

Report of The Extra General Shareholder's Meeting No 1/2018  
CPL Group Public Company Limited  
On January 25, 2018 at Tiara , Maple Hotel .  
No. 9, Srinakarin Raod, Bangna, Bangkok, Thailand

**Date, Time & Venue :**

The Meeting was held on January 25, 2018 at 2.00 p.m. at Maple Hotel, Tiara Room No. 9 SriNarin Road, Bangna District, Bangkok 10250

**Starting the Meeting :**

Miss Aomchan Panthong Secretary for the meeting declared that the Company had a registered paid – up capital of Baht 263,999,950 (Two hundred sixty three million nine hundred ninety nine thousand nine hundred fifty baht), comprising 26,399,995 (Twenty six million three hundred ninety nine thousand nine hundred ninety five) issued and paid up As shown on the screen, there were 53 shareholder present at the meeting, total 34,021,218 shares or equivalent to 81.2157 percent of the issued and paid up shares of the Company. The quorum was there by constituted in pursuant to the law and the Articles of Association of the Company. And to meeting the principles of good corporate governance and voting procedures of the meeting cordially important information. And clarify how the votes of the shareholders who will be voting with the rules of the meeting. The meeting was conducted successfully in accordance with the rules and regulations below.

1. The Company used the barcode system (Barcode) for easy and fast to shareholders in the register. And the counting of votes at the meeting. Along with the duty stamp provided to shareholders in the event that proxies are not prepared to stamp duty.

2. The rules on voting.

- The shareholder has one vote. Number of shares or get one share equals one vote proxies. Can vote to agree, or disagree, or abstain from voting on each item for each share held, proxies. The ballots that shareholders receive upon registration.

- The counting of votes will count the votes cast by the shareholders who voted disagree or abstain from voting, except in the agenda Item 5 director election by the voters did not agree to take such a vote. Subtracted from the total number of votes at the meeting. The rest are considered to be votes in that agenda agreed by the shareholders who have voted or abstained raise their hands to the officers went to the voting ballots to record and report the vote.

- Before the vote on each item. Will provide an opportunity for attendees to ask questions on issues related to the agenda was posted by asking shareholders who wish to ask questions or speak through the microphone. The full name clearly at all times. The company Minutes will be recorded correctly. And to query or comment on agenda items. And concisely to permit the other shareholders have the right, in the event that the shareholders have not met the agenda were considered. Please put to Agenda 8 Other business at the end of the meeting.

Secretary for the meeting also introduce directors, management and other attend as name list:

**Director Present :**

- |                                   |  |
|-----------------------------------|--|
| 1. Mr. Suwatchai Wongcharoensin   | Chairman of the Board                                    |
| 2. Mr. Puvasith Wongcharoensin    | Director / CEO   |
| 3. Mr. Lai Chi Hsiang             | Director   |
| 4. Mr. Kuo Shih Lun               | Director   |
| 5. Mr. Vivat Wongcharoensin       | Director   |
| 6. Asso. Prof. Dr, Ruth Banomyong | Chairman of the Audit Committee and Independent Director |

7. Mr. Supapat ongsangkung Member of the Audit Committee and Independent Director  
 8. Dr. Mongkol Laowarapong Member of the Audit Committee and Independent Director

**Other Attendees**

**Executive Officers Present :**

1. Mr. Singha Wongrujipairoj Chief Finance Officer  
 2. Ms. Arjaree Suphasinwongchai Company Secretary

**Preliminary Proceedings:**

Mr. Suwatchai Wongcharoensin Chairman of the Board act as the Chairman of the Meeting, The Chairman proceeded with the agenda items listed in the Notice of this Meeting.

