

Minutes of the extraordinary general Meeting of Shareholders 01/2018

Thai Plaspac Public Company Limited

Date, Time, and Place

The extraordinary general Meeting of shareholders 01/2018 of Thai Plaspac Public Company Limited was held on 15<sup>th</sup> January 2018 at 2.00 pm, Conference room No. 3 Zone B, Queen Sirikit National Convention Center 60 Ratchadapisek Rd., Klongtoey, Klongtoey, Bangkok 10110

General Information

To start with, Ms. Anong Sompittayanurak, a Vice President Finance and Administration, who acted as an executive secretary of the meeting informed the meeting about the updated amount of shares and general information. There are as follows;

|                        |                |        |
|------------------------|----------------|--------|
| The registered capital | 255,000,000.00 | Baht   |
| divided into           | 255,000,000.00 | Shares |
| Paid-up share capital  | 253,817,676.00 | Baht   |
| Paid-up share          | 253,817,676.00 | Shares |
| Par value per share    | 1.00           | Baht   |

Regarding 15<sup>th</sup> December 2017, the company had a total of 1,181 shareholders; including 1,177 Thai shareholders with 253,699,426 shares held. This number takes up to 99.95% of the total number of shares that the company sold. While 4 shares belong to foreign shareholders with 118,250 shares held, taking to 0.05% of total shares of the company.

There are 145 shareholders attended this meeting; 55 people are an actual shareholder while 90 people are a proxy, which make the total of 209,551,808 shares or 82.56% sold. The percentage is also granted by the company laws and regulations No. 38, which determined that actual shareholders and proxies must not be less than 25 people as well as the total shares must not be less than one third of the total shares sold.

Mr. Kevin Kumar Sharma, who is a Chairman of the Board of Directors and a Chief Executive Officer, acted as the Chairman of the meeting and started introducing the company's management teams and advisors who attended the meeting. The attendance lists are as follows;



Attending Directors

|                            |  |
|----------------------------|--|
| Mr. Kevin Kumar Sharma     | Chairman of the Board of Directors/ Chief Executive Officer/<br>Chairman of the Risk Management Committee/ Chairman of the<br>Corporate Governance Committee |
| Mr. Theerawit Busayapoka   | Managing Director/ Executive Director/ Risk Management<br>Committee/ Corporate Governance Committee  |
| Mr. Virasak Sutanthavibul  | Independent Director/ Chairman of Audit Committee/ Nomination<br>and remuneration Committee  |
| Mr. Gran Chayavichitsilp   | Independent Director/ Chairman of Nomination and remuneration<br>Committee/ Audit Committee  |
| Mrs. Aradhana Lohia Sharma | Director   |
| Mr. Yashovardhan Lohia     | Director   |

Non-attending Directors

|                            |   |
|----------------------------|---|
| Mr. Kittiphat Suthisamphat | Independent Director/ Audit Committee/ Nomination and<br>remuneration Committee |
| Mr. Anil Kumar Kohli       | Director/ Executive Director/ Risk Management Committee                         |

Attending Managements

|                           |  |
|---------------------------|--|
| Mr. Worapong Woottipruk   | Chief Financial Officer  |
| Ms. Anong Sompittayanurak | Vice President Finance and Administration/ Corporate Governance<br>Committee |

Attending Advisors

|                            |   |
|----------------------------|---|
| Mr. Chatri Traakulmanenate | Legal Advisor from the Capital Law Company Limited                        |
| Mr. Karinevidch Olivero    | Legal Advisor from the Capital Law Company Limited                        |
| Mr. Panuwat Danchootham    | Financial Advisor from Bualuang Securities Public Company<br>Limited      |
| Mr. Vuthichai Tumasaroj    | Independent Financial Advisor from Discover Management<br>Company Limited |



The chairman assigned Mr. Theerawat Busayapoka, who is a Managing Director and an Executive Director, to inform the meeting about company voting criteria and how to count the votes. The rules are as follows;

1. According to the company voting rules No. 40, all shareholders have an equal vote as the number of shares they are holding. This means one share equals to one vote.
2. For effective voting, the company introduces the barcode system to help registering and counting the votes. All shareholders will receive a card for votes at the meeting registration point.
3. The company will collect a card from all eligible voters who vote “disagree” or “no vote” in each agenda only. If eligible voters vote “disagree” or “abstain to vote”, they must provide a signature on the card, then raise their hand so that the card collectors could come to take it. For eligible voters who “agree”, they do not need to submit a vote card immediately as the card collector will collect all vote cards after the meeting ends. However, those still need to give a mark on the card.
4. In the case that any proxy already gave a vote, the company will count on the information provided in accordance with the given details only.
5. “No vote” cards and “spoiled” cards will not be counted, except the vote in the 3<sup>rd</sup> Agenda.
6. Spoiled cards means;
  - Votes more than one block
  - Vote isolation (except for the custodian)
  - Votes without a signature
  - Editable votes that are not signed
  - Destroy or edit the whole card

In each agenda, the company will give the shareholders the opportunity to ask or comment on the issues relating to the agenda. To do this, eligible voters need to raise a hand, state their name and surname before asking questions.



