



**MINUTES OF THE ANNUAL GENERAL MEETING OF SHAREHOLDERS**

**TIPCO ASPHALT PUBLIC COMPANY LIMITED**

**No. 1/2015 Tuesday 7<sup>th</sup> April 2015**

**Auditorium, 5<sup>th</sup> floor, Tipco Tower**

The meeting was held on Tuesday 7<sup>th</sup> April 2015 at 10.00 hours at the Auditorium of the Company's head office, 5<sup>th</sup> Floor, Tipco Tower, No. 118/1 Rama VI Road, Samsen Nai, Phaya Thai, Bangkok 10400. Ms. Laksana Supsakorn, Chairman of the Board, acted as the Chairman of the Meeting.

The Chairman declared the Meeting open and informed the Meeting that at this moment the total number of shareholders attending this Meeting was as follows:

- 129 in persons holding altogether 9,321,169 shares or amounting to 6.0753%,
- 174 by proxies holding altogether 92,755,870 shares or amounting to 60.4560%,
- 163 by proxies, holding altogether 13,124,784 shares or amounting to 8.5544%, sent by registered mail appointing Independent Directors (Mr. Parnchalerm Sutatam or Mr. Nopporn Thepsithar or Mr. Niphon Suthimai or Mr. Phirasilp Subhapholsiri) to attend and vote on their behalf.
- Therefore, the total number of attendees were 466 persons, holding altogether 115,201,823 shares or amounting to 75.0857% of the Company's total number of shares (the Company had 3,314 shareholders and 153,427,157 shares in total), thereby constituting a quorum according to Article 33 of the Articles of Association of the Company which required shareholders and proxies attending the meeting of not less than 25 persons and holding shares altogether not less than one-third of the total number of shares issued of the Company.

The Chairman introduced to the Meeting the following Directors, a representative of the Auditor of the Company, and other relevant officers who attended the meeting:

**Directors Present**

- |                          |                                       |
|--------------------------|---------------------------------------|
| 1. Ms. Laksana Supsakorn | Chairman                              |
| 2. Mr. Niphon Suthimai   | Independent Director                  |
|                          | Chairman of the Audit Committee       |
| 3. Mr. Somchit Serththin | Chief Executive Officer               |
| 4. Mr. Chaiwat Srivalwat | Managing Director                     |
|                          | Corporate Governance Committee Member |

**Independent Directors Witnessing the Vote Counting**

- |                                |  |
|--------------------------------|--|
| 1. Mr. Phirasilp Subhapholsiri | Independent Director                           |
|                                | Audit Committee Member                         |
|                                | Chairman of the Corporate Governance Committee |



**Other Directors attending the meeting**

- |                           |  |
|---------------------------|--|
| 1. Mr. Jacques Pastor     | Vice Chairman                                |
|                           | Executive Director                           |
|                           | Nomination and Remuneration Committee Member |
| 2. Mr. Koh Ban Heng       | Independent Director                         |
| 3. Mr. Sitilarb Supsakorn | Executive Director                           |
| 4. Mr. Hugues de Champs   | Executive Director                           |
| 5. Mr. Jacques Marechal   | Executive Director                           |
|                           | Corporate Governance Committee Member        |

**Directors not attending the meeting**

- |                              |   |
|------------------------------|---|
| 1. Mr. Nopporn Thepsithar    | Independent Director                                  |
|                              | Audit Committee Member                                |
|                              | Chairman of the Nomination and Remuneration Committee |
| 2. Mr. Hervé Le Bouc         | Director  |
| 3. Mr. Jacques Leost         | Director  |
| 4. Mr. Parnchalerm Suthatham | Independent Director                                  |
|                              | Audit Committee Member                                |
|                              | Nomination and Remuneration Committee Member          |
| 5. Mrs. Anne-Marie Machet    | Independent Director                                  |
|                              | Nomination and Remuneration Committee Member          |
|                              | Corporate Governance Committee Member                 |

**Company Secretary**

1. Mr. Pornsatian Saowapaksoontorn

**Auditor Representative and Minutes Recorder**

1. Mr. Supachai Phanyawattano and Ms. Nattamon Ingkapradit  
Representative of EY Office Limited
2. Mr. Parama Saovabha  
Minutes Recorder from Rajah & Tann (Thailand) Ltd.

**The meeting started at 10:00 hours.**

The Chairman informed the meeting that Mr. Nopporn Thepsithar, the Chairman of the Nomination and Remuneration Committee who the Company invited to this meeting as one of the independent directors to witness the vote counting was not able to attend this meeting due to urgent matters. Mr. Hervé Le Bouc, Mr. Jacques Leost, Mr. Parnchalerm Suthatham, and Mrs. Anne-Marie Machet could not attend this meeting since they are abroad on a business trip.





The Chairman informed the meeting that there was a video recording of this meeting for future reference. The Chairman also informed of the method for voting that the Company had prepared the voting bar code ballots for computerized processing and gave to the shareholders in 3 categories. They contained three boxes for those who vote in favor of the resolution with the wording "Approved", those who vote against the resolution with the wording "Disapproved" and those who abstain with the wording "Abstained". The votes would be counted from the ballots of the votes against the resolution and the abstaining ballots to arrive at the votes in favor of the relevant resolution by deducting from the total number of votes attending the meeting with those votes against the matter and abstaining votes.

In casting the votes, the shareholders and proxies shall vote on ballots in accordance with their intentions and specify the number of votes on the ballots together with their signatures. For proxies whose votes have already been specified, they need not submit the ballots.

Collection of voting ballots would be made only for those "Disapproved" and "Abstained". For those "Approved" ballots, they would be collected at the end of the meeting.

In voting, 1 share shall be counted as 1 vote. Mr. Phirasilp Subhapholsiri, independent director, witnessed the counting of the votes together with officers of the Company. The resolution of the meeting shall be passed by a majority of the votes of the persons attending the meeting and entitled to vote, except in certain agenda where the votes required to pass the resolution for such agenda shall require the number of votes as particularly specified in such agenda.

The Chairman informed the meeting that during the period from 3<sup>rd</sup> November 2014 to 30<sup>th</sup> January 2015, the Company informed the shareholders that the shareholders can propose additional agenda through the news system of the Stock Exchange of Thailand and the Company's website. However, there was no shareholder proposing any matter to the consideration of the directors to include such proposal as additional agenda during the aforementioned period.

The Chairman then conducted the meeting according to the following agenda:

**Agenda 1**      **To consider and adopt the minutes of the Annual General Meeting of Shareholders No. 1/2014**

The Chairman presented to the meeting, for its consideration and adoption, the minutes of the Annual General Meeting of Shareholders No. 1/2014 held on 4<sup>th</sup> April 2014. Such minutes was prepared and completed within 14 days from the date of the meeting and was delivered to the Office of the Securities and Exchange Commission, The Stock Exchange of Thailand and the Ministry of Commerce and was posted on the Company's website, [www.tipcoasphalt.com](http://www.tipcoasphalt.com), on 17<sup>th</sup> April 2014. A copy of the minutes was provided to the meeting as the attachment to the invitation notice to this meeting. The minutes was considered correct and completed by the Board and was recorded in accordance with said meeting and therefore was appropriate to submit to this meeting to consider adopting the same.



## TIPCO ASPHALT PUBLIC COMPANY LIMITED



The Chairman asked whether shareholders have any question or wish to amend anything in the minutes. There was no shareholder making any enquiry. The Chairman therefore asked the shareholders to vote and the Company's staff to collect the ballots from shareholders voting "Disapproved" and "Abstained" respectively.

The Chairman informed the meeting that there were 25 additional shareholders attending the meeting at the time of this agenda, holding altogether 580,923 shares, and therefore the total number of attended shareholders was 491 persons, holding altogether 115,782,746 shares.

The Chairman then informed the meeting that the votes required for passing a resolution under this agenda was majority votes of the shareholders attending the meeting and entitled to vote. Every shareholder was eligible to vote in this agenda. After collecting the voting ballots cast and checking the votes, the result was that:

**RESOLUTION:** The meeting by majority votes resolved that the minutes of the Annual General Meeting of Shareholders No. 1/2014 be adopted as proposed as per the following voting details:

- 487 Shareholders voted "Approved" under this agenda, held altogether 115,450,943 shares, representing 99.9992% of the total number of shares attending this meeting and entitled to vote;
- No shareholders voted "Disapproved" under this agenda, representing 0.00% of the total number of shares attending this meeting and entitled to vote; and
- 2 Shareholders voted "Abstained" under this agenda, held altogether 900 shares, representing 0.0008% of the total number of shares attending this meeting and entitled to vote.

### Agenda 2 To acknowledge the Company's performance for the year 2014

The Chairman informed the meeting that the result of the Company's performance for the previous year 2014 had been included in the 2014 Annual Report which has been sent to the shareholders together with the invitation notice to this meeting, and which has also been posted on the Company's website, [www.tipcoasphalt.com](http://www.tipcoasphalt.com). The Chairman asked the Managing Director (Mr. Chaiwat Srivalwat) to report the Company's performance for the year 2014 according to the consolidated financial statements of the Company, the essential details of which was as follows:

Description	2014 (Million Baht)	2013 (Million Baht)
Sales & Service Income	45,727	33,935
Gross Profit	2,005	1,740
Selling and Administrative Expenses	797	785
Other Expenses / (Other Income)	(298)	(179)
Operating Profit	1,506	1,134
EBITDA	2,630	1,789





## TIPCO ASPHALT PUBLIC COMPANY LIMITED



Description	2014 (Million Baht)	2013 (Million Baht)
Finance Cost	222	195
Corporate Income Tax	176	122
Operating Profit after Tax	1,108	817
Impairment of Fixed Assets	0	(2)
Profit from Investment in Associate Company	49	46
Minority Interest	43	(30)
Net Profit of the Group	1,200	831

The Managing Director explained that the sales volume in 2014 was higher by approximately 34.75% because the Company was able to continuously procure heavy crude oil for the production of asphalt products, and the international sales volume was higher because of the strong demand in this region. In addition, the Company increased the production capacity of its refinery in Malaysia by 20% in April last year. The Company also entered into a term supply agreement at the beginning of last year, which allows the Company to purchase 11 million barrel of heavy crude oil per year for 4 years, while the Company purchased only 6 million barrel of crude oil in 2013. Moreover, domestic sale continues to perform well, as the domestic sales volume for 2014 was close to the domestic sales volume for 2013. The Company has a higher gross profit margin, because of the lower crude price, as the crude price was approximately USD 100 per barrel at the beginning of 2014, but it came down to approximately USD 50 per barrel at the end of 2014.

