

**Attachment No. 1 for agenda No. 2**

SiS Distribution (Thailand) Public Company Limited  
The Minutes of Annual General Meeting of Shareholders 2019  
On Friday, 19 April 2019

Tabtim+ Petai+ Petchchompoo Room, 3<sup>rd</sup> Floor  
The Emerald Hotel, No. 99/1 Ratchadapisek Road, Dindaeng, Bangkok 10400

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The Meeting started at 14.00 p.m.

Mr. Lim Kiah Meng, Chairman of the Board, was invited to preside over the meeting. All directors, executives the company auditors and law consultants who participated in this meeting are presented below:

**Directors participated in the Meeting:**

- |  |  |
|--|--|
| 1. Mr. Lim Kiah Meng                       | Chairman of the Board/Non-Executive Director                           |
| 2. Assit. Prof. Dr. Rojanasak Chomvilailuk | Chairman of Audit Committee/Independent Director                       |
| 3. Mr. Somchai Sirivichayakul              | Chairman of Remuneration and Nomination Committee/Independent Director |
| 4. Mr. Panuwat Chalongkumdee               | Chairman of Corporate Governance Committee                             |
| 5. Mr. Lim Hwee Hai                        | Chairman of Risk Management Committee/<br>Non-Executive Director       |
| 6. Mr. Somchai Sittichaisrichart           | Managing Director  |
| 7. Mr. Lim Kia Hong                        | Non-Executive Director   |
| 8. Mrs. Lim Hwee Noi                       | Non-Executive Director   |

**Executive participated in the Meeting:**

- |                               |                                  |
|-------------------------------|----------------------------------|
| 1. Ms. Suwathip Pornsuwannapa | Financial and Accounting Manager |
| 2. Mrs. Nattamon Chotvichien  | Company Secretary                |

**Auditors representing KPMG Phoomchai Audit Limited participated in the Meeting:**

- |                         |   |
|-------------------------|---|
| 1. Ms. Porntip Rimdusit | Auditor, KPMG Phoomchai Audit Limited           |
| 2. Mr. Krit Thammatadto | Assistant Auditor, KPMG Phoomchai Audit Limited |

**Legal Advisor performed as a vote counter participated in the Meeting:**

- |                      |                                    |
|----------------------|------------------------------------|
| 1. Ms. Nitcha Meesuk | Legal Advisor, Moral Biz Co., Ltd. |
|----------------------|------------------------------------|

The Chairman of the Meeting thanked you to the shareholders for attending this meeting and was pleased to welcome to the Annual General Meeting of Shareholders 2018. The chairman informed that the company presented a video, "Promoting in Good Corporate Governance relating to Shareholders Meeting of Listed Companies", which is a part of the promoting in knowledge to the shareholder of listed companies project, under the supports of the Stock Exchange of Thailand, the Office of the Securities and Exchange Commission and the Federation of Thai Capital Market Organizations.

The Chairman was pleased to announce that the Board of Director concerned about the importance of all Shareholders and Institutional Investors, therefore the Company had invited all Shareholders and Institutional Investors to attend this Meeting by both email and telephone. To support the good Corporate Governance Practice, the Board of Director provided the opportunities for all shareholders in order to propose any matters benefited to the Company which would be included in the agenda of the Annual General meeting of Shareholders, as well as to nominate qualified candidates to be appointed as the Company's Director, consistent with the Company's criterion. These were reported to the SET and had been published on the Company's website name [www.sisthai.com](http://www.sisthai.com). However, no shareholders nominated any person or proposed any other agenda. In voting of each agenda will do by disclosure, except the Shareholder at least 5 people ask for confidential vote and the meeting has resolution to confidential vote. The voting procedure was to mark in each card by the Shareholders. However, there was an officer who was assigned to assist in explaining the detail of voting procedure. To facilitate, the meeting will be conducted in Thai. The Chairman assigned Mr. Somchai Sirivichayakul, the Independent Director, the Audit Committee, the Corporate Governance Committee and the Chairman of Remuneration and Nomination Committee to be the conductor of this meeting.

Mr. Somchai Sirivichayakul as the conductor of the meeting informed that there were 218 shareholders presented in person and 34 presented through proxies, totally 184 shareholders. This is precisely 267,848,009 shares of total issued and paid-up share capital at 250,197,281 shares, or 71.44 percent. This is considered as a completing quorum according to the Articles of Association of the Company. All directors attended the meeting. Also, two shareholders representatives, minor shareholders, were invited to be witnesses for the votes counting together with the Legal Advisor, who performed the vote counting and the accuracy verification of the vote.

Before the meeting start, the Chairman informed that the company presented a video, "Promoting in Good Corporate Governance relating to Shareholders Meeting of Listed Companies", which is a part of the promoting in knowledge to the shareholder of listed companies project, under the supports of the Stock Exchange of Thailand, the Office of the Securities and Exchange Commission and the Federation of Thai Capital Market Organizations.

The conductor explained the voting procedures to the meeting as following, according to Articles of Association of the Company number 23, it was defined that whether open vote or confidential vote, each shareholder had the voting right equal to the number of shares holding or number of shares held at the proxy. This based on the principle of one share equal to one vote. In order to vote for each agenda, the Shareholders had to raise the hands and mark their votes in the card which they received during the registration. In case of there was no the Articles of Association of the Company or the Public Company Limited Law stipulated otherwise, the vote on any resolution in the meeting of shareholders would be decided on majority of votes of the shareholders who attended the meeting and had the voting right. In the event of an equality of votes, the Chairman of the meeting would be entitled a vote as a casting vote.

Nevertheless, the Chairman would ask the Shareholders for vote "approve" or "disapprove" or "abstain" by raising their hands before the voting in each agenda. After that, the Shareholders were required to mark in voting cards and handed on the cards to the staffs for collection. The staff would scan the barcode stripes which were on the voting cards. After completing the voting for each agenda, the Chairman would announce the result to the meeting and it would be presented on the screen.

