

- TRANSLATION -

**Minutes of the Annual General Meeting of Shareholders for the Year 2018**

**TISCO FINANCIAL GROUP PUBLIC COMPANY LIMITED**

The meeting was convened at the conference room on 12<sup>th</sup> floor, Head Office of TISCO Financial Group Public Company Limited, 48/49 TISCO Tower, North Sathorn Road, Silom, Bangrak, Bangkok, on Monday, April 23, 2018, at 14.00 hours.

Mr. Pliu Mangkornkanok, the Chairman of the Board and Independent Director, chaired the meeting. He informed the meeting of the Directors, Group Chief Executive, Management, auditors and observers from the Bank of Thailand present at the meeting as follows.

The directors present at the meeting comprised eleven directors, accounting for 91.6667% of the total number of twelve directors, namely:

1. Mr. Pliu Mangkornkanok Chairman of the Board and Independent Director
2. Mr. Hon Kit Shing (Alexander H. Shing) Vice Chairman of the Board, Non-Executive Director, and Nomination and Compensation Committee Member
3. Ms. Oranuch Apisaksirikul Executive Director and Chairperson of the Executive Board
4. Assoc. Prof. Dr. Angkarat Priebrivat Independent Director and Chairperson of the Audit Committee
5. Prof. Dr. Pranee Tinakorn Independent Director and Chairperson of the Nomination and Compensation Committee
6. Ms. Patareeya Benjapolchai Independent Director, Chairperson of Corporate Governance Committee, and Audit Committee Member
7. Ms. Panada Kanokwat Independent Director and Corporate Governance Committee Member
8. Mr. Sathit Aungmanee Independent Director, Audit Committee Member, and Nomination and Compensation Committee Member
9. Prof. Dr. Teerana Bhongmakapat Non-Executive Director and Corporate Governance Committee Member
10. Mr. Chi-Hao Sun (Howard Sun) Executive Director and Executive Board Member
11. Mr. Suthas Ruangmanamongkol Executive Director, Executive Board Member, Group Chief Executive, and Chief Operating Officer

Director absent with apologies:

1. Mr. Takashi Kurome Executive Director and Executive Board Member

Members of the Management Committee (*\* positions seconded to manage in subsidiary companies*)

1. Mr. Sakchai Peechapat President  
(\* President, TISCO Bank Public Company Limited)
2. Mr. Pitada Vatcharasiritham Senior Executive Vice President  
(\* Senior Executive Vice President - Corporate Banking, TISCO Bank Public Company Limited)
3. Mr. Chalit Silpsrikul Senior Executive Vice President  
(\* Senior Executive Vice President - Retail Banking, TISCO Bank Public Company Limited)
4. Mr. Metha Pingsuthiwong Senior Executive Vice President  
(\* Senior Executive Vice President - Wealth Management & Banking Services, TISCO Bank Public Company Limited)
5. Mr. Paiboon Nalinthrangkurn First Executive Vice President  
(\* Chief Executive Officer, TISCO Securities Company Limited and Deutsche TISCO Investment Advisory Company Limited)

6. Mr. Chatri Chandrangam First Executive Vice President - Risk and Financial Control
7. Ms. Yutiga Sonthayanavin First Executive Vice President - Information Technology
8. Mr. Rungroj Jarasvijitkul Executive Vice President  
(\* Executive Vice President - Sales & Marketing 1, TISCO Bank Public Company Limited )
9. Mr. Pairat Srivilairit Executive Vice President - Governance Office and Corporate Secretary

Observers from the Bank of Thailand

1. Mr. Saravuth Siripakmanont Assistant Vice President, Banking Supervision Department 1
2. Mrs. Chananat Sawetwong Senior Auditor, Banking Supervision Department 1
3. Mr. Kamphol Kamolratthada Senior Auditor, Banking Supervision Department 1

Auditors from EY Office Limited

1. Ms. Somjai Kunapasut Certified Public Accountant Registration No. 4499
2. Ms. Yuppadee Satchawannakul Certified Public Accountant Registration No. 4819
3. Mr. Passakorn Worratinun Manager

The Chairman thanked the shareholders for attending.

The Chairman stated that the Company assigned DIA Audit Company Limited to monitor and oversee the shareholders' meeting to ensure transparency and compliance with laws and the Company's Articles of Association. DIA Audit Company Limited assigned officers as observers to the registration and vote counting throughout the meeting.

Thereafter, the Chairman stated that Notice of the Annual General Meeting of Shareholders for the Year 2018 had been duly sent out before the date of the meeting, in compliance with TISCO's Articles of Association and other relevant laws. In addition, TISCO had publicly informed shareholders of the meeting's agenda on February 26, 2018 through the dissemination channels of the Stock Exchange of Thailand (SET) and on TISCO's website to allow adequate time to study meeting material.

The Chairman also informed the meeting that TISCO had provided a period from September 1 to December 31, 2017 for all shareholders to propose any matter, which they may deem significant and appropriate to be included on the agenda of the annual general meeting. However, no shareholders proposed any matter to be included on the meeting agenda. The questions received from shareholders in advance will be answered in related agenda items, or agenda 10 others, as the case may be.

The Chairman asked Mr. Pairat Srivilairit, the Corporate Secretary, to notify the meeting about Section 20 of the Company's Articles of Association regarding voting. Every shareholder present in person or being represented by proxy is entitled to one vote per share, with the exception of voting for the appointment of directors, for which the cumulative voting method is used.

According to the Financial Institutions Businesses Act B.E. 2551 ("FIBA"), Section 18 stated that no person shall hold more than ten per cent of the total amount of financial institution's or parent company of a financial institution's shares sold, including the number of shares held by related parties. Meanwhile, Section 21 indicated that the holding of shares in excess of prescribed percentage shall not be set up against financial institution or parent company of a financial institution concerned by such person, and such financial institution or parent company of a financial institution shall not pay dividend or any other form of money as benefit to such person or allow such person to vote at a meeting of shareholders on account of the portion of shares in excess.

For those who intended to vote at the meeting, the Company sent out voting forms for each agenda item prior to the meeting. In addition, the shareholders who had not cast their votes in advance and intended to vote "Against" or "Abstain" or split the votes (in case of foreign shareholders with custodians in Thailand) on any of the agenda items could complete the voting forms, and then submit them to the Company's staff to calculate the voting result for each agenda item. For cases in which shareholders have appointed a proxy and assigned their proxy to vote as directed, their "For" or "Against" or "Abstain" votes had been recorded in the computer system for calculation; these votes including voided ballots will be deducted from "For" votes from shareholders who have rights to vote when the calculation of each agenda takes place.

The Corporate Secretary further informed the meeting that shareholders who wished to leave the meeting before the meeting adjourned, should return the remaining ballots to the Company's staff at the entrance of the meeting room.

