

(Translation)

**Sermsuk Public Company Limited**  
**Minutes of Extraordinary General Meeting of Shareholders No. 1/2014**

**Venue:** Plaza Athenee Bangkok, A Royal Meridien Hotel, Grand Hall, 2<sup>nd</sup> Floor, No. 61 Wireless Road, Lumpini Subdistrict, Pathumwan District, Bangkok Metropolis

**Date and Time:** Tuesday, 23 December 2014 at 10.00 hrs.

**Preliminary Proceedings**

Miss Arunrat Tungteerapatharakij, acting as the Secretary of the Meeting (the “**Secretary of the Meeting**”), informed the Meeting of the amount of capital and the number of shares of Sermsuk Public Company Limited (the “**Company**”), as follows:

Registered capital	Baht	265,900,484
Paid-up registered capital	Baht	265,900,484
Ordinary shares sold		265,900,484 shares
Par value	Baht	1.00 per share

The Company had determined the names of the shareholders entitled to attend the Extraordinary General Meeting of Shareholders No. 1/2014 on 10 November 2014 (Record Date) and the date to collate the names of shareholders in accordance with Section 255 of the Securities and Exchange Act B.E. 2535, by means of closing the share register on 11 November 2014.

The Secretary of the Meeting informed the Meeting that, at the commencement of the Meeting, there were 120 shareholders present in person and by proxy, holding a total of 228,305,193 shares, representing 85.8611 percent of the Company’s total shares sold, thus forming a quorum, pursuant to Article 31 of the Company’s Articles of Association, which prescribes that there shall be shareholders and proxies present at the meeting in a number of not less than 25 persons or not less than one half of the total number of shareholders and in either case such shareholders shall hold shares amounting to not less than one-third of the total number of shares sold of the Company.

In order to comply with the Principles of Good Corporate Governance in respect of the voting and the counting of votes in the Meeting, the Secretary of the Meeting informed the shareholders of the rules and procedures for voting and the counting of the votes as follows:

- 1) In respect of the voting in the Meeting, each shareholder was entitled to vote according to the number of shares held by such shareholder, on the basis of one share per one vote.

2) The shareholders attending the Meeting in person or the proxies, appointed in the form prescribed by law, would cast their votes in accordance with the following procedure:

- Before voting on each agenda item, the shareholders would sign their names on the voting cards for the purpose of transparency in voting.
- With respect to voting on all agenda items, if no shareholder voted for disapproval or abstention, the vote would be treated as approval or consent of the relevant proposed agenda item in accordance with the combined number of votes. If a shareholder voted for disapproval or abstention, he/she would mark his/her voting card and raise his/her hand to signify to the staff to collect the relevant voting card.
- For the counting of votes, the Company will deduct the number of voting cards with a vote of disapproval or abstention from the total number of votes. The remaining votes shall be considered as votes of approval. A shareholder who has voted to approve each agenda item shall keep his/her voting card and return it to the Company's staff after the Meeting has been adjourned. In this regard, the voting in this Meeting shall be conducted openly, not in secret, but all voting cards would be collected for transparency purposes.
- Any votes made in the following manner shall be considered invalid:
  - 1) A voting card on which more than one mark is placed;
  - 2) A voting card that casts a vote expressing a conflict of intent;
  - 3) A voting card with any crossing-out without a signature thereon; or
  - 4) A voting card with votes in excess of the number of shares held by such shareholder.

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

3) If a shareholder has exercised his/her rights through Proxy Form B or C, to assign another person to attend the Meeting, or granted a proxy to a director or an independent director to vote on his/her behalf, and determined that the proxy vote be in accordance with such shareholder's intention or the proxy's intention itself, the Company will count such vote in accordance with the intention of the shareholder or the proxy.

In the case of a foreign shareholder who has appointed a custodian in Thailand to be a share depository and custodian, his/her vote would be separated whether in approval, disapproval or abstention on each agenda item, with the number of votes to be separated equivalent to the number of shares he/she holds.

- 4) Article 32 of the Company's Articles of Association provides that "In normal circumstances, a resolution shall be adopted by the majority vote of the shareholders who are present and are entitled to vote. One share shall be equal to one vote. In the case of a tied vote, the Chairman of the meeting shall have a casting vote."

For Agenda Item 2 and Agenda Item 3 which are the disposal of assets transactions and connected transactions, the resolutions shall be adopted by the votes of not less than three-fourths of the total votes of the shareholders attending the meeting and entitled to vote. One share shall be equal to one vote. In this regard, the votes will exclude the votes of the interested shareholders.

The votes of the shareholders approving each agenda item shall be counted only from the "approved" votes of the shareholders attending the Meeting and entitled to vote. If a majority vote of the shareholders represents "disapproved" or "abstained", it shall be deemed that the shareholders disapprove such agenda item.

- 5) The shareholders who wish to leave the meeting before its adjournment or wish to leave the meeting room during the consideration of any agenda item shall vote by presenting their voting cards to the Company's staff prior to leaving the meeting room.
- 6) The number of votes of shareholders on each agenda item may not be the same due to shareholders and proxies entering the meeting room one by one which may make the number of shareholders present for consideration of each agenda item different.

The Secretary of the Meeting then informed the Meeting that the vote counting on each agenda item of the Meeting would be witnessed by the representatives from Weerawong, Chinnavat and Peangpanor Ltd., the Company's legal advisor, Miss Sawita Peetawan. The Secretary of the Meeting also invited two representatives of the shareholders to witness the vote counting. Prior to the vote casting on each agenda item, the attendees would have the opportunity, as it may be deemed appropriate, to raise questions in relation to such agenda item. The shareholders or proxies who wished to raise questions were requested to state their first and last names to the Meeting prior to raising questions or making comments.

In the case of any question or comment other than those related to such agenda item, the shareholders or proxies shall raise such question or comment in the agenda item "Other Business", prior to the adjournment of the Meeting. The shareholders or proxies shall make their comments or questions concise, comprehensive and refrain from asking repeated questions, so that other shareholders may exercise their right to raise question or comments and the Meeting time can be managed within the schedule.

The directors, the management, the independent financial advisors, the advisor for the sale of the Company's land and the legal counsel of the Company who attended the Meeting, were as follows:

**Directors present at the Meeting**

- |     |                                        |                                                             |
|-----|----------------------------------------|-------------------------------------------------------------|
| 1.  | Mr. Photipong Lamsam                   | Chairman of the Board of Director and Independent Director  |
| 2.  | Mr. Suchin Wanglee                     | Independent Director and Chairman of Compensation Committee |
| 3.  | Mr. Somchai Bulsook                    | Chairman of Executive Committee and Chief Executive Officer |
| 4.  | Mr. Thapana Sirivadhanabhakdi          | Chairman of Nominating and Corporate Governance Committee   |
| 5.  | Mr. Dhitivute Bulsook                  | President                                                   |
| 6.  | Prof. Dr. Khunying Suchada Kiranandana | Independent Director and Chairman of Audit Committee        |
| 7.  | Honorary Prof. Rawat Chamchalerm       | Independent Director                                        |
| 8.  | Mrs. Siripen Sitasuwan                 | Independent Director                                        |
| 9.  | Mr. Pramoad Phornprapha                | Director                                                    |
| 10. | Mr. Sithichai Chaikriangkrai           | Director                                                    |
| 11. | Mr. Rangsan Thammanee Wong             | Director                                                    |
| 12. | Mr. Marut Buranasetkul                 | Director                                                    |

**Executives present at the Meeting**

- |    |                          |                          |
|----|--------------------------|--------------------------|
| 1. | Mr. Athakrit Visudtibhan | Human Resources Director |
| 2. | Mr. Parinya Permpnich    | Sales Director           |
| 3. | Mr. Piya Samutkojorn     | Marketing Director       |
| 4. | Mr. Peerapong Krinchai   | Operations Director      |
| 5. | Miss Theanthip Naraj     | Finance Director         |
| 6. | Mr. Noppakun Dahnsuwan   | Deputy Finance Director  |

**Independent Financial Advisor from Discover Management Co., Ltd.**

1. Mr. Vuthichai Tumasaroj
2. Mr. Nattawat Ananthanawat

**Independent Financial Advisor from Grant Thornton Services Co., Ltd.**

1. Mrs. Julaporn Namchaisiri
2. Miss Monvalai Rachatakul

**Representatives from C.I.T. Property Consultants Co., Ltd.**

1. Mr. Simon Landy
2. Miss Nukarn Suwatikul
3. Mr. Narin Phumviwattanasirikul

**Legal Advisor from Weerawong, Chinnavat & Peangpanor Ltd.**

1. Miss Peangpanor Boonklum

Mr. Photipong Lamsam, Chairman of the Board of Director presided as the Chairman of the Meeting (the “**Chairman**”).