The shareholders who participated by themselves and by proxies, according to type A (Gor) and type B (Khor) were not been allowed to divide the votes in each agenda.

For voting in agenda of the election of Directors in order to replace the Directors who would retire regarding to the rotation rule. The meeting would temporary break the registration for shareholders in order to maintain the stability of the number of votes. This agenda, the Shareholders would be provided to vote individually in order to comply with the corporate governance principle. Especially, this agenda, shareholders would be request to return the voting cards to the staff whether it is approved, not approved or abstained

In case of the shareholders would not be in the meeting place during the vote of any agenda but they wanted to maintain the voting right in each agenda, the shareholders had to mark in the voting cards and handed on those cards to the staff in order to count the votes. If the shareholders did not handed on the voting card or they did not in the meeting place, the Company would agree that the shareholders agree and approve in that agenda, including the remaining agendas unless the election of directors agenda.

Then, the conductor asked the meeting to consider on each agenda as followings:

#### **Agenda 1 Matter announced by the Chairman**

The Chairman informed the Board of Directors and the Corporate Governance Committee emphasized on the fraud and corruption which was an obstacle for the sustainable then the Company declared for the Anti-Corruption to the CAC since 2014. In 2015, the Company developed the Anti-Corruption policy, improved internal control and built the organizational culture for Anti-Corruption. Consequently, the Company was certified for Anti-Corruption since 22 January 2016 and being on the list of certified company as number 139 from 152 companies. During this year, the company still maintain the activities related to the anti corruption as followings:

1. The clean agreement is provided for suppliers and vendors to ensure the transparency of the procurement operations.
2. Provide the suppliers selection policy to ensure the anti corruption through the supply chain.
3. Provide education in anti corruption and contain as one of the essential course for employee to study via e-learning.
4. Set up the compliance unit which response for the consultancy of anti corruption.
5. Provide risk management in fraud and corruption risk.
6. Provide the internal audit and control to ensure the effectiveness of anti corruption.
7. Disclose the anti corruption policy on company's website and provide whistle blower which under the Audit Committee responsibility. Also, there is the procedure to protect the complaints.

Apart from Anti Corruption, the company achieved the Corporate Governance Report as Excellent for the consecutive year. This is shown the consistency in corporate governance improvement which complied with the Organization for Economic Co-operation and development (OECD) and The Stock Exchange of Thailand.

The Board of Directors would like to be thankful to the shareholders for supporting. For the questions that were sent in advance, they would be answered in agenda 10 which was for questions and answers in order to maintain the accuracy of the voting. This agenda is for acknowledge, there would not be the voting. Moreover, the company provided the vote on mobile application. The shareholders could go on application for your vote, then your results would be real time shown on the screen. In the event of any errors, the company would insist on the voting from the ballot.

**Agenda 2 Consideration and Approval of the Minutes of the 2017 Annual General Meeting of Shareholders which held on Friday 21 April 2017**

The conductor proposed the Minutes of the 2017 Annual General Meeting of Shareholders, held on Friday, April 21, 2017 to the Meeting for consideration and approval according to attachment document which had delivered to the Shareholders, together with the invitation letters and it was also published on the Company’s web site within specified period.

The conductor provided the Shareholders an opportunity to ask for detail of this agenda.

There were no further questions from the Shareholders, the conductor asked to cast votes by raise the hands and mark in the ballots.

During the meeting, there were 2 shareholders registered to attend the meeting, holding 351,900 shares.

**Resolution:** The Meeting considered and majority approved to certify the Minutes of the 2017 Annual General Meeting of Shareholders.

**Voting results: percentage of shareholders who attended in the Meeting and had right to votes**

Approved	219	Shareholders	Representing	250,360,781	votes	Equivalent to	99.92 %
Disapproved	-	Shareholders	Representing	-	votes	Equivalent to	0.00 %
Abstained	1	Shareholders	Representing	-	votes	Equivalent to	0.00 %
Invalid Ballot	-	Shareholders	Representing	-	votes	Equivalent to	0.00 %

**Agenda 3 Acknowledgement of the 2017 operating results and approval of the 2017 Annual Report**

The conductor asked the shareholders to consider the operational result for the year 2017 as well as the annual report of the year 2017 in order to acknowledge. According to the Company’s Articles of Association item 44 that the Board of Directors has to provide the Annual Report and report to the Shareholders. Also, the detail of operational performance was presented in the 2017 Annual Report that has been sent together with the invitation letter. The Chairman asked Managing Directors to report and concluded the operational result and the report of the Board to the meeting.

Managing Director reported the operational result of the year 2017 in accordance with the revenue of IT industry as following:

In general, there were 4 categories of IT products. In 2017, the global IT market were 1) the sales of PC was decreased and its continued to decrease 2) the sale of server started to decline due to the introduction of cloud. However, users began to realize the limitations of cloud then they used both

tradition and cloud. 3) the sale of tablets continued to decrease for many years due to the technology of smartphones that provided larger screen then users turned to use smartphones instead of tablets 4) the sales of smartphones which increased gradually for many years and it started to saturate.

For the business of the company, it was divided into business unit which manage by the general manager who was able to decide in their unit in order to enhance the agility.

For the sale of the products could be divided in accordance with the character of each business unit which could be described as following:

Commercial Products: they are the IT products using in Corporation such as network, printer, server, PC. The sales cloud be increased due to the growth of organizations

Consumer Products: they are the IT products for households. The total sales of these products increased slightly due to the various factors such as the decreasing in purchasing power and the increasing in household' s debt.

Value Added Commercial: they are the products for data center which required the technical specialist and after sale service. These products were more profitable. However, the sales of this business unit was slightly decrease due to the lower tax benefits policy.

