company, a Chairman of the board of directors shall be the Chairman of a shareholders' meeting. Mr. Skol Harnsuthivarin, Chairman of the Board of Directors, presiding over the meeting, was invited to welcome shareholders and declare the meeting open.

Mr. Skol Harnsuthivarin, Chairman of the Board of Directors, presiding over the meeting (the "**Chairman**") welcomed and thanked all shareholders and proxies for attendance, and said that in order to allow foreign shareholders participating in the meeting to understand the discussion in the meeting correctly, the Secretary would interpret the contents into English to facilitate the foreign shareholders. Ms. Chonpansa Narula would interpret all questions and answers into English. The announcement of a quorum and voting results in each agenda would be conducted in Thai language and the English translation would be provided on the presentation on the screen. The Chairman assigned the Moderator to inform the meeting about the voting procedures and vote counting methods.

Before the voting procedures and vote counting methods were clarified, the Chairman informed that the Company had prepared the invitation letter, specifying the date, time, venue and agenda items, enclosed with relevant documents, and submitted the same to the shareholders through Thailand Securities Depository Co., Ltd. which is the Company's registrar and advertised the invitation on a daily newspaper in advance in compliance with laws and the Company's Articles of Association. Therefore, such invitation notice was validly made.

The Chairman announced that there were 41 shareholders present in person, holding 23,082,946 shares in aggregate or 1.5131 percent of the total number of shares sold and 31 shareholders present by proxy, holding 777,466,332 shares in aggregate or 50.9634 percent of the total number of shares sold, totaling of 72 persons attending this meeting, holding an aggregate of 800,549,278 shares, representing 52.4765 percent or more than one-third of the total number of the Company's shares sold, i.e. 1,525,538,139

shares, which completed the quorum according to Article 33 of the Articles of Association of the Company, which specifies that a quorum of each shareholders' meeting shall consist of the presence of the shareholders and proxies (if any) of at least twenty five (25) persons or at least half of the total number of shareholders, holding the shares in an aggregate of at least one-third (1/3) of the total number of the shares sold.

### **Voting procedures**

To ensure that the conduct of the meeting is in accordance with the principle of good corporate governance, the Moderator informed the meeting regarding the voting procedures and vote counting methods for acknowledgement, as follows.

1. In casting votes in the meeting, each shareholder will have the number of votes equal to the number of shares held, whereby one share is regarded as one vote.
2. Shareholders present in person and proxies appointed in accordance with the forms prescribed by law, shall cast their votes in accordance with the following procedures:

Before voting in each agenda item, the shareholders shall affix their signatures on the ballot cards for the purpose of the transparency in voting.

In casting votes for all agenda items, if no shareholders disagree or abstain from voting, it shall be deemed that the shareholders approve or agree on the presented topic according to the voting number of the shareholders. Shareholders who disagree or abstain from voting shall mark in their ballot cards provided by the Company and affix their signatures thereto and raise their hands for the staff to come to pick up their ballots for record.

In counting the votes, the Company will deduct the disagreeing and abstaining votes from the total votes and the remaining votes will be deemed votes of approval. Shareholders who vote to approve this agenda item shall keep their ballot cards and return them to the Company's staff after the meeting. The voting in this meeting shall be conducted openly, not by the method of secret ballot, but all ballot cards will be collected from all participants for transparency purposes.

**Any votes cast in the following manner shall be considered invalid and the Company will not include the votes on such void ballots into the total number of votes for vote counting purpose:**

- 1) A ballot card that is filled with more than one mark in the space provided;
- 2) A ballot card that casts a vote expressing a conflict of intent;
- 3) A ballot card with a vote that has been crossed out with no signature;
- 4) A ballot card that casts a vote exceeding the number of voting right to which the shareholder is entitled.

A shareholder who wishes to correct his/her vote should cross out the exiting vote on the voting ballot and affix his/her signature thereto.

In any case where a shareholder fails to hand over the ballot card or in the case of a ballot card with no vote casted, the Company will deem that such shareholder votes to approve the relevant agenda.

3. In the case that the shareholder uses the Deed of Proxy (Form B) to appoint any person, director or independent director of the Company to attend the meeting and vote on his/her behalf as per the shareholder or proxy wishes. The proxy shall cast his/her votes as the shareholder or the proxy wishes.

In the case that the shareholder uses the Deed of Proxy (Form C) in the case of foreign shareholders who appoint a custodian in Thailand to be a depository and trustee, such shareholder can vote for

approval, disapproval or abstention in the same ballot, by dividing the number of votes according to the numbers of shares held.

4. Subject to the Articles of Association of the Company which prescribes that “in the normal case, the resolution shall be made by a majority vote of shareholders attending the meeting and casting their votes, whereby one share is regarded as one vote, and in case of a tie, the Chairman of the meeting shall have the deciding vote.”

Therefore, as for the vote counting in the agenda items which require the majority vote, only the votes for “Approval” or “Disapproval” of the shareholders attending the meeting and casting their votes shall be counted. The votes for “Abstention” shall be excluded from the vote counting.

5. A shareholder who wishes to leave the meeting before the meeting is adjourned or who is not present in the meeting room during any agenda item, can exercise his/her rights by submitting the voting ballot to the staff in advance before he/she leaves the meeting room.
6. The total number of votes of the shareholders cast on each agenda item may vary as there will be shareholders and proxies entering the meeting room from time to time. Therefore, the number of persons attending the meeting during each agenda item may change.
7. For the rapidity, efficiency and transparency in vote counting, the Company asked for two volunteers from the shareholders to observe the vote counting. However, there were no shareholders wishing to inspect the vote counting.
8. Before votes are cast on each agenda item, the Chairman will allow the persons attending the meeting to raise questions relevant to that agenda item as appropriate. The shareholders or proxies who wish to raise questions are requested to state their names and surnames before raising questions or expressing opinions on each occasion.