The Chairman informed the meeting that there were 458 shareholders present in person and 1,284 represented through proxies, or a total of 1,742 shareholders, holding altogether 479,798,977 shares, representing 59.9258 per cent of the total paid-up shares, thereby constituting a quorum as specified under TISCO's Articles of Association.

The Chairman hence declared the Annual General Meeting of Shareholders for the Year 2018 duly convened.

During the meeting, there were an additional 56 shareholders present in person and 36 represented through proxies. Thus, there were 514 shareholders attending in person and 1,320 represented through proxies, making up a total of 1,834 shareholders, holding altogether 481,050,250 shares, equivalent to 60.0821 per cent of the total paid-up shares.

The Chairman proposed that the meeting consider the following agenda:

**Agenda 1 To certify the Minutes of the Annual General Meeting of Shareholders for the Year 2017**

The Chairman proposed that the meeting certify the Minutes of the Annual General Meeting of Shareholders for the Year 2017, convened on April 20, 2017. Copies of the Minutes had been sent to shareholders along with the Notice of this meeting.

The Board of Directors recommends the shareholders to certify the Minutes of the Annual General Meeting of Shareholders for the Year 2017 as proposed.

The Chairman invited shareholders to express their opinions or ask questions.

Mr. Chalernpol Waitayangkool, a shareholder, suggested that approving the previous Annual General Meeting of shareholders minutes is unnecessary since it was publicized on websites of the Company and the Stock Exchange beforehand.

The Chairman thanked the shareholder and accepted the shareholder's suggestion for consideration.

Since no shareholders objected, questioned or requested that the Minutes be amended, the Chairman then proposed the meeting certify the Minutes of the Annual General Meeting of Shareholders for the Year 2017 as recommended.

The meeting **certified** the Minutes of the Annual General Meeting of Shareholders for the Year 2017, with the majority votes of shareholders who attended the meeting and cast their votes as follows:

For	480,088,146	votes	equivalent to	100.0000	per cent
Against	2	votes	equivalent to	0.00	per cent
Abstain	22,211	votes			
No voided ballot					

**Agenda 2 To ratify the Board of Directors' business activities conducted in 2017 as described in the Annual Report**

The Chairman requested the meeting to ratify the Board of Directors' business activities conducted in 2017 as described in the Annual Report.

The Chairman summarized the Board of Directors' business activities conducted in 2017 and proposed to the meeting to ratify the activities. Details were described in the "Report from the Board of Directors" on pages A1-A2 of the Annual Report, which had been sent to shareholders along with the Notice of this meeting.

The Board of Directors recommended the shareholders to ratify the Board of Directors' business activities conducted in 2017 as described in the Annual Report.

The Chairman invited shareholders to express their opinions or ask questions.

Ms. Vipa Suwanich, a shareholder, queried over the following matters:

1. The percentage of 2017 income from the transfer of retail banking business from Standard Chartered Bank (Thai) Public Company Limited ("SCBT") in October 2017 and future trend.
2. The impact of accounting standard for financial instruments or IFRS9 to reserve and profits.
3. The impact to TISCO from the coming of Alibaba Group and TISCO's plan.

The Chairman thanked the shareholder and invited the Group Chief Executive to explain.

The Group Chief Executive replied as in the following:

1. The forecast is difficult; however, the effect to business and profits is believed to be in line with the current proportion of the acquired loan and assets.
2. The Thai Bankers' Association is aware of the importance of compliance to the guidelines of the Bank of Thailand and keeps on the current plan to adopt IFRS9 in January 2019. He believes that all banks have set aside additional reserves since last year. TISCO did so in 2017 and will top up more reserve in 2018 to comply with the criteria of the Bank of Thailand. The impact to performance should not be significant.
3. Alibaba Group is successful in e-commerce business by eliminating intermediaries which benefits both producers and consumers. Its financial services such as Alipay and Ali Finance are still limited in size and impact. Nevertheless, TISCO and other banks are monitoring the situation closely.

Mr. Sitthichoke Boonwanich, a shareholder, questioned over the following matters:

1. The effects and the remedy plan of the Company on the Consumer Protection Board's announcement, by the Office of the Consumer Protection Board, on cars and motorcycles' leasing contract as the contract management B.E. 2561 (2018) in order to adjust the calculation of interest rate for hire purchase business into effective interest rate.
2. The trend of Minimum Loan Rate (MLR) and Minimum Retail Rate (MRR) in Thailand and their impact to the Company's return and customer's borrowing rate.

The Chairman thanked the shareholder and invited the Group Chief Executive to explain.

The Group Chief Executive answered as follows:

1. The effect to the Company from the announcement of the Consumer Protection Board is not significant.
2. The current Federal Funds Rate at 1.75 per cent is anticipated to grow to 2.25-2.50 per cent within this year. However the Thailand Policy Rate may not fully follow the same degree of increase because the Thai economy is not as strong as US, the Thai Baht currency is still appreciated, and our capacity production capacity and investment are not yet fully utilized.

Mr. Chalernpol Waitayangkul, a shareholder, inquired view of TISCO in the following points:

1. The effects and plans regarding the transfer of credit card business from SCBT and banking fee changes influenced by financial technology.
2. Plans on number of branches and employees impacted by financial technology.
3. The confidence and preparedness of Management to run the credit card and personal credit businesses transferred from the SCBT, for which the high amount of reserve has been observed in the 2017 Annual Report.
4. Impact to TISCO from Alibaba's business which will bypass financial system and may cause a loss of revenue.
5. The Company's view over the Eastern Economic Corridor (EEC) which is important in the aspects of transportation, industry and business opportunity for small and medium-sized financial institutions.
6. European Union has introduced and applied MiFID (Markets in Financial Instrument Directive) for a financial transparency; is there any possibility for applying the same principle in Thailand?
7. Has TISCO been following the situation concerning VIX (Volatility Index) that has been used widely abroad?

The Chairman thanked the shareholder for questions and opinions and asked the Group Chief Executive to briefly explain some parts of the inquiries, and asked permission from the shareholder to explain the remaining at the end of the meeting.

The Group Chief Executive briefly explained the following matters to the meeting:

1. At the end of March, TISCO Bank Plc. and All-Ways Co., Ltd., subsidiaries of TISCO Group, have signed the Memorandum of

Understanding (MOU) for transferring credit card business and personal loan business to Citibank, N.A. except for secured loans such as business loans and housing loans; thus the opinions for such matter could not be given. Financial institutions may have to earn from other sources to compensate decreasing fees.

- Artificial Intelligence (AI) has stepped into many businesses such as Chatbot and robots for less sophisticated tasks to expand businesses more efficiently, and provide employees with opportunity to develop and learn new skills which will eventually benefit shareholders and companies. However, our business and branch network is small and expanded with care hence should get less impact in long-term. The necessity to open new branch would be lesser due to financial technology and the efficient payment and settlement system developed by the Bank of Thailand and the Ministry of Finance.