**Agenda 1 : To Certify the Minute of Annual General Meeting of Shareholder 2018**

The Chairman asked the meeting to approve the Minute of Annual General Meeting of Shareholder 2018, the Company has provided complete within 14 days from the date of the General Meeting of Shareholders. And delivered to the Stock Exchange of Thailand and the Ministry of Commerce within the legal limit. According to a copy sent to all shareholders with the notice of meeting. The Board of Director considers that the reports are correct. Shareholders should approved the Minutes of Annual General Meeting of Shareholders 2018 by offering the opportunity for shareholders to ask a question or comment about this agenda.

As there were no questions and comments, the Chairman, The Chairman, therefore, proposed that the Meeting vote on the agenda item.

After due consideration, the Meeting unanimously resolved to endorse the Minute of Annual General Meeting of Shareholder 2018, in accordance with the following votes:

Resolution of all Shareholder (Attendants)	Total number of shares	Percentage (%)
Approved	34,021,768	100
Disapproved	0	0
Abstain	0	0
Void Ballots	0	0

Additional shareholder 1 person total 550 shares

**Agenda 2: To consider and approve the amendment to the par value of the share.**

The chairman asked Mr. Puvasith Wongchaorensin, CEO to explain this matter.

**CEO :** After listing on the Stock Exchange of Thailand, the amendment of the par value of the shares may enhance the liquidity and the distribution to the investors in all sectors more efficiently. And, the amendment to the par value of the shares does not affect the shareholding's proportion. The number of shares will increase only.

The details of amendment to the par value of the shares are as follow:

	Prior to the amendment to the par value of the shares	After the amendment to the par value of the shares
Registered Capital (Baht)	418,899,370	418,899,370
Par Value (Baht per Shares)	10	1
No. of Shares	41,889,937	418,899,370

The chairman requested the meeting to consider and approve the change of the par value of the shares of the Company. According to details, offering the opportunity for shareholders to ask detailed questions and a resolution on this agenda.

**Mr. Thamrong Anantaveepol** : From that in the invitation letter said. The split will contribute to the company's stock is attractive to institutional investors.

**CEO** : answer questions and clarify that. This is a standard written form of writing aside to cover. The company has received interest from institutional investors. Visit and interview since last year by a total of 2 to 3 times, which is homework of questions. Companies need to solve the liquidity of the stock market.

**Chairman** : Many year ago CPL Stock look Stock dividend The majority shareholder will retain a share for dividends, the company tried to find a tool to increase the liquidity of the stock market is very largely by guided by the analysis of institutional investors and marketing teams from SET began with a split before the initial order liquidity And there are other tools According to reflect the company's shares, literally.

**Mr. Thamrong Anantaveepol** : If approved at the meeting, when the new prices will begin to be traded on a SET ?

**CEO**: expected to take up to 15 days.

**Mr. Thamrong Anantaveepol** : whether the company is thought to reflect the actual price of stock to the SET Opportunity Day.

**CEO**: The company has already booked on the SET. In September this year, When no other shareholder inquiries. Asked the meeting to vote on this agenda.

As no shareholders raised any queries, the chairman requested the shareholder to cast their votes.

After due consideration, the Meeting unanimously resolved to endorse the Minute of Annual General Meeting of Shareholder 2018, in accordance with the following votes:

Resolution of all Shareholder (Attendants)	Total number of shares	Percentage (%)
Approved	34,171,218	100
Disapproved	0	0
Abstain	550	0
Void Ballots	0	0

Additional Shareholders 1 person total 150,000 shares

**Agenda 3: To consider and approve the amendment the Memorandum of Association be in accordance with the amendment to the par value of the shares.**

Due to the amendment to the par value of the shares from Baht 10. – per shares to Baht 1.- per shares, as detailed in Agenda 2. The company need to amend its Memorandum of Association Clause 4, as per details as follows:

Clause4.

Registered capital	418,899,370 Baht	(Four hundred eighteen million eight hundred ninety nine thousand three hundred seventy Baht)
Divided into	418,899,370 Share	(Four hundred eighteen million eight hundred ninety nine thousand three hundred seventy shares)
Value per share	1 Baht	(One baht)
Categorized into:		
Ordinary shares	418,899,370 Share	(Four hundred eighteen million eight hundred ninety nine thousand three hundred seventy shares)
Preference shares	- shares	(-)

As no shareholders raised any queries, the chairman requested the shareholder to cast their votes.