The Managing Director then invited questions from the shareholders.

Mr. Watchara Pancha-arnon, a shareholder, stated that the price of asphalt did not decrease as much as the rate of decrease for crude price, but why the Company's gross profit did not grow proportionally. The Managing Director explained that the main reason for the Company to have better gross profit margin is the lower crude price, but the price of asphalt products does not decrease proportionally. The Company had good performance in Q3 and Q4 of 2014, when compared to Q1 and Q2 of 2014. As such, overall, the Company had higher profits. The Company had significantly higher sales volume, because of the higher international sale. However, international sale margin is than domestic margin, which reduces the overall gross profit margin percentage. In any event, this depends on the product mix and the countries in which the Company sells asphalt products to.

The same shareholder stated that it was his opinion that the Company did not fully benefit from the lower crude price. The Chief Executive Officer explained that the crude price significantly decreased in December 2014. However, products that the Company sold at the end of 2014 were produced from crude that the Company purchased a few months before. The crude that the Company purchased in December 2014 would provide benefits to the Company during Q1/2015.





Mr. Veerapol Gnamwongwan, a shareholder, asked about the Company's hedging policy last year and this year. The Managing Director explained that the Company continued to use the same hedging policy in relation to crude and asphalt prices. That is, immediately after the Company makes a sale of products in advance, the Company will enter into a hedging contract. With respect to crude, if the Company views that the price of crude has a tendency to decrease, which is similar to Q3 and Q4 of last year, the Company would not enter into a hedging contract. However, if the crude price is stable or tends to increase, the Company will enter into a hedging contract for each purchase of crude, in order to fix the cost of crude. Approximately 30% of the product will be oil products, which the Company will enter into a hedging contract covering 100% of oil products it produces. This is because the price of oil products is correlated with the crude price in the market. Because asphalt products do not have any relationship with other commodities in the market, the Company will only enter into a hedging contract covering 50 – 100% of asphalt products, depending on the market price, for which the price in Singapore serves as reference. In conclusion, the Company continues to use the same hedging policy that has been applied for the past 3 years.

The same shareholder asked about the conditions for hedging in relation to the purchase of crude oil. The Managing Director explained that, normally, the Company purchases 1 cargo of crude per month, and the price of such cargo will be agreed approximately 1 month before the Company takes delivery. After taking the delivery, it takes approximately 35 – 40 days for the cargo to be delivered to the refinery, and the Company has a credit term of approximately 30 days. The Company can manufacture asphalt products within 6 – 8 weeks after taking delivery of crude.

The same shareholder asked about main factors which affect the price of asphalt products. The Managing Director explained that the main factors are demand and supply. A clear example is the domestic price of asphalt products, which does not decrease because the Thai government has a policy to invest in infrastructures at the beginning of the year, while the crude price significantly decreases. However, for international markets, the price of asphalt products does not decrease as much as the crude price, because of the strong demand in this region.

Mr. Hungchai Akkawasakun, a proxy from the Thai Shareholders Club, asked about the benefits that the Company expects to receive from the Thai government's policy to mix rubber with asphalt, and terms and conditions for the Company's contracts for the sale of its products. The proxy also congratulated the Company's directors on successful hedging, and suggested that the Company should include the photo of the candidates who are nominated to replace directors who are retiring by rotation in the notice of the annual general meeting of shareholders as well. The Managing Director stated that the Company will take the suggestion about the picture of directors into consideration. The Managing Director explained further that there are 2 types of asphalt products which has rubber as a component, but rubber accounts for approximately 5 – 8% only. In this regard, because the rubber price is high, the cost to manufacture such products is higher. However, the mixture of rubber in asphalt products improves the product quality, because rubber add flexibility to the asphalt, which results in greater durability. With respect to the Company's contract for the sale of its products, for the domestic market, the Company sells products to contractors on a daily basis, without signing a contract. However, the Company enters into long-term sales contract for international sale which range from 6 months to 1 year.





There was no shareholder asking question in this agenda.

The meeting acknowledged the Company's performance for the year 2014 as reported.

**Agenda 3 To consider and approve the Audited Financial Statements ended on 31<sup>st</sup> December 2014**

The Chairman reported to the meeting that, in compliance with Section 112 and 113 of the Public Limited Companies Act B.E. 2535, the Company shall prepare the Statements of Financial Position and Comprehensive Income at the end of the fiscal year of the Company, which were audited and certified by the auditor of the Company and submit to the shareholders for approval.

The Chairman asked the meeting to consider and approve the Consolidated Statements of Financial Position and Comprehensive Income of the Company as at 31<sup>st</sup> December 2014 per details in the 2014 Annual Report which has been sent to the shareholders together with the invitation notice to this meeting. Such financial statements were reviewed by the Audit Committee and certified by the Company's auditor as materially correct in accordance with the Thai Financial Reporting Standards. Also, such financial statements were approved by the Company's board of directors. The Chairman then requested the Managing Director to summarize the Consolidated Statements of Financial Position and Comprehensive Income of the Company for the year 2014 in comparison with that of 2013.

The Managing Director reported to the meeting as per the following summary:

<b>Consolidated Statements of Financial Position</b>	<b>31/12/14 (Million Baht)</b>	<b>31/12/13 (Million Baht)</b>
Net Fixed Assets	5,681	5,268
Total Assets	15,145	20,274
Total Liabilities	9,020	14,383
Shareholders' Equity	6,125	5,891
D/E Ratio	1.47	2.44
<b>Consolidated Statements of Comprehensive Income</b>	<b>2014 (Million Baht)</b>	<b>2013 (Million Baht)</b>
Sales & Service Income	45,727	33,935
Gross Profit	2,005	1,740
Net Profit of the Group	1,200	831

The Chairman then invited questions from the shareholders in relation to this agenda.



Mr. Kiat Sumongkolthanakul, a proxy, asked the management the following questions. The first question is why the amount of trade receivables that are past due for 9 – 12 months and over 12 months on page 116 of the Annual Report 2014 significantly increased from the previous year. The second question is why the amount of the reduction of cost to net realizable value for inventory in 2014 was significantly higher than that in 2013 on page 120 Annual Report 2014. The third question is why the Company sold the shares in KOC and KBC at a loss, and what was the benefit of this transaction. The Chief Executive Officer responded to the third question that the sale of shares in KOC and KBC is an internal restructuring, but a loss occurred because KBC had a retained loss and the shares in KBC had to be sold at its book value. However, such internal restructuring does not affect the profit and loss of the Tipco Asphalt Group. The Managing Director responded to the second question that the Company is required to reduce the cost of inventory to the net realizable value equal to the price as at the end of the quarter or mark-to-market the inventory, in order to state the value of inventory to be the value as at the end of the quarter. The Managing Director responded to the first question that the majority of past-due trade receivables are trade receivables with the Company's customers in the central region of China. These customers take a significantly long time to make payment. However, installment payments from these customers have been made at the beginning of this year.

The same proxy stated that when considering the profit and loss statement of the Company for 2014 without taking into account the reduction of cost of inventory to net realizable value, it appears that the profit for 2014 is considerably lower than that for 2013, and asked the management to provide an explanation. The Managing Director explained that it is necessary to take into consideration the gain from price hedging contracts together with the reduction of cost of inventory to net realizable value, because they are related to each other. That is, the Company enters into price hedging contracts to protect the value of inventory, which could decrease. As such, when considering these two items together, it is clear that the Company did very well to protect the value of inventory, because the Company had gain from hedging for approximately Baht 1.4 billion.

The Chairman therefore asked the shareholders to vote and the officers would collect the ballots from shareholders voting "Disapproved" and "Abstained" respectively.

The Chairman informed the meeting that the votes required for passing a resolution under this agenda were the majority votes of the shareholders attending the meeting and entitled to vote. Every shareholder was eligible to vote in this agenda.

The Managing Director informed the meeting that there were 6 additional shareholders attending the meeting at the time of this agenda, holding altogether 139,208 shares, and therefore the total number of attended shareholders was 517 persons, holding altogether 117,889,726 shares.

After collecting the voting ballots cast and checking the votes, the result was that:

**RESOLUTION:** The meeting by majority votes resolved that the Consolidated Statements of Financial Position and Consolidated Statements of Comprehensive Income of the Company as at 31<sup>st</sup> December 2014 be approved as proposed by the Chairman as per the following voting details:





## TIPCO ASPHALT PUBLIC COMPANY LIMITED



- 515 Shareholders voted "Approved" under this agenda, held altogether 117,852,926 shares, representing 99.9992% of the total number of shares attending this meeting and entitled to vote;
- No shareholders voted "Disapproved" under this agenda, representing 0.00% of the total number of shares attending this meeting and entitled to vote; and
- 2 Shareholders voted "Abstained" under this agenda, held altogether 900 shares, representing 0.0008% of the total number of shares attending this meeting and entitled to vote.

### **Agenda 4** To consider and approve the investment and divestment plans for the year 2015

The Chairman requested the Managing Director to present the investment and divestment plans for the year 2015.

Description of Investment	2015 (Million Baht)	2014 (Million Baht)
Land improvement and construction of new buildings	229.1	91.7
Machine, computer and software, equipment, furniture and others	708.9	283.2
Investment in the refinery in Malaysia	0	849.3
Trucks and vessel for transportation of asphalt	570.7	531.3
Investment in new market in foreign countries	0	93.0
<b>Total Investment Budget</b>	<b>1,508.7</b>	<b>1,848.5</b>

The Managing Director explained that the Company planned to make investments in land improvement and construction of new buildings both in Thailand and Malaysia, and purchase machine, computer and software and other equipment for facilities in Thailand and Malaysia. Also, the Company planned to purchase one additional vessel and 10 additional trucks to support the domestic sale, which significantly increases.

Description of Divestment	2015 (Million Baht)	2014 (Million Baht)
Land, and other	264	328
<b>Total Divestment Budget</b>	<b>264</b>	<b>328</b>

The Managing Director explained that the Company plans to dispose land in Prachubkirikan province, Petchburi province and Suratthani province. The total budget would be Baht 264 million.

