



Translation:

**Minutes of the Annual General Meeting of Shareholders  
for the Year 2017  
Thanachart Capital Public Company Limited  
The Royal Orchid Ballroom 2<sup>nd</sup> Floor, Royal Orchid Sheraton Hotel & Towers  
2 Charoen Krung Road, Soi 30, Siphaya, Bangkok  
Wednesday, 5 April 2017 Starting at 14:00 hours**

**Quorum**

At 14:03 hours, the meeting was attended by 588 shareholders in person who held 7,013,063 shares and 1,217 proxy holders who held 595,588,467 shares respectively. As a result, there were altogether 1,805 shareholders attending the meeting and holding a total of 602,601,530 shares. The total shares which were represented in person or by proxy accounted for 49.9471 percent of the Company's 1,206,479,703 fully paid-up shares, thus constituting a quorum.

**Additional note:**

*In accordance with the rules established by the Bank of Thailand (BOT), there were two shareholders who were considered related parties as their combined shareholdings exceeded 10 percent of the total shares sold by the Company. In this connection, the BOT allowed these shareholders to exercise their voting rights in a combined amount not exceeding 10 percent of the total shares sold by the Company. Based on the total amount of shares announced by the Chairman at the beginning of the meeting, those two shareholders would be able to only cast their votes for each agenda item in the total of 120,647,970 shares and the rest 12,666,430 shares would not be casted and they would not be included in each agenda item.*

**Members of the Board of Directors attending the meeting**

- |                           |   |
|---------------------------|---|
| 1. Mr. Banterng Tantivit  | Chairman (Non-Executive Director)   |
| 2. Mr. Suphadej Poonpipat | Vice Chairman, Chairman of the Executive Committee, Chairman of the Risk Management Committee, and Chief Executive Officer (Executive Director) |
| 3. Mrs. Siripen Sitasuwan | Chairperson of the Audit Committee and Member of the Nomination and Remuneration Committee (Independent and Non-Executive Director)             |



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|----------------------------------|--|
| 4. Mr. Somkiat Sukdheva          | Member of the Audit Committee and Member of the Risk Management Committee (Independent and Non-Executive Director)                   |
| 5. Mr. Tiraphot Vajrabhaya       | Chairman of the Nomination and Remuneration Committee and Member of the Audit Committee (Independent and Non-Executive Director)     |
| 6. Mr. Vichit Yanamorn           | Member of the Nomination and Remuneration Committee and Member of the Risk Management Committee (Non-Executive Director)             |
| 7. Ms. Suvarnapha Suvarnaprathip | Vice Chairperson of the Executive Committee and Vice Chairperson of the Risk Management Committee (Executive Director)               |
| 8. Mr. Somjate Moosirilert       | Member of the Executive Committee, Member of the Risk Management Committee, and Senior Executive Vice President (Executive Director) |
| 9. Mr. Taweesak Saksirilarp      | Director (Non-Executive Director)  |

#### Calling the meeting to order

Mr. **Banterng Tantivit**, Chairman of the Board of Directors acting as Chairman of the meeting, called the Annual General Meeting of Shareholders for the Year 2017 to order at 14:03 hours. There were altogether eight agenda items to be considered and discussed in the order in which they were listed in the agenda. The related details were given in the Notice of the Meeting which was already sent to all shareholders.

In this connection, the **Chairman** appointed Mr. **Panupan Tuangthong**, the Company's Secretary, as keeper of the minutes of the meeting. He then requested the Company's Secretary to introduce the members of the Board of Directors and executives and inform the shareholders of the details regarding the conduct of the meeting.

The **Company's Secretary** informed the shareholders that all the nine members of the Board of Directors were present at the meeting. Among them were the Chairperson of the Audit Committee, the Chairman of the Nomination and Remuneration Committee, and the Chairman of the Risk Management Committee. Each director was introduced to the meeting.

Mr. **Suphadej Poonpipat** added that there were executives of Thanachart Capital Public Company Limited ("the Company") and Thanachart Bank Public Company Limited ("TBANK") attending the meeting as follows:



1) Mr. Kamtorn Tantisirivat, Executive Vice President, Financial Division of the Company, 2) Mr. Anuwat Luengtaweekul, Executive Vice President, Chief Financial Officer of TBANK, 3) Mr. Sanong Kumnuach, Executive Vice President, Retail and Small Business Distribution of TBANK, and also executives from Hire Purchase Business. Mrs. Ratana Jala, auditor from the audit firm that was responsible for auditing the financial statements of both the Company and Thanachart Group's member companies, was also present at the meeting. As a result, if in the course of the meeting the shareholders wished to request the directors, executives, or the auditor to answer questions, they could do so.

After requesting the hotel staff to show the fire escape in case of emergency or fire for shareholder's safety,

The Company's Secretary invited one shareholder to examine the vote count in the meeting. Mr. Pracha Jaidee, a proxy holder of a retail shareholder, was the one who examined the vote count. The Company's Secretary then explained details of the procedures relating to the conduct of the meeting, the summary of which was as follows:

- For the convenience of the shareholders in exercising their voting rights at the meeting, the Company made available 10 separate ballots for the agenda items concerned, which were given to the shareholders. In this connection, the management also had the related details printed on the ballots. With regard to Agenda Item 2, as it was concerned with the report to be presented to the shareholders only for acknowledgement, there was no ballot for the item. Ordinary shareholders and preferred shareholders had rights to cast their votes by one share for one vote.
- During the deliberation of each agenda item, shareholders wishing to give opinions or ask questions were requested to identify themselves by their first and last names. The purpose was to enable the keeper of the minutes to keep a correct record of the meeting.
- In voting, if shareholders wished to "cast their votes of disapproval" or "abstain from voting" on any agenda item, they were requested to cast the votes or abstain from voting by checking the related box and signing their name on the ballots. Once they were ready, they were requested to raise their hand so that the staff concerned would collect the ballots and compile the votes. Any ballots without signature or with more than one box checked, they would be regarded as "invalid ballots", and would not be counted as part of the voting base, except under Agenda Item 5, whereby they would be counted as part of the voting base.
- Shareholders who wished to "vote in favor of" an agenda item were not required to submit their ballots. The Company would deduct the number of disapproval and abstention votes from the total votes of the shareholders present at the meeting when the agenda item concerned was deliberated. The balance



would represent the number of votes in favor of the agenda item. In this connection, the calculation of the votes also took into account the votes cast by the shareholders for each agenda item completely in the proxy form.

- While the meeting waited for the voting results, the Chairman would proceed with the next agenda item. When they were available, the Chairman would announce the results for each agenda item to the meeting.

