



Minutes of Annual Shareholders' Meeting 2017

T.Krungthai Industries Public Co., Ltd.

Friday, 21<sup>th</sup> of April 2017 at 14:00 hrs

Four Rivers 1 Rm., 1<sup>st</sup> Floor (River View), Ramada Plaza Bangkok Menam Riverside Hotel

2074 Charoenkrung Rd., Bangkorlaem, Bangkok 10120, Thailand.

**Meeting commenced at 14:00 hrs.**

Introduction of Board Directors and Top Management who all attended the meeting.

**Board Directors**

- |                            |               |   |
|----------------------------|---------------|---|
| 1. General Terdsak Marrome |               | Chairman of the Board / Independent Director.   |
| 2. Mr. Prasong             | Techakraisri  | Director.   |
| 3. Mrs. Yupa               | Techakraisri  | Director.   |
| 4. Mr. Kumpee              | Chongthurakit | Director / Director of Remuneration and Nomination Committee /<br>Director of Corporate Governance Committee.   |
| 5. Mr. Virasak             | Suthantavibul | Independent Director / Audit Committee / Director.  |
| 6. Mr. Paotep              | Chotinuchit   | Chairman of Remuneration and Nomination Committee /<br>Chairman of Corporate Governance Committee /<br>Independent Director / Audit Committee / Director. |
| 7. Mr. Chumpol             | Techakraisri  | Director / Executive Director / Director of Risk Management<br>Committee / Company Secretary / Company Board Secretary /<br>Asst. Managing Director.      |
| 8. Mr. Phreecha            | Techakraisri  | Director / Executive Director / Managing Director /<br>Director of Risk Management.   |
| 9. Mr. Sumate              | Techakraisri  | CEO / Director / Director of Remuneration and Nomination<br>Committee / Director of Corporate Governance Committee.                                       |
| 10. Mr. Pairuch            | Sahamethapat  | Chairman of the Audit Committee / Independent Director /<br>Director.   |

**Absentee**

- |                 |              |   |
|-----------------|--------------|---|
| 1. Dr. Kosol    | Surakomol    | Independent Director / Director / Director of Remuneration and<br>Nomination Committee / Director of Corporate Governance<br>Committee / Director of Risk Management Committee. |
| 2. Mr. Apichart | Kasemkulsiri | Director.   |

บริษัท ที.กรุงไทยอุตสาหกรรม จำกัด (มหาชน)  
T.KRUNGTHAI INDUSTRIES PUBLIC CO.,LTD.

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### **Top Management**

- |                  |           |   |
|------------------|-----------|---|
| 1. Mr. Kowate    | Limtrakul | Chairman of Risk Management Committee / Executive Director. |
| 2. Mr. Neeranart | Promnart  | Deputy Managing Director & CFO                              |
| 3. Mr. Prinya    | Kaeoluan  | Senior Accounting & Financial Manager                       |

### **Auditor of Karin Audit Limited attended the meeting**

1. Mr. Jirote Sirirorote
2. Ms. Kanita Sawangwong

### **Representative from Thai Investors Association**

Mr. Pisit Tangprajakphakdee

Before the meeting started the Chairman informed regarding the casting of vote procedure and the counting of votes for those who attended by themselves and the proxy as follows:

1. The voting shall be 1 share / 1 vote and the resolution of the General Shareholders Meeting votes are as follows:

1.1 By the majority vote of the shareholders attending the meeting who have the rights to cast their votes, should the result of votes is equally the same then the Chairman of the Board can cast his vote which will be counted as final result.

1.2 The Chairman will ask the voting result for each agenda and for the shareholders who disapprove and abstained in voting has to fill in the voting form distributed by the officers and after the shareholders cast their votes, shareholders are requested to raise their hands and send them back to vote counter. Officers will then count the votes for those who disapprove and abstained and such vote shall be deducted from the total votes at the meeting. The rest of votes shall be counted for the approval of the said agenda. In the case of Agenda 5 the company shall keep the ballot of each shareholder.