**Resolution:** The Meeting by a majority vote of the shareholders attending the meeting and entitled to vote approved the amendment the Memorandum of Association be in accordance with the amendment to the par value of the shares. in accordance with the following votes :

Resolution of all Shareholder (Attendants)	Total number of shares	Percentage (%)
Agree	34,185,518	100
Disagree	0	0
Abstain	0	0
Void Ballots	0	0
Additional shareholder 3 persons total 13,750 shares		

#### 4. Other matters.

The Chairman invited shareholders to ask question.

**Ms. Nawaporn Piyapatchankorn :** Would like to know Pig Skin product to have a capacity of 120,000 per month, it can be produced in the first quarter of this year ?

**CEO :** Show presentation of Project to the shareholders, separate into 2 phases is to produce cow leather. Ongoing installation of wood spin 20 tanks capacity of 25,000 units per week is testing the functionality of bins and conveyor belts expected around the middle of the next month these is on trial If fully implemented, will have a production capacity of 30,000 units per week. For other phase is produce pig skin tanning. If the new plant is completed, it will move production to a total of 12 tanks installed successfully. Installing piping and electrical systems can complete in March, production capacity of 20,000 per month.

**Ms. Nawaporn Piyapatchankorn :** To change machines The depreciation will increase or not.

**CEO :** Normal depreciation rate in 10 years.

**Ms. Nawaporn Piyapatchankorn :** In the financial statements for the third quarter indicates that the impairment of the price, which is off to the movies. Profit up, down usually from about 20% to 6% in the fourth quarter or the future will happen or not.

**CEO :** This is the subject from an auditor.

**CFO :** This is about the future based on that the auditor will estimate how much.

**Mr. Thamrong Anantaveepol :** The report from the meeting ever recorded. Sales of split leather will be sold at around 3-4 years cycle, but have seen in 2016 and 2017 would like to know that the company plans to do ?

**CEO :** answer questions and clarify that explain consumption in the last 2-3 years, the market trend of leather footwear was down all companies, need to lower grade of selling out. The auditors have issued a price adjustment. It is estimated that the market price is expected to be sold at that time (Mark to Market), but now trades leather with local issues start with a good signal The Company has begun to experiment with the leather oducts with Brand's big shoes. This is the amount of leather in large quantities. This is the hard work for us , which we have to compete with the existing offer. The company has start since the middle of last year. Now in the new trial offer samples. If, according to

the forecast, it will have order in the third quarter of this year, which will allow the company to better sales management by one client sell Cow skins and one client cow split.

**Mr. Thamrong Anantaveepol :** For inventory that is available in more than 1,000 million baht, can specify for all detail?

**Chairman :** For the inventory can separate to 3 part of inventory. if the finished leather is about 30 percent of the entire system, we buy raw material and produce by ourselves will get the hold hides, sometime we have order only cow skins more than cow splits the less need to wait for order. The operation try to manage the inventory in normal control by now change purchase policy only for production not keep in stock.

**Ms. Nawaporn Piyapatchankorn :** The additional production capacity will double.

Including industry competitors added that mean the tanning industry is better or not. The company increased production contracts with customers are locked or not. It would not cancel the order.

**CEO :** The tanning industry began to grow up because the factories in China are not able to do that, the company has been contacted by several factories in China factory. Large factories in Thailand are not many. The company supports the tanning capacity. For contract manufacturers, contract partners already. The partners know that increased production is all for them.

**Chairman :** Order for finished leather on hand until the third quarter of this year, but still not at full capacity. For a company with a competitive company cannot compare. Our tanning produced for our finished leather is on our current production capacity of leather full capacity.