Since no shareholders objected or asked questions, the Chairman then proposed the meeting ratify the Board of Directors' business activities conducted in 2017 as described in the Annual Report as recommended.

The meeting **ratified** the Board of Directors' business activities conducted in 2017 as described in the Annual Report, with the majority votes of shareholders who attended the meeting and cast their votes as follows:

For	478,926,108	votes	equivalent to	100.0000	per cent
Against	2	votes	equivalent to	0.0000	per cent
Abstain	1,219,091	votes	equivalent to		per cent
No voided ballot					

**Agenda 3 To adopt TISCO Financial Group Public Company Limited and its subsidiary companies' Statement of Financial Position and Statement of Comprehensive Income for the Year Ended December 31, 2017**

The Chairman proposed that the meeting adopt the Statement of Financial Position and Statement of Comprehensive Income for TISCO Financial Group Public Company Limited and its subsidiary companies for the Year Ended December 31, 2017. The Audit Committee agreed with the auditors that the Statement of Financial Position and Statement of Comprehensive Income presented a fair and comprehensive performance and financial position of TISCO Group, in compliance with generally accepted accounting principles. Details were published in the Annual Report, which had been sent to shareholders along with the Notice of this meeting. The Chairman invited Mr. Suthas Ruangmanamongkol, the Group Chief Executive, to summarize the details to the meeting.

The Group Chief Executive summarized the financial statements to the meeting and invited Mr. Chatri Chandrangam, First Executive Vice President - Risk and Financial Control, to present the details and analysis of the financial statements.

Mr. Chatri Chandrangam presented the meeting with details and analysis of the Statement of Financial Position and Statement of Comprehensive Income as follows:

*(Unit : Thousand Baht)*

Description	Consolidated	Separate
Total Assets	303,388,409	31,046,190
Total Liabilities	268,656,644	9,086,553
Total Equity	34,731,765	21,959,637
Profit for the year	6,117,307	4,417,089
Basic earnings per share (Baht)	7.61	5.52

The Board of Directors recommended the shareholders to adopt TISCO Financial Group Public Company Limited and its subsidiary companies' Statement of Financial Position and Statement of Comprehensive Income for the year ended December 31, 2017.

The Group Chief Executive invited shareholders to express their opinions or ask questions.

Mr. Sitthichoke Boonwanich, a shareholder, complimented on cost management and dividend payment rate of the Company and inquired about the possibility of more branch expansion in the malls, the EEC and its surrounding rail network.

The Group Chief Executive thanked the shareholder and opined that the distributed branch network is necessary for retail business like “Somwang” rather than corporate banking business which is centralized in large cities. The Company currently has 50 bank branched and 200 Somwang branches which will expand to 300-400 branches in the future. The Easter Economic Corridor (EEC) is an important project which progress constantly and if successful, will stimulate fund raising in both public and private sectors. However, the necessity for branches in the EEC locations is limited since all major credits are granted from headquarter in Bangkok as stated earlier.

Mr. Chalernpol Waitayangkul, a shareholder, inquire about the completion schedule of the transfer of credit card business and personal credit business to Citibank and its impact. He also inquired about the actuarial loss in the Comprehensive Profit and Loss Statement.

The Group Chief Executive replied that the personal loan business transfer will be completed in the second quarter making no big impact since the reserve is already provided and the sale price is close to purchase price. The transfer of Credit card business will be completed in the fourth quarter due to different and more complicated procedure and data system.

The First Executive Vice President, Risk and Financial Control, explained that the actuarial calculation is used to estimate reserve required for employee benefits at their retirement according to the accounting standard. Any change in assumptions such as inflation rate, discount rate, salary rate, and the number of employees, may affect decrease or increase to the estimated reserve which will be presented in the financial statements as actuarial gains or losses.

Mr. Chalernpol Waitayangkul, a shareholder, further inquired whether the partial transfer of lending portfolios yielded a maximum benefit to the Company and shareholders from.

The Group Chief Executive replied that the Company originally targets for mortgage loan and small and medium-sized enterprises (SMEs) loan but included credit card business in the purchase proposal since it was the intention of seller. The selling of credit card and personal loan business has been considered carefully in terms of benefit to the Company and the self-awareness of TISCO’s expertise in secured retail credit business.

Since no shareholders objected or asked further questions, the Chairman then proposed the meeting to adopt TISCO Financial Group Public Company Limited and its subsidiary companies’ Statement of Financial Position and Statement of Comprehensive Income for the Year Ended December 31, 2017.

The meeting **adopted** the Statement of Financial Position and Statement of Comprehensive Income for TISCO Financial Group Public Company Limited and its subsidiary companies’ for the Year Ended December 31, 2017, with the majority votes of shareholders who attended the meeting and cast their votes as follows:

For	479,295,163	votes	equivalent to	100.0000	per cent
Against	202	votes	equivalent to	0.0000	per cent
Abstain	865,291	votes			
No voided ballot					

<b>Agenda 4 To approve the appropriation of profit arising from the Year 2017 operations as statutory reserve, dividend and others</b>
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The Chairman proposed the meeting consider approving the appropriation of profit arising from the Year 2017 operations as statutory reserve, dividend and others He also invited Mr. Suthas Ruangmanamongkol, the Group Chief Executive, to present details to the meeting.

In compliance with Section 115 of the Public Limited Companies Act B.E. 2535, rules and regulations of the Bank of Thailand as well as Section 38 of the Company’s Articles of Association, the dividend payment shall be made from net profit on cash-basis after full appropriation of required statutory reserve based on standalone financial statement. Dividend shall be paid equally, according to the number of shares.

In addition, under Section 116 of the Public Limited Companies Act B.E. 2535 and Section 39 of the Company's Articles of Association, the Company shall allocate not less than 5 percent of the annual profits as reserved funds, less the accumulated losses brought forward (if any), until the reserved fund reaches the amount not less than 10 percent of the registered capital. In 2017, the Company already reached 10 percent of registered capital, it is therefore not required to appropriate the statutory reserve for year 2017, according to the law.

Consequently, the Company's full year profit and un-appropriated retained earnings for the year ended 2017 based on standalone financial statement are shown as follows:

	<i>(Unit : Baht)</i>
Beginning Un-appropriated Retained Earnings 2017	4,292,126,638
Dividend payment from profit arising from 2016 operations	(2,802,287,033)
Net Profit for year 2017	4,417,088,424
Adjust non-cash items	(27,811,158)
<b>Unappropriated Retained Earnings available for dividend payment for year 2017</b>	<b>5,879,116,871</b>

Total un-appropriated retained earnings available for dividend payment for the Year Ended 2017 is Baht 5,879,116,871 with full appropriation of required statutory reserve.