After the explanation of the procedures, the Chairman proceeded with the established agenda of the meeting as follows:

**Agenda 1: To approve the Minutes of the Annual General Meeting of Shareholders for the Year 2016**

The Chairman informed the participating shareholders that the Annual General Meeting of Shareholders for the Year 2016 was held on Tuesday, 5 April 2016, the minutes of the meeting had to be submitted to the shareholders for verification together. The details of the draft minutes were included in the Notice of the Meeting from Page 11 to Page 36. The Chairman proposed that the shareholders approve the minutes. He also asked whether there was any shareholder who wished to propose amendments to any part of the minutes of the meeting. The shareholders who wished to give opinions or ask questions would be requested to identify themselves by their first and last names. The purpose was to enable the keeper of the minutes to keep a correct record of the meeting.

As no shareholder wished to make any amendment or addition to the minutes of the meeting, the Chairman requested the meeting to adopt a resolution approving the minutes of the Annual General Meeting of the Shareholders for the Year 2016.

**The results of the voting for the Agenda Item 1** were as follows:

Results	Number of votes
Approval votes	592,320,644
Disapproval votes	0
Abstained from voting	1,768,301
Number of Invalid votes	0

**Resolution:** With the majority votes of the shareholders who were present at the meeting and cast their votes, the meeting passed the resolution approving the Minutes of the Annual General Meeting of Shareholders for the Year 2016.



**Agenda 2: To acknowledge the report of the Board of Directors on the Company's business operations in 2016**

The Chairman requested Mr. Suphadej Poonpipat, Chairman of the Executive Committee and Chief Executive Officer, to present the report on the Company's business operations for the past year 2016 to the meeting.

Mr. Suphadej Poonpipat said that Agenda Item 2 was concerned with the Board of Directors' report on the Company's business operations. The report was prepared in the form of a video presentation which was about 10 minutes in length. In this connection, the shareholders could take into consideration the details given in the Annual Report 2016 in form of CD-ROM, which was sent to all the shareholders together with the Notice of the Meeting.

**Record of the report via video presentation**

"The global economy in 2016 recovered gradually while global trade volumes declined. Although the country was faced with risks arising from household debts and SME borrowings, Thailand's overall economy was stable and kept growing. Noteworthy was the rapid growth of digital technology. As a result, business operations and economic activities underwent fundamental change in order to accommodate the changing digital development. The growth gave rise to new startups. These new businesses developed new technologies that drove business growth and added value to services. Thanks to appropriate adjustments of Thanachart Group's strategies, net profit of the Company and its subsidiaries rose to 12,611 million baht, an increase of 1,551 million baht or 14.02 percent from a year earlier. In this connection, net profit attributable to the Company amounted to 6,013 million baht, an increase of 577 million baht or 10.61 percent. On the other hand, net profit of Thanachart Bank and its subsidiaries which were the Group's main business amounted to 12,434 million baht, an increase of 1,691 million baht or 15.74 percent. This represented eight consecutive quarters of growth. The increase was mainly to the Bank's broadened revenue base when compared with the previous year. Meanwhile, operating expenses increased as a result of the expenditure related to development of infrastructure systems as well as human resources in order to enhance efficiency. Impairment loss of loans and debt securities from normal business operation declined from better asset quality that improved significantly. As a result, NPL ratio decreased to 2.29 percent while coverage ratio rose to 151.16 percent. While its Capital Adequacy Ratio (CAR) increased to 19.15 percent, the Bank was able to satisfactorily maintain the Liquidity Coverage Ratio (LCR) in line with the requirements under the Basel III standards. These demonstrated the profitability and strengths of quality assets, capital, and liquidity. In this connection, although its total assets decreased, the Bank was able to maintain its leadership position in the auto hire purchase sector. In addition, its non-performing loans decreased continuously.



As regards the progress achieved over the past year, Thanachart Bank placed emphasis on development of new financial products, using the concept of Thanachart Smart Solution. The products were as follows: “e-SAVINGS” savings accounts, and “Freever” savings accounts. The Bank also developed “Thanachart Connect” mobile banking application with high security, aiming at enabling customers to conveniently execute transaction by themselves. In this connection, the Bank supported the implementation of the payment systems under the National e-Payment strategy. Not only the Bank helped customers understand the importance of PromptPay, but also popularized the use of the system. The Bank also collaborated with leading business alliances in developing electronic payment innovations, including, among others, the following: Prepaid cards were made available in the form of virtual cards and physical cards. The objectives were to respond to lifestyles of the new generation and to enable them to send online payments for goods and services in a convenient and safe manner.

Subsidiaries' development of new products and services

- Thanachart Securities Public Company Limited introduced “Think Application” that enabled customers to buy and sell shares with their smartphones and to read stock research reports prepared during the past two years. The app also provided customers not only with stock recommendations based on technical analysis and valuation, but also with fundamental information and selected stocks for investment. The information was presented in an easy-to-understand manner.
- Thanachart Fund Management Company Limited developed a system that enabled customers to buy and sell unit trusts and access investment information via Thanachart Connect on a daily basis. It also offered for sale units of an open-ended fund namely T-Prime Low Beta which it managed by mainly taking into consideration stock price volatility.
- Thanachart Insurance Public Company Limited developed insurance products called “Thanachart 2+ Full Coverage” and “Happy PA for Child and for You” by incorporating additional coverage required by customers. It also increased the level of after-sales services, enhanced potential of surveyors responsible for assessing loss or damage, and made use of tools and advanced systems to enhance service quality and efficiency.

In 2016, Thanachart Group received several honorable awards including, among others, the following:

- The Company received “Investors Choice Awards 2016” from the Thai Investors Association for winning a full score of 100 points for seven consecutive years.
- Thanachart Bank received “Marketeer No. 1 Brand Thailand 2015-2016” from Marketeer Magazine as the No. 1 brand in the Auto Hire Purchase Loan category. The Bank also won an award at Thailand Energy



Awards 2016. In addition, it received Suriyasasithorn Excellence Awards.

- Thanachart Securities Public Company Limited received “Thailand Capital Markets Deal of the Year” from International Financing Review Asia (IFR Asia) magazine for Banpu Power Public Company Limited’s initial public offering (IPO) deal which was considered the largest IPO of the year 2016 in Thailand. It also received an award ranking 2<sup>nd</sup> on “Best Local Brokerage from Asiamoney Brokers Poll 2016”.
- Thanachart Fund Management Company Limited received two awards including “Best Fund House - Domestic Fixed Income 2016” and “Morningstar Award” for the outstanding bond fund in the short-term bond category.
- Thanachart Insurance Public Company Limited received the 1<sup>st</sup> Prize award at Insurance Award 2015 for non-life insurer with outstanding management as well as an award for outstanding motor accident damage surveyor for 2015.