The Chairman gave the welcoming remarks to the shareholders and attendees participating in the Meeting and declared the Extraordinary General Meeting of Shareholders No. 1/2014 open, and the following agenda items were considered:

**Agenda Item 1: To consider the adoption of the Minutes of the 2014 Annual General Meeting of Shareholders held on 29 April 2014**

The Chairman informed the Meeting that this agenda item was for the consideration of the adoption of the Minutes of the 2014 Annual General Meeting of Shareholders held on April 29, 2014. The Company had prepared the Minutes of the Meeting and the Board of Directors considered that the Minutes were completely and accurately prepared and thus deemed it appropriate for the shareholders to adopt these Minutes. A copy of these Minutes was enclosed in Enclosure 1.

The Chairman gave the shareholders attending the Meeting the opportunity to raise questions or give comments.

There was no shareholder raising questions and comments.

Since there was no shareholder raising further questions or giving comments, the Chairman then proposed that the Meeting consider the adoption of the Minutes of the 2014 Annual General Meeting of Shareholders held on April 29, 2014.

**Resolution:** After due consideration, the Meeting resolved to adopt the Minutes of the 2014 Annual General Meeting of Shareholders held on April 29, 2014, as proposed, in accordance with the following votes:

<b>Vote Result</b>	<b>Number of votes (1 share = 1 vote)</b>	<b>Percentage of votes of shareholders attending the Meeting and entitled to vote</b>
Approved	228,318,997	100.0000
Disapproved	0	0.0000
Abstained	0	0.0000

- Remarks: 1) The resolution of this agenda item shall be adopted by the majority of votes of shareholders attending the Meeting and entitled to vote.
- 2) In this agenda item, there were shareholders and proxies attending the Meeting representing 228,318,997 votes.
- 3) There were no invalid voting cards in this agenda item.

**Agenda Item 2: To consider and approve the sale of the Land and Buildings in Thonburi to Kasemsapsiri 4 Co., Ltd. which is considered as a disposal of assets and connected transaction**

Before proposing this Agenda to the Meeting, for the transparency in considering this Agenda, the protection of conflict of interests and the comply of relevant regulations and practices of the Stock Exchange of Thailand and the Office of Securities and Exchange Commission, the Chairman invited the directors who are considered as having interest in the transaction to leave the meeting room.

In this regard, Directors who are considered as having interest in the transaction are as follows:

- 1) Mr. Thapana Sirivadhanabhakdi
- 2) Mr. Sithichai Chaikriangkrai
- 3) Mr. Marut Buranasetkul

The Chairman then requested Mr. Dhitivute Bulsook, the Managing Director, (“**Managing Director**”) to present the details of this Agenda to the Meeting.

The Managing Director informed the Meeting that in order to appropriately manage the assets which are not utilized for optimum benefit, the Company plans to sell the Land and Buildings in Thonburi, having a total area of 10 rai and 4 square wah (4,004 square wah or 16,016 square metres), identified under land title deed no. 1415, land no. 221, cadastral map no. 5036 II 6216-8,12, survey page no. 501, volume no. 15, page no. 15, located at 721, Chareonnakorn Road, Klongtongsai subdistrict, Khlongsan district, Bangkok. Details of Buildings are as follows:

- 1) Office Building (Reinforced Concrete)      2 floors in height      Size 10.85x28.75 meters
- 2) Vehicles Building (Reinforced Concrete)      1 floor in height      Size 9.39x42.58 meters
- 3) Warehouse for Product 1 (Steel Structural)      1 floor in height      Size 12.50x61.48 meters

4)	Warehouse for Product 2 (Reinforced Concrete)	1 floor in height	Size 15x60 meters
5)	Warehouse for Merchandise Applications (Reinforced Concrete)	1 floor in height	Size 9.50x30.20 meters
6)	Area for Product Observation (Steel Structural)	1 floor in height	Size 13.07x20.62 meters
7)	Security-booth (Reinforced Concrete)	1 floor in height	Size 5.30x6.30 meters
8)	Cafeteria (Wood Structural)	1 floor in height	Size 6x6 meters
9)	Port (Reinforced Concrete)	1 port	Size 14x53 meters
10)	Crane	1 crane	Size 10 tons

(the “**Sale Transaction of Land and Buildings in Thonburi**”). The Company has appointed C.I.T. Property Consultants Co., Ltd. (“**CIT**”) as its agent to sell the Land and Buildings in Thonburi by public auction and determined that the minimum bid price shall be Baht 1,550,000,000.

The Company started the sales process of the Land and Buildings in Thonburi on 2 July 2014 by publishing the sales announcement in the general media. The period for buying bid envelopes and registering for participation in the bid was from 2 July 2014 to 18 September 2014. The Company and CIT agreed that the bid submission and bidding opening would be on 19 September 2014. At the end of the bidding submission period, there was only one bidder, Kasemsapsiri 4 Co., Ltd. (“**Kasemsapsiri**”), which is a connected person of the Company because the major shareholder of Kasemsapsiri is the same group as the major shareholder of the Company. The bid price offered by Kasemsapsiri for the Land and Buildings in Thonburi was Baht 1,809,808,000, which was higher than Baht 1,550,000,000, the minimum bid price for the auction.

In this regard, Board of Directors’ Meeting resolved to approve the Company entering into the sale transaction of the Land and Buildings in Thonburi to the winning bidder, Kasemsapsiri, which is a connected person of the Company. The registration fee for the transfer of Land and Buildings and Stamp Duty will be paid by purchaser and seller. Corporate Income Tax and Special Business Tax will be paid by seller. The sale of the Land and Buildings in Thonburi is considered a disposal of assets in accordance with the Notification of Capital Market Supervisory Board No. TorChor. 20/2551 Re: Rules on Entering into Material Transactions Deemed as Acquisition or Disposal of Assets and the Notification of the Board of Governors of the Stock Exchange of Thailand Re: Disclosure of Information and Other Acts of Listed Companies Concerning the Acquisition and Disposition of Assets B.E. 2547 (the “Notification on Acquisition or Disposal”) with the transaction value equivalent to 14.40 percent of the consolidated assets of the Company and its subsidiaries as at 30 September 2014 (the transaction value calculated based on the total value of consideration basis in comparison of the total assets of the listed company).

In addition, the sale of the Land and Buildings in Thonburi by the Company is considered a connected transaction of a listed company in accordance with the Notification of Capital Market Supervisory Board No. TorChor. 21/2551 Re: Rules on Connected Transactions and the Notification of the Board of Governors of the Stock Exchange of Thailand Re: Disclosure of Information and Other Acts of Listed Companies Concerning the Connected Transactions B.E. 2546 (the “Notification on Connected Transactions”). The transaction value in comparison to the

consolidated financial statement of the Company as at 30 September 2014 is equivalent to 23.72 percent of the net tangible assets of the Company, which is three percent greater than the net tangible assets of the Company.

Therefore, the Company was obligated to appoint an independent financial advisor to give its opinion to the shareholders of the Company, disclose the information on the disposal of assets and connected transaction to the Stock Exchange of Thailand, serve the invitation to the shareholders' meeting and related documents at least 14 days in advance of the meeting date, and seek approval from the shareholders' meeting with the votes of not less than three-fourths of the total votes of the shareholders attending the meeting and having the right to vote, excluding the votes of the interested shareholders.