TISCO Group has a policy to pay dividend at the appropriate rate based on operating performance of the group while also maintaining sufficient Capital Adequacy Ratio (BIS Ratio) for group business expansion. Also, such dividend payment shall have no impact on TISCO's subsidiary's status as a Qualified Bank under the definition of the Bank of Thailand.

The Board recommends the shareholders to approve as follows.

- No legal reserve appropriation because the Company's reserve has reached the amount required by laws.
- The appropriation of profit arising from the Year 2017 operations as dividend payment for common shareholders and preferred shareholders at Baht 5.00 per share, being in line with the Company's dividend payment policy, the proposed dividend payment amount will be approximately Baht 4,003 Million, equivalent to the dividend payout ratio of 65.7% on consolidated basis, compared to dividend payout ratio of 56.0% for year 2016. The record date will be set on April 30, 2018 to determine the list of shareholders entitled to receive dividend, and the dividend payment shall be made on May 18, 2018. The dividend payment will be derived from net profit arising from the Year 2017 operations, which are subject to corporate income tax of 20 percent. Therefore, an individual shareholder may apply for tax credit on dividend at the rate of 2/8 of the dividend amount received.
- The appropriation of remaining profit arising from the Year 2017 operations after dividend payment as capital fund according to the Consolidated Supervision guidelines of the Bank of Thailand.

The Chairman invited shareholders to express their opinions or ask questions.

Mr. Chalernpol Waitayangkul, a shareholder, asked about the likelihood to split par value of TISCO which is now at 10 baht.

The Group Chief Executive stated that there was no consideration on par splitting at the present circumstance.

Since no shareholders objected or asked further questions, the Chairman proposed the meeting approve the appropriation of profit arising from the Year 2017 operations as statutory reserve, dividend and others as recommended.

The meeting **approved** appropriation of profit arising from the Year 2017 operations as statutory reserve, dividend and others as proposed, with the majority votes of shareholders who attended the meeting and cast their votes as follows:

For	481,032,043	votes	equivalent to	100.00	per cent
Against	2	votes	equivalent to	0.00	per cent
Abstain	8,111	votes			
No voided ballot					

**Agenda 5 To approve the number of directors and the appointment of directors**

The Chairman proposed the meeting to consider approving the number of directors and the appointment of directors.

The Chairman informed the meeting that since agenda item 5 and 6 were matters related to directors, all directors would voluntarily leave the meeting in line with good corporate governance practices. The Chairman then proposed the meeting to elect a shareholder to conduct the meeting for agenda item 5 and 6.

The meeting elected Dr. Suvarn Valaisathien, a shareholder, to conduct the meeting during discussion of agenda item 5 and 6. In this regard, Dr. Suvarn Valaisathien invited the Corporate Secretary to explain details of agenda item 5.

The Corporate Secretary summarized the details to the meeting that according to TISCO's Articles of Association, the whole Board of Directors shall be simultaneously elected at the annual general meeting of shareholders each year. Thus, the current Board of Directors was due to retire today. The Corporate Secretary also added that consideration of this agenda item would be made in two sections: (1) to approve the number of directors and (2) to approve the appointment of directors.

According to Section 22 of the Company's Articles of Association prescribed that the shareholders shall, from time to time, by resolution of a general meeting, determine the number of directors which shall be not less than five and not less than one half of the directors must domicile in Thailand. In addition, the number of directors who are persons of Thai nationality shall be in compliance with related laws, which shall be not less than 75 per cent of the total number of directors.

The Board of Directors with recommendations from the Nomination and Compensation Committee has considered the number of directors which are appropriate according to good corporate governance practices. The candidate's qualifications and the skills each candidate might bring to the Board were also considered. Upon contemplating the board size and composition which is most suitable to the needs of TISCO, the Board proposed that the shareholders approve the number of directors at 11 (eleven). Therefore, the Corporate Secretary proposed that the meeting approve the number of board members and informed the meeting that shareholders, present in person or represented by proxy, were entitled to one (1) vote per share.

Dr. Suvarn Valaisathien, a moderator of the meeting, invited shareholders to express their opinions or ask questions; however, since no shareholders objected or asked further questions, Dr. Suvarn Valaisathien proposed the meeting approve the number of directors at 11.

The meeting **approved** the number of directors at 11, with the majority votes of shareholders who attended the meeting and cast their votes as follows:

For	480,150,087	votes	equivalent to	99.8163	per cent
Against	883,500	votes	equivalent to	0.1837	per cent
Abstain	7,693	votes			
No voided ballot					

The Corporate Secretary further informed the meeting that TISCO's Articles of Association number 23 and 24 required cumulative voting for the election of directors. This mechanism would increase the opportunity for minority shareholders to nominate persons to become TISCO directors in accordance with Section 70 and 71 of the Public Limited Company Act.

In addition TISCO had allowed the period during September 1 to December 31, 2017 for all shareholders to propose qualified candidates for a director's position in advance of the Annual General Meeting of Shareholders for the Year 2018. No shareholder has proposed candidates for a director's position within the specified period.

The Nomination and Compensation Committee shall select qualified candidates by considering their knowledge, experience, biography, sufficient understanding of finance and banking, economics, law or any other related fields based upon the need and maximum benefit of the Company, corporate governance practices, related laws and regulations, in order to attain the most appropriate size and composition of the board. Moreover, Independent director positions have to contain qualifications according to



the TISCO Corporate Governance Policy and practices which is more rigorous than that of the announcement of the Securities and Exchange Commission and the Stock Exchange of Thailand.

The Board of Directors then considered the Nomination and Compensation Committee's recommendation on the qualifications of candidates and proposed to shareholders to approve the election of the following qualified candidates as the Company's directors. The candidates' profiles were presented in the Notice, which had been sent to shareholders.

	<u>Name</u>	<u>Proposed Position</u>
1.	Mr. Pliu Mangkornkanok	Independent Director
2.	Mr. Hon Kit Shing (Alexander H. Shing)	Non-Executive Director
3.	Ms. Oranuch Apisaksirikul	Executive Director
4.	Assoc. Prof. Dr. Angkarat Priebjrivat	Independent Director
5.	Prof. Dr. Pranee Tinakorn	Independent Director
6.	Ms. Patareeya Benjapolchai	Independent Director
7.	Ms. Panada Kanokwat	Independent Director
8.	Mr. Sathit Aungmanee	Independent Director
9.	Prof. Dr. Teerana Bhongmakapat	Non-Executive Director
10.	Mr. Chi-Hao Sun (Howard Sun)	Executive Director
11.	Mr. Suthas Ruangmanamongkol	Executive Director

All above candidates have been approved by the Bank of Thailand.