Importantly, we continue to pay attention to good corporate governance as well as sustainable business operations. Emphasis is placed not only on development of anti-corruption measures but also on cultural and organizational transformation, using the concept of “moral and transparent organization without corruption”.

In 2017, Thailand’s commercial banking industry will be faced with several challenges, particularly the entry of new competitors as well as new regulations and requirements such as those of Basel III and IFRS 9 which will become effective, let alone pressures of various factors that affect revenue, fees and interest income. Being faced with the challenges, Thanachart Bank places emphasis on conducting its business affairs in a stable manner and are prepared to comply with new regulations. It also focuses on delivering a better financial experience to customers via various channels as well as digital services including internet banking and mobile banking in order to cover financial transactions in an integrated manner. The objective is for the Bank to become customers’ “Main Bank” of choice. In addition, the Bank provides its human resources with opportunities to broaden their knowledge and enhance their skills. It also continues to develop internal infrastructure systems related to operations of its key businesses. The objectives are to streamline work processes and to raise productivity in human resources.”

With the presentation of this agenda item, all shareholders were now informed of the Company’s performance. In addition, as this agenda item was for the shareholders’ acknowledgement only, there was no resolution to be adopted. However, in case there were any shareholders wishing to make suggestions or ask questions, they were requested to keep them for now and do so at a later stage when other agenda items were discussed.



**Agenda 3: To approve the statements of financial position and the statements of comprehensive income for the year ended 31 December 2016**

The Chairman requested Mr. Suphadej Poonpipat, Chairman of the Executive Committee and Chief Executive Officer, to present a report for this agenda item.

Mr. Suphadej Poonpipat informed the participating shareholders that there were numerous details under Agenda Item 3. For their convenience and better understanding, the Company would like to present the report related to its statements of financial position and its statements of comprehensive income in the form of a video presentation which was about 10 minutes in length. The presentation would explain the Company and its subsidiaries' financial position and performance which were prepared in accordance with the Financial Reporting Standards. In this connection, these financial statements were already approved by the Audit Committee and the Board of Directors of the Company and were audited by the certified public accountant of EY Office Limited. The auditor reported an unqualified opinion and added emphasis of matters regarding the change in accounting policy on the measurement of land, from cost method to revaluation method. This year independent auditor's report has added Key Audit Matters into the report for the first year which was in line with the revised version of accounting standard. The details of which were already sent to shareholders.

Overall, total assets of the Company and its subsidiaries in 2016 decreased from a year earlier in line with the slowdown in economy. The net profit increased from the previous year which demonstrated good performance of Thanachart Group. The details were given in the 2016 Annual Report.

**Record of the report via video presentation**

"The Board of Directors would like to present to the meeting for approval the statements of financial position and the statements of comprehensive income for the year ended 31 December 2016, by taking into consideration the consolidated financial statements of Thanachart Capital Public Company Limited which were audited by the certified auditor. In this connection, the auditor reported an unqualified opinion. The consolidated financial statements reflected the performance of the Company and the subsidiaries of Thanachart Group, the details of which were given in the annual report which was already sent to shareholders.

**Key transactions in 2016**

During the year, the Company and its subsidiaries reviewed and changed their accounting policy for recording the value of land from the cost method to the revaluation method, under which value is the fair value of asset at the valuation date appraised by an independent professional appraiser. Following the change of





the accounting policy, the value of land of the Company and its subsidiaries increased by 1,595 million baht. In this connection, the amount of the increase in the value of land could be classified as tier 1 capital of TBANK, a subsidiary company in Thanachart Group.

#### Statements of financial position of the Company and its subsidiaries

##### Assets

Total assets of the Company and its subsidiaries amounted to 966,867 million baht, a decrease of 30,714 million baht or 3.1 percent from a year earlier. One of major items was the net investment of 186,928 million baht, an increase of 2,366 million baht or 1.3 percent. Other item was loans to customers which amounted to 692,046 million baht, a decrease of 22,582 million baht or 3.2 percent. This was mainly due to the decrease in auto hire purchase loans in line with the auto industry slowdown. On the other hand, retail loan portfolio increased from a year earlier. In addition, TBANK adopted a lending policy that placed emphasis on higher quality loans.

##### Liabilities

Total Liabilities of the Company and its subsidiaries as at the end of 2016 amounted to 847,016 million baht, a decrease of 39,242 million baht or 4.4 percent from a year earlier. In this connection, the major items of liabilities were as follows: Deposits amounted to 676,456 million baht, an increase of 7,002 million baht or 1.0 percent. This was mainly due to the increase in savings deposits in line with the strategy on deposit restructuring and financial cost management. Debts issued and borrowings amounted to 61,704 million baht, a decrease of 23,225 million baht or 27.3 percent. This was mainly due to the decrease in short-term debentures.

Total equity amounted to 119,851 million baht, an increase of 8,528 million baht or 7.7 percent from a year earlier. This was mainly due to the Company's net profit worth 6,013 million baht and net revaluation surplus worth 665 million baht on land prices. Meanwhile, dividends worth 2,214 million baht were paid. On the other hand, non-controlling interests increased by 4,311 million baht.

#### Statements of comprehensive income of the Company and its subsidiaries

In 2016, the Company and its subsidiaries' net profit amounted to 12,611 million baht, an increase of 1,551 million baht or 14.0 percent from a year earlier. Net profit attributable to the Company amounted to 6,013 million baht, an increase of 577 million baht or 10.6 percent. In this connection, major changes were as follows:

##### 1. Net interest income

Net interest income of the Company and its subsidiaries in 2016 amounted to 28,468 million baht, an increase



of 738 million baht or 2.7 percent from a year earlier. In this connection, interest income amounted to 45,208 million baht, a decrease of 3,432 million baht or 7.1 percent. The decrease was in line with market trends of interest rates and the decrease in loans. On the other hand, interest expenses in 2016 amounted to 16,740 million baht, a decrease of 4,170 million baht or 19.9 percent from a year earlier. This was mainly due to TBANK's deposit cost management and deposit restructuring.

## 2. Non-interest income

Non-interest income of the Company and its subsidiaries amounted to 12,279 million baht, an increase of 115 million baht or 0.9 percent from a year earlier. The non-interest income consisted of the following:

- Net fees and service income amounted to 5,888 million baht, an increase of 423 million baht or 7.7 percent. This was mainly due to securities brokerage fees, asset management fees, and insurance/life insurance brokerage fees.
- Net insurance/life insurance income amounted to 2,659 million baht, an increase of 616 million baht or 30.2 percent. This was mainly due to the continuous growth of insurance business.
- Net gains on investment amounted to 1,061 million baht, a decrease of 895 million baht or 45.8 percent. This was mainly due to volatile market conditions.