The Information Memorandum on the Disposal of Assets and Connected Transaction is detailed in Enclosure 2.

Accordingly, the Company appointed Discover Management Co., Ltd. as an Independent Financial Advisor ("**Independent Financial Advisor**"), to give its opinion on the entering into the sales transaction of the Land and Buildings in Thonburi.

Independent Financial Advisor by Mr. Vuthichai Tumasaroj provided the Meeting its opinion on the entering into the sales transaction of the Land and Buildings in Thonburi as follows:

The entry into the disposition of assets and connected transaction is appropriate in terms of price, condition, and terms of the transaction.

Independent Financial Advisor deemed that the price is appropriate due to the price is a result of the Board of Directors Meeting's methodology by approving the Company to enter into the sales transaction of the Land and Buildings in the amount of Baht 1,809.81 million which is high and appropriate price. This is because the price is higher than net book value by Baht 519.02 million or 40.21%, higher than the highest price appraised by an independent property appraiser by Baht 302.43 million or 20.06%, and higher than the minimum bidding price by Baht 259.80 million or 16.76%.

For an appropriateness of the condition of sale, Independent Financial Advisor has considered Agreement for Sale and Purchase of Real Estate and found no reason to believe there is benefit transferring from the Company to major shareholders.

For the appropriateness of the transaction, Independent Financial Advisor believes the transaction will benefit the Company, due to:

- 1) the Company gains profit from the transaction
- 2) the Company gets additional cash flow for operation
- 3) the Company is able to sell its underutilized assets
- 4) the Company can repay its loans, reduce the burden of interest, and able to gain more flexibility of the future financial planning.



According to the price, condition and the appropriateness of the transaction, independent Independent Financial Advisor deemed that shareholders should approve the sales transaction of the Land and Buildings in Thonburi.

The opinion of the Independent Financial Advisor on the sales transaction of the Land and Buildings in Thonburi is detailed in Enclosure 3.

The Chairman gave the shareholders attending the Meeting the opportunity to raise questions or give comments.

The shareholders' questions and comments can be summarized as follows:

A proxy raised the following questions:

- Why was there only one bidder for the sale of the Land and Buildings in Thonburi by public auction?
- Who engaged the independent financial advisor to give its opinion on the sale of Land and Buildings in Thonburi?

Mr. Vuthichai Tumasaroj, the Independent Financial Advisor, explained that:

- The Company was obligated to appoint an independent financial advisor to give its opinion on the sale of the Land and Buildings in Thonburi to the minor shareholders of the Company. Notwithstanding the foregoing, the Company is unable to influence or direct the opinion of the independent financial advisor.
- Having considered the Report on the Opinion of the Independent Financial Advisor, it can be seen that a total of seven (7) bidders purchased bid envelopes for the sale of the Land and Buildings in Thonburi. The Independent Financial Advisor verified the information of all seven (7) bidders and found that they were not deemed to be related entities. In the end, however, only one bidder remained, and the Independent Financial Advisor is unable to identify clear reasons for such occurrence. Notwithstanding the foregoing, it is possible that the reason why only one bidder remained was because the minimum bid price fixed by the Board of Directors of the Company was higher than the market price appraised by three (3) independent appraisers. In this regard, the bidders who had purchased bid envelopes may have viewed that the said minimum bid price was too high and did not, therefore, participate in the auction.
- The Company has appointed CIT as its agent to sell the Land and Buildings in Thonburi. CIT is a credible agent which sells assets and acts as an advisor for asset sale transactions. The shareholders can, therefore, be confident that the Company has undertaken actions in the best interests of the shareholders and of the Company.

Professor Dr. Khunying Suchada Kiranandana, Independent Advisor and Chairman of the Audit Committee (“**Chairman of the Audit Committee**”) gave the following explanation:

- The Company has appointed CIT as its agent to sell the Land and Buildings in Thonburi. The Audit Committee has exercised due care in supervising the various operations relating to the sale and auction of the assets to ensure

transparency and fairness. The Company started the sales process in July 2014 and the bidding period ended in September 2014. The Company published sales announcements all over Bangkok and invested a large sum as payment for such advertisements which aimed to attract bidders to participate in the auction. There were a total of seven (7) prospective bidders who were interested in purchasing bid envelopes, and all seven (7) prospective bidders were well-known real estate companies in Thailand. However, only one (1) bidder submitted a tender offer on the submission date, and this event was beyond the control of CIT and the Company.

- The minimum bid price for the Land and Buildings in Thonburi determined by the Company was fair, and even though the appraisal price was lower than the minimum bid price, the Company was still subject to taxes and other relevant expenses. The minimum bid price of Baht 1,550,000,000 was, therefore, appropriate.
- Having opened the bid envelopes, the Company found that there was only one bidder, and the bid price was high and in excess of the minimum bid price. Furthermore, having considered this matter, the Audit Committee was of the view that the various processes relating to the auction were transparent and did not favour any bidder in particular. CIT, which is responsible for overseeing the auction process, is a professional company that specialises in this particular area. The Company has also appointed an independent financial advisor to give its opinion on the sale of the asset. Therefore, it can be deemed that the Company has duly taken into consideration the best interests of the interested parties and gave thorough consideration to the minor shareholders.

Mr. Sakchai Sakulrimontri, a shareholder (“**Mr. Sakchai**”), raised the following questions:

- What are the required qualifications for candidates who are eligible to bid for the Land and Buildings in Thonburi?
- Is the Company able to disclose the names of the other 6 prospective bidders?

Mr. Peerapong Krinchai, the Operations Director, clarified that:

- The required qualifications of the candidates who are eligible to submit bid envelopes for the sale of the Land and Buildings in Thonburi, which were determined by the Company, were general in nature; qualified candidates must operate a real estate business and must not operate a business that is in competition with the Company’s business.
- The names of the other 6 prospective bidders are shown on page 27 of the Report on the Opinion of the Independent Financial Advisor.

Mr. Jinnapak Pornphibul, a shareholder, raised the following questions and made the following comments:

- How will the Company gain more benefits from selling the Land and Buildings in Thonburi in comparison to developing the said assets itself?

- What are the reasons for appointing Discover Management Co., Ltd. (“**Discover Management**”) as the Company’s independent financial advisor?
- What business does Kasemsapsiri 4 Co., Ltd. (“**Kasemsapsiri**”) operate, and how will such company use the acquired land?
- The Company should consider initiating another auction for the same transaction and relax certain bidding rules so that the Company will have other additional opportunities and options with respect to the land sale.

The Managing Director clarified that:

- Having considered this matter, the Executives and the Board of Directors of the Company were of the opinion that the development of assets or real estate is not deemed to be a primary business of the Company and not a business in which the Company has expertise. Furthermore, having conducted research, the development of the real estate requires a large sum of money and extensive time. The Company has a clear business plan and must follow through with the endeavours in which it has expert knowledge in accordance with its plan. The Company, therefore, decided not to develop the real estate itself.
- With respect to the appointment of Discover Management Co., Ltd. as the Independent Financial Advisor, the Company considered the experience of Discover Management, which has over ten years of experience in the field. Discover Management also acts as the independent financial advisor of a number of listed companies. Therefore, considering its experience and abilities, Discover Management is the most suitable candidate for the position of the Company’s independent financial advisor.
- Kasemsapsiri is a company whose major shareholders are in the same group of shareholders as the Company’s major shareholders. Kasemsapsiri did not inform the Company about how it intends to use the purchased land.