- Smartphone products: it increased 4.4 percent, because change in strategy.
- Other small business unit, there were both increase and decrease in the last year.
- For the gross profit in 2017 could describe as followings:
- Commercial Business Unit: the gross profit was about 4.3-4.1%
- Consumer Business Unit: the gross profit was about 5.1% which was higher than the previous year.
- Value Added Commercial Business Unit: the gross profit was about 8.2% which decreased from the last year due to the lower margin of project work.
- Phone Business Unit: the gross profit was about 3.8% which was higher than the last year.
- Other Business Unit: the gross profit was 15.1%

In overall, the gross profit in 2017 increased from the previous year, the average gross profit was 5.4%. The total sale was 20,156 Million Baht with the net profit as 296.8 Million Baht which increased from the last year.

The conductor thanked you to the Managing Director and gave the opportunities to the shareholders to asked the questions.

Mr. Poj, the shareholders asked as followings:

1. For Phone Business unit, there was the growth of sales from 600 Million baht in the third quarter to 1,000 Million Baht. What was the cause of this growth?

Managing Director answered as following:

There were two brands in Phone Business Unit; Samsung which was authorized to sell in the North-East of Thailand which increased slightly and Wiko, the affiliated company which increased significantly with over expectation.

Shareholders asked as followings:

1. In the annual report page number 63, how was the remuneration of management and could it compare to the industry?

Managing Director answered as following:

In the past 2 years, there was the expansion in the business then the investment in human resource was very high but it could compare to the industry. The remuneration divided into parts; fixed salary and variable remuneration. However, the rate was appropriate. The remuneration increased quite fast so it was necessary to fine the balance to maintain the human resource.

2. The remuneration of management as 75 Million Baht was for only 8 people or also include people in their business unit?

Managing Director answered as following:

It was only for 8 people in management unit.

Shareholders asked as followings:

1. How the company improved the market share?

Managing Director answered as following:

The business unit that was still not good in market share was Phone. For others, they did not decrease. There was change in strategy to be the joint venture or affiliated company in order to grow sustainably. To improve the market share in phone was depended on the model launching in the market.

Mr. Paisarn, shareholders asked as followings:

1. How was the channel for Value Added Commercial products?

Managing Director answered as following:

We sold this kind of products through the system integrators but it was necessary to have the technical specialists from the company to help the system integrators. Apart from this, the system integrators often request the services from the company in the installation work such as VMware.

2. How was the vision for the brand selection?

Managing Director answered as following:

Normally, the well-known brands would have quite lower gross profit and the relationship management was very hard. We then emphasized on the medium brands and drove these brands to have reputation in the market.

There was no shareholders asked more questions, then the Chairman informed that this agenda was only to inform to the meeting and there was no vote for resolution.

#### **Agenda 4 Consideration and Approval of the Statement of Financial Position and the Statement of Comprehensive Income for the year ended 31 December 2017 which was audited by the CPA and Auditor's Report.**

The conductor assigned the Managing Director to report the summary of Financial Statements for the year ended 31 December 2017 which were including the statement of Financial Position and the Statement of Comprehensive Income to the Meeting for approval according to the Annual Report of the Company which had delivered to shareholders together with the Invitation Letter.

Managing Director reported to the meeting that there were the liabilities and equity as 4,958 Million Baht. They were equity as 1,709 Million Baht, Loan as 1,219 Million Baht, Account payables as 1,684 Million Baht and Other Liabilities 346 Million Baht in 2016. The company used this equity to manage the business that resulted the Account receivables as 2,361 Million Baht, Inventories as 1,718 Million Baht, Current Assets as 476 Million Baht and Non Current Assets as 403 Million Baht also generated the Total revenue as 20,156 Million Baht.

As at December 31, 2017, there were Liabilities and Equity as 5,760 Million with the increasing of Equity as 1,866 Million Baht, Loan as 1,640 Million Baht, Account Liabilities 1,709 Million Baht and Other Liabilities as 545 Million Baht which resulted the Account Receivables as 2,737 Million Baht and Inventories as 2,078 Million Baht.

##### **Statement of comprehensive income**

- Total income increased from 18,495 Million Baht in 2016 to 20,156 Million Baht in 2017 or increased 9.0%
- The gross profit grew from 5.25% to 5.50%
- Selling and Administrative expenses increased 11.3%.
- Loss from exchange rate 24 Million Baht due to the forward contract purchasing but the US Dollar decreased.
- Financial cost decreased 12% due to the lower loan compared to the last year.
- There was a profit sharing from Wiko 34 Million Baht.
- The net profit was 297 Million Baht, increased 30.5% from the last year.

##### **Statement of financial position**

- Cash and Cash equivalent was 207 Million Baht, decreased from the previous year, due to the payment from customers at the end of the year.
- Trade accounts receivable was 2,737 Million Baht, increased from 2016. The average collection period increased from 49.5 days
- Inventories were 2,078 Million Baht, increased from the previous year. Also, the inventory turnover was 34.4 days.
- Total assets were 5,377 Million Baht, increased 602 Million Baht from the last year due to the increasing of inventory and account receivables.
- Short-term loans from financial institutions was 1,640 Million Baht, increased 35%.
- Trade accounts payable was 1,709 Million Baht, increased 1% due to the longer credit term, granted from payables.
- Equity increased from 1,709 Million Baht to 1,866 Million Baht due to an increasing in retained earnings.

### **Statement of cash flows**

- Cash flows from operating activities were 199 Million Baht which was lower than the previous year due to the increasing in inventories and the receivables.

The financial statements have been audited by the auditor of KPMG Phoomchai Audit Ltd., which was an unqualified opinion and reviewed by the Audit Committee which agreed with the auditor's opinion.

The conductor asked the Chairman of Audit Committee to present the review and express the opinion of the 2017 financial statement to shareholders for acknowledgement.