## 3. Other operating expenses

Other operating expenses amounted to 21,073 million baht, an increase of 1,064 million baht or 5.3 percent. This was mainly due to the increase in annual staff remuneration and selling expenses in line with the increase in sales, as well as the investment in information technology systems and advertising expenses.

## 4. Impairment loss of loans and debt securities

Impairment loss of loans and debt securities of the Company and its subsidiaries in 2016 amounted to 6,210 million baht, a decrease of 2,390 million baht or 27.8 percent. This was mainly due to efficient debt management.

## 5. Income tax

Income tax of the Company and its subsidiaries in 2016 amounted to 853 million baht, an increase of 628 million baht. In this connection, TBANK, a subsidiary company had no corporate tax burden in 2016 as it still had tax losses.

Thanks to the efficient collaboration among all companies under Thanachart Financial Conglomerate, all subsidiaries registered strong and stable growth. Performances of key subsidiaries were shown on the screen.



Table: Net profits of the Company's key subsidiaries in 2016 and 2015

(Unit: Million Baht)

Subsidiaries	Direct/ indirect shareholding (%)	Net profits (loss) for the year	
		2016	2015
<b>Thanachart Bank Public Company Limited</b>			
Based on the consolidated financial statements*		12,434	10,743
Based on the separate financial statements	50.96	11,962	11,452
Thanachart Insurance Public Company Limited	50.96	1,005	1,117
Thanachart Securities Public Company Limited	50.96	662	488
TS Asset Management Company Limited	50.96	189	(18)
Thanachart Fund Management Company Limited	38.22	355	320
Ratchthani Leasing Public Company Limited	33.22	881	749
NFS Asset Management Company Limited	100.00	55	50
MAX Asset Management company Limited	83.44	92	69
MBK Life Assurance Public Company Limited	51.00	122	(121)

Note: \*Only the profit attributable to the owners of TBANK

In this connection, the shareholders were requested to approve the statements of financial position and the statements of comprehensive income for the year ended 31 December 2016, the details of which were given in the annual report already sent to the shareholders."

After the video presentation, Mr. Suphadej Poonpipat informed the meeting that the video presentation explained the financial position and the performance of the Company in 2016. The related details were given in the annual report and the financial highlights as well as the management discussion and analysis for the year 2016.

Mr. Suphadej Poonpipat then provided the shareholders with an opportunity to ask questions or give opinions, indicating that under this agenda item, the representative of the Company's audit firm would help answer the questions. There were a number of shareholders who asked questions or gave opinions as follows:

**Mr. Sittichoke Boonyawanich (shareholder)**

Mr. Sittichoke commended the Board of Directors, executives, and those working in the finance division for the fact that this year the share prices of the Company were higher than in the past several years which saw



stagnant prices. As well, the quality of the loan portfolios was well looked after and the non-performing loans were properly managed. In addition, he would like to ask a number of questions as follows:

1. He asked what impacts the US Federal Reserve's increase of the benchmark interest rate would have on the commercial banking sector and TBANK which was a medium-sized bank, in the areas such as home loans in the long term. In addition, he asked what impacts it would have on the one to three years fixed rate home loans and whether the interest rates would be increased for customers who planned to buy houses this year or next year.
2. He asked what the direction of Thailand's economic trend in 2017 was and whether it was possible to predict the economic trend.
3. As regards the e-Payment system which was already put in place, he asked what problems, defects or obstacles were encountered by the system and whether it was hacked into.
4. He referred to the Group's publication containing information about foreclosed properties for sale with a beautiful cover but with texts and images inside the book being printed in black and white. As a result, the content was unclear and pale. In order to make it clear and bright, he recommended that the texts and images be printed in color.
5. In relation to life assurance business and insurance business, he suggested that TBANK encourage customers to buy insurance policies when the Bank made them mortgages or car loans. The arrangements would enhance the Bank's profitability.

**Mr. Suphadej Poonpipat**

Mr. Suphadej said that it was difficult to predict the economic trend as it was part of the global economic system. As regards the budget, the outlays were expected to grow about 3 percent. In relation to the publication about the foreclosed properties for sale, he agreed to take into consideration the shareholder's recommendation that the texts and images be printed in color. However, he said that the images of the properties on the Group's website were already shown in color. As regards life assurance business, currently TBANK did not have assurance business anymore. It already sold its equity stake to Prudential and agreed to serve as a life assurance broker for Prudential for a long term. On the Company's part, the Company had MBK Life Assurance Public Company Limited (formerly Siam City Life Assurance Public Company Limited) in which MBK Public Company Limited held a 49 percent equity stake while the Company held the remaining 51 percent equity stake. The growth of MBK Life Assurance whose products or services were not sold through TBANK or any of the Bank's subsidiaries was gradual. For insurance business, the return on equity of the insurance business was well above 20 percent continuously. The business had been successful for the past



ten consecutive years. For other questions, he requested Mr. Somjate to give responses.

**Mr. Somjate Moosirilert**

Mr. Somjate said that the US Federal Reserve's increase of the benchmark interest rate would have more impacts on the capital market. However, the country would not be impacted in the short term. He expected that the interest costs in the financial market would be adjusted in the second half of the year. This would mainly depend on whether the Federal Reserve would continue raising the interest rate. However, the work team concerned was closely monitoring and managing the related risks, ensuring that the impacts would be minimized. In relation to the mortgage interest rates, he expected that the applicable rates would remain low, mainly due to the prevailing intense competition. In this connection, the Bank would attempt to build its competitive edge by streamlining its loan application procedures and giving advice to customers, aiming at making itself different from other banks, instead of offering lower interest rates.

The e-Payment systems were jointly developed by members of the Thai Bankers' Association through National ITMX Company Limited, with the Bank of Thailand being the main supporter of the development project. In this connection, teams from all banks closely collaborated on the development, ensuring that the systems adhered to the world-class security standards. Experts from all banks also collaborated with one another in looking after the systems security on a continuous basis. So far, the systems functioned properly without any problems and there was no threat of hackers and intrusion into the systems. He assured shareholders that the Bank of Thailand, the Finance Ministry as well as the government placed strong emphasis on looking after the systems. And they were confident of the security systems currently used by the Thai commercial banking industry.

Mr. Suphadej Poonpipat requested the shareholders to vote on the agenda item.

**The results of the voting on the Agenda Item 3** were as follows:

Results	Number of votes
Approval votes	587,794,400
Disapproval votes	0
Abstained from voting	8,567,001
Number of Invalid votes	0

**Resolution:** With the majority votes of the shareholders who were present at the meeting and casted their votes, the meeting passed the resolution approving the statements of financial position and statements of comprehensive income for the year ended 31 December 2016.