The Chairman of the Audit Committee additionally clarified that:

- With respect to selecting the agent for the sale of the Land and Buildings in Thonburi, the Company considered various companies, whereby candidates were chosen based on the Company’s requirements. Successful candidates must be companies with extensive experience in selling land, and must have expert work teams and be able to perform work operations within an appropriate timeframe and be reputable. Having taken these factors into consideration, CIT was the most suitable candidate.
- Once CIT was appointed as the agent for the sale of the Land and Buildings in Thonburi, it performed its duties in publicising sales announcements in the media in order to attract companies to participate in the auction and bid high prices. CIT showed professionalism in supervising all of the operations. Furthermore, the Company and its legal advisor jointly and closely oversaw the operations to ensure that they are in the best interests of the Company.
- With respect to the role of the Audit Committee, the Audit Committee closely monitored the operations of all departments and oversaw the bid opening

process to ensure transparency and to protect the best interests of the shareholders.

- The land which the Company intends to sell is the land which the Company acquired many years ago for the amount of Baht 40 – 50 million. The appraisal value of this parcel of land is, at present, Baht 1,290 million. In selling the land, the Board of Directors of the Company has taken many factors into consideration and was of the view that land development is not the Company's primary business and that it lacks expertise in developing land. If the Company invests in and develops such land, the results of this undertaking may not be successful. The sale of the land of the Company is, therefore, deemed to be management of the assets in order to maximise benefits.
- In closing the auction, the Company had to consider the closing conditions which had been previously determined. If the Company failed to provide grounds for a candidate being unsuitable, the Company would not be entitled to conclude the auction. The Company had discussed this issue with its legal advisor and was of the opinion that the various steps with respect to the auction were complete and correct in all respects. The Company was, therefore, unable to conclude the auction.

Mr. Anu Vongsarakij, a shareholder, raised the following questions:

- In which quarterly financial statement will the Company recognise the income from selling the Land and Buildings in Thonburi?
- Will the Company sell any other parcels of land?
- With respect to the recognition of income from selling the Land and Buildings in Thonburi, will the Company recognise the income wholly as one sum or will it recognise such income in parts?
- How will the sale of the Land and Buildings in Thonburi improve the financial statement of the Company?
- How will the sale of the Land and Buildings in Thonburi affect the business of the Company?
- Has the Company prescribed the condition for the sale of the Land which requires that the Buyer is prohibited from using the land for operating a business that is in competition with the Company?

Miss Theanthip Naraj, the Finance Director (“**Finance Director**”), gave the following explanation:

- The income from the sale of the Land and Buildings in Thonburi is Baht 1,809.81 million and the book value of the Land and Buildings in Thonburi is Baht 1,209.79 million. After deducting all applicable expenses, the Company will gain a net profit of Baht 355.71 million from the sale of the Land and Buildings in Thonburi, details as set out on page 20 of the Report on the Opinion of the Independent Financial Advisor.

The Chairman of the Audit Committee clarified that:

- The Company will recognise the income upon the completion of the sale of the Land and Buildings in Thonburi i.e. when the ownership transfer is registered and the land price is paid. The Company may, therefore, recognise the income in the first quarter of 2015 because there are only a few business days left in 2014. The Company will convene a Board of Directors' Meeting to consider this matter.
- The Company will recognise the income wholly as one sum.

The Managing Director additionally clarified that:

- The Board of Directors and the Executives of the Company consider the use of the land owned by the Company as appropriate. With respect to the Land and Buildings in Thonburi which the Company intends to sell, if the Company uses the Land and Buildings in Thonburi as an office building and warehouse for storing goods, the land will not be used to its maximum potential. At present, the Company has no plans to sell the other parcels of land and will consider selling such land on a case-by-case basis.
- The sale of the Land and Buildings in Thonburi will not affect the Company's business, given that the Company has already established an action plan for the period following the transfer of ownership over the land to the Buyer. The Company's short term plan is to distribute the employees and transportation trucks to three (3) other branches around Bangkok and to modify the distribution system. With respect to the mid- or long-term plan, the Company will re-consider how to arrange the structure of the distribution centres in the future.
- The condition for the sale of the Land and Buildings in Thonburi with respect to the subsequent use of the acquired land is beyond the control of the Company.

Mr. Sakchai raised further questions as detailed below:

- Please explain how the Baht 88 million income tax on page 20 of the Report on the Opinion of the Financial Advisor was calculated. If the Company's operational results show a loss, can this be used for tax deductions?
- With reference to page 25 of the Report on the Opinion of the Independent Financial Advisor, for what purpose does the Company intend to use the funds obtained from this land sale? Given the fact that the Company's debt obligations are very low, i.e. 0.17 times, the Company is not in a state of financial need and, therefore, should not sell the Land.

The Finance Director clarified that:

- The information on page 20 of the Report on the Opinion of the Independent Financial Advisor is not the profit and loss statement of the Company, but rather information relevant to the sale transaction of the Land and Buildings in Thonburi. That is to say, the Company will gain a profit of Baht 519.02 million from the land sale transaction. After deducting the fees, taxes, and other expenses, the Company will gain a profit (before taxes) of Baht 444.64 million. The Company prepared information specifically relevant to this land

sale transaction based on the income tax rate of 20 percent (20%). When the income tax rate of 20 percent (20%) is applied to the income of Baht 444.64 million, the resulting value is Baht 88.93 million. As a result, the Company will earn a net profit of Baht 355.71 million from this land sale transaction. Notwithstanding the foregoing, in considering the consolidated financial statement, the net profit of the Company is dependent on the operational results of the Company. At present, the Company has accumulated a tax deficit and, therefore, according to the law on taxation, the Company will be able to use the accumulated deficit for tax deductions.

- The figure “0.17 times” on page 25 of the Report on the Opinion of the Independent Financial Advisor is the ratio of the debt from financial institutions to the shareholders’ equity. According to the financial statement as at 30 September 2014, the Company’s unpaid indebtedness amount from financial institutions was Baht 1,400 million. All of the income from this land sale transaction will be used to repay such debt.

The Chairman of the Audit Committee additionally clarified that:

- Even though the Company’s indebtedness amount is low, in the past one to two years, the growth rate of the carbonated soft drinks business was lower than the expected rate and, therefore, the Company began to take out loans. These sizes of these loans were proportionate to the Company’s needs in order to balance out the financial statement.

Mr. Sakchai also raised the following question:

- After Thai Beverage Logistics Co., Ltd. acquired the Company’s shares, the operational results of the Company continuously showed a loss. As a result, the Company has been unable to pay any dividends to its shareholders. When will the Company be able to pay the shareholders their dividends?

The Chairman clarified that:

- The Executives and the Board of Directors will undertake actions to the best of their ability to ensure that the Company gains sufficient projects and will be able to pay dividends to the shareholders. However, this is also dependent on the state of the business and the economic conditions at the time.

Mr. Nara Sripetch, a shareholder, raised the following question:

- Will the land sale transaction incur substantial logistics fees or goods transportation costs, given that such area is located along the Chao Phraya River and that the Company had used this area for transporting goods in the past?

The Managing Director clarified that:

- At present, the said land is not as important for transporting goods as it had been in the past. The Company has expanded areas for transporting goods to the outskirts of Bangkok. The Company may still be affected in terms of transportation to some extent, however, the Company’s work teams will evaluate the situation and undertake actions to ensure that the Company suffers the least amount of impact possible overall.

There was no shareholder raising further questions or giving comments. The Chairman proposed that the Meeting consider and approve the entering into the sales transaction of the Land and Buildings in Thonburi to Kasemsapsiri 4 Co., Ltd., considered a disposal of assets and connected transaction of the Company.

**Resolution:** After due consideration, the Meeting resolved to approve the entering into the sales transaction of the Land and Buildings in Thonburi to Kasemsapsiri 4 Co., Ltd., considered a disposal of assets and connected transaction of the Company, in accordance with the following votes:

<b>Vote Result</b>	<b>Number of votes (1 share = 1 vote)</b>	<b>Percentage of votes of shareholders attending the Meeting and entitled to vote</b>
Approved	56,437,334	99.9689
Disapproved	17,546	0.0310
Abstained	0	0

- Remarks:**
- 1) The resolution of this agenda item shall be adopted by the votes of not less than three-fourths of the total votes of the shareholders attending the meeting and having the right to vote, excluding the votes of the interested shareholders. With respect to this agenda item, Thai Beverage Logistics Co., Ltd., the major shareholders of the Company, holding 171,923,138 shares or 64.66 percent of the Company's paid-up capital, is the interested shareholder and therefore, is not entitled to vote.
  - 2) In this agenda item, there were shareholders and proxies attending the Meeting, representing 228,378,018 votes.
  - 3) There were no invalid voting cards in this agenda item.