In the case that shareholders have any questions or comments other than the agenda being considered, the shareholders are requested to raise such question or comment in the last agenda regarding other matters in order to ensure the meeting conducting well and to manage the meeting in due time. The Company will not propose any matter to the meeting for approval and there will be no casting of votes in this last agenda.

Thereafter, the Chairman proceeded the meeting in accordance with the agenda items as follows:

#### **Agenda 1 To certify the minutes of the Annual General Meeting of Shareholders FY 2017**

The Chairman informed the meeting that the Company had prepared the minutes of the Annual General Meeting of Shareholders FY 2017 held on April 26, 2017 which had been sent to shareholders together with the invitation letter. In this regard, the Board of Directors viewed that such minutes were correctly recorded and deemed it appropriate to propose the meeting certifies the said minutes.

The Chairman opened the floor to comments and questions from shareholders and proxies.

There were no persons expressing any comment or raising any question. The Chairman then proposed the meeting resolves this agenda regarding the consideration and certification of the minutes of the Annual General Meeting of Shareholders FY 2017, held on April 26, 2017.

A resolution of this agenda must be passed with a majority vote of the shareholders attending the meeting and casting their votes.

**Resolution** The meeting has resolved to certify the minutes of the Annual General Meeting of Shareholders FY 2017 held on April 26, 2017, with the following votes:

<b>Resolution</b>	<b>No. of Votes Casted (1 share = 1 vote)</b>	<b>Percentage of All Votes from Shareholders Attending the Meeting and Casting Their Votes</b>
Approved	819,383,475	100
Disapproved	-	0
Abstain	-	-
Voided ballots	-	-

*Remark: In this agenda, there were eight additional shareholders attending the meeting, holding the aggregate of 18,834,197 shares (votes). Therefore, the total shares of the shareholders and proxies attending the meeting were 819,383,475 shares (votes).*

**Agenda 2 To acknowledge the Directors' Annual Report and approve the Company's Financial Statements for the year ended 31<sup>st</sup> December, 2017**

The Chairman assigned Mr. Alain Jean Pascal Dufes, Director and Chief Financial Officer (CFO), to report the summary of the Company's operating results ended 31<sup>st</sup> December, 2017 to the meeting, and informed the meeting that the representatives from the auditor company, i.e. EY Office Limited were present in the meeting to answer questions and provide additional information in relation to the financial statements for the year ended 31<sup>st</sup> December, 2017.

Mr. Alain Jean Pascal Dufes, Director and Chief Financial Officer (CFO), reported the summary of the Company's operating results for the year ended 31<sup>st</sup> December, 2017 to the meeting for acknowledge, as follows:

The Company reported the operating results for the year 2017 as follows: The Company had a net loss of Baht 1,822.55 million, caused by the result of the provision of allowance for potential loss on revaluation of assets. However, the loss was partially offset by the increases in interest incomes from main businesses, such as hire purchase interest income, asset-backed loan interest income, microfinance interest income, and consumer finance under joint financing arrangements interest income. Indeed, this allowance is a non-cash transaction which is reflected in expenses in the statement of income of the Company, details of which are explained in clauses 11, 13, and 14 below. It is important to note that without this allowance, the revenues and operational results have continuously improved compared to last year.

1. Consolidated hire purchase interest income was Baht 2,061.19 million, increasing by Baht 114.67 million or 5.89 percent, due mainly to an increase of interest income from the subsidiaries in Cambodia and Laos by Baht 21.96 million and Baht 36.28 million respectively, in tandem with rising loan volume in foreign countries. Moreover, the Company (GL) and the Thai local subsidiary (TNB) also showed an increase in hire purchase interest income of Baht 32.70 million and Baht 23.73 million respectively. This is in line with the Company's strategy to expand the portfolio in Thailand and in foreign market through the business model "Digital Finance".
2. Consolidated asset-backed loan interest income was Baht 164.65 million, increasing by Baht 47.72 million or 40.81 percent, of which an increase of Baht 44.27 million from the Thai subsidiary (TNB) shows the success of the business expansion. Partial increase of Baht 3.45 million came from the Cambodia subsidiary (GLF) which just launched the new product in Q2/2017.