2. Shareholders who have conflict of interest on any agendas are not allowed to cast their votes except in voting directors of the company

3. In the case that Shareholders who won't be present or has to go out of the room for any reason on any of the agendas, their voting ballots can be given or hand over to the officers before they leave the room and this has to be given to the vote counting officer for that agenda.

For the shareholder who appointed a proxy and requested the proxy to cast the vote as for each agenda, the company already recorded the vote in the computer.

For the casting of votes for each agenda, there is a possibility that result is not the same as there were more shareholders and proxies who came late during the meeting

General Terdsak Marrome, Chairman of the Board thanked the shareholder for attending the meeting and informed As per the company's articles of association no. 35, paragraph 1, In order to constitute a quorum, there shall be shareholders and proxies (if any) attending the Shareholders meeting not less than 25 Shareholders or not less than one half of the total members of the shareholders and in either case such shareholders shall hold shareholding to not less than one third of the total number of shares sold.

That there were 51 shareholders present 69,218,289 shares and appointed a proxy 83 persons 74,064,007 shares totaling 134 people with a total share of 143,282,296 shares which is equal to 66.95%. This total is more than minimum requirement indicated in the Articles of Association. Meeting was then declared open:

In order to create clarity and transparency in the casting of votes for each topic of the agenda as in compliance with the company's Corporate Governance Policy Statement, the Chairman invited an outsider legal consultant, Mr. Theerapan Petchsuwan & Mr. Witsarut Onnuam from Far East Law Office (Thailand) Co., Ltd. to be an inspector for the voting procedure.

Chairman informs that if any shareholder has question or wish to share any opinion, please show your interest by raising your hand. Then chairman will allow you to do so by starting with informing your name then continue with your question or opinion.

As per Corporate Governance Policy on the rights of shareholders and the participation on the meeting was published through SET and the company website to propose agendas for the annual shareholders' meeting for year 2017 along with a candidate nomination for the election of the company's director on October 1, 2016 to December 31, 2016 but nobody proposed any agenda for the Annual General Meeting of Shareholders for year 2017.

The Chairman proceeded with the following agendas:

**Agenda 1 To approve the Minutes of Annual General Shareholders' Meeting for fiscal year 2016**

The Chairman of the Board requested the Board to confirm the General Shareholders minutes of meeting held on April 20, 2016 which has been to shareholders and placed a notice on the company's website on May 3, 2016, within 14 days after the date of the Annual General Shareholders' meeting. The Board of Directors confirmed that the contents of the minute are true and recorded correctly. Details are shown on the document attachment no. 1 for the meeting to consider and approve.

None of the shareholders in the meeting room had any objection to the minutes or wished to amend it otherwise.

The Chairman then proposed the meeting to cast their votes. The results are as follows:

<b>Voting Results</b>	<b>Total No. of Votes (1 Share = 1 Vote)</b>	<b>% No. of Shareholders attended the meeting who exercised their rights to cast their votes</b>
1. Agreed	143,282,296	100
2. Disagreed	0	0
3. Abstained	0	0
4. Voided Ballot	0	0

**Resolution:** The Chairman concluded that meeting resolution approved the Minutes of Annual General Meeting for Fiscal year 2016.

**Agenda 2 To acknowledge the company's Performance for fiscal year 2016.**

The Chairman requested Mr. Phreecha Techakraisri, Managing Director, to present a report.

Mr. Phreecha Techakraisri reported to the Meeting the summary of operating results in 2016 additional to the CD of an annual report, delivered to shareholders, together with a meeting invitation letter.

● **Automotive Industry**

Automotive Industry affects directly to the company's operation.

In year 2016, Thailand's total car production totaled to 1.94 million units (increase of 1.7 %). Exports amounted to 1.19 million units, a decrease of 1.4 % and 0.77 units for domestic sales. The country experienced a significant decline of 3.9 % due to unrecovered overall economy combined with low agricultural crop prices which made the purchasing power of consumers slowed down.