**Agenda Item 3: To consider and approve the entering into the Sale Transaction of the Trademark “est” to Super Brands Company Pte. Ltd. And related transaction which is considered a disposal of assets and connected transaction**

Before proposing this Agenda to the Meeting, for the transparency in considering this Agenda, the protection of conflict of interests and the comply of relevant regulations and practices of the Stock Exchange of Thailand and the Office of Securities and Exchange Commission, the directors who are considered as having interest in the transaction not in the meeting room.

In this regard, Directors who are considered as having interest in the transaction are as follows:

- 1) Mr. Thapana Sirivadhanabhakdi
- 2) Mr. Cithichai Chaikriangkrai

3) Mr. Marut Buranasetkul

The Chairman then requested the Managing Director to present the details of this Agenda to the Meeting.

The Managing Director informed the Meeting that the Company plans to enter into the Sale Transaction of the Trademark “est” to Super Brands Company Pte. Ltd. (“**Super Brands**”), which is a connected person of the Company (the “**Sale Transaction of the Trademark “est”**”). The Board of Directors Meeting resolved to approve the Company to enter into the Sale Transaction of the Trademark “est” between the Company (or its wholly owned subsidiary) and Super Brands which is a connected person of the Company. The Sale Transaction of the Trademark “est” is not a conditional sale with Super Brands. In this regard, the Board of Directors Meeting approved that Mr. Somchai Bulsook, as Chairman of Executive Committee, is authorized to consider, act, negotiate, modify the condition of sale, value of the Trademark “est” and the technical and expertise support fee to be not less than the amount of the compensation approved according to the plan for the Sale Transaction of the Trademark “est” which is not less than Baht 1,560,000,000, the entry in to all related contracts, the amendment of the schedule for Extraordinary General Meeting of Shareholders specified for approving the Sale Transaction of the Trademark “est”, including all necessary and related actions according to the laws and relevant rules in order to correctly and perfectly complete the Sale Transaction of the Trademark “est” and for the best interests of the Company.

The material substance of the Sale Transaction of the Trademark “est” is that the Purchaser will make payment to the Seller for the Trademark “est” in the amount of Baht 1,300,000,000 on the execution date of the Sale and Purchase Agreement of the Trademark “est”, and in the second and third years after the execution date such agreement, the Purchaser will pay the Company for its technical support and assistance, and knowledge and expertise, the amount of Baht 130,000,000 per year, totalling Baht 1,560,000,000.

In addition to the Sale Transaction of the Trademark “est”, the Board of Directors Meeting resolved to approve the Company to enter into a manufacturing and distribution agreement with the Purchaser or its designed person in exchange for a consideration based on actual distribution volume. The terms and conditions of the manufacturing and distribution agreement will be based on an arm’s length basis and in the same manner that the Company carries it out with other companies or contractual parties and is in compliance with Clause 3: Rules on Connected Transactions of the Notification of Capital Market Supervisory Board No. TorChor 21/2551.

The Sale Transaction of the Trademark “est” is considered a disposal of assets in accordance with the Notification on Acquisition or Disposal with the highest transaction value equivalent to 11.99 percent of the consolidated assets of the Company and its subsidiaries as at 30 September 2014 (the highest transaction value calculated based on a type 3 basis, the total value of consideration basis in comparison to the total assets of the listed company)

In this regard, in compliance with the Notification on Acquisition or Disposal, the value of the Sale Transaction of the Trademark “est” must be combined with the disposal of assets transaction entered into during the six months prior to entering into the Sale Transaction of the



Trademark “est”. When combining the value of the Sale Transaction of the Trademark “est” with that of the Sale Transaction of Land and Buildings in Thonburi, with the transaction value of 14.40 percent of the consolidated assets of the Company and its subsidiaries, the total transaction value of the disposal of assets of the Company is equivalent to 26.39 percent of the consolidated assets of the Company and its subsidiaries.

In addition, the Sale Transaction of the Trademark “est” is considered a connected transaction in accordance with the Notification on Connected Transactions with a transaction value in comparison to the consolidated financial statement of the Company as at 30 September 2014 equivalent to 19.75 of the net tangible asset value of the Company, which is three percent greater than the net tangible assets of the Company.

In this regard, in compliance with the Notification on Connected Transactions, the value of the Sale Transaction of the Trademark “est” must be combined with the assets disposal transaction entered into during the six months prior to entering into the Conditional Sale Transaction. When combining the value of the Sale Transaction of the Trademark “est” with the Sale Transaction of Land and Building in Thonburi, with a transaction value of 23.72 percent of the net tangible asset value of the Company, the total value of the connected transaction of the Company is equivalent to 43.47 percent of the net tangible asset value of the Company.

Therefore, the Company was obligated to appoint an independent financial advisor to give its opinion to the shareholders of the Company, disclose the information on the disposal of assets and connected transaction to the Stock Exchange of Thailand, serve the invitation to the shareholders’ meeting and related documents at least 14 days in advance of the meeting date, and seek approval from the shareholders’ meeting with the votes of not less than three-fourths of the total votes of the shareholders attending the meeting and having the right to vote, excluding the votes of the interested shareholders.

The Information Memorandum on the Disposal of Assets and Connected Transaction is detailed in Enclosure 2.

Accordingly, the Company appointed Grant Thornton Services Co., Ltd., as an independent financial advisor, to give their opinion on entering into the Sale Transaction of the Trademark “est”.

Independent financial advisor by Mrs. Julaporn Namchaisiri provided the Meeting its opinion on the entering into the Sale Transaction of the Trademark “est” as follows:

#### Details and nature of the Transaction

Due to brand building will cost times and investment, the disposal of Trademark “est” will generate income for the Company and the Company can use fund for additional investment to increase its efficiency in manufacturing and distribution. In this regard, the Company still continuously produces and distributes products under Trademark “est”.

#### Details of the parties and their relationship

Seller is Sermasuk Public Company Limited or Great Brand Limited, the seller's wholly owned subsidiary. Buyer is Super Brands Company Pte Ltd ("Super Brands"). Asset under the Transaction is Trademark "est".

According to the relationship of the parties, the buyer (Super Brands) is a subsidiary in which InterBev (Singapore) Limited ("IBS") holds 100% of the shares. IBS is a subsidiary in which International Beverage Holdings Limited ("IBHL") holds 100% of the shares. IBHL holds 100% of the shares in Thai Beverage Public Company Limited ("ThaiBev").

#### Operation Model after the disposal of Trademark "est"

The buyer (Super Brands/ThaiBev) will supply concentrate and raw materials to the Company and the Company will produce finished goods and distribute finish goods to the market. The buyer will manage brand, conduct marketing, control quality of raw materials and product, control the process of packaging, conduct production plan, and conduct sale and distribution of the products under Trademark "est".

Operation Model after the disposal of Trademark "est", as negotiated on December 19, 2014, is as follows:

The buyer (Super Brands/ThaiBev) will sell concentrate and the Company will produce finished goods. The Company will be able to purchase raw material from other sources and will perform as manufacturer and distributor of the products. The aforementioned changes will not cause any effect on the evaluation of the value of Trademark "est".