3. Microfinance interest income was Baht 51.98 million, equivalent to the total increase when comparing with the same period last year. Microfinance is a new product started in Myanmar, which consists of an average 50-week-term micro loan made to women by a group of five members, each of which shall be collectively responsible on each other members, and repayment shall be made on weekly basis. This is one of the successful products. The Myanmar subsidiary (BGMM) recorded microfinance interest income of Baht 41.04 million and Indonesian subsidiary recorded microfinance interest income of Baht 10.94 million in 2017.
4. Consumer finance under joint financing arrangements interest income was Baht 56.28 million. Consumer finance is a different classification related to joint-financing product to provide loans to consumers for purchases of agricultural machinery, started by the subsidiary in Indonesia (GLFI), in partnership with a local bank. The Indonesian subsidiary records its portion of interest income after deducting the portion belonging to the local bank.
5. Interest on loan receivables was Baht 378.96 million, decreasing by Baht 105.90 million or 21.84 percent. This income is obtained from distributors. GL's subsidiaries in foreign countries provide Business Expansion Solution service and Financial Support to the SME distributors who want to expand their sales to the countries where GL's subsidiaries exist.
6. Revenue from sale increased by Baht 0.87 million, totally from a new product (TNB Carbuy and Motorbike) lunched in Q4/2017 by the local subsidiary (TNB).
7. Other income under a consolidated basis increased by Baht 71.01 million or 19.16 percent from Baht 370.67 million to Baht 441.67 million, consisting of other interest income of Baht 39.75 million, consulting service fee income of Baht 20.41 million, other income related to the activities of hire purchase of Baht 227.07 million, other income related to the activities of microfinance of Baht 4.61 million, gain on exchange rate of Baht 120.57 million, and other income of 29.26 million.
8. Consolidated service and administrative expenses totaled Baht 1,144.95 million, increasing by Baht 257.58 million or 29.03 percent when compared to year 2016, mainly resulted from the higher expenses from the foreign strategic business expansion. In 2017, the Company has started a business in Myanmar by acquiring one subsidiary (BGMM) and establishing one new subsidiary in Myanmar (GL – AMMK), and an Indonesian subsidiary (GLFI) was expanding its branch network to all over countryside in Indonesia. However, the service and administrative expenses grew at a slower rate than revenue, showing the cost-efficient management.
9. Consolidated bad debts and doubtful accounts slightly increased compared to year 2016 by Baht 9.77 million or 3.12 percent. Therefore, the Company had set additional allowance for doubtful accounts for conservative purposes. However, bad debts expense increased at a slower rate than portfolio, implying to a better quality of the portfolio.
10. Cost of sales increased by Baht 0.76 million, totally from a new product lunched in Q4/2017 by the local subsidiary, as mentioned in 6.
11. Expense allowance on loan and interest receivables under a consolidated basis was Baht 1,952.56 million, mainly resulted from a full provision on the loan receivables for conservative reason and attempt to cooperate with the SEC's announcement while the legal procedure is not yet final. However, this allowance is a non-cash transaction, and in the case where the receivables were repaid in the future, the provision could be reversed for the same amount.
12. There was an increase in loss on disposals of foreclosed asset from Baht 232.25 million to Baht 245.35 million representing an increase by Baht 13.10 million or 5.64 percent, resulted from an increase of repossession units related to the hire-purchase portfolio expansion.
13. Expense allowance on other receivables, expense allowance on other current assets, and expense allowance on impairment of deposits were Baht 208.88 million, Baht 38.83 million and Baht 55.94 million, respectively. This is the management's decision to set up a full allowance for all net related party receivables of the group. However, this allowance is a non-cash transaction, and in the case where the receivables were repaid in the future, the provision could be reversed for the same amount.

14. Expense allowance on investment loss in associate was Baht 582.09 million which was set up in Q3/2017 when the management was in the process of conducting the impairment test on the investment in CCF. In Q4/2017, the impairment test has been completely conducted and no impairment of the investment in CCF was identified, relying on a valuation conducted by Gajma & Co, the financial advisor and appraisal firm in Sri Lanka. The estimated value of CCF is LKR 175.35 per share while the carrying amount based on equity method of the investment in CCF was Baht 2,605 million (or LKR 121.31 per share) as of December 31, 2017. Under the conservatism principle, the management decided to keep, not to reverse the allowance for loss of investment provided in Q3/2017. However, this allowance is a non-cash transaction, and the provision could be reversed for the same amount.
15. Share of profit from a 29.99-percent stake investment from an associated company in Sri Lanka, which the Company started to recognize since October 2016, was Baht 171.95 million, increasing by Baht 123.60 million from 2016, which was resulted from the adjustment of revaluation of fair value of investment properties of an associated company.
16. Consolidated finance cost was Baht 445.35 million, increasing by Baht 172.60 million, or 63.28 percent, compared to Baht 272.75 million in 2016, primarily a result of large interest expense amounting of Baht 313.89 million from USD-130-million, and USD-70-million convertible debentures issued in Q3/2016 and Q1/2017 respectively.

The Chairman informed the meeting that the Board of Directors views that it is appropriate to propose the Company's annual operating results to the meeting for acknowledgement and propose the meeting approves the financial statements for the year ended 31<sup>st</sup> December, 2017, and opened the floor to comments and questions from shareholders and proxies.

**Question:** Mr. Pongtep Kui-sa-ngiam, the shareholder, asked about the loan receivables, i.e. Singapore and Cyprus groups, of which Baht 2,900 million has been set as the allowance for bad debts in the previous year, as follows:

1<sup>st</sup> question: In the Company's financial statements, he would like to know whether interest income from these loan receivables had not been recognized since the 4<sup>th</sup> quarter of 2017 or not.

2<sup>nd</sup> question: If these debtor groups paid interest or not.

3<sup>rd</sup> question: If the interest had been paid, he would like to know if it is correct that the interest income was not recorded in the financial statements because the debt had been written off as a bad debt.

**Answer:** Mr. Tatsuya Konoshita explained as follows:

1<sup>st</sup> and 3<sup>rd</sup> questions: The Company has changed its recognition method from accrual basis to cash basis after receiving notice from the Office of the SEC regarding the Company's financial statements. The Company, therefore, did not record the interest income in the 4<sup>th</sup> quarter, but if interest is paid by cash, the Company will recognize such income.

2<sup>nd</sup> question: The Company had not received the payment of interest during the 3<sup>rd</sup> and 4<sup>th</sup> quarters of the previous year. The information about the 1<sup>st</sup> quarter of this year cannot be disclosed yet.

**Question:** The shareholder asked further how the Company would deal with these loans and if they would become bad debts or not.