The Chairman asked whether any shareholder has a question or wish to enquire anything in this agenda. There was no shareholder asking question or making an enquiry.



The Chairman therefore asked the shareholders to vote and the officers would collect the ballots from shareholders voting "Disapproved" and "Abstained" respectively.

The Chairman informed the meeting that the votes required for passing a resolution under this agenda were votes of not less than three-fourths of the total number of the votes of the shareholders attending the meeting and entitled to vote. Every shareholder was eligible to vote in this agenda.

The Managing Director informed the meeting that there were 3 additional shareholders attending the meeting at the time of this agenda, holding altogether 6,000 shares, and therefore the total number of attended shareholders was 520 persons, holding altogether 117,895,726 shares.

After collecting the voting ballots cast and checking the votes, the result was that:

**RESOLUTION:** The meeting by votes of not less than three-fourths of the total number of the votes of the shareholders attending the meeting and entitled to vote resolved that the investment and divestment plans for the year 2015 be approved as proposed as per the following voting details:

- 519 Shareholders voted "Approved" under this agenda, held altogether 116,039,826 shares, representing 99.9997% of the total number of shares attending this meeting and entitled to vote;
- No shareholders voted "Disapproved" under this agenda, representing 0.00% of the total number of shares attending this meeting and entitled to vote; and
- 1 Shareholder voted "Abstained" under this agenda, held altogether 400 shares, representing 0.0003% of the total number of shares attending this meeting and entitled to vote.

**Agenda 5      To consider and approve the allocation of profit and final dividend payment for the year 2014 as well as to acknowledge the payment of interim dividend**

The Chairman informed the meeting that pursuant to Section 116 of the Public Limited Company Act of 1992, the Company is required to set aside its annual net profits as legal reserve for not less than 5 percent of the annual net profits after loss carried forward (if any) until the reserve reaches 10 percent of the registered capital. Therefore, the Company's Board proposed the allocation of 5 percent of the net profit of the Company or Baht 10.7 million to the statutory reserves. As at 31<sup>st</sup> December 2014, the statutory reserve of the Company was Baht 172.05 million.

The Chairman further informed the meeting that the Company has a policy to pay dividends of not less than 60 percent of its separated financial statement's net profit each year. However, the actual dividend payment depended on cash flow, investment plan of the Company, terms and conditions of agreements entered by the Company, together with all other conditions of necessity and suitability in the future. In this regard, in the meeting of the Board of Directors no. 5/2014, the Board of Directors passed a resolution to distribute an interim dividend for 2014 to the shareholders on 15<sup>th</sup> December 2014 consisting of 153,277,957 shares at Baht 1 per share, or approximately Baht 153,277,957.





The Chairman further asked the shareholders to consider and approve the final dividend payment for the year 2014 at Baht 1 per share, totaling Baht 153,277,957, while the Record Date of share register book to determine name of shareholders who have the rights to receive dividend payment will be 10<sup>th</sup> March 2015 and the Book Closing Date for compiling the list of shareholders in accordance with Section 225 of the Securities and Exchange Act will be 11<sup>th</sup> March 2015. The dividend payment will be made on 29<sup>th</sup> April 2015.

The Chairman then invited questions from the shareholders.

Mr. Hungchai Akkhawasakun, a proxy from the Thai Shareholders Club, congratulated the Company for its good performance and ability to make dividend payment to the shareholders. In this regard, the Thai Shareholders Club would like listed companies to declare XD, XR or XW after the shareholders have passed the resolution, because the shareholders can decide whether to continue holding the shares or sell the shares before such declaration. In the past, there was a listed company which declared XD before the annual general meeting, but the shareholders did not approve the dividend payment. This affects minority shareholders. Therefore, the Thai Shareholders Club would like to ask the Company to declare XD after the annual general meeting of shareholders, and make the dividend payment within 15 – 20 days after the meeting. In this regard, there are a number of listed companies who declare XD after the annual general meeting of shareholders. The Managing Director stated that the Company will take this suggestion into consideration.

Mr. Kiat Sumongkolthanakul, a proxy, asked about the wording in the notice to the annual general meeting, which relates to the payment of dividend and whether it is correct that the Company makes the total dividend payment of Baht 2.00 for 2014, of which Baht 1 dividend has been paid last year and an additional Baht 1 dividend will be paid on 29<sup>th</sup> April 2015. The Managing Director responded that the proxy's understanding is correct.

The Chairman invited other shareholders to make additional enquiries in relation to this agenda. There was no additional shareholder making any additional enquiry.

The Chairman then informed the meeting that the votes required for passing a resolution under this agenda was majority votes of the shareholders attending the meeting and entitled to vote. Every shareholder was eligible to vote in this agenda. After collecting the voting ballots cast and checking the votes, the result was that:

**RESOLUTION:** The meeting by majority votes resolved that the allocation of profit and final dividend payment for the year 2014 be approved as proposed by the Chairman as per the following voting details:

- 521 Shareholders voted "Approved" under this agenda, held altogether 117,870,226 shares, representing 99.9997% of the total number of shares attending this meeting and entitled to vote;
- No shareholders voted "Disapproved" under this agenda, representing 0.00% of the total number of shares attending this meeting and entitled to vote; and
- 1 Shareholder voted "Abstained" under this agenda, held altogether 400 shares, representing 0.0003% of the total number of shares attending this meeting and entitled to vote.



The meeting acknowledged the 2014 interim dividend payment.

**Agenda 6**      **To consider and approve the appointment of auditors and auditing fee for the year 2015**

**6.1**      **To consider and approve the appointment of auditor for the year 2015**

The Chairman reported to the meeting that, since 2005, the Audit Committee has selected EY Office Limited to be the external auditor of the Company and its subsidiaries. The auditors would be changed every 3 – 5 years to comply with the requirement of the Securities Exchange Commission. As EY Office Limited is a reliable institution with excellent reputation and has been performing well as auditor for 10 consecutive years, the board of directors agreed with the Audit Committee's recommendation on the appointment of the following auditors from EY Office Limited to be the Company's auditors for the year 2015; namely Mr. Supachai Phanyawattano, Certified Public Accountant No. 3930 and/or Ms. Siraporn Ouuanunkun, Certified Public Accountant No. 3844 and/or Ms. Supanee Triyanantakul Certified Public Accountant No. 4498. The 3 auditors neither have relationship nor interest with the Company, the Company's subsidiaries, management or major shareholders of the Company as well as other related persons.

These auditors have been considered and approved by the Audit Committee and proposed to the Board of Directors of the Company for consideration. The board of directors subsequently approved the appointment of the said auditors as the Company's auditors for the year 2015 because EY Office Limited is a well-known auditing firm and has long performing good auditing work for the past 10 years.

The Chairman asked whether any shareholder has a question or wish to enquire anything in this agenda. There was no shareholder asking question or making an enquiry.

The Chairman therefore asked the shareholders to vote and the officers would collect the ballots from shareholders voting "Disapproved" and "Abstained" respectively.

The Chairman then informed the meeting that the votes required for passing a resolution under this agenda was majority votes of the shareholders attending the meeting and entitled to vote. Every shareholder was eligible to vote in this agenda.

The Managing Director informed the meeting that there was 1 additional shareholder attending the meeting at the time of this agenda, holding altogether 100 shares, and therefore the total number of attended shareholders was 523 persons, holding altogether 117,906,626 shares.

After collecting the voting ballots cast and checking the votes, the result was that:

**RESOLUTION:** The meeting by majority votes resolved that the appointment of the Company's auditors for the year 2015 be approved as proposed by the Chairman as per the following voting details:



- 521 Shareholders voted "Approved" under this agenda, held altogether 117,906,626 shares, representing 99.9992% of the total number of shares attending this meeting and entitled to vote;
- No shareholders voted "Disapproved" under this agenda, representing 0.00% of the total number of shares attending this meeting and entitled to vote; and
- 2 Shareholders voted "Abstained" under this agenda, held altogether 900 shares, representing 0.0008% of the total number of shares attending this meeting and entitled to vote.

## 6.2 To consider and approve the audit fee for the year 2015

The Chairman asked the meeting to consider the audit fee of Baht 2.05 million in performing the annual auditing work for the year 2015, which is equal to the audit fee of the previous year. The Audit Committee has approved this fee as appropriate to the volume of work undertaken by the auditors. The Chairman further informed the meeting that the audit fee for the year 2015 does not include other services fee that may occur in 2015.

EY Office Limited also audits these following 7 subsidiaries of the Company:

Type of Business	Name of Company	2015 (Baht)	2014 (Baht)
<b>Asphalt Business</b>	Tipco Asphalt Public Company Limited	2,050,000	2,050,000
	Raycol Asphalt Co., Ltd.	550,000	550,000
	Thai Bitumen Co., Ltd.	1,050,000	1,050,000
	<b>Total</b>	<b>3,650,000</b>	<b>3,650,000</b>
<b>Marine Business</b>	Tipco Maritime Co., Ltd.	260,000	260,000
	Delta Shipping Co., Ltd.	260,000	260,000
	Alpha Maritime Co., Ltd.	240,000	240,000
	Tasco Shipping Co., Ltd.	280,000	280,000
	Bitumen Marine Co., Ltd.	320,000	320,000
	<b>Total</b>	<b>1,360,000</b>	<b>1,360,000</b>
<b>Tipco Asphalt Group</b>	<b>Grand Total</b>	<b>5,010,000</b>	<b>5,010,000</b>

The Audit Committee considered this matter and proposed to the Board meeting for consideration and approval. The Board approved this matter and resolved that the matter be submitted to the shareholders' meeting for consideration and approval of the auditors' fee as described above.



The Chairman asked whether any shareholder has a question or wish to enquire anything in this agenda. There was no shareholder asking question or making an enquiry. The Chairman therefore asked the shareholders to vote and the officers would collect the ballots from shareholders voting "Disapproved" and "Abstained" respectively.