In terms of export for motor vehicles and parts it was valued around Baht 890 million with a continuous growth in this industry.

Based on such figures, it shows that automotive manufacturers still believe and confident in a potential of Thailand automotive production which is competitive with other countries. Therefore, we believes that in the next 5 years Thailand automobile future would continuously grow.

● **The performances of the Company**

In 2016, the company's total revenue amounted to Baht 1,098 million, a decrease of 258.65 million or 19.07 % from the previous year classified as follows :

- Internal factor from the decrease in the production of automotive parts had been model changed and the decline in mold sales. Therefore, it had a great impact on the decrease of our sales. However, in the year 2017, the company tried to find new project to increase our sales.

- External factor is due to the economic slowdown in the country and worldwide that made domestic and international sales down

The result of declined sales in 2016 has given the company a net loss of Baht 67.54 million or -6.15 % resulted from the gross margin has been reduced from 14 % in year 2015 to 6.46 % in year 2016 which was quite low from normal production. The company has produced nearly Baht 2,000 million but last year produced only Baht 1,000 million. Moreover, the waste from spray painting at Suwintawong factory along with other production costs which cannot be reduced in ratio with the sales. However, the company is striving to solve the said problem.

The operating margin from year 2015 equaled to 2.38 % down to -6.06 % in 2016. Even though we have reduced the company's expenses by Baht 15.53 million from Baht 165.92 million in year 2015 to Baht 150.40 million in year 2016 and lowering of other cost of sales and expenses.

- **Implementation Guidelines in 2017.**

We will increase revenue from new models for the coming year and focus on selling molds and plastic parts and to penetrate many customers especially our main ones.

Cost of production process has been improved to reduce the raw material waste during production process.

For sales and administrative expenses, the manpower has been adjusted in proportion with the sales.

- **Outstanding performances in 2016**

1. Best Delivery From Toyoda Gosei (Thailand) Co.,Ltd.
2. The company has run business under the Good Corporate Governance guideline which has been evaluated and got an "Excellent" level ( 5 stars ) from 601 surveyed firms. Only 80 companies received this level.
3. On March 9, 2017, the CAC Board endorsed TKT certification as a member of the Thailand's Private Sector Collective Action against Corruption.

These are just few examples of the company's awards, more details of which were already submitted in the annual report sent.

In addition to our business operations, the company has organized events to improve social and community activities every year participated by all employees.

The company tried to make the employees aware of merit offering at their hometown by offering " Robes to their Hometown".

Moreover, the company strives to promote better and closeness to employees own families by giving presents on children's day.



Besides New Year's merit making held at the factory premises, there is also mother's day, yearly blood donation. Company believes that people is the heart of the organization. Therefore, the company tries to promote education by giving scholarship program to the employees' children from kindergarten up to 9<sup>th</sup> grade.

Additionally, the company regularly organized factory visit to give an opportunity for shareholders to learn and understand company's operation. In year 2016 about 50 people were visited Kingkaew factory. For this year, shareholder who interested can signed up in front of the shareholders' meeting room to visit Suwinthawong factory.

After Mr. Phreecha finished his report, the Chairman opened an opportunity for shareholders to inquire.

No more inquiries and comments from the shareholders. Chairman proposed the meeting to cast their votes.

**Resolution:** The meeting resolution to acknowledge the 2016 performance report.

**Agenda 3 To consider and approve the Statement of Financial Position, Statement of Comprehensive Income as per auditor's report for year ended Dec 31, 2016.**

The Chairman of the Board requested Mr. Chumpol Techakraisri, to make the report.