The Chairman of Audit Committee informed the Meeting that the Audit Committee has been on duty with trustworthy and discretion and considered the conflict of interest as well as the transparency of operations such as the investment in associates, including the internal audit performance. The Audit Committee arranged the meeting every month and the Audit Committee attended the meeting fully. Moreover, the management was invited to discuss the important materials and issues in order to ensure the fairly benefits to the shareholders.

In addition, the Audit Committee had an essential duty to review the interim and annual financial statements of the Company with careful. The Audit Committee also invited the Executives to give the information, including provided the meeting with the Auditors independently without the Executives to transparent and protected minority shareholders interests. According to the review from Audit Committee, the Audit Committee agreed with the auditor's opinion that the consolidated and separate financial statements of the Company were presented fairly in all material respects, the financial position of the Group and the Company, respectively, as at 31 December 2017. The Audit Committee would like to propose to the Meeting for consideration.

The conductor informed to the meeting that to comply the article of 112 of the Public Company Act. B.E. 2535, defined that the Board of directors shall prepared the balance sheet and the income statement to the Annual General Meeting of Shareholders in order to consider and approve. Then the Board of Directors agreed to propose the balance sheet or the Statement of Financial Position and the income statement or the Statement of Comprehensive Income for the year ended 31 December 2017 which was audited by the CPA and Auditor's Report and agreed by the Audit Committee and the Board of Directors.

The conductor gave the shareholders an opportunity to ask in detail of this agenda.

A Shareholder asked the questions as followings:

1. To write off the bad debt, was this factoring? What category of this debt

Managing Director answered the questions as following:

It was not the factoring. The company was responsible for this loss. The debt was from commercial project.



2. Why the loss from exchange rate was increased from the last year?

Managing Director answered the questions as following:

To decision on the exchange rate was difficult. There were many meetings for decision on forward contract purchasing. Also, we often consulted to the financial institutions. Additionally, we always improved the cost management and found the best ways for this point.

Mr. Sathit Recommended as followings:

To recommend to emphasized on account receivables and inventories because gross profit was quite low. In case of any accident on these two, it would affect the loss.

Chairman of Audit Committee responded the recommendation as following:

Audit Committee significantly emphasized on these two items. There was consistently review on these. However, the limitations on these items would affect the agility on the business so it had to balance. The Audit Committee would tried to balance in order to maintain the benefits to shareholders.

Ms. Kanlaya recommended and asked as followings:

1. Recommended to consider the term of payment for the forward exchange. Also, to gradually purchasing forward contract would help to diverse this risk.

Managing Director responded the questions as following:

We were appreciated for the recommendation. The term of payment was quite short then there was a purchasing in forward contract every month. Additionally, the cost of project would fixed the exchange rate. For the option which had to decided, the financial and accounting manager would be decided with the consultation from financial institutions.

2. Were there any review on the inventories aging in order to categorize the group that was long age.

Managing Director answered the questions as following:

There was the IT system for inventories management. It was able to indicate the aging by SKU. However, changing in the consumers' behaviors could affected the long aged inventories for example, a laptop with core i3 ever been favor at the point of time but consumers might changed to interest in a laptop with core i5 or core i7 at the moment. This would affect suddenly in inventories aging. Nonetheless, this point often be compensated by the vendors.

Mr. Poj asked as followings:

1. What was the cause of the tax fine as 9 Million Baht in 2017.

Accounting and Financial Manager answered as following:

The tax fine as 9 Million Baht caused by the tax refund in subsidiaries which known the refundable amount exactly. This would be refund in 2018.

Mr. Nipon asked as followings:

1. How much is the account receivables from the government project?

Managing Director answered the questions as following:

There were 2 big receivables from government projects as amount of 200 Million baht and 100 Million Baht. The gross margin is normal as other project receivables and it had been mark up with interest.

2. How was the portion of government project in the future?

Managing Director answered the questions as following:

It was depended on the budget of government and the changing in the government. However, there still be the government project such as the wifi for every village.

3. When the deferred tax are used?

Managing Director answered the questions as following:

The most of deferred tax was from bad debt which had to refer to the condition of bad debt write off of the Revenue Department. It could use all of deferred tax but to use at the right time.

Accounting and Financial Manager answered the questions as following:

The most of deferred tax were from bad debt and the estimated marketing expenses. There was the using in deferred tax as 100 Million Baht in 2017.

There were no further questions from shareholders, the conductor asked to cast votes by raise the hand and mark in the ballot.

**Resolution:** The Meeting considered and the majority vote of the shareholders approved Statements of Financial Position and the Statement of Comprehensive Income for the year ended 31 December 2017 which was audited by the auditor with auditor's report.

**Voting results: Percentage of shareholders who attended in the Meeting and had right to votes**

Approved	222 Shareholders	Representing	250,495,324 votes	Equivalent to	99.85 %
Disapproved	- Shareholders	Representing	- votes	Equivalent to	0.00 %
Abstained	2 Shareholders	Representing	364,667 votes	Equivalent to	0.15 %
Invalid Ballots	- Shareholders	Representing	- votes	Equivalent to	0.00 %

**Agenda 5 Consideration and Approval to allot the legal reserve and dividend payment for the operating results of the year 2017.**

The conductor informed the meeting that the Company established the policy to pay the dividend approximately 40 percent of the net profit. Nevertheless, it was subject to situation of economy and the future projects of the Company. For the Company's operating results of 2017, the net profit was 296.80 Million Baht and no accumulated loss.

The conductor informed the meeting that according to the Public Companies Act, when the Company had the operating profit, the Company shall allocate 5 percent of its annual net profit as legal reserve until reach an amount of 10% of the registered authorized capital.