Agenda 4: To approve the allocation of the profit for the performance of the year 2016 and the dividend payment

The Chairman informed the meeting that, in line with the summary reports presented earlier to the shareholders under Agenda Items 2 and 3 respectively on the Company's performance, and based on the information contained in the Notice of the Meeting, in 2016 the net profit based on the Company's separate financial statements amounted to 1,659,316,893.07 baht, and the net profit attributable to the Company, based on the consolidated financial statements, amounted to 6,012,724,760.05 baht with an amount of retained earnings. As a result, the Company was able to make dividend payments. In addition, as the statutory reserve already amounted to 10 percent of the registered capital, it was not necessary for the Company to set aside any additional reserve in accordance with the Public Limited Company Act and the Articles of Association. In this connection, the Board of Directors deemed it appropriate to make the following proposals for the shareholders' approval.

1. The shareholders acknowledge that the Company did not set aside any part of the net profit for the year 2016 as additional statutory reserve since its statutory reserve amount was already in line with the level required by the law.
2. The shareholders acknowledge the interim dividend payment of 0.80 baht per share which was paid to shareholders on 21 October 2016.
3. The shareholders approve the dividend payments to the holders of ordinary shares and the holders of preferred shares at a rate of 1.20 baht per share.

Taking into account this round of the dividend payment and the interim dividend payment worth 0.80 baht per share or 932,103,762.40 baht for the first half of the year, the total dividend payment for 2016 amounted to 2.00 baht per share or 2,330,259,406 baht. This round of the dividend payment accounted for 140.43 percent of the net profit for 2016 based on the Company's separate financial statements and 38.76 percent based on the consolidated financial statements. For comparison by the shareholders, the information on the dividend payout for the operating results from 2014 to 2016 was given in a table on Page 37 of the Notice of the Meeting.

If the meeting approved the proposals, the Company would establish a list of shareholders entitled to the dividend payment on 19 April 2017 and compile the list of names in line with Section 225 of the Securities and Exchange Act B.E. 2535 (Amended B.E. 2551) by closing the share register book and suspending any transfer of shares as from 20 April 2017 with the dividend payment to be made on 3 May 2017.



The Chairman then provided the shareholders with an opportunity to ask questions or give their opinions. As no shareholder asked additional questions or expressed additional opinions, the Chairman requested the shareholders to vote on the agenda item.

The results of the voting on the Agenda Item 4 were as follows:

Results	Number of votes
Approval votes	595,285,789
Disapproval votes	800
Abstained from voting	1,155,201
Number of Invalid votes	0

**Resolution:** The meeting acknowledged that there would be no allocation of the net profit for the year 2016 as legal reserve and acknowledged the interim dividend payment. With the majority votes of the shareholders who were present at the meeting and casted their votes, the meeting passed the resolution approving the dividend payment at the rate of 1.20 baht per share as well as the dividend payment schedule as proposed.

**Agenda 5:** To acknowledge a report on the remunerations of the Company's Members of the Board of Directors and the members of sub-committees, to approve the performance allowance for the Board of Directors for 2016 operating results, and to approve the level of remuneration of Directors and members of sub-committees in 2017

The Chairman requested Mr. Tiraphot Vajrabhaya, Chairman of the Nomination and Remuneration Committee, to present the details of this agenda item.

Mr. Tiraphot Vajrabhaya informed the meeting that, as proposed by the Nomination and Remuneration Committee, the remuneration of the Board of Directors and the sub-committees was reviewed by the Board on a yearly basis. It was deemed appropriate that the meeting was informed of the remuneration payments which were made in the past year and that the meeting considered the remuneration for the directors every year. In this connection, he presented the following report on the remuneration payments made to all the committees in 2016.

- The actual remuneration payments for the Board of Directors, which were allotted from the remuneration level of 11,000,000 baht approved by the shareholders, amounted to 8,762,068.97 baht in total. The payments were based on the number of the meetings attended by the directors.
- The remuneration payments made to the other sub-committees in 2016 amounted to 3,911,000 baht.
- The tables showing details about the payments made to the Board of Directors and the other sub-committees in 2016 and the rate of remunerations paid in the current remuneration rate were on Pages



38 - 39 of the Notice of the Shareholders' Meeting.

As regards the payments made to each director in 2016, the related details were given on Pages 93 - 94 of the Annual Report 2016. The information which was disclosed was only for acknowledgement. It was not necessary to adopt any resolution on this matter. Aside from the payments which were reported above, the Company did not make any other payments of remuneration and/or benefits to the directors, which were not of a regular nature.

In 2017, the Nomination and Remuneration Committee reviewed the remuneration of directors, taking into consideration the information related to remuneration of listed companies' directors, which was collected by the Thai Institute of Directors Association (IOD), as well as the remuneration proposals made by the commercial banking sector for shareholders' approval in line with the criteria which took into account roles, duties, and responsibilities in comparison with those of the industry. In this connection, the Committee submitted to the Board of Directors the proposal that the shareholders' meeting approve the remuneration as follows:

1. Shareholders approve the payment of the performance allowance to the directors at the rate equal to one percent of the dividend payments approved for shareholders. This was in line with the policy adopted by the shareholders' meeting. In this connection, the Board of Directors was authorized to allot the related payment to its members. This year, the dividend payments approved for the shareholders amounted to 2,330,259,406 baht. As a result, the payment of the performance allowance to the Board of Directors as a whole amounted to 23,302,594.06 baht. The details related to the payments of the performance allowance based on the business operations for the years from 2014 to 2016 were given on Pages 39-40 of the Notice of Annual Meeting of Shareholders, with the years shown in the document representing the years of operations.

2. The shareholders approve the following level of remuneration of Directors and members of sub-committees for the year 2017.

**Board of Directors**

(Unit: Baht)

Position		Monthly Remuneration (per person)	Stipends for each meeting (per person)
Chairman	Current	100,000	50,000
	Proposal	Being paid at the current rate	
Directors	Current	50,000	25,000
	Proposal	Being paid at the current rate	





**Note:** This was changed from the previous resolution approval of not more than 11,000,000 baht per year

#### Audit Committee

(Unit: Baht)

Position		Monthly Remuneration (per person)	Stipends for each meeting (per person)
Chairman	Current	50,000	25,000
	Proposal	60,000	30,000
Directors	Current	30,000	20,000
	Proposal	40,000	20,000

#### Nomination and Remuneration Committee

(Unit: Baht)

Position		Monthly Remuneration (per person)	Stipends for each meeting (per person)
Chairman	Current	-None-	50,000
	Proposal	30,000	20,000
Directors	Current	-None-	33,000
	Proposal	20,000	15,000

#### Risk Management Committee

(Unit: Baht)

Position		Monthly Remuneration (per person)	Stipends for each meeting (per person)
Chairman	Current	30,000	30,000
	Proposal	Being paid at the current rate	
Directors	Current	20,000	20,000
	Proposal	Being paid at the current rate	

**Note:** Making payment to non-executive directors only

The above remuneration rates would be in effective from 1 May 2017 onward. They would be fixed until the meeting of shareholders adopting a new resolution.