The Chairman then informed the meeting that the votes required for passing a resolution under this agenda was majority votes of the shareholders attending the meeting and entitled to vote. Every shareholder was eligible to vote in this agenda. After collecting the voting ballots cast and checking the votes, the result was that:

**RESOLUTION:** The meeting by majority votes resolved that the remuneration of the Company's auditors for the year 2015 be approved as proposed by the Chairman as per the following voting details:

- 521 Shareholders voted "Approved" under this agenda, held altogether 116,050,226 shares, representing 99.9992% of the total number of shares attending this meeting and entitled to vote;
- No shareholders voted "Disapproved" under this agenda, representing 0.00% of the total number of shares attending this meeting and entitled to vote; and
- 2 Shareholders voted "Abstained" under this agenda, held altogether 900 shares, representing 0.0008% of the total number of shares attending this meeting and entitled to vote.

**Agenda 7**      **To consider and approve remuneration for all members of the Board of Directors and its sub-committees for 2015**

The Chairman asked the meeting to consider and approve the remuneration for all members of the Board of Directors for 2015, consisting of the Chairman, Directors, Chairman of the Audit Committee and its members, Chairman of the Nomination and Remuneration Committee and its members, and Chairman of the Corporate Governance Committee and its member as proposed by the Nomination and Remuneration Committee.

Through the recommendation of the Nomination and Remuneration Committee, the Board of Directors had taken into account the market survey of Directors remuneration of listed companies and proposed the remuneration of all Directors and members of sub-committees for 2015 as follows:

**7.1      Retroactive remuneration for all the members of the Corporate Governance Committee for 2014**

The Chairman informed the meeting that the Corporate Governance Committee was formed on 14<sup>th</sup> August 2013, and had its first meeting on 11<sup>th</sup> November 2013 and 4 meetings in 2014. The Corporate Governance Committee had considered and presented the code of ethics, corporate governance policies, risk management policy and procedure and other matters to the Board of Directors for approval. However, no remuneration has been paid to the Corporate Governance Committee since its formation.

The Company's Board of Directors has considered a survey of the remuneration of corporate governance committees of listed companies, as recommended by the Nomination and Remuneration Committee, based on





the survey of the Stock Exchange of Thailand, which shows the annual remuneration for corporate governance committees for each industry.

The Chairman asked the meeting to consider and approve the retroactive remuneration of Baht 100,000 for the Chairman of the Corporate Governance Committee and Baht 240,000 for the three Corporate Governance Committee members, totaling Baht 340,000.

The Chairman then informed the meeting that the votes required for passing a resolution under the following sub-agenda were votes of not less than two-thirds of the total number of the votes of the shareholders who are attending the meeting by proxy or physical presence and entitled to vote. Every shareholder was eligible to vote in this agenda, except for Mr. Chaiwat Srivalwat, holding 60,000 shares.

The Managing Director informed the meeting that there was 1 additional shareholder attending the meeting at the time of this agenda, holding altogether 200 shares, and therefore the total number of attended shareholders was 524 persons, holding altogether 117,801,826 shares.

After collecting the voting ballots cast and checking the votes, the result was that:

**RESOLUTION:** The meeting by votes of not less than two-thirds of the total number of the votes of the shareholders who are attending the meeting by proxy or physical presence and entitled to vote resolved that the retroactive remuneration for all the members of the Corporate Governance Committee be approved as proposed as per the following voting details:

- 519 Shareholders voted "Approved" under this agenda, held altogether 117,906,826 shares, representing 99.9992% of the total number of shares attending this meeting and entitled to vote;
- No shareholders voted "Disapproved" under this agenda, representing 0.00% of the total number of shares attending this meeting and entitled to vote; and
- 4 Shareholders voted "Abstained" under this agenda, held altogether 917 shares, representing 0.0008% of the total number of shares attending this meeting and entitled to vote.

## 7.2 Fixed Remuneration for all the members of the Board of Directors and its sub-committees for 2015

The Directors and members of sub-committees would receive the maximum fixed remuneration for all members of Board of Directors and sub-committees for the year 2015 in the total amount of Baht 6.12 million, which represents an increase of Baht 340,000 which is the remuneration for the Corporate Governance Committee, as shown in the table below:

Description	2015 (Baht)	2014 (Baht)
Chairman	500,000	500,000
Independent Director (6 x 250,000)	1,500,000	1,500,000
Executive Director / Director (8 x 250,000)	2,000,000	2,000,000
Chairman of Audit Committee	500,000	500,000
Audit Committee members (3 x 400,000)	1,200,000	1,200,000
Nomination & Remuneration Committee members (4 x 20,000)	80,000	80,000
Chairman of Corporate Governance Committee	100,000	0
Corporate Governance Committee members (3 x 80,000)	240,000	0
<b>Total</b>	<b>6,120,000</b>	<b>5,780,000</b>

The Chairman asked whether any shareholder has a question or wish to enquire anything in this agenda. There was no shareholder asking question or making an enquiry. The Chairman therefore asked the shareholders to vote on the sub-agenda 7.2.1 – 7.2.7 and the officers would collect the ballots from shareholders voting “Disapproved” and “Abstained” respectively.

The Chairman then informed the meeting that the votes required for passing a resolution under the following sub-agenda were votes of not less than two-thirds of the total number of the votes of the shareholders who are attending the meeting by proxy or physical presence and entitled to vote. Every shareholder was eligible to vote in this agenda, except for the following shareholders who were the directors relating in the relevant sub-agenda:

- Ms. Laksana Supsakorn, holding 1,508,000 shares was not entitled to vote in sub-agenda 7.2.1;
- Mr. Sitilarb Supsakorn holding 1,220,000 shares, Mr. Somchit Sertthin holding 3,200,016 shares, Ms. Piyaratana Supsakorn holding 1,000,000 shares, Mr. Chaiwat Srivalwat holding 60,000 shares and Mr. Jacques Pastor holding 80,000 shares were not entitled to vote in sub-agenda 7.2.2;
- Mr. Jacques Pastor holding 80,000 shares was not entitled to vote in sub-agenda 7.2.5; and
- Mr. Chaiwat Srivalwat holding 60,000 shares was not entitled to vote in sub-agenda 7.2.7.

After collecting the voting ballots cast and checking the votes, the result was that:

#### **RESOLUTION:**

7.2.1 The meeting by votes of not less than two-thirds of the total number of the votes of the shareholders who are attending the meeting by proxy or physical presence and entitled to vote resolved that fixed remuneration for the Chairman of the Board for 2015 be approved as proposed as per the following voting details:

- 519 Shareholders voted “Approved” under this agenda, held altogether 116,362,009 shares, representing 99.9992% of the total number of shares attending this meeting and entitled to vote;





## TIPCO ASPHALT PUBLIC COMPANY LIMITED



- No shareholders voted "Disapproved" under this agenda, representing 0.00% of the total number of shares attending this meeting and entitled to vote; and
- 4 Shareholders voted "Abstained" under this agenda, held altogether 917 shares, representing 0.0008% of the total number of shares attending this meeting and entitled to vote.

7.2.2 The meeting by votes of not less than two-thirds of the total number of the votes of the shareholders who are attending the meeting by proxy or physical presence and entitled to vote resolved that fixed remuneration for the directors for 2015 be approved as proposed as per the following voting details:

- 513 Shareholders voted "Approved" under this agenda, held altogether 112,308,292 shares, representing 99.9977% of the total number of shares attending this meeting and entitled to vote;
- No shareholders voted "Disapproved" under this agenda, representing 0.00% of the total number of shares attending this meeting and entitled to vote; and
- 6 Shareholders voted "Abstained" under this agenda, held altogether 2,618 shares, representing 0.0023% of the total number of shares attending this meeting and entitled to vote.

7.2.3 The meeting by votes of not less than two-thirds of the total number of the votes of the shareholders who are attending the meeting by proxy or physical presence and entitled to vote resolved that fixed remuneration for the Chairman of the Audit Committee for 2015 be approved as proposed as per the following voting details:

- 518 Shareholders voted "Approved" under this agenda, held altogether 117,868,308 shares, representing 99.9978% of the total number of shares attending this meeting and entitled to vote;
- No shareholders voted "Disapproved" under this agenda, representing 0.00% of the total number of shares attending this meeting and entitled to vote; and
- 6 Shareholders voted "Abstained" under this agenda, held altogether 2,618 shares, representing 0.0022% of the total number of shares attending this meeting and entitled to vote.

7.2.4 The meeting by votes of not less than two-thirds of the total number of the votes of the shareholders who are attending the meeting by proxy or physical presence and entitled to vote resolved that fixed remuneration for the Audit Committee members for 2015 be approved as proposed as per the following voting details:

- 519 Shareholders voted "Approved" under this agenda, held altogether 117,868,309 shares, representing 99.9978% of the total number of shares attending this meeting and entitled to vote;
- No shareholders voted "Disapproved" under this agenda, representing 0.00% of the total number of shares attending this meeting and entitled to vote; and
- 6 Shareholders voted "Abstained" under this agenda, held altogether 2,618 shares, representing 0.0022% of the total number of shares attending this meeting and entitled to vote.

The Managing Director informed the meeting that there was 1 additional shareholder attending the meeting at the time of the sub-agenda 7.2.4, holding altogether 1 share, and therefore the total number of attended shareholders was 525 persons, holding altogether 117,906,827 shares.



7.2.5 The meeting by votes of not less than two-thirds of the total number of the votes of the shareholders who are attending the meeting by proxy or physical presence and entitled to vote resolved that remuneration for the Nomination and Remuneration Committee members for 2015 be approved as proposed as per the following voting details:

- 518 Shareholders voted "Approved" under this agenda, held altogether 117,788,309 shares, representing 99.9978% of the total number of shares attending this meeting and entitled to vote;
- No shareholders voted "Disapproved" under this agenda, representing 0.00% of the total number of shares attending this meeting and entitled to vote; and
- 6 Shareholders voted "Abstained" under this agenda, held altogether 2,618 shares, representing 0.0022% of the total number of shares attending this meeting and entitled to vote.

7.2.6 The meeting by votes of not less than two-thirds of the total number of the votes of the shareholders who are attending the meeting by proxy or physical presence and entitled to vote resolved that remuneration for the Chairman of the Corporate Governance Committee for 2015 be approved as proposed as per the following voting details:

- 519 Shareholders voted "Approved" under this agenda, held altogether 117,868,309 shares, representing 99.9978% of the total number of shares attending this meeting and entitled to vote;
- No shareholders voted "Disapproved" under this agenda, representing 0.00% of the total number of shares attending this meeting and entitled to vote; and
- 6 Shareholders voted "Abstained" under this agenda, held altogether 2,618 shares, representing 0.0022% of the total number of shares attending this meeting and entitled to vote.