Mr. Chumpol Techakraisri informed during the meeting regarding the Statement of Financial Position and Statement of Comprehensive Income as per the auditor's report for year ended Dec 31, 2016. Details of these are in the Annual report in the form of CD which were sent to the shareholders together with the invitation letter and already had uploaded on company website. Details of financial statement are as follows:

**Statement of financial position (Million-Baht)**

	2016	2015
Total current assets	365.76	411.22
Total non-current assets	688.56	727.27
<b>Total assets</b>	<b>1,054.32</b>	<b>1,138.49</b>
Total current liabilities	635.10	612.52
Total non-current liabilities	38.78	65.16
Total liabilities	673.88	677.68
Total equity	380.44	460.81
<b>Total liabilities and equity</b>	<b>1,054.32</b>	<b>1,138.49</b>



**Statements of comprehensive income (Million – Baht)**

	<b>2016</b>	<b>2015</b>
Total Revenue	1,097.75	1,356.39
Cost of sales of goods and rendering of services	<u>(1,026.88)</u>	<u>(1,166.48)</u>
<b>Gross profit</b>	<b><u>70.87</u></b>	<b><u>189.91</u></b>
Other Income	<u>13.02</u>	<u>8.30</u>
<b>Total expenses</b>	(150.40)	(165.93)
<b>Profit (loss) before finance costs and income tax</b>	<b><u>(66.51)</u></b>	<b><u>32.28</u></b>
Finance costs	(17.93)	(17.93)
Income tax expenses	<u>16.91</u>	<u>( 1.95)</u>
<b>Profit (Loss) for the years</b>	<b><u>(67.53)</u></b>	<b><u>12.40</u></b>
<b>Net Profit (loss) (Baht per share)</b>	<b><u>(0.32)</u></b>	<b><u>0.06</u></b>

During the meeting there were additional shareholders giving a total shareholder attendees of 53 people and proxy of 83 people totaling 136 persons with a total no. of shares of 143,292,396 which is equal to 66.96%.

After Mr.Chumpol has finished report, the Chairman opened an opportunity for shareholders to inquire.

No dissenting shareholders in the meeting so the Chairman proposed the meeting to cast their votes.

The voting results are as follows:

<b>Voting Results</b>	<b>Total No. of Votes (1 Share = 1 Vote)</b>	<b>% No. of Shareholders attended the meeting who exercised their rights to cast their votes</b>
1. Agreed	143,292,396	100
2. Disagreed	0	0
3. Abstained	0	0
4. Voided Ballot	0	0

**Resolution:** The Chairman concluded that Statement of Financial Position and Statement of Comprehensive Income are unanimously approved by majority votes.

**Agenda 4 To approve the non payment of dividends for year 2016**

The Chairman of the Board requested Mr. Sumate Techakraisri, CEO to do report

Mr. Sumate Techakraisri reported to the meeting the loss incurred for year 2016 amounting Baht 67.54 million and the cause of this loss has already been proposed in Agenda no. 2. Mr. Sumate apologized to the

shareholders' of this unsatisfactory performance in the past years and hopefully the company will have a continuous profitability.

In this agenda the committee proposed to approve and consider that no dividend payments for year 2016 for the operating result from January 1<sup>st</sup>, 2016 to December 31<sup>st</sup>, 2016.

After Mr. Sumate has finished report, the Chairman opened an opportunity for shareholders to inquire.

No dissenting shareholders in the meeting so the Chairman proposed the meeting to cast their votes.

The voting results are as follows:

<b>Voting Results</b>	<b>Total No. of Votes (1 Share = 1 Vote)</b>	<b>% No. of Shareholders attended the meeting who exercised their rights to cast their votes</b>
1. Agreed	143,292,396	100
2. Disagreed	0	0
3. Abstained	0	0
4. Voided Ballot	0	0

**Resolution:** The meeting resolution approve that there will be no dividends payment for year 2016 operating results from January 1, 2016 till December 31, 2016.

**Agenda 5 To consider and approve the election of directors replacing those who are retiring upon completion of their term of office**

The Chairman of the Board informed the Rules and Regulations of Listed Public Companies Matra 71 and Article of Association No. 18 "In every Annual General Meeting, one third of the total no. of Directors shall resign, in case the no. of Directors could not be divided into 3 parts, thus the number nearest to one third shall resign".

Directors that resign on the first and second year after the company's registration were drawn by lot. For the following years, Director who is in the position for a longest time must resign.