In 2016, the Company had the registered capital Baht 350,198,655, which had to reserve 10 percent of the registered capital as legal reserve, amounting to Baht 35,019,865.50. The Company had anticipated reserving in full amount as 10% the registered authorized capital as required. The remaining of net profit was allocated as retained earnings of the Company.

The Board has considered about this, then the Board would propose the dividend payment as following.

Cash dividend payment was at the rate of 0.45 Baht per share for the registered capital of 350,198,655 shares, totally 157.58 Baht. The cash dividend payout ratio was 53.10 percent of net profit. Dividend would be withheld at the rate prescribed by law. The date for determining the rights of shareholders to receive dividend payments would be on April 30, 2018. The dividend payment date was set to be on May 16, 2018. This dividend was higher than the rate determined in the policy as well as the previous year. This was because the better cash flow, the lower debt to equity ratio and the better liquidity. The Board of Directors deemed the above payment rate as appropriate and in line with dividend payment policy of the Company and proposed the Meeting to consider approving the dividend payment.

The conductor provided the shareholders an opportunity to ask in detail of this agenda.

There was no question from shareholders, the conductor asked to cast votes by raise the hand and mark in the ballot.

**Resolution:** The Meeting considered and the majority vote of the shareholders approved the dividend payment for the operating results of the year 2017 as proposed by the Chairman.

**Voting results: Percentage of shareholders who attended in the Meeting and had right to votes**

Approved	221 Shareholders	Representing	250,275,024 votes	Equivalent to	99.77 %
Disapproved	- Shareholders	Representing	- votes	Equivalent to	0.00 %
Abstained	3 Shareholders	Representing	584,967 votes	Equivalent to	0.23 %
Invalid Ballots	- Shareholders	Representing	- votes	Equivalent to	0.00 %

**Agenda 6 Consideration and approval of the Election of Company's Directors to replace those Directors who retired by rotation, Mr. Panuwat Chalongkuamdee, Mrs. Lim Hwee Noi and Mr. Lim Kia Hong**

The conductor informed the meeting that under the Company's Articles of Association item 37, one-third of the members of the Board of directors had to retire by rotation. This year, there were 3 directors who retired by rotation, Mr. Panuwat Chalongkuamdee, Mrs. Lim Hwee Noi and Mr. Lim Kia Hong. In order to comply with the Good Corporate Governance Practice, directors who were regarded as interested parties in this matter had to leave the Meeting.

The conductor assigned the Chairman of Remuneration and Nomination Committee to conduct this agenda.

The Chairman of the Remuneration and Nomination Committee described the definition of the Independent Directors as followings:

Independent Director is the Director who has independent decision and not relate with major shareholders, the management and related person in the Company, Subsidiary Company and Related Company. Independent Director can conduct fair deals involving of all shareholders' interest and has qualification more stringent than the regulations of the SEC and SET as follow:

- (1) Holds not more than 1% of all shares with voting rights of the Company, the Parent Company, a Subsidiary, an Associated Company, a Joint Company, a Major Shareholder or an Entity with Controlling Authority, including shares held by anyone who is affiliated with them.
- (2) Not be a director who is involved in the management of work, an employee, a staff, an advisor receiving a regular salary, and an Entity with Controlling Authority over the Company, the Parent Company, a Subsidiary, a Associated Company, a Joint Company, subsidiaries of the same tier or any juristic person that might be in conflict with the Company, both in the present and at least two years prior to taking the independent directorship.
- (3) Has no connection by blood or legal registration as father, mother, spouse, sibling, son/daughter or spouse of son/daughter of the Managements, major shareholders, Entity with Controlling Authority or an individual who will be nominated as Director, Managements or Entity with Controlling Authority over the Company or the Subsidiary.
- (4) Has no business relationship with the Company, the Parent Company, a Subsidiary, an Associated Company, a Joint Company, a Major Shareholder or an Entity with Controlling Authority in such a manner that may obstruct their exercise of independent discretion. Further, an Independent Director is not a Significant Shareholder or an Entity with Controlling Authority over a party with business relationship with the Company, the Parent Company, a Subsidiary, an Associated Company, a Joint Company, a Major Shareholder or an Entity with Controlling Authority, either at the present time or within two years prior to his/her appointment as Independent Director.
- (5) Is not an Auditor of the Company, the Parent Company, a Subsidiary, an Associated Company, a Joint Company, a Major Shareholder or an Entity with Controlling Authority, and, not a Significant Shareholder, an Entity with Controlling Authority or a partner to the audit office with which the auditors of the Parent Company, a Subsidiary, Associated Company, a Joint Company, a Major Shareholder or an Entity with Controlling Authority are associated at the present time or have been within two years prior to his/her appointment as an Independent Director.
- (6) Is not a person rendering any professional service or a legal or financial consultant who is paid more than Two Million Baht in service fee per year by the Company, the Parent Company, a Subsidiary, an Associated Company, a Joint Company, a Major Shareholder or an Entity with Controlling Authority, and, not a Significant Shareholder or an Entity with Controlling Authority over the Company or a partner to such professional service provider at the present time or within two years prior to his/her appointment as an Independent Director.

- (7) Is not a Director who is appointed to be a nominee of a Director of the Company, a Major Shareholder or a shareholder who is connected to a Major Shareholder.
- (8) Do not engage in a business of the same or competitive to the Company, his/her is not a significant partner to a partnership or Significant Shareholder or a Director of another company which is engaged in a business of the same nature as and which is significantly competitive to that of the Company or a Subsidiary.
- (9) Do not have any other characteristic which prevents him/her from opining freely on the operation of the Company.