7.2.7 The meeting by votes of not less than two-thirds of the total number of the votes of the shareholders who are attending the meeting by proxy or physical presence and entitled to vote resolved that remuneration for the Corporate Governance Committee members for 2015 be approved as proposed as per the following voting details:

- 518 Shareholders voted "Approved" under this agenda, held altogether 117,808,309 shares, representing 99.9978% of the total number of shares attending this meeting and entitled to vote;
- No shareholders voted "Disapproved" under this agenda, representing 0.00% of the total number of shares attending this meeting and entitled to vote; and
- 6 Shareholders voted "Abstained" under this agenda, held altogether 2,618 shares, representing 0.0022% of the total number of shares attending this meeting and entitled to vote.

### **7.3 Variable Remuneration for all the members of the Board of Directors for the performance of 2015**

On condition that the Company is profitable and subject to approval of the Board of Directors, variable remuneration payments of not exceeding 1 time of the total annual fixed remuneration of all members of the Board of Directors (not including the remuneration of the sub-committees) shall be considered and paid to all members of the Board of Directors by the Company.





The Chairman asked whether any shareholder has a question or wish to enquire anything in this agenda. There was no shareholder asking question or making an enquiry.

The Chairman therefore asked the shareholders to vote and the officers would collect the ballots from shareholders voting "Disapproved" and "Abstained" respectively.

The Chairman then informed the meeting that the votes required for passing a resolution under the this agenda were votes of not less than two-thirds of the total number of the votes of the shareholders who are attending the meeting by proxy or physical presence and entitled to vote. Every shareholder was eligible to vote in this agenda, except for the following shareholders who were also the directors relating in this agenda:

- Ms. Laksana Supsakorn, holding 1,508,000 shares;
- Mr. Sitilarb Supsakorn holding 1,220,000 shares;
- Mr. Somchit Serththin holding 3,200,016 shares;
- Ms. Piyaratana Supsakorn holding 1,000,000 shares;
- Mr. Chaiwat Srivalwat holding 60,000 shares; and
- Mr. Jacques Pastor holding 80,000 shares.

After collecting the voting ballots cast and checking the votes, the result was that:

**RESOLUTION:** The meeting by votes of not less than two-thirds of the total number of the votes of the shareholders who are attending the meeting by proxy or physical presence and entitled to votes resolved that variable remuneration for all the members of the Board of Directors for the year 2015 be approved as proposed as per the following voting details:

- 514 Shareholders voted "Approved" under this agenda, held altogether 110,800,110 shares, representing 99.9975% of the total number of shares attending this meeting and entitled to vote;
- 14 shareholders voted "Disapproved" under this agenda, held altogether 200 shares, representing 0.0002% of the total number of shares attending this meeting and entitled to vote; and
- 4 Shareholders voted "Abstained" under this agenda, held altogether 2,601 shares, representing 0.0023% of the total number of shares attending this meeting and entitled to vote.

**Agenda 8      To consider and approve election of Directors to replace those who are retired by rotation**

The Chairman informed the meeting that pursuant to Section 71 of the Public Limited Company Act of 1992 and Article 16 of the Articles of Association of the Company, one-third of the directors or the number nearest to one-third must be retired at every Annual General Meeting. At this meeting, the following 5 directors would be retired by rotation.

1. Mr. Jacques Marechal
2. Mr. Nopporn Thepsithar
3. Mr. Niphon Suthimai



## TIPCO ASPHALT PUBLIC COMPANY LIMITED



4. Mr. Phirasilp Subphapholsiri
5. Ms. Laksana Supsakorn

From 3<sup>rd</sup> November 2014 to 30<sup>th</sup> January 2015, the Company, via the Stock Exchange of Thailand's and the Company's websites, requested shareholders to propose names of candidate they would like to nominate for the appointment as Directors. There was no shareholder nominating such person(s) for consideration to the Nomination and Remuneration Committee.

The Board concurred with the view of the Nomination and Remuneration Committee that Mr. Jacques Marechal, Mr. Nopporn Thepsithar, Mr. Niphon Suthimai, Mr. Phirasilp Subphapholsiri, and Ms. Laksana Supsakorn should be re-elected for another term as their background, knowledge and experience have contributed to the Company's success on a continuing basis. Moreover, they have possessed qualifications under the Public Limited Company Act and were not subject to any prohibition as required by the rules of the Office of the Securities and Exchange Commission. The Board unanimously resolved to propose to the consideration of the shareholders meeting the election of the 5 directors, namely Mr. Jacques Marechal, Mr. Nopporn Thepsithar, Mr. Niphon Suthimai, Mr. Phirasilp Subphapholsiri, and Ms. Laksana Supsakorn to be directors of the Company. The candidates' Curricula Vitae's were provided to the shareholders together with the invitation notice to this meeting.

The Chairman further informed the meeting that Clause 15 of the Company's Articles of Association sets out the rules and procedures for electing directors as follows:

1. Separate round of voting by the shareholders shall take place for each Director position;
2. Each shareholder has a voting right of one vote per one share for each Director position to be elected;
3. Each Director position shall be allocated to the person who has received the most votes provided that the number of votes received is not less than three-fourths of the total number of votes of shareholders attending the meeting by proxy or physical presence and having the right to vote. (Director(s) who are also shareholder(s) are not eligible to vote for his/her own re-election).

The Chairman asked whether any shareholder has a question or wish to enquire anything in this agenda. There was no shareholder asking question or making an enquiry. The Chairman therefore asked the shareholders to vote on the sub-agenda 8.1 - 8.5 and the officers would collect the ballots from shareholders voting "Disapproved" and "Abstained" respectively.

The Managing Director informed the meeting that there was 1 additional shareholder attending the meeting at the time of this agenda, holding altogether 1 shares, and therefore the total number of attended shareholders was 526 persons, holding altogether 117,906,828 shares.

The Chairman then informed the meeting that the votes required for passing a resolution under this agenda were votes given to person who received most votes in the election by votes of not less than three-fourths of the total number of the votes of the shareholders attending the meeting and entitled to vote. Every shareholder was





eligible to vote in this agenda, except for Ms. Laksana Supsakorn holding 1,508,000 shares who is not entitled to vote on the sub-agenda 8.5. After collecting the voting ballots cast and checking the votes, the result was that:

**RESOLUTION:**

8.1 The meeting by votes of not less than three-fourths of the total number of the votes of the shareholders attending the meeting and entitled to vote resolved that Mr. Jacques Marechal be re-elected as a director of the Company for another term of office as per the following voting details:

- 521 Shareholders voted "Approved" under this agenda, held altogether 117,500,693 shares, representing 99.6859% of the total number of shares attending this meeting and entitled to vote;
- 2 Shareholders voted "Disapproved" under this agenda, held altogether 369,807 shares, representing 0.3137% of the total number of shares attending this meeting and entitled to vote; and
- 4 Shareholders voted "Abstained" under this agenda, held altogether 427 shares, representing 0.0004% of the total number of shares attending this meeting and entitled to vote.

8.2 The meeting by votes of not less than three-fourths of the total number of the votes of the shareholders attending the meeting and entitled to vote resolved that Mr. Nopporn Thepsithar be re-elected as a director of the Company for another term of office as per the following voting details:

- 522 Shareholders voted "Approved" under this agenda, held altogether 117,870,501 shares, representing 99.9996% of the total number of shares attending this meeting and entitled to vote;
- No shareholders voted "Disapproved" under this agenda, representing 0.00% of the total number of shares attending this meeting and entitled to vote; and
- 4 Shareholders voted "Abstained" under this agenda, held altogether 427 shares, representing 0.0004% of the total number of shares attending this meeting and entitled to vote.

8.3 The meeting by votes of not less than three-fourths of the total number of the votes of the shareholders attending the meeting and entitled to vote resolved that Mr. Nippon Suthimai be re-elected as a director of the Company as per the following voting details:

- 522 Shareholders voted "Approved" under this agenda, held altogether 117,870,501 shares, representing 99.9996% of the total number of shares attending this meeting and entitled to vote;
- No shareholders voted "Disapproved" under this agenda, representing 0.00% of the total number of shares attending this meeting and entitled to vote; and
- 4 Shareholders voted "Abstained" under this agenda, held altogether 427 shares, representing 0.0004% of the total number of shares attending this meeting and entitled to vote.

8.4 The meeting by votes of not less than three-fourths of the total number of the votes of the shareholders attending the meeting and entitled to vote resolved that Mr. Phirasilp Subphapholsiri be re-elected as a director of the Company as per the following voting details:

- 522 Shareholders voted "Approved" under this agenda, held altogether 117,870,501 shares, representing 99.9996% of the total number of shares attending this meeting and entitled to vote;



## TIPCO ASPHALT PUBLIC COMPANY LIMITED



- No shareholders voted "Disapproved" under this agenda, representing 0.00% of the total number of shares attending this meeting and entitled to vote; and
- 4 Shareholders voted "Abstained" under this agenda, held altogether 427 shares, representing 0.0004% of the total number of shares attending this meeting and entitled to vote.

8.5 The meeting by votes of not less than three-fourths of the total number of the votes of the shareholders attending the meeting and entitled to vote resolved that Ms. Laksana Supsakorn be re-elected as a director of the Company as per the following voting details:

- 521 Shareholders voted "Approved" under this agenda, held altogether 115,992,694 shares, representing 99.6818% of the total number of shares attending this meeting and entitled to vote;
- 2 Shareholders voted "Disapproved" under this agenda, held altogether 369,807 shares, representing 0.3178% of the total number of shares attending this meeting and entitled to vote; and
- 4 Shareholders voted "Abstained" under this agenda, held altogether 427 shares, representing 0.0004% of the total number of shares attending this meeting and entitled to vote.