Directors who resigned are eligible for re-election and retain their position.

At present the company has 12 Directors. 4 Directors who will resign by rotation are:

1. General Terdsak Marrome
2. Mr. Kumpee Chongthurakit
3. Mrs. Yupa Techakraisri
4. Mr. Prasong Techakraisri

On agenda 5, an election of the retiring directors upon completion of their term in office, therefore to



ensure the transparency in this agenda the retiring directors were requested to leave the meeting room and Mr. Sumate Techakraisri chaired the meeting.

Mr. Sumate Techakraisri presided the meeting: Informed that the company put a notice on the company website to propose names or persons who have the qualification to hold the directorship position along with propose agenda during October 1<sup>st</sup>, 2016 to December 31<sup>st</sup>, 2016. before the Shareholders' meeting through e-mail or fax but no proposals were received.

The Remuneration and Nomination Committee commented that the 4 resigning Directors have proven their best knowledge, experience and capabilities in managing the company. Therefore, the resigning directors were proposed to be re-elected for another term.

Chairman requested the shareholders to vote for each resigning Directors individually to comply with the standard practice of Securities and Exchange Commission. Shareholders' must cast their votes as agreement, disagreement and abstained in order to have transparent vote counting.

The Chairman asked in the meeting if any shareholder has any question or other suggestions to propose in the meeting.

**Mr. Pisit Tangprajakphakdee:** proxy from Thai Investors Association, inquired:

**Question:** What are the criteria for nomination and independent directors? Since there is one Director who has held the position for over 9 years and has been re-elected for another term, how do you determine and what are the policies for independent directors to hold the position for another term?

**Chairman:** thanked the proxy for the question and commissioned Mr. Chumpol Techakraisri to answer the same.

**Answer:** For this agenda, the 4 resigning directors were proposed to be re-elected for another term and one of them is an Independent Director. General Terdsak Marrome has served for 13 years as an independent director of the company the reason of his re-election was already explained on the Annual General Meeting invitation letter send to all shareholders for year 2017 to be acknowledged.

The company has not yet set policy of term in the office for independent directors. For 5 independent directors, they all have the best knowledge in various fields that benefits the company.

Mr. Paotep Chotinuchit, Chairman of the Nomination Committee added that General Terdsak Marrome is a highly responsible person who voices out his ideas freely and is always ready to give advices and fulfill his duties.

Nomination Committee have considered the qualifications and resolved to re-elect him for another term.

The Chairman resumed the meeting by allowing and giving the shareholders the opportunity to ask questions

or make comments. Shareholders who voted against and abstained to please raise their hands. The staffs of the company collected the ballots.

No dissenting shareholders in the meeting so, the Chairman proposed the meeting to cast their votes.

The voting result are as follows:

Name of Directors	Agree, %	Disagree, %	Abstained, %	Voided Ballot, %
1. General Terdsak Marrome	143,292,296	100	0	0
	99.9999%	0.0001	0	0
2. Mr. Kumpee Chongthurakit	143,292,396	0	0	0
	100%	0	0	0
3. Mr. Mrs.Yupa Techakraisri	143,292,396	0	0	0
	100%	0	0	0
4. Mr. Prasong Techakraisri	143,292,396	0	0	0
	100%	0	0	0

**Resolution:** The Chairman informed that re-elect the 4 directors who resigned by rotation are unanimously approved by majority votes.

The Chairman requested the staffs who collected the ballots for this agenda to keep the ballots to review later and then invited all 4 directors back to the meeting room and then congratulated and welcomed them back for another term.

**Agenda 6 To consider and approval of director’s remuneration for fiscal year 2017.**

The Chairman requested Mr. Sumate Techakraisri who doesn’t has conflict of interest to run this agenda.

Mr. Sumate Techakraisri informed that under company policy no. 16, compensation and bonuses from the operating results depends on the shareholder meeting to determine and consider. Taking into account the huge loss incurred in year 2016.