The Board of Directors proposed three independent directors who have occupied the position more than 9 years in a row who are Assoc. Prof. Dr. Angkarat Priebjrivat, Prof. Dr. Pranee Tinakorn, and Ms. Panada Kanokwat due to the fact that these directors are qualified candidates who have knowledge, experiences, sufficient understanding of banking and finance, economics, law or any other fields deem appropriate and are important for successfully supporting the Board of Directors.

All in all, as the Board of Directors is aware of the transparency in appointing independent directors, the Board of Directors then approved the "Policy on Assessing the Independence of Directors" on December 8, 2017. Additionally, the evaluation appeared that every independent director performed their duties independently.

The Board of Directors with recommendations from the Nomination and Compensation approved the above recommendation to propose the meeting appoint the proposed directors to return the position for another term since the Board was of the view that the mentioned director candidates have complete qualifications and suitability for the Company's business, without prohibited characteristics for appointment as directors in accordance with applicable laws. In addition, they have performed their duties with full responsibility, due care and integrity in compliance with the regulatory requirements, objectives, the Company's Articles of Association, resolutions of the Board of Directors, as well as resolutions of the General Meeting of Shareholders.

Furthermore, Mr. Pliu Mangkornkanok, Assoc. Prof. Dr. Angkarat Priebjrivat, Prof. Dr. Pranee Tinakorn, Ms. Patareeya Benjapolchai, Mr. Sathit Aungmanee are qualified directors following the definition of independent directors as specified in according to the TISCO Corporate Governance Policy and practices which is more rigorous than that of the announcement of the Securities and Exchange Commission and the Stock Exchange of Thailand, and are able to share opinions independently and complied with related laws and regulations.

Dr. Suvarn Valaisathien, the moderator of the meeting, then invited shareholders to express their opinions or ask questions. Since no shareholders objected or asked any questions. Dr. Suvarn Valaisathien proposed the meeting to approve the appointment of director candidates.

Moreover, the meeting **approved** the appointment of the following director candidates as the Company's directors, by cumulative voting method according to the Articles of Association with the votes as follows:

	<u>For</u>	<u>Against</u>
1. Mr. Pliu Mangkornkanok	367,474,841 votes	33,531,733 votes

	<u>For</u>		<u>Against</u>	
2. Mr. Hon Kit Shing (Alexander H. Shing)	622,983,179	votes	218,328,900	votes
3. Ms. Oranuch Apisaksirikul	394,893,751	votes	6,093,501	votes
4. Assoc. Prof. Dr. Angkarat Priebjrivat	344,126,063	votes	56,852,256	votes
5. Prof. Dr. Pranee Tinakorn	346,415,160	votes	54,553,159	votes
6. Ms. Patareeya Benjapolchai	352,153,099	votes	48,830,853	votes
7. Ms. Panada Kanokwat	362,793,085	votes	38,175,234	votes
8. Prof. Dr. Teerana Bhongmakapat	398,275,510	votes	2,688,900	votes
9. Mr. Sathit Aungmanee	376,203,896	votes	24,770,523	votes
10. Mr. Chi-Hao Sun (Howard Sun)	835,230,169	votes	6,093,501	votes
11. Mr. Suthas Ruangmanamongkol	394,874,759	votes	6,093,501	votes
<b>Total</b>	<b>4,795,423,512</b>	<b>votes</b>	<b>496,012,061</b>	<b>votes</b>
<b>Abstain</b>	<b>27,527</b>	<b>votes</b>		
<b>Voided Ballot</b>	<b>- None -</b>			

**Agenda 6 To approve the directors' remuneration and acknowledge current directors' remuneration**

Dr. Suvarn Valaisathien informed the meeting that agenda item 6 was the approval of the directors' remuneration. In this regard, Prof. Dr. Pranee Tinakorn, the Chairperson of the Nomination and Compensation Committee, was invited to present details to the meeting.

The Chairperson of the Nomination and Compensation Committee presented to the meeting that the Nomination and Compensation Committee had made an annual review of the directors' remuneration to ensure that the remuneration is commensurate with their duties and responsibilities. Despite the increase in 2017, the Company's current remuneration of directors was still 57% lower than the average of the industry with same level of profit. The Chairperson asked the Company Secretary to present the current directors' compensation and the revised compensation to the meeting.

TISCO Financial Group Public Company Limited's Annual General Meeting of Shareholders for the Year 2017 held on April 20, 2017 approved the annual directors' remuneration in the form of reward, monthly fee, meeting fee and bonus at an amount not greater than 2,400,000 baht for the Chairman of the Board and not greater than 600,000 bath for each Board member, provided that the amount of such remuneration so determined shall be valid until amended. The Board of Directors, under the authority delegated by shareholders, will determine the appropriate amount and the exact amount to be paid each time. Besides, the directors are entitled to receive other remuneration or benefits paid for other appointments or special assignments from the Board of Directors.

The Nomination and Compensation Committee shall consider appropriate remuneration for directors and make proposals to the Board of Directors. The scale and components of remuneration for directors should be sufficiently appealing to attract and retain quality directors while avoiding excessive payments. Remuneration for non-executive directors should be comparable to the general practice in the industry with regard to work experience and commitment, as well as the benefits each director brings. Directors who are assigned with extra work (being members of other committees, for example) should be paid appropriately. The remuneration to be paid to such a director or directors will be approved by the board. Regarding directors' remuneration for companies in the TISCO Group, in addition to directors' remunerations paid by TISCO, the Parent Company, there is also remuneration to be paid to directors who do not hold any directorships in TISCO and/or management position in other subsidiary companies in the same form and amount (if any) as TISCO Board members.

This year, the Nomination and Compensation Committee has conducted an annual review of directors' remuneration to ensure that remuneration is commensurate with their duties and responsibilities. Although, the remuneration has already been increased in 2017, TISCO's current remuneration of directors was 57% lower than the average of the industry with same level of profit. The

Nomination and Compensation Committee recommended an increase of Chairman of the Board's monthly fee from 200,000 baht, which remains unchanged since 2011, to 240,000 baht per month. In addition, the Nomination and Compensation Committee recommended increasing every subcommittee meeting fee at 50,000 baht due to the inflation and that it remains unchanged since 2010.

Moreover, the Nomination and Compensation Committee recommended an increase of the compensation of members of the main Board of TISCO which are the chairperson's monthly fee from 50,000 baht per month to 60,000 baht per month and 50,000 baht for each member or at the same rate as the subcommittee members to ensure that the fee of the chairperson is commensurate to his or her workload and responsibilities compared to the fees of members.

In this regard, no meeting fee shall be paid to member of the Board and Sub-committee who holds full time position in TISCO Group of companies. After the proposed change, total board fee shall increase from Baht 12.74 Million to Baht 18.06 Million per year or up 41.7%, which is still 40% lower than the average of the industry with same level of profits. Details of the proposed remuneration for directors are as follows.