**Agenda 9** To consider and approve the change in the par value of the Company's ordinary shares from Bath 10 per share to Bath 1 per share, resulting in increase in the number of shares from 172,123,329 shares to 1,721,233,290 shares, and the amendment to Clause 4 of the Memorandum of Association of the Company regarding the registered capital to reflect the change in the par value of the Company's ordinary shares

The Chairman informed the meeting that, in order to increase the liquidity of the Company's shares, the Company's Board of Directors passed a resolution to propose to the shareholders the change in the par value of the Company's ordinary shares from Baht 10 per share to Baht 1 per share, which results in an increase in the number of shares from 172,123,329 shares to 1,721,233,290 shares. The ownership percentage of the existing shareholders will not be affected by the change in the par value in any way, and the Company's registered capital remains at the same level. The Chairman asked the Managing Director to provide an explanation to the meeting.

The Managing Director explained to the meeting the Company's registered capital and the number of shares before and after the change in the par value as follows:

	Before the change in par value	After the change in par value
Registered capital (Baht)	1,721,233,290	1,721,233,290
Par value (Baht per share)	10	1
Number of ordinary shares (shares)	172,123,329	1,721,233,290
Paid-up capital (Baht)	1,534,271,570	1,534,271,570
Par value (Baht per share)	10	1
Number of ordinary shares (shares)	153,427,157	1,534,271,570





## TIPCO ASPHALT PUBLIC COMPANY LIMITED



To be in line with the change in the par value of the Company's shares, the Managing Director asked the meeting to consider and approve the amendment to Clause 4 of the Memorandum of Association of the Company regarding the registered capital to reflect the change in the par value of the Company's shares as follows:

### From

"Clause 4	Registered Capital	1,721,233,290 Baht	(One billion, seven hundred and twenty one million, two hundred thirty-three thousand, two hundred and ninety Baht)
	Divided into	172,123,329 Shares	(One hundred seventy two million, one hundred twenty-three thousand, three hundred twenty-nine shares)
	Value per Share	10 Baht	(Ten Baht)
	Categorized as		
	Ordinary Shares	172,123,329 Shares	(One hundred seventy two million, one hundred twenty-three thousand, three hundred twenty-nine shares)
	Preference Shares	- none -	- none -

### To

"Clause 4	Registered Capital	1,721,233,290 Baht	(One billion, seven hundred and twenty one million, two hundred thirty-three thousand, two hundred and ninety Baht)
	Divided into	1,721,233,290 Shares	(One billion, seven hundred and twenty-one million, two hundred thirty-three thousand, two hundred and ninety shares)
	Value per Share	1 Baht	(One Baht)
	Categorized as		
	Ordinary Shares	1,721,233,290 Shares	(One billion, seven hundred and twenty-one million, two hundred thirty-three thousand, two hundred and ninety shares)
	Preference Shares	- none -	- none -

The Chairman asked the meeting whether any shareholder has a question or wish to enquire anything in this Agenda.

Mr. Hungchai Akkawasakun, a proxy from the Thai Shareholders Club, thanked the Company's management for the vision to reduce the par value of the Company's shares, in order to increase the liquidity and the free-float of the Company's shares, and asked about the exercise price of ESOP-W4 after the change in the par value. The Chief Executive Officer responded that the exercise price of ESOP-W4 will be at around Baht 4. The Managing



Director stated that the number of shares and the exercise price of 4 grants of ESOP that have been issued previously will be changed to be consistent with the change in the par value of the shares. In this regard, the 4 grants of ESOP that have been previously issued can still be exercised.

The Chairman asked the meeting whether other shareholder has a question or wishes to enquire anything in this Agenda. There was no other shareholder asking question or making an enquiry.

The Chairman therefore asked the shareholders to vote and the officers would collect the ballots from shareholders voting "Disapproved" and "Abstained" respectively.

The Chairman then informed the meeting that the votes required for passing a resolution under this agenda were votes given to person who received most votes in the election by votes of not less than three-fourths of the total number of the votes of the shareholders attending the meeting and entitled to vote. Every shareholder was eligible to vote in this agenda.

The Managing Director informed the meeting that there were 5 additional shareholders attending the meeting at the time of this agenda, holding altogether 1,408 shares, and therefore the total number of attended shareholders was 531 persons, holding altogether 117,908,236 shares.

After collecting the voting ballots cast and checking the votes, the result was that:

**RESOLUTION:** The meeting by votes of not less than three-fourths of the total number of the votes of the shareholders attending the meeting and entitled to vote resolved that the change in the par value of the Company's ordinary shares from Bath 10 per share to Bath 1 per share, resulting in increase in the number of shares from 172,123,329 shares to 1,721,233,290 shares, and the amendment to Clause 4 of the Memorandum of Association of the Company regarding the registered capital to reflect the change in the par value of the Company's ordinary shares be approved as proposed by the Chairman as per the following voting details:

- 529 Shareholders voted "Approved" under this agenda, held altogether 117,871,736 shares, representing 99.9995% of the total number of shares attending this meeting and entitled to vote;
- No shareholders voted "Disapproved" under this agenda, representing 0.00% of the total number of shares attending this meeting and entitled to vote; and
- 2 Shareholders voted "Abstained" under this agenda, held altogether 600 shares, representing 0.0005% of the total number of shares attending this meeting and entitled to vote.

**Agenda 10**      **To consider and approve the Long Term Incentive Program grant #5 (ESOP-W5) for Executive Directors and/or Employees**

The Chairman stated that the Long Term Incentive Program grant #5 (ESOP-W5) to employees was the fifth issuance of warrants to purchase ordinary shares of the Company granted to the executive directors and/or staff, after the fourth issuance which were approved by the shareholders at the Annual General Meeting for 2014 no.





## TIPCO ASPHALT PUBLIC COMPANY LIMITED



1/2014. The objective is to motivate and attract executive directors and/or staff (management level and high potential employees) with capabilities to work devotedly to the Company for a long period of time. The details of the warrants were set out in the attachment to the invitation notice to this meeting.

The Managing Director clarified the details of the Long Term Incentive Program grant #5 (ESOP-W5) as follows:

Topic	Details
Amount of Warrants offered	<ul style="list-style-type: none"> <li>12,000,000 Units</li> </ul>
No. of new ordinary shares reserved for exercise of Warrants	<ul style="list-style-type: none"> <li>12,000,000 shares at the par value of Baht 1 per share or 0.78% of total paid up capital</li> </ul>
Offering price	<ul style="list-style-type: none"> <li>Baht 0 per unit</li> </ul>
Allocation method	<ul style="list-style-type: none"> <li>Allocate directly to not more than 60 executive directors and/or employees (key managers and high potential employees) of the Company and its subsidiaries on the date of allocation.</li> <li>Nomination and Remuneration Committee will determine the list of eligible executive directors while the senior management committee will determine the list of key managers and high potential employees eligible. The number of Warrant allocated is based on qualification and any other relevant details.</li> </ul>
Exercise ratio	<ul style="list-style-type: none"> <li>1 unit of Warrant will be entitled to purchase 1 newly-issued ordinary share.</li> </ul>
Exercise price	<ul style="list-style-type: none"> <li>Baht 8.57 per share</li> <li>The exercise price is calculated based on the weighted average of the daily trading price of the Company's ordinary shares for fifteen (15) consecutive trading days prior to the date of the Company's Board of Directors Meeting No. 2/2014</li> </ul>
Offering period	<ul style="list-style-type: none"> <li>Within one (1) year from the date on which the Shareholders' Meeting approved the offering of ESOP-W5.</li> <li>The Board of Directors and/or the person(s) entrusted by the Board of Directors is (are) authorized to determine the issuing date of warrants after having obtained approval from the shareholders' meeting.</li> </ul>

Topic	Details
Maturity of Warrants	<ul style="list-style-type: none"> <li>5 years from the issuance date of the warrants.</li> </ul>
Condition to Exercise Warrants	<ul style="list-style-type: none"> <li>The Warrants' holder is able to exercise its right after the third year from the issuance date of the warrants.</li> </ul>
Dilution Effect	<ul style="list-style-type: none"> <li>No price dilution since the Exercise Price is the market price.</li> <li>Control dilution is equivalent to 0.78%.</li> </ul>

The Board was of the opinion that the meeting should consider and approve the Long Term Incentive Program grant #5 (ESOP-W5) because such program was necessary, particularly in the competitive employment market for personnel with high capabilities, and the meeting should approve the authorization of the Chairman of the Board to determine the issuing date of warrants to purchase ordinary shares of the Company and other conditions.

The Chairman asked the meeting whether any shareholder has a question or wish to enquire anything in this Agenda.

Mr. Hungchai Akkhawasakun, a proxy from the Thai Shareholders Club, stated that the Thai Shareholders Club unanimously resolved to campaign against an issuance of ESOP or a private placement below market value. The Company issued 5 grants of ESOP, including this grant. Based on his personal experience, his relative received ESOP from a listed company, but did not have sufficient fund for the exercise, so he lend his relative a fund for the exercise of ESOP. His relative incurred tax expenses on the profit from ESOP as well. Based on this, he felt that ESOP only benefited a small number of people, and disagree with the Company's statement that ESOP does not affect the share price. This is because ESOP holders would sell the shares that they receive from the exercise of ESOP in the market, which directly affects minority shareholders. Also, he does not agree with the issuance of ESOP, because it has immediate dilution effect and results in additional tax liability to those who receive ESOP. He would like the Company to compensate its employees by making cash payment, which is tax-deductible and reflected in the financial statements. Also, all the ESOPs that the Company has issued account for approximately Baht 100 million, which is significant. In conclusion, the Thai Shareholders Club does not agree with an issuance of ESOP and a private placement, and will make an objection at every shareholders meeting. He asked the independent directors and audit committee members to monitor and review this issue as well. The Chairman stated that the Company will take this suggestion into consideration.

The Chairman asked the meeting whether other shareholder has a question or wishes to enquire anything in this Agenda. There was no other shareholder asking question or making an enquiry.





The Chairman then asked the shareholders to vote and the officers would collect the ballots from shareholders voting "Disapproved" and "Abstained" respectively. The following shareholders had interest in this matter and were not entitled to vote:

- Mr. Sitilarb Supsakorn holding 1,220,000 shares;
- Mr. Somchit Serththin holding 3,200,016 shares;
- Ms. Piyaratana Supsakorn holding 1,000,000 shares;
- Mr. Chaiwat Srivalwat, holding 60,000 shares; and
- Mr. Jacques Pastor, holding 80,000 shares.