#### The Calculation of the Transaction Size for Disposal of Assets

As of the date of the Board of Directors Meeting on September 29, 2014, the total value of consideration of the Sale Transaction of Land and Buildings was 1,874.14 (million baht) and the transaction size calculated based on total value of consideration was 14.40% of total assets of the Company and its subsidiaries, and as of the date of the Board of Directors Meeting on November 20, 2014, the total value of consideration of the Sale Transaction of Trademark "est" was 1,560 (million baht) and the transaction size calculated based on total value of consideration was 11.99% of total assets of the Company and its subsidiaries. The total value of both transactions is 26.39% of total assets of the Company and its subsidiaries.

The size of the transaction (accumulated in 6 months period) is higher than 15% but less than 50%, classified as the transaction in Category 2, as a result the Company is required to make a disclosure regarding such transaction to the Stock Exchange of Thailand and send a notice to the shareholders.

#### The Calculation of the Size of Connected Transactions

As of the date of the Board of Directors Meeting on September 29, 2014, the total value of consideration of the Sale Transaction of Land and Buildings was 1,874.14 (million baht) and the transaction size was 23.72% of net tangible assets of the Company, and as of the date of the Board of Directors Meeting on November 20, 2014, the total value of consideration of the Sale Transaction of Trademark "est" was 1,560 (million baht) and the transaction size was 19.75% of

net tangible assets of the Company. The total value of both transactions is 43.47% of net tangible assets of the Company.

The size of the transaction (accumulated in 6 months period) is higher than 3%, as a result the Company is required to obtain approval from the Board of Directors, make a disclosure regarding such transaction to the Stock Exchange of Thailand and obtain approval for entering into the transaction from the shareholders meeting with the votes of not less than three-fourths of the total votes of shareholders or proxies (if any) attending the meeting and entitled to vote, excluding the votes of shareholders who have special interest.

#### Reasonableness of the Transaction

Independent Financial Advisor opined that the entry into the Transaction has advantages and disadvantages as follows:

Advantages of entering into the Transaction are that the sale of Trademark “est” to Super Brands, a company in ThaiBev group, will reduce expense in relation to brand building while generating income from sale of the trademark which brings fund for development of other aspects of the business particularly improvement in distribution and manufacturing which is the strength of the Company. It will also contribute an opportunity for the Company to get a support in terms of the development of Trademark “est” to be widely known at regional level which will result in the higher sale volume in the future.

However, disadvantages of entering into the Transaction are that the Company will have no right in the management of Trademark “est” and the brand image that are important to the sale volume of the product and revenue of the company. However, ThaiBev group is highly experienced and expert in managing brands of several beverages and therefore, it is believed that they are capable of managing Trademark “est” and thus can create higher sale volume for the product.

Independent Financial Advisor opined that the advantages and disadvantages of not entering into the Transaction are as follows:

Advantages of not entering into the Transaction are that the Company will have a right to manage brand and brand image of “est”.

Disadvantages of not entering into the Transaction are that the Company will have high cost to develop the brand and the Company will lose in capital to invest in other aspects and lose in opportunity to expand the market through ThaiBev’s distribution and marketing network.

In this regard, while comparing the entry into the Transaction with a connected person and the entry into the Transaction with other persons, there are advantages and disadvantages as follows:

The entry into the Transaction with a connected person

Advantages of the entry into the Transaction with a connected person are that the connected person has a distribution network in many countries, allowing the Company to expand “est” brand, which helps increase sale and revenue of the Company. Furthermore, the

connected person is the Company's major shareholder, thus with its stake in the Company it has incentive to develop the brand and increase the Company's sale. In addition, the connected person is a large group that operates in beverage market. Therefore, it possesses potential to purchase Trademark "est".

Disadvantages of the entry into the Transaction with a connected person are that it may involve a concern on transparency. However, the Company already disclosed the material information and is required to convene the shareholders meeting to approve the Transaction.

The entry into the Transaction with other persons

Advantage of the entry into the Transaction with other persons is that the Company will negotiate and protect benefits of the Company.

Disadvantage of the entry into the Transaction with other persons is that other person may not possess the same potential to expand "est" brand as the connected person. Moreover, the trademark has a large transaction value therefore the entry into the Transaction with other persons may be complicated or have risk that the asset could not be sold.

In addition, there are risks from entering into the Transaction including risk from shortage of fund of the buyer, risk from negotiation of manufacturing and distribution fee, risk from a decrease in profit margin, risk from changes of terms and conditions of the related agreements, risk from termination of Manufacturing and Distribution Agreement, and risk of brand image of Trademark "est".

In considering the appropriateness of the consideration and conditions of the Transaction, to evaluate the fair value of Trademark "est", the IFA applies the Cost Based Method, the Comparable Transaction Method and the Royalty Relief method. The Independent Financial Advisor views that the most appropriate method to valuated the fair value of Trademark "est" is the royalty relief method because it reflects the sale volume estimate under Trademark "est" and the future royalty fees that the buyer will not have duty to pay or income from royalty fees that the seller will not derive in the future, by considering the potential to generate income and industrial outlook in the future. As a result, the royalty relief method has good reflection on the consideration that the seller should derive and the fair value of the trademark.

In conclusion, independent financial advisor opined that the entry into the transaction is appropriated due to the fair value (1,420.74 million Baht) is lower than the present value which is 1,516.20 million Baht (total value of consideration is 1,560 million Baht). Moreover, the sale of Trademark "est" will be more beneficial to the Company since it reduces expenses in relation to brand building while generating income from sale of the trademark which brings fund for development of other aspects of the business, especially the production and distribution. It will also give an opportunity for the Company to expand market of Trademark "est" under network of distribution of ThaiBev which will help to increase sale volume and revenue. Furthermore entering into the transaction with ThaiBev group is beneficial to the Company since ThaiBev group has experiences in operating beverages business with distribution network of various goods in many countries; ThaiBev is likely to build potential for products under Trademark "est".

The Independent Financial Advisor viewed that the shareholders should pass a resolution to approve the Sale Transaction of the Trademark "est".

The opinion of the independent financial advisor on the Sale Transaction of the Trademark “est” is detailed in Enclosure 4.

The Chairman gave the shareholders attending the Meeting the opportunity to raise questions or give comments.

The shareholders’ questions and comments can be summarized as follows:

Mr. Anu Vongsarakij, a shareholder, raised the following questions:

- Has the Company determined a condition requiring that the Company will be the sole manufacturer and distributor of beverages under the Trademark “est”?
- Can the Company also manufacture and distribute beverages under other trademarks in addition to manufacturing and distributing beverages under the Trademark “est”?
- Will the Buyer of the Trademark “est” be entitled to change the name of or build a new brand to compete with “est”?
- Has the Company entered into negotiations with the Buyer of the Trademark “est” regarding future marketing plans for the Trademark “est”?
- The term of the Manufacturing and Distribution Agreement is three (3) years following the execution date, and this agreement will be effective for another three (3) years following the expiration date. How does the Company plan to proceed after this period?

The Finance Director clarified that:

- With respect to the sale of the Trademark “est”, the Company is requesting the shareholders’ approval for the sale of the Trademark “est”. After the shareholders resolve to approve the sale of the Trademark “est”, Super Brands, as the Buyer, will manage the brand in all respects and the Company will enter into transactions with the Buyer as the manufacturer and distributor of beverages under the Trademark “est” in Thailand. The Company will continue to earn income from selling the Trademark “est” after this transaction is complete.
- The Company will enter into the Agreement to give Technical Support and Assistance, and Knowledge and Expertise to the Buyer of the Trademark “est” in the second and third years after the execution date of the Conditional Sale Agreement. Given that the Company has been in the carbonated soft drinks market for a considerable period of time, the Buyer, therefore, engaged the Company as its advisor in operating the business at the remuneration rate of Baht 130,000,000 per year for the years 2015 and 2016.
- The Company will be the sole manufacturer and distributor of beverages under the Trademark “est” for Super Brands in Thailand.
- The Company will continue to manufacture and distribute beverages under other trademarks such as Oishi. The agreements under other trademarks are

not affected by the Company entering into the Sale Transaction of Trademark “est”.