Mr. Tiraphot Vajrabhaya then provided the shareholders with an opportunity to ask questions and give opinions. As no shareholder asked any questions or gave any opinions, the shareholders were requested to adopt the resolutions by making use of the ballots titled Agenda Item 5.1 and Agenda 5.2 respectively with details as follows:

1. The shareholders were requested to make use of the ballot titled 'Agenda Item 5.1' for the approval of the payment of the performance allowance to the Company's Board of Directors at the rate equal to one percent of the dividend payments approved for the shareholders, with the Board being authorized to allot the related payments to its members.
2. The shareholders were requested to make use of the ballot titled 'Agenda Item 5.2' for the approval of the payment of the remuneration of Directors and members of sub-committees for 2017.

**The results of the voting on the Agenda Item 5.1** were as follows:

Results	Number of votes
Approval votes	535,618,902
Disapproval votes	59,646,027
Abstained from voting	1,200,801
Number of Invalid votes	0

**Resolution:** With a majority of more than two thirds of the votes of the shareholders who were present at the meeting and casted their votes, the meeting adopted a resolution approving the payment of the performance allowance to the Board of Directors at the rate equal to one percent of the dividend payments approved for the shareholders, with the Board being authorized to allot the related payments to its members.

**The results of the voting on the Agenda Item 5.2** were as follows:

Results	Number of votes
Approval votes	595,076,610
Disapproval votes	181,319
Abstained from voting	1,207,801
Number of Invalid votes	0

**Resolution:** With a majority of more than two thirds of the votes of the shareholders who were present at the meeting and casted their votes, the meeting adopted a resolution approving the payment of the remuneration of Directors and members of sub-committees for 2017.



**Agenda 6: To consider the election of directors replacing those retiring by rotation**

The Chairman informed the meeting that this agenda item was concerned with the consideration of the election of directors in replacement of the directors retiring by rotation. However, Mr. Tiraphot Vajrabhaya and Mrs. Siripen Sitasuwan were two directors retiring at this meeting. In this connection, he requested Mr. Vichit Yanamorn, the Member of the Nomination and Remuneration Committee to provide the shareholders with the details related to this agenda item.

Mr. Vichit Yanamorn informed the meeting that the following three directors would retire by rotation at the 2017 Annual General Meeting of Shareholders.

1. Mr. Suphadej Poonpipat Vice Chairman, Chairman of the Executive Committee, Chairman of the Risk Management Committee, and Chief Executive Officer (Non-Executive Director), and
2. Mrs. Siripen Sitasuwan Chairperson of the Audit Committee and Member of the Nomination and Remuneration Committee (Independent Director), and
3. Mr. Tiraphot Vajrabhaya Chairperson of the Nomination and Remuneration Committee and Member of the Audit Committee (Independent Director)

In enable the shareholders to consider and vote independently on this agenda item, he requested the three persons whose names were proposed for election, to be out of the meeting room temporarily.

Mr. Vichit Yanamorn informed the meeting that, in finding or proposing the list of the persons in replacement of the directors retiring by rotation, the Board of Directors not only assigned the Nomination and Remuneration Committee to be responsible for the related work, but also allowed the shareholders to propose names of qualified persons for election at this meeting through its website ([www.thanachart.co.th](http://www.thanachart.co.th)) during the period from 1 September 2016 to 31 October 2016. However, during the specified period, there was no shareholder proposing any person for consideration. The Nomination and Remuneration Committee had been finding qualified persons to propose to shareholders for appointing as the Company's directors in replacement of the directors retiring. Taking into account the knowledge, competency, and past performance of those three directors retiring, the Committee deemed it appropriate to propose to the meeting of shareholders there-election of them as the Company's directors. (Members of the Nomination and Remuneration Committee who retired at this meeting were not allowed to vote for their own).

As a result, based on the recommendation made by the Nomination and Remuneration Committee, the Board of Directors deemed it appropriate to propose to shareholders that they elect the three retiring directors and appoint them as the Company's directors for another term. The election of the three directors already received the approval of the Bank of Thailand. In this connection, the shareholders could consider the brief profiles of the three directors, which were on Pages 41-45 of the Notice of the Meeting, or those currently shown on the screen.

Mr. Vichit Yanamorn then provided the shareholders with an opportunity to ask questions or express their opinions. There were a number of shareholders who asked questions or gave opinions as follows:

**Mr. Preecha Jintananont (a proxy holder)**

Mr. Preecha asked about the outstanding characteristics of the independent directors whose tenure was more than nine years. He also asked whether the Board of Directors had discussed the issue on the retention of independence, and whether the future tenure of the independent directors would be determined.

**Chairman of the meeting**

The Chairman said that independent directors should not serve on the Board for more than three consecutive terms. In this connection, the Board was in the process of finding a way to ensure that independent directors would not serve for too long. This morning, at the annual general meeting of TBANK's shareholders, two independent directors having served on the Board for over nine years retired upon the completion of their tenure. Being able to find replacements, the Bank did not propose that the retiring directors be re-elected. On the part of the Company, it was proposed that Ms. Siripen Sitasuwan who had served on the Board for more than nine years be re-elected. This was mainly because she was remarkably successful in keeping her independence when carrying out her duties. In addition, she had extensive knowledge and abilities in relation to auditing and financial business. The Nomination and Remuneration Committee had been trying to find other candidates with appropriate qualifications but it was not easy to identify such people.

As there was no additional question or opinion, Mr. Vichit Yanamorn requested the shareholders to vote on the agenda item.

For transparency, he requested the shareholders to vote for each director separately by using the ballots titled Agenda Item 6.1 to Agenda Item 6.3 respectively. The ballots specified the name of each director separately as follows:

- 6.1 Mr. Suphadej Poonpipat
- 6.2 Mrs. Siripen Sitasuwan
- 6.3 Mr. Tiraphot Vajrabhaya



Mr. Vichit Yanamorn then invited the three directors who went out of the meeting room temporarily, to return to the meeting room before proceeding with the next agenda item.

The following were the separate results of the shareholders' voting for the election of the three proposed persons as the Company's directors.