**Answer:** Mr. Tatsuya Konoshita explained that the Company believes that it would receive the payment of these loans with the interest, but it is not sure if the loans would be paid before their maturity. The prepayment issue has been under negotiation. The Company confirmed that the loans would be repaid fully. In case of failure in repayment, the Company can still enforce the collateral placed against these loans.

In terms of accounting, the Company has set a provision at 100 percent for these loans. If the Company did not receive the repayment, it would not cause more severe impact on the Company's financial statements. On the other hand, if the Company receives the full payment, this will be an advantage to the Company's financial statements and the Company.

**Question:** The shareholder asked further what the loans were used by these two debtor groups for.

**Answer:** Mr. Tatsuya Konoshita explained that according to the Company's disclosure of the information via the SET's channel on March 17, 2017, the matter asked by the shareholder is a customer's confidential information. The Company could not disclose this information.

**Question:** Ms. Kanlaya Pakakrong, the proxy, acting as a volunteer for shareholders' right protection from the Thai Investors Association had the following questions:

**1<sup>st</sup> question:** She would like to know the progress on the preparation of special audit by an independent audit firm hired by the Company.

**2<sup>nd</sup> question:** When the revised financial statements required to be prepared according to the Office of the SEC's notice to the Company would be finished?

**Answer:** Mr. Tatsuya Konoshita explained as follows:

**1<sup>st</sup> question:** The Company has engaged a reliable firm in Singapore, i.e. Mazars LLP to examine the special audit. Such examination has been conducted independently, and therefore the Company could not control or accelerate this process. The Company has been waiting for the result of the examination and the Company had already furnished all data and documents to the special auditor for examination.

The special auditor requested information from the Board and the management and Mr. Tatsuya Konoshita went to Singapore to provide answers to the special auditor to give sufficient information for its performance of this special audit.

**2<sup>nd</sup> question:** With regard to the revision of the financial statements as per the Office of the SEC's requirement notified to the Company in October 2017, the Company had never ignored this matter. Rather, the Company was considering and responding to this matter. The Company's first step was to appoint an independent special auditor in Singapore to examine the relevant information. After Mazars LLP, the special auditor, has completed the examination of the financial statements, the matter would be forwarded to the Audit Committee for consideration. Thereafter, the Board and the management would consider the matter again focusing on the issues raised by the Office of the SEC. However, the Company has been examining the information for accuracy before making any amendment to the financial statements. A revision of the financial statements must be in compliance with the relevant conditions, regulations and accounting standards. Any revision shall be made on a conservative basis when surely supported by the Company.

The Company however has set a provision at 100 percent for the relevant amount in the financial statements. If there is any revision to the financial statements, there would not be any severe impact on the shareholders' equity (equity based).

Mr. Skol Harnsuthivarin, Chairman, furthered that he as the Chairman of the Board, Independent Director and Audit Committee member, the Chairman of the Audit Committee including the audit team have not been at ease with such issue. They followed up the status of the appointment of, and the examination by the special auditor with the management regularly. Most importantly, the Company has never intended to violate the order of the Office of the SEC. He emphasized that:



1. The Company has never rejected to comply with the order of the Office of the SEC. As mentioned earlier, the revision of the financial statements could not be conducted easily as there would be many consequences. Thus, any revision has to be carefully considered.
2. Such loans are supported by sufficient and proper evidence. The independent special auditor has been appointed to assist in the examination and ensure accuracy. After receiving the result of the examination, the Audit Committee would consider it professionally.
3. The Company's independent directors are expertise in accounting and laws and some of them came from regulatory authorities. Therefore, the independent directors should not let any violation of rules or laws happen.
4. In each meeting of the Board of Directors, the independent directors followed up the status of the loaning and the possibility of repayment. Mr. Tatsuya informed that the Company was trying to solve this issue and it can be assured that the Company can enforce the collateral if no repayment has been made.

**Question:** The shareholder asked further if the loans granted by the Company would be returned or not because no interest had been paid recently. She would like to know if it is possible that the debtors would never repay the debt.

**Answer:** Mr. Tatsuya Konoshita explained that the discussion with the debtors is being in process. The Company is confident that it would receive the repayment in full, not through the enforcement of the collateral. In the case where the debtors fail to pay debts, the Company which is holding the collateral can sell it and receive the proceeds from such sale which would cover all debts. Any update on this matter would be informed to the meeting.

The shareholder commented that the enforcement process would take a long time. She prefers to receive the interest and principal.

Mr. Alain Jean Pascal Dufes explained that the Company also wants to receive the interest and principal. According to the contract, the payment period has been specified and the debt has not been due yet at this moment. The Company has been negotiating on the prepayment of the loans. Any change to the contractual condition requires negotiation and agreement from the debtors. For example, if any person obtains loan from a financial institution and it is specified that the loan shall be repaid within 2019. If the bank requests prepayment of the loan for any reason, the borrower and the creditor have to negotiate on this. As for the Company's case, the prepayment has been under negotiation. Any update would be informed by the Company.

Mr. Tatsuya Konoshita thanked the shareholder for the suggestion and would take it into consideration.

There were no persons expressing any comment or raising any question. The Chairman then proposed the meeting resolves this agenda regarding the consideration and acknowledgement of the Directors' Annual Report and approval of the Company's Financial Statements for the year ended December 31, 2017.

A resolution of this agenda must be passed with a majority vote of the shareholders attending the meeting and casting their votes.