**Mr. Chaval Wasutapitak :** The competitive companies who else. The proportion of the sales for local and oversea.

**Chairman :** For local competitor had listing 2 company but overall type of operation are not the same as company. The full capacity now are 24 million sq.ft. try to concentrate the order and capacity. As explain before the company will had new brand name customer will order cow split leather will be large order. For tanning from normal 45,000 hides to 120,000 hides per month. If the increase was 3 times as much for a backup plan if the customer is not pass order for tanning to company. The company had been deal for several tannin as well as from Australia, the United States, it is because the company had negotiated with this client since last year. If the expansion is complete may be able to get more new customers.

**Mr. Chaval Wasutapitak :** I will have detail the proportion of customers in local.

**Chairman :** Wet blue leather company exported 100% Finished leather sold abroad, 90%, 10% sold to shoe factories in Thailand.

**Mr. Chaval Wasutapitak :** The other company compare with company same business listed in set ?

**Chairman :** For leather manufacturers is the listed 2 companies but are not competitive. Since the product is not the same for use as a raw material is not the same. The finished leather for shoes

**Mr. Chaval Wasutapitak :** I was understood as safety devices. How the revenue structure of the 2 business?

**CEO :** The proportion 70: 30 Tannery in Samut Prakan , safety shoe factory in Chonburi, and shop for selling several branches.

**Mr. Thamrong Anantaveepol :** For stated that Customers can order from big brand name shoes. The leather that is used to cover up to 80% of our leather or not.

**CEO:** The company has already existing customers such as Timberland, Adidas, Van, but also uncertain and not much but if there are orders from new customers coming into this level is expected will cover all our cow splits.

**Mr. Thamrong Anantaveepol :** Revenue from pig skin this year, according to the report, about 400 million baht and revenue from new customers. How much expected to increase ?

**CEO :** approximately 200 million baht.

**Mr. Watchara Matanapatnart :** The proportion of exports to 90% of the management of the exchange rate. Risks management.

**CEO :** The company has taken all the channels available.

**Mr. Watchara Matanapatnart :** The management knows that the foreign exchange rate risk Company can to increase the selling price or not.

**CEO:** For now finished leather ,Brand's shoes to choose a manufacturer. It has a few factory, if the company has received orders low price less profit but there can be get work to employees and factories have run all time. Management will then find other ways to compensate.

**Mr. Watchara Matanapatnart :** The buyer is a manufacturer of world class footwear Brand The need to focus on Quality Management Including environmental impact

**Chairman :** During 3-5 years the company has the capacity down. The company is a great time to adapt with a focus on Performance and Quality, Factory Lay Out is to improve the machinery and equipment as well as great deals on shoes with Brand Name shoes. The standard price is already If the company can control the quality and meet the delivery faster. This is a long-term companies can request a price quotation or more.

**Mr. Watchara Matanapatnart :** The quality of tannery in Thailand compared to the CLMV region at a high level.

**Chairman :** A global industry standard called LWG (Leather Working Group), as well as the ISO 14001 standard, which has for 10 years now and is the first to have ISO 14001 certification in the tanning sector. Ensures control of production the use of chemicals through waste water system. If compared to other tanning factory in Thailand cannot compared, to take orders continuously. Because there are no big factories will be able to get order with the large quantities. In the pass 2 – 3 year will see Adidas shoes or other brand used fabrics in footwear production a lot . But there are good signs that cloth is saturated and will move to used leather instead. The company is seen as an opportunity to increase orders.

**Mr. Watchara Matanapatnart :** Q1 is expected to be. The total capacity will be how much.

**CEO:** For finished leather around 80% and for tanning have 2 part for pig skin in first quarter 20% and second quarter 80% and third quarter 100% .

There being no further questions, the Chairman thanked the shareholders and declared the meeting close.

The meeting was closed at 14.58 p.m.

-Signed-

Mr.Suwatchai Wongcharoensin  
Chairman of the Board

-Signed-

Ms . Arjaree Suphasinwongchai  
Company Secretary