The Chairman of the Remuneration and Nomination Committee informed the Meeting that the Board of Director recognized the importance of all Shareholders according to good Corporate Governance Practice, the Company provided the opportunity for the shareholders to propose qualified candidate to be nominated as the Company's director by setting the channel and criterion and announced in the Company's website. There was no nominated person to propose for consideration in that time. The Remuneration and Nomination Committee had considered on the basis of experience, knowledge, ability and management participation including the fully qualified according to the Public Limited Companies Act B.E. 2535 and Article 29 of the Company's Article of Association, and appropriate to propose the Shareholders' Meeting to elect Mr. Panuwat Chalongkuamdee as the Independent Director, Audit Committee, Corporate Governance Committee, Mrs. Lim Hwee Noi as the Non-Executive Director and Mr. Lim Kia Hong as the Non-Executive Director for another term. All the above directors had contributed significantly in the management, attended the meeting, and led the Company successful. The Biography of nominated directors has been sent to all shareholders prior the Meeting with the invitation letter. The Chairman of the Remuneration and Nomination Committee informed the meeting that to comply with the Good Corporate Governance Principles, the Chairman proposed the meeting to elect the Directors on individual basis and to transparent in the voting, the directors, who were regarded as interested parties in this matter must leave the meeting room until the Meeting has finished considering this matter.

The conductor provided the shareholders an opportunity to ask in detail of this agenda.

There was no question from shareholders, the conductor asked to cast votes by raise the hand and mark in the ballot.

**Resolution:** The Meeting considered and the majority vote of the shareholders approved the re-election of 3 directors, Mr. Panuwat Chalongkuamdee, Mrs. Lim Hwee Noi and Mr. Lim Kia Hong as Directors of the Company for another term, as detailed as following.

**Voting results to elect Mr. Panuwat Chalongkuamdee as the Independent Director, Audit Committee, and Corporate Governance Committee :percentage of shareholders who attended in the Meeting and had right to votes**

Approved	219 Shareholders	Representing	249,921,424 votes	Equivalent to	99.63 %
Disapproved	- Shareholders	Representing	- votes	Equivalent to	0.00 %
Abstained	5 Shareholders	Representing	938,567 votes	Equivalent to	0.37 %
Invalid Ballots	- Shareholders	Representing	- votes	Equivalent to	0.00 %

**Voting results to elect Mrs. Lim Hwee Noi as the Non-Executive Director: percentage of shareholders who attended in the Meeting and had right to votes**

Approved	217 Shareholders	Representing	250,406,031 votes	Equivalent to	99.82 %
Disapproved	4 Shareholders	Representing	294,900 votes	Equivalent to	0.12 %
Abstained	3 Shareholders	Representing	159,060 votes	Equivalent to	0.06 %
Invalid Ballots	- Shareholders	Representing	- votes	Equivalent to	0.00 %

**Voting results to elect Mr. Lim Kia Hong as the Non-Executive Director: percentage of shareholders who attended in the Meeting and had right to votes**

Approved	221 Shareholders	Representing	250,544,216 votes	Equivalent to	99.87 %
Disapproved	- Shareholders	Representing	- votes	Equivalent to	0.00 %
Abstained	3 Shareholders	Representing	315,775 votes	Equivalent to	0.13 %
Invalid Ballots	- Shareholders	Representing	- votes	Equivalent to	0.00 %

The conductor of the meeting invited Mr. Panuwat Chalongkumdee, Mrs. Lim Hwee Noi and Mr. Lim Kia Hong to participate the meeting again after announced the voting result.

**Agenda 7 Consideration and approval of the Remuneration of Directors for the year 2018**

The conductor proposed the Remuneration of Directors and Sub-committee for the year 2018 not exceed Baht 8,000,000 which was increased 500,000 Baht from last year. The detail is followings:

The conductor assigned the Chairman of the Remuneration and Nomination Committee to present the basis and criterion of the remuneration of the year 2018 to Shareholders.

<b>Remuneration</b>	<b>2018 (Proposed Year)</b>	<b>2017</b>	<b>Increase</b>
Retention of Chairman	36,000	36,000	6,000
Retention of Director	18,000	18,000	3,000
Attendance Fee of Chairman of Audit Committee	20,000	15,000	1,500
Attendance Fee of Audit Committee	15,000	10,000	1,000

The Chairman of the Remuneration and Nomination Committee informed the meeting that the criterion in order to be appropriate and in accordance to the good corporate governance as followings:

1. The Director's remuneration is classified into 2 parts; monthly retaining fee and meeting attendance fee. The monthly retaining fee will be paid to only Non-Executive Directors and Independent Directors.
2. Consideration on duties, responsibilities and the performance of Directors as well as Sub Committee together with the Company's performance and the practices of the industry.
3. Consideration on Scope of duties of Directors and Sub Committees.

The Remuneration of Directors in each type has individually shown in the annual report. The Remuneration and Nomination Committee would like propose the shareholders meeting for consideration and approval of the Remuneration of Directors.

The conductor gave the shareholders an opportunity to ask in detail of this agenda.

There was no question from shareholders. The conductor asked to cast votes by raise the hand and mark in the ballot.

**Resolution:** The Meeting considered Majority vote of the shareholders approved the Remuneration of Directors for the year 2018.

**Voting results: Percentage of shareholders who attended in the Meeting and had right to votes.**

Approved	220 Shareholders	Representing	250,480,631 votes	Equivalent to	99.85 %
Disapproved	- Shareholders	Representing	- votes	Equivalent to	0.00 %
Abstained	4 Shareholders	Representing	379,360 votes	Equivalent to	0.15 %
Invalid Ballots	- Shareholders	Representing	- votes	Equivalent to	0.00 %

**Agenda 8 Consideration and approval of the appointment of Auditor and determine the auditing fee for the year 2018**

The Chairman informed that to comply with the Section 120, Public Limited Companies Act B.E. 2535, which state that the Annual General Meeting of Shareholders shall appoint the Auditor of the Company and determine the Auditor Remuneration every year by the recommendation of the Audit Committee. Thus, the Chairman asked the Chairman of Audit Committee to present the details to the meeting.