■ **Monetary Remuneration**

(Unit: Baht)

	May 2017 - Present		Proposed to AGM 2018		% Change <sup>/1</sup>
	Monthly Fee	Meeting Fee	Monthly Fee	Meeting Fee	
<b>Board of Directors</b>					
Chairman	200,000	-	240,000	60,000	37.5%
Member	50,000	-	50,000	50,000	58.3%
Advisor	40,000	-	40,000	-	-
<b>Executive Board</b>					
Chairperson	-	60,000	-	60,000	-
Member	-	40,000	-	50,000	25%
<b>Audit Committee</b>					
Chairperson	-	60,000	-	60,000	-
Member	-	40,000	-	50,000	25%
<b>Nomination and Compensation Committee</b>					
Chairperson	-	60,000	-	60,000	-
Member	-	40,000	-	50,000	25%
<b>Corporate Governance Committee</b>					
Chairperson	-	60,000	-	60,000	-
Member	-	40,000	-	50,000	25%

<sup>/1</sup>Remark: Percentage of the change is calculated from the estimated annual remuneration assuming seven board meetings a year.

■ **Non-monetary Remuneration**

1. An executive vehicle for the Chairman of the Board,
2. Group life and accident insurance or health insurance for Thai directors aged over 60,
3. Directors & Officers Liability Insurance (D&O)

The Board recommends the shareholders to approve annual directors' remuneration in the form of reward, monthly fee, meeting fee and bonus at the amount of not greater than 3,300,000 baht for the Chairman of the Board and not greater than 950,000 baht for each Board member, an executive vehicle for the Chairman of the Board, group life and accident insurance or health insurance in case of Thai director with age over 60, and Directors & Officers Liability Insurance, to be valid until amended. The Board of Directors, under the authority delegated by the shareholders, will determine appropriate amount and the exact amount to be paid each time. Besides, the directors are entitled to receive other remuneration or benefits paid for other appointments or special assignments from the Board of Directors.

Dr. Suvarn Valaisathien, the moderator of the meeting, then invited shareholders to express their opinions or ask questions.

Mr. Chalernpol Waitayangkul, a shareholder, agreed with the proposed remuneration. However, he suggested the Company to consider the directors' remuneration to vary with the Company's performance (pay-for-performance), and consider providing executive vehicle to other directors for all good deeds they have done for the Company.

The Chairperson of the Nomination and Compensation Committee thanked the shareholder for the suggestion and explained that all directors are determined and devoted to doing their responsibilities. Although the pay-for-performance method is being used by other listed companies and financial institutions, TISCO follows the long tradition of no special payment or bonus payment to directors, thus compensates directors in the form of monthly fee and meeting fee only. The Nomination and Compensation Committee also views that the proposed remuneration adjustment is sufficient and appropriate, and not to provide executive vehicle to other directors.

Since no shareholders objected or asked further questions. Dr. Suvarn Valaisathien then proposed the meeting to approve the directors' remuneration and acknowledge current directors' remuneration. In this regard, the directors who held shares were considered as having a conflict of interest in this matter and were not entitled to vote.

The meeting **approved** the directors' remuneration as proposed, with the votes of not less than two-thirds of the total number of votes of shareholders who attended the meeting as follows:

For	456,055,117	votes	equivalent to	94.8047	per cent
Against	24,978,320	votes	equivalent to	5.1925	per cent
Abstain	13,663	votes	equivalent to	0.0028	per cent
No voided ballot					

In addition, the meeting **acknowledged** the current directors' remuneration.

After the meeting considered the director-related agenda, all the elected directors re-joined the meeting.

The Board of Directors re-joined the meeting and thanked all shareholders for their approval of the re-election for another term.

#### **Agenda 7 To approve the appointment of the auditors and their remuneration for the Year 2018**

The Chairman proposed the meeting to consider the appointment of the auditors and their remuneration for the Year 2018 and subsequently invited Assoc. Prof. Dr. Angkarat Priebjriwat, the Chairperson of the Audit Committee, to summarise this agenda item to the meeting.

Pursuant to the Public Limited Companies Act B.E. 2535 and Section 40 of the Company's Articles of Association which state that the ordinary general meeting of shareholders shall appoint an auditor and determine the remuneration of the auditor of the Company every year. The Audit Committee, in accordance with the Company's External Auditor Selection Guidelines, had considered proposals for the appointment of the Company's auditors for the Year 2018 to appoint Ms. Somjai Khunapasut and/or Ms. Rachada Yongsawadvanich and/or Mrs. Nonglak Pumnoi of EY Office Limited as the Company's auditors, all of the aforementioned auditors received approval from the Bank of Thailand, for the Year 2018, considering that they are qualified under the regulations of the Bank of Thailand and the Office of the Securities and Exchange Commission, and have shown satisfactory performance. Total audit fees for the Company and subsidiaries in TISCO Group will not be exceeding 10,350,000 baht comprising not be exceeding 620,000 baht for the Company and not be exceeding 9,730,000 baht for nine subsidiaries.

The professional audit fee quoted for the Year 2018 for all companies in TISCO group totals 10,350,000 baht increased by 19.9% or 1,720,000 baht increase from the previous year. The reasons to increase audit fee are based on the preparation of accounting requirements and practices of TISCO including relevant IT systems development to support IFRS 9 implementation in next year, due to review of the accounting policy and requirements based on the new standard. TISCO will perform the parallel run of the impacts on IFRS 9 adoption in this year following the regulatory requirements that will increase more audit workload to review the

results. Furthermore, the professional audit fee for TISCO Bank Plc. and All-Ways Co., Ltd. also increase to cover the business transaction on full year basis following the acquisition of retail banking business from Standard Chartered Bank (Thai) Public Company Limited.

The Board of Directors, recommended by the Audit Committee, proposed the shareholders to consider the appointment of Ms. Somjai Khunapasut, CPA License No. 4499 and/or Ms. Rachada Yongsawadvanich, CPA License No. 4951 and/or, Mrs. Nonglak Pumnoi, CPA License No. 4172 from EY Office Limited to be the Company and subsidiaries' auditors for the Year 2018. Total audit fees for the Company and subsidiaries in TISCO Group will not exceed 10,350,000 baht including not exceeding 620,000 baht for the Company and not exceeding 8,040,000 baht for nine subsidiaries while total non-audit fee will not exceed 9,730,000 baht.

The Chairperson of the Audit Committee invited shareholders to express their opinions or ask questions.

Mr. Sitthichoke Boonwanich, a shareholder, suggested that the company should consider constant audit fees for at least three years due to the stable number of branches and the good standard and governance of the company.