The Remuneration Committee and Board of Directors considered and resolved to offer/give no bonus from the operation for year 2016 and approved the remuneration of the directors for year 2017 amounting to Baht 2,919,000.

After the report from Mr. Sumate Techakraisri, Chairman allow shareholder to ask questions

No dissenting shareholders in the meeting so, the Chairman proposed the meeting to cast their vote.

The voting results are as follows:



<b>Voting Results</b>	<b>Total No. of Votes (1 Share = 1 Vote)</b>	<b>% No. of Shareholders attended the meeting who exercised their rights to cast their votes</b>
1. Agreed	115,663,790	80.7187
2. Disagreed	0	0
3. Abstained	27,628,606	19.2726
4. Voided Ballot	0	0

**Resolution:** The meeting resolution approve that there will be no bonus payment for year 2016 and the directors' remuneration for year 2017 shall be at Baht 2,919 million (same as year 2016).

The Directors who have conflict of interest from this matter refrained from voting.

**Agenda 7 To consider and approve the appointment of Auditors and their remuneration for fiscal year 2017.**

The Chairman of the Board informed during the meeting that subject to the rules and regulations of Listed public companies matra: 120 and the Articles of Association no. 56, 57 to appoint during the shareholder meeting a company's auditor and their yearly remuneration. The Audit Committee and Board of Directors proposed 3 Auditors for fiscal year 2017 for the shareholders' consideration. Mr. Jadesada Hungsapruet CPA No. 3759 and/or Mr. Jirote Sirirorote CPA No. 5113 and/or Ms. Kannika Wipanutrat CPA No. 7305 of Karin Audit Limited being the auditors for fiscal year 2017 and has been 3<sup>rd</sup> years and the same time propose remuneration amounts to Baht 960,000 along with addition remuneration for BOI charge at Baht 10,000 per card for 2 cards totaling Baht 20,000.

During the meeting there were additional shareholders giving a total shareholder attendees of 57 people and proxy of 83 people totaling 140 persons with a total no. of shares of 143,356,896 which is equal to 66.99%.

No dissenting shareholders in the meeting so the Chairman proposed the meeting to cast their vote.

The result of voting as follows:

<b>Voting Results</b>	<b>Total No. of Votes (1 Share = 1 Vote)</b>	<b>% No. of Shareholders attended the meeting who exercised their rights to cast their votes</b>
1. Agreed	143,276,896	99.9442
2. Disagreed	80,000	0.0558
3. Abstained	0	0
4. Voided Ballot	0	0

**Resolution:** Chairman confirmed the appointment of Mr. Jadesada Hungsapruerk CPA No. 3759 and/or Mr. Jirote Sirirorote CPA No. 5113 and/or Ms. Kannika Wipanurat CPA No. 7305 of Karin Audit Limited being the auditors for fiscal year 2017 with a remuneration will amounts to Baht 960,000 along with addition remuneration for BOI charge at Baht 10,000 per card for 2 cards totaling Baht 20,000. are unanimously approved by majority votes.

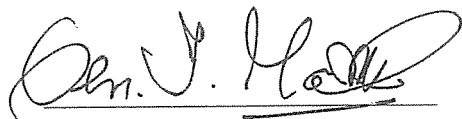
**Agenda 8 Others**

The Chairman asked the shareholders of any comments, questions and suggestion.

No one raised any question or suggestions so, the Chairman announced that whoever wishes to visit the company's factory, to please register their names at the registration counter in front of the conference room.

The Chairman, on behalf of the Board of Directors of the company, expressed his thanks to the shareholders and proxies for sparing their precious time to attend the meeting and thank all the employees who has worked and shown their dedication and accountability at all time. The company will strive to solve and fix its weaknesses and be ready to work harder this 2017 filled with commitment. Blessings for all with happiness and prosperity and the meeting adjourned.

The Meeting adjourned at 15:00 hrs.



**(General Terdsak Marrrome)**

**Chairman of the Board**



**(Miss Pornthip Puangsab)**

**Meeting Recorder**