The Chairman then informed the meeting that the votes required for passing a resolution under this agenda were votes of not less than three-fourths of the shareholders attending the meeting by proxy or physical presence and entitled to vote. In addition, the votes against must not be more than ten percent of the attending shareholders. Every shareholder was eligible to vote in this agenda. After collecting the voting ballots cast and checking the votes, the result was that:

**RESOLUTION:** The meeting by votes of not less than three-fourths of the total number of votes of the shareholders who are attending the meeting by proxy or physical presence and entitled to vote resolved that the Long Term Incentive Program grant #5 (ESOP-W5) be approved as proposed by the Chairman as per the following voting details:

- 498 Shareholders voted "Approved" under this agenda, held altogether 111,520,860 shares, representing 99.2953% of the total number of shares attending this meeting and entitled to vote;
- 40 Shareholders voted "Disapproved" under this agenda, held altogether 788,574 shares, representing 0.7027% of the total number of shares attending this meeting and entitled to vote; and
- 3 Shareholders voted "Abstained" under this agenda, held altogether 2,886 shares, representing 0.0026% of the total number of shares attending this meeting and entitled to vote.

**Agenda 11** To consider and approve the reduction of the registered capital of Baht 1,721,233,290, by 154,497,720 shares at the par value of Baht 1 each, to the new registered capital of Baht 1,566,735,570. The reduced registered capital of Baht 154,497,720 was previously reserved for the issuance of the TASCO-W3 warrants to purchase ordinary shares and for the exercise of ESOP-W1, ESOP-W2 and ESOP-W3, and the amendment to Clause 4 of the Memorandum of Association of the Company regarding the registered capital to reflect the reduction of the registered capital

The Chairman stated that a public limited company is required under the Public Company Limited Act to reduce the registered capital, which has not been allocated before any capital increase.

The Board has approved and proposed to the shareholders' meeting to consider the reduction of the registered capital of Baht 154,497,720 from the existing capital of Baht 1,721,233,290 to the new registered capital of Baht 1,566,735,570 by decreasing 154,497,720 ordinary shares at the par value of Baht 1 each which were reserved



## TIPCO ASPHALT PUBLIC COMPANY LIMITED



for the issuance of the TASCO-W3 warrants to purchase ordinary shares and for the exercise of warrants to purchase ordinary shares of the Company allocated to Executive Directors and/or employees of the Company (ESOP-W1, ESOP-W2 and ESOP-W3).

The Chairman also asked the meeting to consider and approve the amendment to Clause 4 of the Memorandum of Association of the Company to be in line with the decrease in the registered capital of the Company as follows:

### From

"Clause 4	Registered Capital	1,721,233,290 Baht	(One billion, seven hundred and twenty one million, two hundred thirty-three thousand, two hundred and ninety Baht)
	Divided into	1,721,233,290 Shares	(One billion, seven hundred and twenty one million, two hundred thirty-three thousand, two hundred and ninety shares)
	Value per Share	1 Baht	(One Baht)
	Categorized as		
	Ordinary Shares	1,721,233,290 Shares	(One billion, seven hundred and twenty one million, two hundred thirty-three thousand, two hundred and ninety shares)
	Preference Shares	- none -	- none -"

### To

"Clause 4	Registered Capital	1,566,735,570 Baht	(One billion, five hundred and sixty-six million, seven hundred thirty-five thousand, five hundred and seventy Baht)
	Divided into	1,566,735,570 Shares	(One billion, five hundred and sixty-six million, seven hundred thirty-five thousand, five hundred and seventy shares)
	Value per Share	1 Baht	(One Baht)
	Categorized as		
	Ordinary Shares	1,566,735,570 Shares	(One billion, five hundred and sixty-six million, seven hundred thirty-five thousand, five hundred and seventy shares)
	Preference Shares	- none -	- none -"

The Chairman asked the meeting whether any shareholder has a question or wish to enquire anything in this Agenda. There was no shareholder asking question or making an enquiry.





The Chairman then asked the shareholders to vote and the officers would collect the ballots from shareholders voting "Disapproved" and "Abstained" respectively.

The Chairman then informed the meeting that the votes required for passing a resolution under this agenda were votes of not less than three-fourths of the total number of the votes of the shareholders who are attending the meeting by proxy or physical presence and entitled to vote. Every shareholder was eligible to vote in this agenda. After collecting the voting ballots cast and checking the votes, the result was that:

**RESOLUTION:** The meeting by votes of not less than three-fourths of the total number of the votes of the shareholders who are attending the meeting by proxy or physical presence and entitled to vote resolved that the decrease of the Company's registered capital be approved as proposed by the Chairman as per the following voting details:

- 526 Shareholders voted "Approved" under this agenda, held altogether 117,779,396 shares, representing 99.9151% of the total number of shares attending this meeting and entitled to vote;
- 3 Shareholders voted "Disapproved" under this agenda, held altogether 97,262 shares, representing 0.0825% of the total number of shares attending this meeting and entitled to vote; and
- 4 Shareholders voted "Abstained" under this agenda, held altogether 2,800 shares, representing 0.0024% of the total number of shares attending this meeting and entitled to vote.

**Agenda 12** To consider and approve the increase of the registered capital of the Company in the amount of Baht 12,000,000 from the current registered capital of Baht 1,566,735,570 to the new registered capital of Baht 1,578,735,570 by issuing 12,000,000 new ordinary shares with par value of Baht 1 each, and the amendment to Clause 4 of the Memorandum of Association of the Company regarding the registered capital to reflect the increase of the registered capital

The Chairman stated that to support the issuance of the Long Term Incentive Program (ESOP-W5) as approved by the shareholders' meeting under Agenda 10. The Board proposed that the shareholders' meeting should approve the increase of registered capital of the Company in the amount of Baht 12,000,000 from current registered capital of Baht 1,566,735,570 to the new registered capital of Baht 1,578,735,570 by issuing 12,000,000 new ordinary shares with par value of Baht 1 each.

The Chairman asked the meeting to consider and approve the amendment to Clause 4 of the Memorandum of Association of the Company to be in line with the decrease in the registered capital of the Company as follows:

**From**

"Clause 4 Registered Capital 1,566,735,570 Baht (One billion, five hundred and sixty-six million, seven hundred thirty-five



## TIPCO ASPHALT PUBLIC COMPANY LIMITED



			thousand, five hundred and seventy Baht)
	Divided into	1,566,735,570 Shares	(One billion, five hundred and sixty-six million, seven hundred thirty-five thousand, five hundred and seventy shares)
	Value per Share	1 Baht	(One Baht)
		Categorized as	
	Ordinary Shares	1,566,735,570 Shares	(One billion, five hundred and sixty-six million, seven hundred thirty-five thousand, five hundred and seventy shares)
	Preference Shares	- none -	- none -"
<b>To</b>			
"Clause 4	Registered Capital	1,578,735,570 Baht	(One billion, five hundred and seventy-eight million, seven hundred thirty-five thousand, five hundred and seventy Baht)
	Divided into	1,578,735,570 Shares	(One billion, five hundred and seventy-eight million, seven hundred thirty-five thousand, five hundred and seventy shares)
	Value per Share	1 Baht	(One Baht)
		Categorized as	
	Ordinary Shares	1,578,735,570 Shares	(One billion, five hundred and seventy-eight million, seven hundred thirty-five thousand, five hundred and seventy shares)
	Preference Shares	- none -	- none -"

The Chairman asked whether any shareholder has a question or wish to enquire anything in this agenda. There was no shareholder asking question in this agenda.

The Chairman therefore asked the shareholders to vote and the officers would collect the ballots from shareholders voting "Disapproved" and "Abstained" respectively.

The Chairman then informed the meeting that the votes required for passing a resolution under this Agenda was votes of not less than three-fourths of the total number of the votes of the shareholders who are attending the meeting by proxy or physical presence and entitled to vote. Every shareholder was eligible to vote in this agenda. After collecting the voting ballots cast and checking the votes, the result was that:





**RESOLUTION:** The meeting by votes of not less than three-fourths of the total number of the votes of the shareholders who are attending the meeting by proxy or physical presence and entitled to vote resolved that the increase of the Company's registered capital and the amendment to Clause 4 of the Memorandum of Association of the Company regarding the registered capital to reflect the increase of the registered capital be approved as proposed by the Chairman as per the following voting details:

- 507 Shareholders voted "Approved" under this agenda, held altogether 117,391,158 shares, representing 99.5858% of the total number of shares attending this meeting and entitled to vote;
- 37 Shareholders voted "Disapproved" under this agenda, held altogether 485,900 shares, representing 0.4122% of the total number of shares attending this meeting and entitled to vote; and
- 2 Shareholders voted "Abstained" under this agenda, held altogether 2,400 shares, representing 0.0020% of the total number of shares attending this meeting and entitled to vote.

**Agenda 13**      **To consider and approve the allocation of 12,000,000 new ordinary shares for ESOP-W5 at par value of Baht 1 per share under the Long Term Incentive Program**

The Chairman stated that for the purpose of consistency with the resolution of the shareholders' meeting in Agenda 12. The Board approved and proposed to this meeting for consideration the allocation of the new ordinary shares of 12,000,000 shares at the par value of Baht 1 each to reserve for the exercise of the warrants to purchase ordinary shares of the Company allocated to executive directors and/or employees (key managers and high potential employees) according to the Long Term Incentive Program grant #5 (ESOP-W5) to employees.

The Chairman asked the meeting whether any shareholder has a question or wish to enquire anything in this Agenda. There was no shareholder asking question or making an enquiry.

The Chairman therefore asked the shareholders to vote and the officers would collect the ballots from shareholders voting "Disapproved" and "Abstained", respectively.

The Chairman then informed the meeting that the votes required for passing a resolution under this agenda were votes of not less than three-fourths of the total number of the votes of the shareholders who are attending the meeting by proxy or physical presence and entitled to vote. Every shareholder was eligible to vote in this agenda. After collecting the voting ballots cast and checking the votes, the result was that:

**RESOLUTION:** The meeting by votes of not less than three-fourths of the total number of the votes of the shareholders who are attending the meeting by proxy or physical presence and entitled to vote resolved that the allocation of 12,000,000 new ordinary shares at par value of Baht 1 per share to reserve for exercising the Long Term Incentive Program grant #5 (ESOP-W5) be approved as proposed by the Chairman as per the following voting details:

- 507 Shareholders voted "Approved" under this agenda, held altogether 117,088,551 shares, representing 98.6486% of the total number of shares attending this meeting and entitled to vote;



- 38 Shareholders voted “Disapproved” under this agenda, held altogether 788,307 shares, representing 0.6387% of the total number of shares attending this meeting and entitled to vote; and
- 3 Shareholders voted “Abstained” under this agenda, held altogether 2,600 shares, representing 0.0022% of the total number of shares attending this meeting and entitled to vote.