The Chairman described that the audit is needed for shareholders' confidence despite the Company's good standard, and it is a duty of the Audit Committee to determine the appropriateness of audit fees.

Mr. Chalernpol Waitayangkul, a shareholder, asked and suggested the following points:

1. The audit fees should be decreased from less transaction after the transfer of credit card and personal loan businesses; and what is the future operating plan of All-Ways Company Limited after the transfer.
2. A maximum limit should be set for the audit fees for better flexibility.

The Chairperson of the Audit Committee explained to the meeting as follows:

1. The audit fees of 2018 have been considered before the agreement to transfer the credit card and personal loan businesses which will be completed in the fourth quarter of 2018 and transactions occurring during the transfers including all related accounts do require extra audit assurance. The decrease of credit card and personal loan businesses shall be in the subsequent year. Additionally, an increase of audit fees was a result of the evaluation and development of supporting systems of all financial instruments to comply with the financial reporting standard concerning financial instruments (TFRS9). Hence, the auditors need to assess the company's system and impacts both for the reporting of 2019 and retroactive years, which contributes to an increased audit work.
2. The suggestion was accepted into consideration. The Company will renegotiate with the auditor if the transactions decrease significantly since the proposed fees have already been considered and negotiated.

Since no shareholders objected or asked further questions, the Chairman then proposed the meeting to approve the appointment of the auditors and their remuneration for the Year 2018.

The meeting **approved** the appointment of the auditors and their remuneration for the Year 2018 as proposed, with the majority votes of the shareholders who attended the meeting and cast their votes as follows:

For	478,970,846	votes	equivalent to	99.5703	per cent
Against	2,066,832	votes	equivalent to	0.4297	per cent
Abstain	12,572	votes			
No voided ballot					

**Agenda 8 To approve the issuance and offering of debenture for revolving outstanding balance up to Baht 12,000 Million**

The Chairman requested the meeting to consider approving the issuance and offering of debenture for revolving outstanding balance up to Baht 12,000 Million, and invited Mr. Suthas Ruangmanamongkol, the Group Chief Executive to present the agenda item to the meeting.

The Group Chief Executive proposed the issuance and offering of debenture for revolving outstanding balance up to Baht 12,000 Million as follows:

The Company has policy to balance funding mix from various sources with an aim to manage funding costs while ensuring most effective risk management. To ensure that the Company can raise fund as well as manage funding cost and liquidity in the most efficient manner, the Company is therefore considering the issuance and offering of debenture for revolving outstanding balance up to Baht 12,000 Million as an additional source to raise funds for its operations and funding for the Company.

As stipulated by the Public Limited Company Act B.E. 2535, a public company issuing and offering a debenture to the public is required to have an approval from shareholders with a vote of not less than three quarters of the total number of votes of shareholders who attend the meeting and have the right to vote. With rapid movement of interest rates in the capital market, thus to facilitate suitable funding through the issuance of revolving debenture at an appropriate time and terms, subject to the following terms and conditions.

Debt instruments	:	Secured and/or Unsecured, unsubordinated and/or subordinated debenture
Amount	:	Baht 12,000 Million revolving
Offering	:	General public, and/or private placement, and/or high-networth, and/or institutions, all at one time or in series
Tenure	:	Up to 10 years from issuance date
Terms & Condition	:	Delegation of authority to the Group Chief Executive to determine price, terms and conditions, as well as the timing for the issuance and offering of the debenture.

The Board recommends the shareholders to approve the issuance and offering of debenture for revolving outstanding balance up to Baht 12,000 Million, with maturity up to 10 years from issuance date and the delegation of authority to the Group Chief Executive to determine price, terms and conditions, as well as the timing for the issuance and offering of the debenture.

The Group Chief Executive invited shareholders to express their opinions or ask questions.

Mr. Thanaprasert Pairojpachara, a shareholder, inquired about the details of debentures issuance and frequencies.

The Group Chief Executive explained that issued debentures of TISCO gradually expired with the remaining outstanding of approx. Baht 7,000 Million in financial statements. Number of issues are 6-12 times per year subject to market condition.

Mr. Chalernpol Waitayangkul, a shareholder, inquired whether the approval requested is the general mandate to issue debentures for revolving outstanding balance up to Baht 12,000 Million to replace the expired debentures.

The Group Chief Executive replied that the request is for the authority to issue and offer debentures for outstanding balance up to Baht 12,000 Million, most of them are revolving.

Mr. Sitthichoke Boonwanich, a shareholder, queried whether foreigners can buy the Company's debentures since the interest rate are higher than foreign debentures.

The Group Chief Executive informed that they can. However, the Company's debentures are generally offered in Thailand to institutional investors or Thai investors who are confident in debenture market.

Mr. Chalernpol Waitayangkul, a shareholder, inquired about the pre-emptive right of existing bondholders.

The Group Chief Executive replied that the debentures are generally offered first to existing bondholders. Yet there are still other investors want to buy the portion unsubscribed by the existing bondholders.

Since no shareholders objected or asked any questions, the Chairman then proposed the meeting to approve the issuance and offering of debenture for revolving outstanding balance up to Baht 12,000 Million.

The meeting **approved** the issuance and offering of debenture for revolving outstanding balance up to Baht 12,000 Million, with the votes of not less than three-quarters of the total number of votes of shareholders who attended the meeting as follows:

For	474,665,612	votes	equivalent to	98.6728	per cent
Against	6,375,445	votes	equivalent to	1.3253	per cent
Abstain	9,193	votes	equivalent to	0.0019	per cent
No voided ballot					

**Agenda 9 To approve the amendment of Section 15 Extra-Ordinary General Meeting of the Company's Articles of Association**

The Chairman requested the meeting to consider approving the amendment of 15 Extra-Ordinary General Meeting of the Company's Articles of Association, and assigned the Corporate Secretary present the agenda item to the meeting.

The Corporate Secretary proposed the amendment of Section 15 Extra-Ordinary General Meeting of the Company's Articles of Association as follows:

According to the Public Limited Companies Act B.E. 2535 Section 100, amended by Order of the Head of the National Council for Peace and Order No. 21/2560 on Amendments of Laws to Facilitate the Ease of Doing Business, it is stipulated that there be the granting of rights to shareholders to call an extraordinary meeting of shareholders. Therefore, there shall be amendment of the Company's Articles of Association to conform with the laws. Accordingly, it was therefore proposed to consider the following amendment of Section 15 Extra-Ordinary General Meeting of the Company's Articles of Association as below:

"All other meetings of shareholders in addition to the ordinary general meeting specified in Section 14 hereof shall be called extra-ordinary meeting.

An extra-ordinary meeting may be summoned by the Board of Directors at such date, time and place as they deem appropriate, subject, however, to the requirement that due notice thereof be given as provided in Section 16 hereof.