**The results of the voting on Agenda Item 6.1 - Mr. Suphadej Poonpipat:**

Results	Number of votes
Approval votes	584,358,732
Disapproval votes	11,039,010
Abstained from voting	1,160,301
Number of Invalid votes	0

**The results of the voting on Agenda Item 6.2 - Mrs. Siripen Sitasuwan:**

Results	Number of votes
Approval votes	584,402,912
Disapproval votes	10,992,029
Abstained from voting	1,163,101
Number of Invalid votes	1

**The results of the voting on Agenda Item 6.3 - Mr. Tiraphot Vajrabhaya:**

Results	Number of votes
Approval votes	536,813,341
Disapproval votes	58,581,600
Abstained from voting	1,163,101
Number of Invalid votes	1

**Resolutions:** With the majority votes of the shareholders who attended the meeting and casted their votes, the meeting passed the resolutions electing the three directors in replacement of the directors retiring by rotation.

**Agenda 7: To consider the appointment of the auditor and determine the audit fees for 2017**

The Chairman then requested Mrs. Siripen Sitasuwan, Chairperson of the Audit Committee, to present details of this agenda item.

Mrs. Siripen Sitasuwan informed the meeting that, in the past year, the Company appointed the public



accountants of EY Office Limited as public accountants for the year 2016 and fixed the audit fees at 900,000 baht. For the year 2017, the Audit Committee went through the process of selecting public accountants. As well, the Board of Directors already considered the opinion of the Audit Committee and deemed it appropriate to propose the following list of the public accountants of EY Office Limited to the shareholders for appointment. It was proposed that

1. Ms. Rattana Jala (Certified Public Accountant (Thailand) No. 3734) and/or
2. Ms. Somjai Khunapasut (Certified Public Accountant (Thailand) No. 4499) and/or
3. Ms. Rachada Yongsawadvanich (Certified Public Accountant (Thailand) No. 4951)

be appointed as the Company's public accountants for the year 2017. It was also proposed that the shareholders approve the audit fees of 900,000 baht.

After taking into consideration various factors as well as the appropriate amount of work involved, the Audit Committee was of the opinion that EY Office Limited was reliable and its performance was widely acceptable both domestically and abroad. It also possessed the auditing standards on a par with the international standards and was supported by staff with knowledge, expertise, and experience in auditing financial statements of financial institutions. As well, it had always been helpful in providing the Company with valuable advice on various areas.

The audit fees proposed for the year 2017 were considered reasonable. Both the three public accountants and EY Office Limited had neither relationship nor transaction that might give rise to any conflict of interest with the Company. The appointment of the proposed public accountants also received the approval from the Bank of Thailand. In this connection, the audit fees of 900,000 baht for the year 2017 were the same amount as the audit fees for the year 2016.

As regards the detailed profiles of the three public accountants and other related information, the shareholders could find them on Pages 48-50 of the Notice of the Annual General Meeting.

Mrs. Siripen Sitasuwan then provided the shareholders with an opportunity to ask questions or give their opinions. As no shareholder asked additional questions or expressed additional opinions, Mrs. Siripen Sitasuwan requested the shareholders to vote on the agenda item.

**The results of the voting on the Agenda Item 7** were as follows:

Results	Number of votes
Approval votes	594,975,157
Disapproval votes	425,600



Abstained from voting	1,190,701
Number of Invalid votes	0

**Resolution:** With the majority votes of the shareholders who were present at the meeting and casted their votes, the meeting passed a resolution approving the appointment of the following list of the public accountants of EY Office Limited:

1. Ms. Rattana Jala (Certified Public Accountant (Thailand) No. 3734) and/or
2. Ms. Somjai Khunapasut (Certified Public Accountant (Thailand) No. 4499) and/or
3. Ms. Rachada Yongsawadvanich (Certified Public Accountant (Thailand) No. 4951)

as the public accountants of the Company for the year 2017. The audit fees of 900,000 baht for 2017 were also approved.

**Agenda 8: Other business (if any)**

The Chairman provided the shareholders with an opportunity to make suggestions and ask questions. In response, there were a number of shareholders who asked questions and expressed opinions as follows:

**Mr. Rakkiat Thai-arpon (a shareholder)**

Mr. Rakkiat asked the following questions:

1. How far the progress was made on the plan of the Bank of Nova Scotia (Scotiabank) to sell its equity stake in TBANK to its alliances.
2. What the amount of the accumulated tax losses as a result of the business transfer from Siam City Bank remained to be used by TBANK.

**Chairman of the meeting**

1. The Company was formally informed by Scotiabank that its policy to sell its investments in Asia was scrapped. In the past, Scotiabank provided the Company with its full support for the development of TBANK's various services, particularly in the area of electronic banking.
2. TBANK's remaining accumulated tax losses as a result of the merger with Siam City Bank amounted to about 14,669 million baht. Based on the corporate tax rate of 20 percent, the tax benefit to be gained by TBANK amounted to almost 3,000 million baht. It was expected that the accumulated losses would be used up by next year.

**An anonymous shareholder**

The shareholder commended the Board of Directors and the executives for helping TBANK achieve stronger



performance, citing the gracious kindness of His Majesty King Rama IX towards Siam City Bank. He also mentioned the potential of Asia's economic growth from the perspective of investment groups from Europe and the U.S., including Scotiabank. In addition, he commented that some of TBANK's branches were too spacious. On the other hand, there were mobile banking and a wider range of electronic cards used for payments. Moreover, some commercial banks already opened branches or service points in 7-Eleven stores. As a result, TBANK should ensure that the opening of branches and the offering of services at branches were in line with the change in consumer behavior.

**Mr. Suphadej Poonpipat**

Mr. Suphadej thanked the shareholder for the commendation and requested Mr. Somjate to give clarifications on the branch policy.

**Mr. Somjate Moosirilert**

Mr. Somjate said that the Bank had adopted a clear policy on branches. In order for the shareholders to hear information directly from the person in charge, he requested Mr. Sanong Khumnuch, TBANK's executive vice president responsible for the branch network as well as the nationwide retail business, to talk about the policy and the related strategies.

**Mr. Sanong Khumnuch**

Mr. Sanong said that the Bank had been reviewing the branch policy for the past two to three years. The first factor which was taken into consideration was the customer behavior, particularly the customer convenience. Throughout the past years, the Bank not only merged some of its branches to certain extent, but also reduced the size of several branches. As regards the opening of branches in 7-Eleven stores, the Bank had not yet considered the idea specifically. The main guideline for opening a branch was to determine which type of branches would most satisfactorily meet customer needs. There were two types of customers: (1) digitally-oriented customers who demanded convenience and ease in the way they received service. In serving this type of customers, TBANK had made available online digital banking services; and (2) customers who still preferred to meet with bank counter staff. It was still necessary for the Bank not only to maintain conventional branches but also to continue developing human resources in a continuous manner over the past few years so that they could provide customers with in-depth advice.