**Resolution** The meeting has resolved to acknowledge the Directors' Annual Report and approve the Company's Financial Statements for the year ended December 31, 2017, with the following votes:

Resolution	No. of Votes Casted (1 share = 1 vote)	Percentage of All Votes from Shareholders Attending the Meeting and Casting Their Votes
Approved	806,944,686	98.4773
Disapproved	12,477,581	1.5227
Abstain	4,500	-
Voided ballots	-	-

*Remark: In this agenda, there were four additional shareholders attending the meeting, holding the aggregate of 43,292 shares (votes). Therefore, the total shares of the shareholders and proxies attending the meeting were 819,426,767 shares (votes).*

### **Agenda 3 To consider and approve no dividend payment for FY 2017**

The Chairman reported to the meeting that since the operating result of the Company for the year 2017 (or from January 1 – December 31, 2017) had recorded a net loss of Baht 1,678,265,346 (or approximately One Billion Six Hundred and Seventy Eight Million Baht), mainly caused by the expense allowance on investment loss in subsidiaries in Q3/2017 at the amount of Baht 2,426,817,791 (or approximately Two Billion Four Hundred and Twenty Six Million Baht), therefore, the Board of Directors views it appropriate to propose the shareholders' meeting approves the omission of dividend payment for the Company's operating results for the year 2017 in accordance with the Company's dividend payout policy, which specifies that dividend shall be paid not less than 40 percent of the net profit of the Company. Since there was a net loss, it was deemed appropriate to omit the dividend payment. The details on the Company's dividend payment for the last two years appear in the presentation.

The Chairman opened the floor to comments and questions from shareholders and proxies.

There were no persons expressing any comment or raising any question. The Chairman then proposed the meeting resolves this agenda regarding the consideration and approval of the statement of financial position and the statement of comprehensive income for the fiscal year ended December 31, 2017.

A resolution of this agenda must be passed with a majority vote of the shareholders attending the meeting and casting their votes.

**Resolution** The meeting has resolved to approve the omission of dividend payment for the year 2017, with the following votes:

Resolution	No. of Votes Casted (1 share = 1 vote)	Percentage of All Votes from Shareholders Attending the Meeting and Casting Their Votes
Approved	819,403,167	99.9971
Disapproved	23,600	0.0029

Resolution	No. of Votes Casted (1 share = 1 vote)	Percentage of All Votes from Shareholders Attending the Meeting and Casting Their Votes
Abstain	-	-
Voided ballots	-	-

**Agenda 4 To consider and approve the re-election of directors who retire by rotation and appointment of a new director to fill the vacancy of director position**

The Chairman informed the meeting that according to Article 18 of the Company's Articles of Association, at each Annual General Meeting of Shareholders, one-third (1/3) of the total number of the directors must retire by rotation and if the number of directors cannot be divided into three proportions, a number of directors closest to one-third (1/3) shall retire; directors who were in the position the longest shall retire by rotation; and directors retiring by rotation may be re-elected.

The Company has a total of 12 director seats (inclusive of one vacant seat from the resignation of Mr. Patrick Thomas Fisher on January 31, 2018 which has not been replaced). Therefore, in 2018, there will be four directors who shall retire by rotation, as follows, of which the names and backgrounds appear in the invitation letter and also in the presentation in this meeting:

1. Mr. Skol Harnsuthivarin Independent Director, Chairman of the Board of Director and Chairman of the Audit Committee
2. Mr. Alain Jean Pascal Dufes Executive Director
3. Mr. Tatsuya Konoshita Executive Director
4. Mrs. Sumalee Chokdeeanant Independent Director and Member of the Audit Committee

All four directors nominated for election as directors for another term left the meeting room. Mr. Skol Harnsuthivarin as the Chairman of the meeting assigned Dr. Pholdej Therdphithakvanij to preside over the meeting for this agenda.

Dr. Pholdej Therdphithakvanij, presiding over the meeting for this agenda in replacement of the Chairman, informed the meeting that the Board of Directors deems it appropriate to propose the shareholders' meeting considers and approves the four directors to become directors of the Company for another term because they all are knowledgeable, capable and experienced which will benefit the operations of the Company.

In addition, Dr. Pholdej Therdphithakvanij proposed the meeting considers the appointment of a new director, i.e. Mr. Tomohiko Shoji in the position of a non-executive director to replace Mr. Patrick Thomas Fisher who resigned. The Board of Directors has considered and viewed that Mr. Tomohiko Shoji possesses the full qualification and no prohibited characteristics for election as the Company's director and also is knowledgeable, capable and experienced which will benefit the operations of the Company.

The Moderator informed the meeting that a resolution of this agenda must be passed with a majority vote of the shareholders attending the meeting and casting their votes. Each director shall be voted individually, and the voting results would be announced after the voting for all five directors has been completed.

Dr. Pholdej Therdphithakvanij, presiding over the meeting for this agenda, opened the floor to comments and questions from shareholders and proxies.

**Question:** Ms. Kanlaya Pakakrong, the proxy, acting as a volunteer for shareholders' right protection from the Thai Investors Association would like to know if the term of office of Mr. Tomohiko Shoji, who

would replace the resigned director, would be equal to the remaining term of office of the resigned director or not.

Dr. Pholdej Therdphithakvanij assigned Ms. Yaowarod Klinboon, the legal counsel from Hunton Andrews Kurth (Thailand) Limited to clarify to the meeting.

**Answer:** Ms. Yaowarod Klinboon replied that the new director would hold the position until the end of his term.

There were no persons expressing any comment or raising any question. The Moderator then proposed the meeting resolves this agenda regarding the consideration and approval of the re-election of directors who retire by rotation as directors of the Company for another term and the appointment of a new director, i.e. Mr. Tomohiko Shoji in the position of a non-executive director to fill the vacancy in the position of director. For this agenda, each director shall be voted individually and each person needs to receive a majority vote of the shareholders attending the meeting and casting their votes.