Any shareholders holding an aggregate number of shares not less than ten per cent of the total number of shares sold, may request in writing to the Board of Directors to convene an extra-ordinary meeting of shareholders. The requisition must specify the subject and reasons for which the meeting is required to be summoned. Pursuant to such requisition, the Board of Directors must summon such meeting within forty-five days after the requisition is received."

The Board recommends the shareholders to approve the amendment of Section 15 Extra-Ordinary General Meeting.

The Group Chief Executive invited shareholders to express their opinions or ask questions.

Mr. Chalernpol Waitayangkul, a shareholder, questioned and suggested the following matters.

1. Normally, the authorized director will be designated after the appointment of directors in the Annual General Meeting of Shareholders, but there was no such agenda in this meeting.
2. The Company should consider the announcement of the Stock Exchange of Thailand allowing non-Thai individual to hold a director position in order to open opportunity for foreign investment.
3. The Company should identify person who shall be responsible for expenses when shareholders call Extra-Ordinary General Meeting but fail to form a quorum and cast votes.

The Chairman explained the above issues as follows:

1. The Company follows the current Articles of Association but accepts to study the alternative proposed by shareholders.
2. The Company has clear practices and policy on board composition and shall be pleased to have non-Thai shareholders or directors with vision to support the Board of Directors.
3. The Company will consider the shareholder's suggestions and may include them in the practice for Extra-Ordinary General Meeting of Shareholders and disseminate in the Company's website.

Mr. Sittichoke Boonwanich, a shareholder, queried over and recommended the matter concerning the amendment of the Company's Articles of Association to hold the meeting through electronic media (video conference).

Mr. Chalernpol Waitayangkul, a shareholder, opined that online voting is under consideration of the National Legislative Assembly and likely to be approved in order to promote foreign investment.

Since no shareholders objected or asked further questions, the Chairman then proposed the meeting to approve the amendment of Section 15 Extra-Ordinary General Meeting of the Company's Articles of Association.

The Meeting **approved** the amendment of Section 15 Extra-Ordinary General Meeting of the Company's Articles of Association, with the votes of not less than three-quarters of the total number of votes of shareholders who attended the meeting as follows:

For	481,041,939	votes	equivalent to	99.9983	per cent
Against	200	votes	equivalent to	0.0000	per cent
Abstain	8,111	votes	equivalent to	0.0017	per cent
No voided ballot					

#### **Agenda 10 Others, if any**

The Chairman invited the shareholders to express their opinions or ask questions regarding the business operations of the Company.

Mr. Sitthichoke Boonwanich, a shareholder, recommended publishing the book of Company's history, and asked about the divestment of credit card business since he expected innovations from the Company in this area.

The Chairman informed that the Company is in process of publishing a book of its history to celebrate 50<sup>th</sup> anniversary in 2019 and asked the Group Chief Executive to explain another point.

The Group Chief Executive explained that the management team has considered that the credit card business has high competition both domestically and internationally, and the development of business will require considerable time and effort. Hence, to focus in what TISCO is excellent at should provide shareholders with better return at appropriate risk level. However, the business could be brought to consideration again in the future.

Mr. Sawat Luengruengrit, a shareholder, asked about the Company's opinion on the government policy to merge financial institutions together for better strength.

The Chairman opined that the merger is important issue which should be considered based on the purpose of building business potentials from synergy rather than just by size. The Company has confidence that if we operate well, keep risk and cost in control, and have good understanding in our customers, the Company shall be successful in the business we have expertise.

A shareholder gave an opinion that the merger among financial industry may be unnecessary, but should consider cooperating with other companies to keep up with the changing environment.

Mr. Artorn Asavachinthepkul, a shareholder, complimented opinions from the Chairman and the Group Chief Executive about the above matters as well as bad debts which constantly decreased, and inquired about management policy to control the increase of bad debts.

The Chairman thanked the shareholder for the compliment and asked the Group Chief Executive to explain.

The Group Chief Executive thanked the shareholder on behalf of the management and the employees. He explained that the trend of NPL in the system has been improved in the last three years and possibly reached its peaks in the middle of 2018 according to the Bank of Thailand. The main reason may be from an improved economic situation. The Company continues policy to grant credits with special care and follow up bad debts strictly to minimize loss.

Mr. Sittichoke Boonwanich, a shareholder, mentioned about the Company's standard of keeping and delivering share certificates to customers by TISCO Securities Company Limited that may cause inconvenience to customers, and asked the opinion of management on the SET index trend at year end, the recommended sectors to invest in this year, and the solution of the Company



for independent director who hold their positions more than nine year limit.

The Chairman thanked the shareholder for the suggestion and asked Mr. Paiboon Nalinthrangkurn, First Executive Vice President and the Chief Executive Officer of TISCO Securities Company Limited to clarify the first matter and ask Prof. Dr. Pranee Tinakorn, Chairperson of the Nomination and Compensation Committee to clarify the matter of independent director.

The First Executive Vice President and the Chief Executive Officer of TISCO Securities Company Limited replied that the market in the fourth quarter should be in uptrend. However, the year-end SET index is difficult to forecast but is possibly above 1850 points according to most consensus. For the sector recommendation, investor should monitored further for which TISCO Securities Company Limited has developed an application called "Stock Scan" to help on stock selection in accordance with individual's investment appetite. Those who are interested in the application can contact staff of TISCO Securities for advice.

The Chairperson of the Nomination and Compensation Committee accepted the matter of independent directors to consider, and explained that since the Company changed senior management positions in 2017 the Board of Directors agreed to maintain the former members of the board for another two years by applying the Policy on Assessing the Independence of Directors as explained by the Corporate Secretary. Nonetheless, the Nomination and Compensation Committee was under the preparation to adjust the board composition to prevent the issue of independent director holding positions more than a nine year limit according to the new Governance Guidelines of the Bank of Thailand for which the rules of independent directorship are expected to be in effect in 2021-2022.

The Company Secretary informed that the Company will disseminate the minutes of the Annual General Meeting of Shareholders 2018 through the Company's website within 14 days after the meeting. Shareholders can check the accuracy of the minutes via the website. Should you have any questions that may require clarification, please submit them to the Corporate Secretariat Office via the Company's email, [tisco\\_cs@tisco.co.th](mailto:tisco_cs@tisco.co.th), or +66 2633 6805. The Corporate Secretary also requested the shareholders to submit the remaining ballots to the Meeting staff in front of the meeting room.

There being no other issues, the Chairman thanked the shareholders for attending and giving useful recommendations. The meeting then adjourned at 17.17 hours.

*- Pliu Mangkornkanok -*

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(Mr. Pliu Mangkornkanok)  
Chairman of the Meeting  
and Chairman of the Board

*- Pairat Srivilairit -*

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(Mr. Pairat Srivilairit)  
Corporate Secretary