The Chairman of Audit Committee informed that the Audit Committee invited 3 leading audit firms in Thailand to propose the audit engagement service for 2018 for the company. The audit committee considered the qualifications consists of reputation, reliability, standardization, knowledge, expertise and experienced of the audit firm as well as the audit team, the audit committee agreed to propose to the Board of Directors for consideration to propose the meeting of Shareholders to appoint auditors from EY Office Limited as the Company's Auditor for the year 2018. One of the following auditors can conduct the audit and provide opinions on the Company's financial statements.

<u>Auditors</u>	<u>License No.</u>
1. Mr. Wichart Lokatekrawee	4451 or
2. Ms. Satida Ratananurak	4753 or
3. Ms. Siriwan Nitdamrong	5906

EY Office Limited and the 3 auditors mentioned above have no relationship and/or conflict of interest with the Company, Subsidiary Companies, the Executives, Major Shareholders or related persons of those parties, there are independent in auditing and express opinions on the Company's financial statement report. These 3 auditors never signed the financial statements of the Company and the reason for changing the auditors to these 3 auditors because the proposed of EY Office Limited would be contribute the most benefit to the shareholders. The proposed auditors also are not shareholders of the Company. Then it is appropriate to propose the Board of Directors to consider approving the audit fees for 2018 at the total amount of Baht 1,780,000 which increase from the previous year 240,000 Baht,

excluding out of pocket expenses. The proposed annual audit fees are reasonable when compared with the increment of audit work to comply with the requirements of new regulations of International Financial Reporting Standards (IFRS).

To be consistency in accounting policy, accounting standards and financial reporting standards between the Company, its subsidiaries and associations as follows:

SiS Venture Company Limited, audit fee is Baht 150,000 Baht, increased 10,000 Baht from the previous year.

Qool Distribution (Thailand) Company Limited, audit fee is Baht 520,000 Baht increased 50,000 Baht from the previous year.

Total audit fee of 2 subsidiaries are Baht 670,000 increased 60,000 Baht from the previous year.

The Board of Director would like to propose the Meeting to approve the appointment of Auditor and audit fee for 2018.

The conductor provided the shareholders an opportunity to ask in detail of this agenda.

There was no question from shareholders, the conductor asked to cast votes by raise the hand and mark in the ballot.

**Resolution:** The Meeting considered and the unanimously vote of the shareholders approved the appointment the auditors and the audit fee as proposing.

**Voting results: Percentage of shareholders who attended in the Meeting and had right to votes.**

Approved	216 Shareholders	Representing	250,135,041 votes	Equivalent to	99.71 %
Disapproved	5 Shareholders	Representing	430,750 votes	Equivalent to	0.17 %
Abstained	3 Shareholders	Representing	294,200 votes	Equivalent to	0.12 %
Invalid Ballots	- Shareholders	Representing	- votes	Equivalent to	0.00 %

**Agenda 9 Consideration and Approval of the Company's Article of Association Amendment.**

The conductor informed the meeting that to be in accordance to the Head of the National Council for Peace and Order No. 21/2560, the law amendment to facilitate the business. This is to amend the Public Company Act. B.E. 2535, section 100, the right of shareholders to call the extra ordinary meeting. Therefore, the Article of Association of the company currently do not comply this amendment. Then, the Corporate Governance Committee propose the Board of Directors to propose the shareholders in order to amend this change in Article of Associations of the Company as followings:



Article 20. (Current Version)

Shareholders' Meeting

Article 20. The board may summon extraordinary meetings whenever they think it or shareholders holding not less than one-fifth of the total shares sold or shareholder not less than twenty-five shareholders, holding not less than one-tenth of the total number of shares sold is made in writing to the board calling for extraordinary meetings at any time, the requisition must specify the object for which the meeting is required In this case, the board shall arrange shareholders meetings within one month after the date of the requisition.

Article 20. (Proposed Version)

Shareholders' Meeting

Article 20. The board may summon extraordinary meetings whenever they think it or one or many shareholders holding not less than one-tenth of the total shares sold or shareholder not less than twenty-five shareholders, holding not less than one-tenth of the total number of shares sold is made in writing to the board calling for extraordinary meetings at any time, the requisition must specify the object for which the meeting is required In this case, the board shall arrange shareholders meetings within one forty five days after the date of the requisition.

In the event that the Board of Directors do not arrange the meeting within the time said in the first paragraph, those shareholders are able to summon extra ordinary meeting within forty-five days after the date said in the first paragraph. This case shall mean as the Board of Directors call the meeting. Also, the Company shall response for the appropriate expenses which will be occurred by the meeting arrangement.

In the event that there was the shareholders which said in the second paragraph attend the meeting which was not be the quorum according to the section 103. The shareholders said in the second paragraph shall response for the expenses which will be occurred by the meeting arrangement.

Also, the company reviewed the Article of Association of the Company in order to ensure the compliance and up to date to the laws. It was found that the Article 33 which refered to other articles are typing error. The Corporate Governance Committee agreed to propose the Board of Directors in order to propose the Shareholders to consider and approve the amendment as followings:

Article 33. (Current Version)

Directors

Article 33. Unless stipulated in the articles 22 and 35

(a) in case of the chairman could not perform his/her duties or the position is vacant, the vice-chairman shall be acted instead of chairman.

(b) in case of the chairman and the vice-chairman could not perform duty or the position of the chairman and vice-chairman are vacant. The board may appoint one director to perform the duty instead of chairman

Article 33. (Proposed Version)

Directors

Article 33. Unless stipulated in the articles 22 and 36

(a) in case of the chairman could not perform his/her duties or the position is vacant, the vice-chairman shall be acted instead of chairman.