**Resolution** The meeting has resolved to approve the election of directors to replace the four directors who retire by rotation, namely 1. Mr. Skol Harnsuthivarin, 2. Mr. Alain Jean Pascal Dufes 3. Mr. Tatsuya Konoshita, and 4. Mrs. Sumalee Chokdeeanant as directors for another term, and the appointment of a new director, namely Mr. Tomohiko Shoji in the position of a non-executive director to fill the vacancy in the position of director, with the following votes:

No.	Directors' Name	Votes					
		Approved	%	Disapproved	%	Abstain	Void Ballot
1.	Mr. Skol Harnsuthivarin	819,422,067	100.0000	0	0	47,000	0
2.	Mr. Alain Jean Pascal Dufes	807,298,069	98.5204	12,124,198	1.4796	4,500	0
3.	Mr. Tatsuya Konoshita	819,305,167	99.9857	116,900	0.0143	4,700	0
4.	Mrs. Sumalee Chokdeeanant	819,422,267	100.0000	0	0	4,500	0
5.	Mr. Tomohiko Shoji	819,422,267	99.9995	4,500	0.0005	0	0

**Agenda 5 To consider and approve the increasing number of the Board of Directors and appointment of a new director**

The Chairman informed the meeting that Article 16 of the Company's Articles of Association states that the shareholders may occasionally determine the number of members who will take up director position of the company through the resolution from the meeting of shareholders and shall elect directors in the number determined. In order to enhance the efficiency of the corporate governance of the Company, the Board has deemed that it is appropriate to propose the shareholders consider and approve the increasing number of the Board of Directors from 12 to 13 and also approve the appointment of a new director, namely Mr. Kaname Hashimoto in the position of a non-executive director. Presently, Mr. Kaname Hashimoto is the Managing Director of the Company's subsidiaries in Laos and Myanmar who possesses the full qualification and no prohibited characteristics for election as the Company's director and also is knowledgeable, capable and experienced which will benefit the operations of the Company.

The increasing number of the Board of Directors to 13 members does not have any effect on the existing number of the Independent Directors and Audit Committee which currently consists of five persons as it is already complied with the regulations. The background of Mr. Kaname Hashimoto is provided in the presentation.

The Chairman opened the floor to comments and questions from shareholders and proxies.

There were no persons expressing any comment or raising any question. The Chairman then proposed the meeting resolves this agenda regarding the consideration and approval of the increasing number of the Board of Directors and appointment of a new director.

A resolution of this agenda must be passed with a majority vote of the shareholders attending the meeting and casting their votes.

**Resolution** The meeting has resolved to approve the increasing number of the Board of Directors and appointment of a new director, with the following votes:

<b>Resolution</b>	<b>No. of Votes Casted (1 share = 1 vote)</b>	<b>Percentage of All Votes from Shareholders Attending the Meeting and Casting Their Votes</b>
Approved	807,316,969	98.5227
Disapproved	12,105,098	1.4773
Abstain	4,700	-
Voided ballots	-	-

**Agenda 6 To consider and approve the appointment of external auditor and to determine their remuneration for FY 2018**

The Chairman informed the meeting that the Board of Directors deems that it is appropriate to propose the shareholders consider and approve the appointment of EY Office Limited, which is the Company's existing auditor, to continue to be an auditor of the Company for the year 2018 which is the 12<sup>th</sup> year of being an auditor of the Company. The proposed auditors consist of five persons as follows:

1. Mr. Sophon Permsiriwallop, CPA No. 3182 (who signed the Company's financial statements for the years 2016 - 2017); or
2. Ms. Rungnapa Lertsuwannakul, CPA No. 3516 (who signed the Company's financial statements for two consecutive years in 2014 and 2015); or
3. Ms. Pimjai Manitkajohnkit, CPA No. 4521 (who signed the Company's financial statements for four consecutive years in 2010 to 2013); or
4. Mr. Chayapol Suppasetthanon, CPA No. 3972 (who has never signed the Company's financial statements); or
5. Ms. Rosaporn Decharkom, CPA No. 5659 (who has never signed the Company's financial statements).

One of the members is empowered to audit, prepare and sign an audit report of the Company. The above auditors do not have any relationship nor interest with the Company, its executives or major shareholders or persons related to such persons, and therefore their audit function and opinions on the Company's financial statements can be done independently.

In addition, the Chairman deems that it is appropriate to propose the shareholders' meeting considers and approves the determination of the audit fee for the year 2018 at the amount of not exceeding Baht 6,350,000 (Six Million Three Hundred and Fifty Thousand Baht) (exclusive of other expenses), which

increases from 2017 by Baht 1.65 million due to the additional scope of work to prepare consolidated financial statements for the Company and its subsidiaries in Thailand and foreign countries, namely Singapore, Cambodia, Laos, Indonesia, Sri Lanka and Myanmar. For the year 2018, the Company's subsidiaries will use different audit firms from the Company. However, the Board will ensure that the financial statements can be prepared and submitted in time.

The Audit Committee has viewed that EY Office Limited is well known and has internationally acceptable standards and the audit fee proposed is also reasonable.

The Chairman opened the floor to comments and questions from shareholders and proxies.