**Agenda 14**      **To consider and approve the amendment to Article 9 (2) of Articles of Association of the Company to allow the increase in foreign limit of shareholding**

The Chairman stated that the Board has approved and proposed to the shareholders’ meeting to consider and approve the amendment to Article 9 (2) of the Company’s Articles of Association concerning the foreign shareholding limit to support the Long Term Incentive Program (ESOP-W5) as follows:

**From**

“Article 9 (2).      Foreigners may acquire new ordinary shares of the Company in excess of the restricted ratio prescribed in (1) of this Article by not more than 5.5 percent of the total shares of the Company then issued, by acquiring shares through the exercising rights attached to the warrants only, which are issued and offered by the Company to the shareholders and employees pursuant to the Annual General Meeting of Shareholders No. 1/2011 dated 5<sup>th</sup> April 2011, the Annual General Meeting of Shareholders No. 1/2012 dated 27<sup>th</sup> April 2012, the Annual General Meeting of Shareholders No. 1/2013 dated 5<sup>th</sup> April 2013 and the Annual General Meeting of Shareholders No. 1/2014 dated 4<sup>th</sup> April 2014, including dividend shares or new ordinary shares issued to the holders of ordinary shares who have acquired the shares through the exercise rights attached to the warrants under (2) of this Article.”

**To**

“Article 9 (2)      Foreigners may acquire new ordinary shares of the Company in excess of the restricted ratio prescribed in (1) of this Article by not more than 5.5 percent of the total shares of the Company then issued, by acquiring shares through the exercising rights attached to the warrants only, which are issued and offered by the Company to the shareholders and employees pursuant to the Annual General Meeting of Shareholders No. 1/2011 dated 5<sup>th</sup> April 2011, the Annual General Meeting of Shareholders No. 1/2012 dated 27<sup>th</sup> April 2012, the Annual General Meeting of Shareholders No. 1/2013 dated 5<sup>th</sup> April 2013, the Annual General Meeting of Shareholders No. 1/2014 dated 4<sup>th</sup> April 2014 and the Annual General Meeting of Shareholders No. 1/2015 dated 7<sup>th</sup> April 2015, including dividend shares or new ordinary shares issued to the holders of ordinary shares who have acquired the shares through the exercise rights attached to the warrants under (2) of this Article.”

The Chairman asked the meeting whether any shareholder has a question or wish to enquire anything in this Agenda. There was no shareholder asking question or making an enquiry.

The Chairman therefore asked the shareholders to vote and the officers would collect the ballots from shareholders voting “Disapproved” and “Abstained” respectively.





The Chairman then informed the meeting that the votes required for passing a resolution under this agenda was votes of not less than three-fourths of the total number of the votes of the shareholders who are attending the meeting by proxy or physical presence and entitled to vote. Every shareholder was eligible to vote in this agenda. After collecting the voting ballots cast and checking the votes, the result was that:

**RESOLUTION:** the meeting by votes of not less than three-fourths of the total number of the votes of the shareholders who are attending the meeting by proxy or physical presence and entitled to vote resolved that the amendment to Article 9 (2) of Articles of Association of the Company to allow to the increase in foreign limit of shareholding be approved as proposed by the Chairman as per the following voting details:

- 506 Shareholders voted "Approved" under this agenda, held altogether 117,088,051 shares, representing 99.3286% of the total number of shares attending this meeting and entitled to vote;
- 26 Shareholders voted "Disapproved" under this agenda, held altogether 790,307 shares, representing 0.6704% of the total number of shares attending this meeting and entitled to vote; and
- 3 Shareholders voted "Abstained" under this agenda, held altogether 1,100 shares, representing 0.0009% of the total number of shares attending this meeting and entitled to vote.

**Agenda 15**      **Other matters, if any**

The Chairman asked whether any shareholder has a question or wish to enquire anything in this meeting.

The representative of the Thai Investors Association (Mr. Phoomraphee Thanasilp) expressed his admiration that the Company has signed the Declaration of Intent in view of Establishing Thailand's Private Sector Collective Action Coalition Against Corruption ("CAC") with the Thai Institute of Directors and asked when the Company expects to be certified under this program. The Managing Director responded that, after the Company signed the declaration of intent, the Company has reviewed the guideline that the Company needs to comply with, which consists of 35 items. At this moment, only 10 items are pending, and the Company expects to be able to participate in this program during Q3 by this year.

Mr. Sithichok Boonvanich, a shareholder, asked about the Company's market share and the number of product grade that the Company offers. The shareholder also expressed his comment on an officer of Tipco Foods Public Company Limited, who was not helpful at the Queen Sirikit Convention Center. The Chairman stated that she will look into this issue with Tipco Foods Public Company Limited. The Managing Director explained that the Company's market share for the domestic market last year was approximately 45 – 50%, and the Company's market share for international market varies, depending on each country. The Company's market share in China is approximately 10 – 15%, and the Company's market share in Indonesia, Malaysia, Australia and Vietnam is not more than 25%. With respect to the grade of products, the Company has approximately 50 types and grades of asphalt product, which can be categorized into 4 – 5 groups, depending on work requirement.

Mr. Suwit Chai-amnaji, a shareholder, asked about the production capacity at the refinery in Malaysia. The sales volume last year was 2.4 million tons, while the refinery in Malaysia has the production capacity of only 1.7 million





tons. The shareholder ask whether the Company has any plan to increase its production capacity or it is necessary for the Company to purchase asphalt from others. The Chief Executive Officer explained that the Company made significant investments in the refinery in the past 3 – 4 years and, therefore, does not have any plan in the short term to increase the production capacity. However, the Company buys asphalts from refineries in this region in order to meet the demand for asphalt products in the market. Even though the refinery in Malaysia has the production capacity of only 1.3 million tons per year, the Company will try to purchase all asphalt from other refineries that can sell to the Company.

Mr. Veeraphol Gnamwongwan, a shareholder, asked whether there are new refineries in this region and asked the management to explain the benefits that the Company receives from its joint venture with the Korean company. The shareholder also asked for the management's outlook this year. The Chief Executive Officer responded that there are no new refineries in this region. With respect to the joint venture with SK Corporation, the joint venture company has set up an office and will begin selling products in this month. In this regard, the Company will be able to sell asphalts manufactured in Korea to Chinese customers through the joint venture company, which will reduce the cost of freight. With respect the outlook for 2015, the management views that the Company is still able to perform well, because the crude price remains low and the asphalt price remains stable. In addition, the Thai government has allocated a budget for infrastructure investment in order to stimulate the economy, which results in more work for contractors, which is beneficial for the Company as an asphalt supplier.

The same shareholder asked whether there is a particular concern for the management. The Managing Director responded that the management is particularly concerned with the crude price, which is an issue that requires the Company to properly plan its hedging arrangement, and requires the Company to continuously make an assessment of the situation.

Mr. Suwit Chai-amnaji, a shareholder, asked whether the grade of asphalt products that the Company and SK Corporation produce are the same. The Managing Directors the asphalt products that the Company and SK Corporation produce are similar to each other in terms of quality. In this regard, each country has different requirements for asphalt. Nonetheless, the Company's refinery and SK Corporation's refinery are able to produce high quality asphalt products. The same shareholder asked whether asphalt products that the Company produces are of world-class quality. The Managing Director explained that the Company's asphalt products are among the highest quality products in the world. In this regard, the Company's major shareholder is Colas S.A., which is a leader in road construction and a leading manufacturer of asphalt products. Colas S.A. can produce over 200 types of asphalt, and the Company is able to produce premium quality asphalt products that Colas S.A. can produce. The same shareholder asked whether it is better to use higher quality asphalts to construct a new road than using lower quality asphalts to construct a new road, which requires repair later. The Managing Director explained that the first investment is a significant investment, and if high quality asphalts are used and the contractor performs the work that meets the standards which extends the useful life, the Company believes that it is a better investment.

Mr. Sithichok Boonvanich, a shareholder, asked whether the Company is able to sell asphalts at prices suggested by the Ministry of Commerce. For example, the price of Asphalt Cement as suggested by the Ministry





## TIPCO ASPHALT PUBLIC COMPANY LIMITED



of Commerce is Baht 30,000 per ton. The Managing Director explained that each customer receives different discounts. Therefore, the Company is not able to sell asphalts at the price suggested by the Ministry of Commerce, and other asphalt suppliers are not able to sell their products at that price either. The same shareholder stated that, currently, the Thai government is helping rubber farmers with its policy to mix rubber with asphalt, and asked whether the Company has received any purchase order under this program. The Managing Director explained that there are 2 types of asphalt product with rubber as a component, which are liquid asphalt and Para-AC. The government has a policy to increase the use of liquid rubber by two-fold and the use of Para-AC by three-fold. Last year, the government had a policy to use 3,000 tons of rubber to be mixed with asphalt. This year, the government would like to increase that amount to 10,000 tons of rubber. If rubber accounts for 5 – 8% of asphalt products, we can calculate the total amount of asphalt products that has rubber as a component. There are several suppliers of asphalt products with a mixture of rubber, but the Company's market share is approximately 70%. The same shareholder asked whether the Company's cost of hedging would significantly decrease when the crude price decreases, and the benefit of low crude price that the Company expects to receive during Q1/2015. The Chief Executive Officer explained that the cost of hedging does not depend on the crude price, and the Company expects to benefit from the low crude price during Q1 and Q2 of this year, because the asphalt prices remain stable, but the cost of crude is lower.

There were neither other matters additionally proposed nor further questions raised by the shareholders.



## TIPCO ASPHALT PUBLIC COMPANY LIMITED



The Chairman, therefore, thanked the attending shareholders and declared that the meeting be adjourned.

The meeting was adjourned at 12.30 hours.

Chairman of the Meeting

(Ms. Laksana Supsakorn)

Recorded by:

(Mr. Parama Saovabha)