**Mr. Suphadej Poonpipat**

Mr. Suphadej further clarified that TBANK already undertook changes in bank branches in the form of a new model called "Thanachart Next" whereby it was equipped with automated banking machines and also offered





financial advice, as well as in the form of a new model called “Thanachart Express” which served as Thailand’s first prototype cashless branch. It was expected that further progress would be made and witnessed over the next two to three years.

**A shareholder submitting a question in writing**

The shareholder asked why the remuneration paid to the Board of Directors included both monthly salaries and meeting allowances.

**Mr. Tiraphot Vajrabhaya**

Mr. Tiraphot said that, in carrying out their duties, members of the Board of Directors as well as members of all committees not only had to attend meetings to give their opinions and adopt resolutions, but also had to prepare themselves prior to the meetings by studying related materials in advance. In addition, they needed to contact executives of the Company and TBANK in relation to the information for which they were responsible. In this connection, they needed to spend quite a lot of time studying the materials and preparing themselves. As a result, it was necessary to provide them with both meeting allowances and monthly salaries.

**An anonymous shareholder**

The shareholder asked about the income earned from serving as financial advisor on the initial public offering of Banpu Power Public Company Limited. Other questions covered the increase in income as a result of the change in the accounting policy in relation to the value of land based on revaluation rather than on original costs as well as where they were shown in the financial statements.

**Chairman of the meeting**

The income for serving as financial advisor for the initial public offering belonged to Thanachart Securities Public Company Limited. It was reflected both in the consolidated financial statements of TBANK as well as the consolidated financial statements of the Company. On the other hand, the gain arising from land asset revaluation was considered part of shareholders’ equity and could be counted as part of capital.

**Mr. Rittichai Yipcharoenporn (a shareholder)**

Mr. Rittichai said that in 2016, the Company’s profit increased but its assets, particularly the loan portfolios, decreased to a certain extent. He asked what the policy on loan growth would be. He believed that it was necessary to grow loans to build a new client base which would generate both interest income and other income. As well, he asked what caused the loan loss provision to decrease and whether it was due to the decrease in loans.



### Chairman of the meeting

The Chairman said that the decrease in the loan portfolios was mainly due to the decrease in hire purchase loans. There were two supporting factors. First, as the outstanding balance of TBANK's hire purchase loan portfolio was relatively high, each month there were a lot of loans which were due for repayments, the total of which amounted to several thousand million baht annually. Secondly, the automobile industry was impacted by the decrease in new car sales. However, the Bank was able to maintain its market share. As well, it was more cautious of giving used car loans. This was mainly due to the fact that in 2015, the Bank was hard hit by the non-performing used car loans. In addressing the problem, the Bank adopted a new credit scoring model. As a result, it was able to reduce the number of the non-performing used car loans and the hire purchase loan portfolio currently became stable again. Therefore, if the automobile market remained the same, the hire purchase loans would gradually increase. As regards mortgages, the home loan portfolio increased to a certain extent. However, the corporate loan portfolio was rather lackluster as the competition was highly intense. If the Bank wanted to compete, it had to assume greater risks. This meant that, if the loans became non-performing, the Bank would suffer significant impacts. For creditworthy corporate clients, fierce competition resulted in lower interest rates, which in turn led to a very low rate of return.

As regards the decrease in the loan loss provision, thanks to TBANK's efficient debt management, the non-performing loans decreased remarkably. The ratio of TBANK's NPL to total loans was almost the lowest in the industry. This reflected the fact that the quality of the assets was well looked after. In addition, the ratio of the loan loss provision to NPL was currently among the top in the industry.

### Mr. Suphadej Poonpipat

Mr. Suphadej said that both the Company and TBANK established and maintained relatively high quality accounting standards. In relation to loan loss provision, the Company and the Bank not only looked at potential losses at present and in the past but also looked ahead. In particular, the collective approach had been adopted with the emphasis being placed on determining the probability that retail loans would become non-performing and to what extent, despite the fact that the existing loans might still be performing. As at the end of 2016, TBANK's loan loss provision amounted to as high as 192.38 percent of the Bank of Thailand's minimum requirement. In this connection, he requested the auditor to provide clarifications to the shareholders so that they would have a clear understanding.

### Ms. Ratana Jala (auditor)

In relation to the financial statements, Ms. Ratana said that the loan loss provision policy was based on the minimum level in line with the generally accepted accounting standards as well as the requirement imposed



by the Bank of Thailand. In addition, the Company adopted a policy of setting aside additional loan loss provision on top of the minimum requirement. In this connection, the shareholders could find details from the notes to the financial statements which were already distributed. As regards the loan loss provision based on the collective approach explained by Mr. Suphadej, it was mainly concerned with making an estimate of how much the existing loans would become bad debts or non-performing loans in the future. The next step was to use the result obtained in making an estimate for the additional loan loss provision to be put on top of the minimum requirement. Therefore, with regard to the auditing of the loan loss provision, the shareholders could rest assured that the auditor already audited the provision. There was no issue that the provision was not in line with the accounting standards or the requirement imposed by the Bank of Thailand. The information regarding additional loan loss provision was already disclosed in the notes to the financial statements in the annual report which the shareholders could study in more detail.

**Mr. Somjate Moosirilert**

Mr. Somjate would like to give the shareholders further clarification that the growth of the automobile market was not as high as in the past. However, TBANK was still able to maintain the share of the new car market. At the same time, the Bank adopted a strategy aiming at establishing partnerships with many automotive manufacturers. The relationships not only would help the Bank penetrate into new markets more effectively but would also grow its customer base for luxury cars. With regard to the competition policy, the Bank would take into consideration the related risks in managing the portfolios. The recent studies showed that the economy already recovered and was expected to grow slowly. The studies also identified the market segments in which the Bank could compete and what tools could be used in competing with others.

Noteworthy was the success achieved by TBANK's work teams in getting loan repayments after their negotiations with large debtors in relation to the latter's loans which had been non-performing for a long time. Not less importantly, the Bank already put in place a more efficient debt collection system. At the same time, it also implemented a number of measures aiming at preventing existing loans from non-performing, as a result of economic slowdown. Moreover, work teams at branches had adopted an approach aiming at selling different types of related or complementary products or services to prospective customers. The objective was to make TBANK a main bank of the customers' choice for their daily living. The developments would help the Bank achieve sustainable growth.

As there was no one proposing any other item for consideration, the Chairman declared the meeting closed.

The meeting was closed at 16:30 hours.



(signed) \_\_\_\_\_ Banterng Tantivit \_\_\_\_\_ Chairman of the meeting

(Mr. Banterng Tantivit)

(signed) \_\_\_\_\_ Panupan Tuangthong \_\_\_\_\_ Keeper of the minutes

(Mr. Panupan Tuangthong)