**Question:** Mr. Douglas Elliott Barnett, the shareholder, commented on the appointment of EY Office Limited, the auditor of the Company, that this office might not perform its work good enough by not complying with the accounting standards, for instance in the evaluation of the shares and investment in CCF in Sri Lanka. Mr. Barnett furthered that CCF also appointed an independent appraisal company to evaluate this investment and such independent company's evaluation provided a higher value than that evaluated by EY Office Limited, and EY Office Limited conducted an impairment test, which is in conflict with the view of the independent appraiser.

Mr. Tatsuya Konoshita thanked the shareholder for his comment on this matter. The management however thanked EY Office Limited for its hard work during the previous year and its acceptance of the audit work for this year. He said that the impairment test is required each year, including year 2018, for the evaluation of CCF in Sri Lanka. Any update on this would be informed.

The Chairman thanked the shareholder for his comment and would take it into consideration.

There were no persons expressing any comment or raising any question. The Chairman then proposed the meeting resolves this agenda regarding the consideration and appointment of an auditor and determination of the remuneration for the year 2018.

A resolution of this agenda must be passed with a majority vote of the shareholders attending the meeting and casting their votes.

**Resolution** The meeting has resolved to approve the appointment of an auditor and determination of the remuneration for the year 2018, with the following votes:

<b>Resolution</b>	<b>No. of Votes Casted (1 share = 1 vote)</b>	<b>Percentage of All Votes from Shareholders Attending the Meeting</b>
Approved	800,609,570	97.7036
Disapproved	18,817,197	2.2964
Abstain	-	-
Voided ballots	-	-

**Agenda 7 To consider and approve the remuneration of the Board of Directors and other Subcommittees for FY 2018**

The Chairman informed the meeting that the director remuneration for the year 2018 consists of monthly allowance for the independent directors and meeting allowance for the Board of Directors and sub-committees, namely Audit Committee, Corporate Governance Committee and Risk Management Committee, the latter two of which are being set up. The remuneration was determined taking into account appropriateness to the scope of duties and responsibilities of the directors and in line with the remuneration for directors in the same industry. The Board of Directors therefore sees that it is appropriate to propose the shareholders' meeting considers and approves the allocation of the remuneration of the members of the Board and of the sub-committees for the year 2018, as follows:

**The remuneration of members of the Board and of the sub-committees for the Year 2018 is as follows:**

**1. Remuneration of independent directors: Baht 70,000 per person per month**

**2. Meeting allowance of the Board of Directors: (The meeting allowance is paid per attendance.)**

- Chairman – Baht 30,000 per attendance
- Director – Baht 20,000 per person per attendance

**3. Meeting allowance of the sub-committees:**

**Meeting allowance of the Audit Committee: (The meeting allowance is paid per attendance.)**

- Chairman – Baht 20,000 per attendance
- Member – Baht 10,000 per person per attendance

**Meeting allowance of the Corporate Governance Committee: (The meeting allowance is paid per attendance.)**

- Chairman – Baht 20,000 per attendance
- Member – Baht 10,000 per person per attendance

**Meeting allowance of the Risk Management Committee: (The meeting allowance is paid per attendance.)**

- Chairman – Baht 20,000 per attendance
- Member – Baht 10,000 per person per attendance
- Other benefits –None-

An employee or management of the Company who is the member of a sub-committee shall not receive any remuneration of the sub-committee.

The Chairman opened the floor to comments and questions from shareholders and proxies.

There were no persons expressing any comment or raising any question. The Chairman then proposed the meeting resolves this agenda regarding the consideration and approval of the remuneration of the Board of Directors and other sub-committees for the year 2018.

A resolution of this agenda must be passed by the vote of not less than two-thirds of the total votes of the shareholders attending the meeting and eligible to vote. There are five directors of the Company who are shareholders of the Company, holding in the aggregate of 944,969 shares (votes), who are considered interested shareholders, and thus were not eligible to vote in this agenda.

**Resolution** The meeting has resolved to approve the determination of the remuneration of the Board of Directors and other sub-committees for the year 2018, with the following votes:

<b>Resolution</b>	<b>No. of Votes Casted (1 share = 1 vote)</b>	<b>Percentage of All Votes from Shareholders Attending the Meeting</b>
Approved	818,477,298	99.8841
Disapproved	4,500	0.0005
Abstain	-	0.0000
Not eligible to vote	944,969	0.1153
Voided ballots	-	-

**Agenda 8 To consider and approve the amendment of the Company's Articles of Association**

The Chairman informed the meeting that according to the Announcement of the National Council for Peace and Order No. 74/2557 (2014) Re: Electronic Conferencing, a meeting of the Board of Directors can be organized through electronic media, and according to the Clarification of the Department of Business Development Re: Electronic Conferencing of Public Limited Companies, a public limited company shall specify the said matter in its articles of association. The Board of Directors therefore sees that it is appropriate to propose the shareholders' meeting considers and approves the amendment of Article 24 of the Company's Articles of Association to provide an option for the Company to hold a meeting of the Board of Directors via electronic media, as follows:

"Article 24 Notice of the Meeting and Meeting via Electronic Media

In calling the Board of Directors' meeting, the Chairman of the Board or any person(s) entrusted by the Chairman shall send a notice of the meeting to the directors at least seven (7) days before the date of the meeting. However, in case of necessity or urgency for the purpose of preserving the rights or benefits of the Company, the summoning of the meeting may be made by other means and the date of the meeting may be fixed to be earlier.

Where deemed appropriate, the Chairman of the Board or any person(s) entrusted by the Chairman may hold a meeting of the Board of Directors via electronic media, provided that such meeting shall be in accordance with laws, regulations, notifications, requirements or any other relevant rules that are currently applicable or may be enforced or amended in the future.