(b) in case of the chairman and the vice-chairman could not perform duty or the position of the chairman and vice-chairman are vacant. The board may appoint one director to perform the duty instead of chairman

The conductor provided the shareholders an opportunity to ask in detail of this agenda.

There were no further question from shareholders, the conductor asked to cast votes by raise the hand and mark in the ballot.

**Resolution:** The Meeting considered and the Majority vote of the shareholders approved the Company's Article of Association Amendment in Director's Meeting via Video Conference as proposing.

**Voting results: Percentage of shareholders who attended in the Meeting and had right to votes.**

Approved	221 Shareholders	Representing	250,790,491 votes	Equivalent to	99.98 %
Disapproved	1 Shareholders	Representing	59,800 votes	Equivalent to	0.02 %
Abstained	2 Shareholders	Representing	- votes	Equivalent to	0.00 %
Invalid Ballots	- Shareholders	Representing	- votes	Equivalent to	0.00 %

**Agenda 10 Questions and Answers**

The conductor informed the meeting that the questions which the shareholders sent to the Company in advance and some of the questions which has been asked from the shareholders here were answered in the period of each agenda. Thus, this period still is provided for further questions from the shareholders. The Managing Director would answer all the questions in this agenda.

The Questions sent from shareholders in advance was followings:

1. Please describe the progression of Wiko Mobile.

Managing Directors answered as following:

In the third quarter, the sale was decreased due to the plan that wants to launch new models to the market in the fourth quarter. However, the sale of the first quarter of 2018 was better than the fourth quarter of the last year.

For the performance, there is a growth and it had been broken even the loss in 2016 and it is began profitability since 2017.

2. How much is the average selling price of Wiko Mobile.

Managing Directors answered as following:

We emphasized on selling the models which were in the range of 2,000 Baht. The feedback in the market was going well. In this year, we emphasized on the models which in the range of 3,000 Baht. With the cooperation from Dtac, the sale of this range also grew.

3. Was there any media advertising of Wiko?

Managing Directors answered as following:

It was in the consideration. The new model was launching so it had to be considered the worthiness of the advertising.

4. Please describe the plan of the business in the future

Managing Directors answered as following:

For short term, the current business model was still be able to expand by increasing the brands. There were 2 new brands at the moment namely Arista which was networking for cloud and H3C which was the top networking from China. These two brands would improve the networking business. Additionally, the channel was also the strategy that intend to expand such as channel of smartphones and channel of CCTV.

Moreover, the cloud started to sell in the fourth quarter of 2017. We provided 3 services; back up and data center. There were 5 customers at the moment. They are real estate and the restaurants chain with yearly service fee as 750,000 Baht and 260,000 Baht

5. How much was the average gross profit in the first quarter in 2018

Managing Directors answered as following:

We could not answer this questions due to the regulations of SET, however we can only inform that there was not much change in gross profit.

Shareholders asked as following:

1. How was the investment of Cloud Business, the return on investment and the break even?

Managing Directors answered as following:

The investment of cloud at the moment was 15 Million Baht. The IRR was deficit and the break even would be about in 3 years. The might start to gain the profit in the third year.

Mr. Kittipong asked as following:

1. How much was the market share of CCTV Business and was it able to classify as the business unit individually?

Managing Directors answered as following:

For the market share, it was still unclear but the portion of profit was about 10% of total profit of the company which was better than other business unit. There was more investment in human resource and it would be split as the individual business unit in 2 or 3 years.

2. The number of market share of smartphones which increased to 10% was quantity or volume of sale?

Managing Directors answered as following:

It was quantity.

Mr. Theerapong asked as following:

1. How was the investment in Nippon Pack?

Managing Directors answered as following:

The investment in Nippon Pack was not successful. The Board of Directors had a resolution to stop the investment and finding the way out to reduce the effect.

2. Would the change in major shareholders affect the vision and operation?

Managing Directors answered as following:

The executive director who retired would like to sell his shares. I also sold my shares but I invested in the company which bought the shares. However, the vision and business model were still the same. The long term plan was still in the plan.

Mr. Sathit asked as following:

1. Selling in Wiko model which was higher selling price, can this improve the gross profit?

Managing Directors answered as following:

To launch the higher model at the beginning could not improve the gross profit. When it gained the positive feedback, its gross profit would be higher. The company expected the higher gross profit.

2. Could you tell the gross profit after there were enough customers?

Managing Directors answered as following:

Currently, it was still loss when compared to the investment. However, when the sell is full of capacity, it would be profitability. The company expected to generate the gross profit of cloud as other providers both domestic and international providers which was about 20-30% but it depended on the competition.

3. When compared to the major competitor such as Amazon, what were pros and cons?

Managing Directors answered as following:

The international providers had limitations in Bandwith. Controversially, the location of cloud of the company was in the good location and there was the connection to 200-300 customers which higher Bandwith. Moreover, the company had good relationships to our customers that would help to expand cloud to consumers.

The international cloud had an advantage in the fast of new products launching. The company tried to build the strong point in order to compete in the market.

4. Was there any selling in E Sport?

Managing Directors answered as following:

We are not expertise in Gaming. Personally, we did not support Gaming so we did sell only necessary.

Mr. Kraiwan asked as following:

1. Had Mr. Suwit resigned and would his resigned affect the business?

Conductor answered as following:

Due to the change in major shareholders and the major shareholders had to do consolidation in the financial statements which had to be the chairman. Then Mr. Suwit resigned from his position. However there were 2 directors resigned in last year; Mr. Suwit and Mr. Sombati who retired. The Board of Directors would continue to govern the company in order to maintain the benefits for the shareholders.

Finished the Meeting at 17:30

.....  
Mr. Lim Liah Meng  
Chairman

.....  
Mr. Somchai Sirivichayakul  
Conductor

.....  
Mr. Somchai Sittichaisrichart  
Managing Director

.....  
Mrs. Nattamon Chotvichien  
Company Secretary