- With respect to the question of whether or not Super Brands will change the Trademark “est” name; after selling the Trademark “est”, the Company will no longer own such trademark. Therefore, changing the Trademark “est” name is a right to which Super Brands is entitled as the Buyer.

The Managing Director clarified that:

- Once the Company sells the Trademark “est”, the various marketing plans with respect thereto will become the responsibility of Super Brands as the Buyer. However, the intention of Super Brands is to strengthen the “est” business in Thailand and to expand the same overseas.

Mr. Pongsakorn Laksanaphibulkul (“**Mr. Pongsakorn**”) raised questions and expressed his opinion as follows:

- Once the Company sells the Trademark “est”, will there be a material reduction in the Selling, General & Administrative Expenses (SG&A) of the Company?
- Please give further details regarding the payment of the purchase price of the Trademark “est”.
- With respect to the risks associated with reduced profit rates; in the past, the Company manufactured and distributed beverages under the Trademark “est”. Once the Company sells such trademark, it will, as a result, earn less profit because it will no longer be able to determine the prices at which the beverages will be sold. The Company should also take this into consideration.

The Finance Director clarified that:

- At this initial stage, the Company and Super Brands have not executed the Manufacturing and Distribution Agreement. However, according to the negotiations between the Company and Super Brands, and, as the Buyer, Super Brands will bear all marketing expenses, and such expenses are estimated to be approximately nine percent (9%) of the total income of the Company. Therefore, the Company will continue to receive benefits in the form of payments for marketing expenses from entering into this transaction.
- The Trademark “est” is sold at a net price. That is to say, once the Company is granted approval from the Shareholders’ Meeting to sell the Trademark “est”, the Company and Super Brands will execute the agreement and transfer such trademark accordingly. The Company will earn Baht 1,300 million from selling the Trademark “est”.
- The income at the rate of Baht 130,000,000 per year in the second and third years is income from Super Brands having engaged the Company as an advisor to give technological support. The Company will receive this income in 2015 and 2016.

Mr. Sakchai raised the following questions:

- According to the shareholding structure of the Company and of Great Brands Limited (“**Great Brands**”), which is the owner of the Trademark “est”, once Great Brands receives Baht 1,560 million from selling such trademark and if its operational results show losses, Great Brands may not remit funds obtained from selling the Trademark “est” to the Company. In this case, the Company will not, as a result, receive any funds from selling the Trademark “est”. Please give clarification in this respect.
- Please give further information regarding the operational results of Great Brands.
- Why was Great Brands incorporated in the Hong Kong Special Administrative Region of the People's Republic of China (“**Hong Kong**”)?

The Chairman of the Audit Committee clarified that:

- The Company holds 100 percent (100%) of the shares in Great Brands and the Company will, without doubt, receive funds for selling the Trademark “est”. Furthermore, the Company had incorporated Great Brands with a view to overseeing the Trademark “est”. Great Brands is selling the said trademark only in accordance with the Company’s instructions.

The Finance Director clarified that:

- The operational results of Great Brands as at 30 September 2014 showed profits of Baht 72 million. The primary source of income of Great Brands is from royalty fees which it receives from the Company. Great Brands is not liable for any material expenses.

Ms. Peangpanor Boonklum, Legal Advisor, clarified that:

- All of the shares of Great Brands are held by the Company. Therefore, the operational results of Great Brands will also be included in the financial statement of the Company.
- At present, many large companies have incorporated subsidiaries overseas in order to facilitate their business expansion overseas, particularly in Asia. For this reason, the Company established Great Brands in Hong Kong in order to assign Great Brands to manage the use of the trademark. Great Brands registered the Trademark “est” in Hong Kong, Thailand, and many other countries.
- The Company established Great Brands in Hong Kong after having considered the tax benefits and Hong Kong’s tax policy is of great benefit to foreign investors. That is to say, if the Company earns income from outside of Hong Kong, the Company will not be subject to tax obligations in Hong Kong.
- The Trademark “est” Sale Agreement is executed by and between Great Brands, a subsidiary of the Company, and Super Brands, a company in the ThaiBev group which had been incorporated in Singapore. It is evident that Super Brands (a company in the ThaiBev group) is a company which had been registered in Singapore and which owns the trademarks in the ThaiBev group, as is comparable to the case of Great Brands and the Company.

- The Agreement to give Technical Support and Assistance, and Knowledge and Expertise is an agreement directly made by and between the Company and Super Brands, given that the Company will be providing services.
- The scope of approval authority of the Shareholders' Meeting of the Company also includes its subsidiaries, namely, Great Brands. Similarly, the scope of approval authority with respect to ThaiBev includes Super Brands and may include the parent company. This is dependent on which juristic person performs its duties more appropriately, and this should, in fact, be the manufacturing company, the distribution company, or the company which owns the trademark.

Mr. Rittichai Yipcharoenporn, a shareholder, raised the following question:

- Will the Company continue to receive advisory fees for providing technological support and assistance from Super Brands after 2016, and will there be an increase in the advisory fees?

The Managing Director explained that:

- According to the Agreement to give Technical Support and Assistance, and Knowledge and Expertise, the advisory fee is Baht 130 million per year, whereby the Company will receive this amount only for two years, namely, in 2015 and 2016.

Mr. Pongsakorn additionally opined that:

- With respect to the Company entering into the Manufacturing and Distribution Agreement for a term of three (3) years following the execution date and which will continue to be effective for three (3) years following the expiration thereof; is it possible for the Company to enter into negotiations to request for a longer agreement term such as ten (10) or twenty (20) years? This is because Super Brands may find new manufacturers whose manufacturing costs are lower than that of the Company in the future, and this is a risk which the Company should also take into consideration.

The Chairman clarified that:

- The Chairman thanked Mr. Pongsakorn for his comments and will take the comments into due consideration.

Mr. Sakchai raised the following additional question:

- Will Great Brands remit the funds obtained from the sale of the Trademark "est" to the Company, whereby the Company will record such earnings as income from the sale of assets, or, alternatively, will Great Brands pay such amount to the Company in the form of dividends?

The Finance Director clarified that:

- Having sold the Trademark "est", Great Brands will then recognise the income from such sale transaction of Baht 1,300 million, and the same will also be immediately recognised in the consolidated financial statement of the Company.



- With respect to the funds which Great Brands will remit to Serm Suk, the Executive Committee has discussed this matter and is of the view that such funds will be remitted back to Serm Suk in the form of a loan transaction between related parties.
- With respect to the payment of dividends, according to the Company's dividend payment policy, dividends are based on the net profit in the consolidated financial statement, whereby the consolidated financial statement of the Company will also include the income from the sale of the Trademark "est" of Great Brands.
- According to the financial statement for the fiscal period ending 30 September 2014, the accumulated tax deficit of the Company was approximately Baht 2,000 million. As a result, the Company will have tax benefits.

Mr. Natthawat Chaichanasiri, a shareholder, raised the following question:

- Once the Company sells the Trademark "est", the Company will have to assign the rights to the trademark and the formula to Super Brands. He therefore wished to know what the difference in manufacturing costs which the Company will have to pay in order to buy the concentrate from Super Brands for use in manufacturing beverages is.

The Finance Director clarified that:

- Even though the Company will have to buy the concentrate through Super Brands, the trademark owner, rather than buying the concentrate directly itself, the SG&A expenses will be different, particularly the marketing expenses of the Company, which the Company will no longer have to bear. This is the overall impact on the Company.

Mr. Thavach Meeprasertkul, a shareholder, opined that:

- The sale of the Trademark "est" is an important strategy for the expansion of the Company's businesses overseas. Once the Company sells the Trademark "est" to ThaiBev, the Company must undertake actions to ensure that it will continue to be a trading partner of ThaiBev, as this is crucial for the Company's future. If ThaiBev will no longer manage the Trademark "est", the Company should acquire the said trademark.

The Chairman clarified that:

- The Executive Committee and the Board of Directors has thoroughly considered this issue in order to ensure that the Company is not in a disadvantageous position by entering the Trademark "est" sale transaction. Having considered the strengths and weaknesses of such trademark sale, it was deemed that the sale of the Trademark "est" will be more beneficial to the Company rather than disadvantageous.