The notices of the Board meetings may be served via electronic means, subject to applicable laws."

The Chairman opened the floor to comments and questions from shareholders and proxies.

There were no persons expressing any comment or raising any question. The Chairman then proposed the meeting resolves this agenda regarding the consideration and approval of the amendment of the Company's Articles of Association.

A resolution of this agenda must be passed by the vote of not less than three-fourths of the total votes of the shareholders attending the meeting and eligible to vote.

**Resolution** The meeting has resolved to approve the amendment of Article 24 of the Company's Articles of Association as proposed, with the following votes:



Resolution	No. of Votes Casted (1 share = 1 vote)	Percentage of All Votes from Shareholders Attending the Meeting and Eligible to Vote
Approved	819,422,267	99.9995
Disapproved	-	-
Abstain	4,500	0.0005
Voided ballots	-	-

**Agenda 9 To consider any other business (if any)**

- None –

The Chairman opened the floor to additional questions from shareholders.

**Question:** Mr. Narong Junjueasupparoeek, the shareholder, said that he was happy that he decided to attend this meeting as his perception on the Company was quite negative earlier. He felt that the Company's image was better and that the management and the Board were active in solving problems and committed to improve the Company. He had the following questions:

**1<sup>st</sup> question:** He would like to hear the operating results of the Company this year – if and how they improve.

**2<sup>nd</sup> question:** If the Company had a plan to expand its business or increase its revenue or not and how.

**Answer:** Mr. Tatsuya Konoshita apologized all shareholders for the bad news recently happening as it had an impact on the share price. The management would and was expanding the business for future growth and profits and creating value added to the shareholders. He thanked the shareholders for their trust and re-electing him as a director for another term. Mr. Tatsuya also believes in the business of the Company. He said that the operation improved when compared to the past 3-4 months. The Company tends to grow well this year and the next year, but he could not provide any numeric information. He could only say that the market in Thailand and Myanmar would become a growth engine of the Company. The business in Laos would continue to grow, supported by a new product. However, Laos population is still small. The businesses in Cambodia and Sri Lanka have to be watched out for. In Indonesia where the business just started in 2016, the business expansion has been seen with the support of an alliance. However, the relationship with such alliance has changed from the previous period and the company has to adjust the business model and restart its business. The business in Indonesia has however expanded under the business model whereby all activities are operated by the company solely.

This meeting has appointed the directors, including Mr. Kaname Hashimoto, who is also the managing director in Myanmar and Laos. Moreover, the Company's CFO, i.e. Mr. Alain Dufes acts as the executive in Myanmar and Laos, showing that the Company places importance on the market in Myanmar, which would be a main growth engine of the Company's business. It can be said that there is a bright future in Myanmar. There is a variety of businesses in this country, such as group loan, serving to provide loans on a group basis. There were 9,000 customers of this product during the early of 2017 and increasing by 10 times presently. The Company's financing business ranked no. 70 last year and moved to no. 7 at the

moment. Mr. Kaname Hashimoto told him that he would bring the Company to be no. 2. The team was pleased and proud of this.

As for the business in Thailand, Mr. Tatsuya Konoshita reported to the meeting that during 2014, the Company had granted loans for new motorcycles only. The Company thereafter took over Thanaban Co., Ltd. and since then has acquired and introduced many products, including Motor for Cash and Asset Backed Loan and provided loans for used motorcycles. The Company has also introduced an auction business and newest products, i.e. Car Buy and Moto Buy. He believes that the conventional loan types are about to reach the mature level in Thailand and the interest rates may be limited in the future. With the Company's new business model, i.e. one-stop service, the Company would grow. The Company has been well prepared since the last four years until these days and it is expected that, by the effort of Mr. Muneo Tashiro, in the next 3-4 years, 30 percent of the Company's growth would be driven by the domestic businesses.

The business in Cambodia is not quite good overall as in Cambodia farmers seek too much loan amount and there are micro finance companies in the country which are major competitors of the Company. Therefore, the Company operates the business on a conservative basis in this country, by focusing on a new collection method and expansion of an auction business, to be well prepared and strong in the case where situations get worse and in the case of debt bubble burst in financing business.

In Sri Lanka, the Company does not have a full control over the business over there because it is a joint venture. The overall economy in Sri Lanka is similar to that in Cambodia. However, the Company would discuss with the management of CCF, asking them to control and supervise the quality of financing activities.

In Indonesia, the company has a dispute with its alliance, but the executive, i.e. Mr. Nikolay and the team have still continued to operate the business in this country. The company reduced the number of staff and the size of the business and has been prepared for the expansion in the future. It is believed that the operating results would improve in the next 2-3 years.

Mr. Tatsuya Konoshita thanked the shareholders and expressed his confidence on the new business model of the Company, which has improved from the last 3-4 months. The Company believes that everything is under control.

The Chairman mentioned about the management's active performance and said that he, in the capacity of the director, thought that the Company's business would improve and more importantly it would be operated with transparency and compliance with laws and good corporate governance, along with risk management and anti-corruption measures in place.

When no person expressed any opinions or raised any questions, the Chairman thanked all shareholders for attendance and for their suggestions which are beneficial to the meeting and adjourned the 2018 Annual General Meeting of Shareholders accordingly.

The meeting adjourned at 12.30 p.m.

Signed by: *Skol Harnsuthivarin*

(Mr. Skol Harnsuthivarin)

Chairman of the Board

Signed by: *Siriphen Pongchairerks*

(Ms. Siriphen Pongchairerks)

Company Secretary