There was no shareholder raising further questions or giving comments. The Chairman proposed that the Meeting consider and approve the entering into the Sale Transaction of the Trademark "est" to Super Brands Company Pte. Ltd. and related transactions, which is considered a disposal of asset and connected transaction.

**Resolution:** After due consideration, the Meeting resolved to approve the Meeting resolved to approve the entering into the Sale Transaction of the Trademark “est” to Super Brands Company Pte. Ltd. and related transactions, which is considered a disposal of asset and connected transaction, in accordance with the following votes:

<b>Vote Result</b>	<b>Number of votes (1 share = 1 vote)</b>	<b>Percentage of votes of shareholders attending the Meeting and eligible to vote</b>
Approved	67,280,724	99.9780
Disapproved	14,755	0.0219
Abstained	0	0.0000

- Remarks:**
- 1) The resolution of this agenda item shall be adopted by the votes of not less than three-fourths of the total votes of the shareholders attending the meeting and having the right to vote, excluding the votes of the interested shareholders. With respect to this agenda item, Thai Beverage Logistics Co., Ltd., the major shareholders of the Company, holding 171,923,138 shares or 64.66 percent of the Company’s paid-up capital, is the interested shareholder and therefore, is not entitled to vote.
  - 2) In this agenda item, there were shareholders and proxies attending the Meeting, representing 239,218,617 votes.
  - 3) There were no invalid voting cards in this agenda item.

**Agenda Item 4: Other business (if any)**

The Chairman informed the Meeting that the Board of Directors was of the opinion that the shareholders should have the opportunity to propose matters to the Meeting other than the agenda items as specified by the Board of Directors in the notice convening this Meeting, provided that such proposal on other matters must be made in accordance with the requirements and procedures under the law. The Chairman, therefore, asked the Meeting whether any shareholder wanted to propose any matter other than those matters in the agenda of the meeting.

Mr. Pongsakorn Laksanaphibulkul (“Mr. Pongsakorn”), a shareholder holding one share, proposed that the Company includes an agenda item regarding the preparation of the criteria for minor shareholders to propose agenda item(s) at the shareholders’ meeting and to nominate the directors who represent the minor shareholders. He also proposed that the Company specifies the qualifications of shareholder(s) entitled to propose agenda item(s) at the shareholders’ meeting and nominates the directors without limiting their shareholdings, and such shareholder(s) shall be the Company’s shareholder(s) as of the date that the Company proposes the agenda item(s) at the shareholders’ meeting and the selection of director(s).

The Secretary of the Meeting stated that according to Section 105 paragraph 2 of the Public Limited Companies Act B.E. 2535 (as amended) when the consideration of the agenda item(s) stipulated in the notice calling the meeting is finished, the shareholders holding shares amounting to not less than one-third of the total number of shares sold may request that the meeting considers matters other than those indicated in the notice calling for the meeting.

The Secretary of the Meeting then asked the Meeting to consider approving the matter proposed by Khun Pongsakorn as an agenda item at the shareholders' meeting. In this regard, the Company will include such matter in the agenda of the shareholders' meeting if the meeting approves with the votes of not less than one-third of the total number of shares sold or not less than 86,633,495 shares of the total of 265,900,484 shares.

When this matter was put to the vote in the Meeting, shareholders representing 10,800,001 votes voted to approve that the proposed matter be included in the agenda of the shareholders' meeting. This was less than one-third of the total number of shares sold. Therefore, the Company could not include the proposed matter in the agenda of the shareholders' meeting.

The Chairman gave the shareholders attending the Meeting the opportunity to raise questions or give comments.

The shareholders' questions and comments can be summarized as follows:

Mr. Chadil Chulinrak, a shareholder and proxy, commented that:

- The sale of the Land and Buildings in Thonburi and the Trademark “est” is for the purpose of increasing the liquidity and managing the assets of the Company to maximise benefits. After completing the above transactions, the Company will again continue the business operations in its area of expertise as a manufacturer and distributor. The Company is not limited solely to manufacturing and distributing carbonated soft drinks, but realises the opportunity to generate and receive benefits from being a manufacturer and distributor with its business partner, ThaiBev, as the group which buys the rights to various trademarks such as Heineken, F&N, etc.
- Mr. Chadil Chulinrak asked Mr. Thapana Sirivadhanabhakdi (“**Mr. Thapana**”) whether or not ThaiBev will appoint the Company as the manufacturer and distributor of beverages under other trademarks in the ThaiBev group.
- ThaiBev is acquiring the Trademark “est” with a view to seeking opportunities for expanding the beverages business under the Trademark “est” overseas such as in Myanmar, Cambodia, Laos, and Vietnam. Does this also mean that the Company will have the opportunity to manufacture beverages for distribution in Myanmar, Cambodia, Laos, and Vietnam?
- The Company is requested to consider the management of its capital, warehouses, and capitalization cycles, since the Company will no longer have to bear expenses for building the brand, its fixed costs should be reduced. The Company may consider adopting matrix management strategies and take the KPI into account in managing its work operations.

- With respect to the logistics management comprising “supply creates demand” or “demand creates supply”, the Company must determine whether to first establish its distribution plan or its manufacturing plan. If the Company establishes its manufacturing plan first, this may be the optimal strategy for the Company as a brand leader, given that the Company is already aware of its market share and is able to determine its manufacturing plan and manage its capital to ensure maximum cost efficiency. If the Company has yet to establish its position as a brand leader, the Company may need to modify the management strategies of its costs and raw materials.

Mr. Thapana clarified that:

- ThaiBev has assigned distributorship duties to the Company for non-alcoholic beverages such as beverages under the Oishi trademark, as well as other goods such as Lipton tea and energy drinks, whereby the Company has thoroughly considered access to the stores and the consumer demands. Mr. Thapana confirmed that ThaiBev and the Company will, without doubt, work together closely.
- With respect to the matrix management methodology, having observed the structure of multi-national companies comprising numerous levels, from the headquarters level through to the regional offices and local offices, and comparing the same to the Company, it is deemed that the Company’s work management strategies reflect characteristics of the matrix methodology. The Company’s management strategies show high flexibility and there is close correlation in the work management and internal communication.
- With respect to the principle where “supply creates demand” or “demand creates supply”, the Company places emphasis on both cases. The Company focuses its strategies on building the brand and distributing goods because it is not a global brand and, as a result, the goods of other companies are at an advantageous position in comparison to those of the Company. The Company must, therefore, ensure that its goods distribution is up to the same standards as those of other companies.

The Managing Director additionally clarified that:

- The primary intention is to clearly determine its strengths and the direction of its future plans. The Company’s future business plan comprises four (4) core areas comprising the carbonated soft drinks business, drinking water business, non-carbonated drinks business, and the goal of being a distributor of both food and drink, each with differing business models.
- At present, the core competency of the Company is its manufacturing and distribution ability. Its challenge is to manage the distribution trucks and the plan for distributing the goods of each brand. Such plan must be clear and the Company must work closely with the owner of the brands.
- With respect to the Executives, a KPI will be used for evaluating various areas, such as finances. If the Company is going to manage its current assets, such as the goods in its stock, the Company must duly consider how to do so, given that if a large quantity of goods remain in stock and are not distributed, the

Company's funds will remain tied up. Alternatively, in the case that the Company is in constant need of fresh funds, the Company must manage its operations accordingly, and the Company must ensure that its undertakings become increasingly efficient with time.

There was no shareholder proposing any other matter to the Meeting.

The Chairman expressed his appreciation to the shareholders, proxies and attendees then declared the Meeting adjourned.

The Meeting was adjourned at 12.50 hrs.

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Mr. Photipong Lamsam  
Chairman of the Meeting

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Ms. Arunrat Tungteerapatharakij  
Secretary of the Meeting / Minutes Recorder