At this meeting, Mr. Theerawit Busayapoka invited all shareholders to send out 2 representatives to become a witness for the counting. Mr. Suphot Thongpadoongroch and Ms. Kittiwat Kongrod are offered to act as a representative. Ms. Aninat Silanukit is also a representative from the Capital Law Office Co., Ltd that acts as a witness to count the score by the reason of having good corporate governance of the company, followed by Mr. Theerawit Busayapoka to continue all agendas, which are as follows;

Agenda 1 To inform the shareholders

The Chairman thanks to the shareholders who attended this meeting, and informed that the meeting is held in order to get an approval on the acquiring the asset of Sunrise Containers Limited (“Sunrise”), a public company that is not registered in the Stock Exchange in India. (The decision that is based on Sunrise issue will be proposed in the 3<sup>rd</sup> Agenda).

By law, the company has disclosed all important information in the attachment 2. Also, the company has appointed the Discovery Management Co., Ltd. to be an independent financial consultant for this transaction, which their financial opinion is in the attachment 3. Both attachment 2 and 3 was delivered to all shareholders via the invitation letter. The Board of director ensures that the information contained in the document is sufficient enough to provide the shareholders with the ability to understand the transaction and be able to decide appropriately.

This agenda is to be informed. There is no vote for this agenda.

\*\*\*\*\*



Agenda 2 To consider and certify the minutes of the annual general meeting of shareholders No. 01/2560

Mr. Theerawit Busayapoka informed the meeting that the company has made a report of the annual general meeting of Shareholders No. 01/2560 that is held on 20<sup>th</sup> April 2017, and sent a copy of the report to the Stock exchange of Thailand ("SET") from 14 days since the meeting date. The copy was also sent to the Ministry of Commerce within the period required by law and been published on the company's website. This can be shown in the attachment 1 via the invitation letter. As the Board of directors agree that the minutes of the annual general Meeting of shareholders No. 01/2560, which was held on April 20<sup>th</sup>, 2017, were fully qualified. They, thus, proposed to the shareholders to certify the report.

The company has given the opportunity to shareholders to provide feedback and ask questions about this agenda, but no one comments and asks questions. The company, thus, needs a vote to pass a resolution.

Resolution The meeting passed a resolution to certify the minutes of the annual general meeting of Shareholders No. 01/2560 held on 20<sup>th</sup> April 2017, as proposed with the following votes:

| Detail            | Votes       | Percentage (%) |
|-------------------|-------------|----------------|
| Agree             | 209,789,810 | 100.00         |
| Disagree          | -           | 0.00           |
| No Vote           | -           | 0.00           |
| Spoiled vote      | -           | 0.00           |
| Total (149 votes) | 209,789,810 | 100.00         |

Note:

1. The resolution of this agenda must be endorsed by the majority votes of the shareholders who attended the meeting.
2. In the 2<sup>nd</sup> Agenda, shareholders and proxies attended the meeting more, up to 238,002 shares. As 238,002 shares equal to 238,002 votes, the total number, thus, made up to 209,789,810 eligible votes.

\*\*\*\*\*

Agenda 3 To consider and approve the investment in Sunrise containers Limited, which is the acquisition of assets of the company.

Mr. Theerawit Busayapoka informed the meeting that the company targeted to invest in Sunrise (See the attachment 2 in the invitation letter). The summary of the investment in details is as follows;

1. Transaction summary

The company is going to invest in Sunrise, a public company that is not registered on the stock Exchange in India. Sunrise produces Preforms tube (Preforms), PET Plastic packaging (Polyethylene terephthalate) and PP (Polypropylene), including LED framework (LED Casings) in India. This is to invest via TPAC Packaging India Private Limited ("Hold Co.") (A subsidiary that the company established in India and owns 100% of all issued and sold shares) by one of the following strategies;

- (I) The merger between hold Co. and Sunrise under the laws of India. Hold Co. will be act as a legal entity ("merged Co."). Hold Co. will pay the remuneration to Mundhra family, the family that holds 80% shares of the sunrise. Merged Co. will issue new shares at 20% to K. L. Mundhra ("KLM"), Hitesh Kumar Mundhra, Chanda Devi Mundhra and S. K. Mundhra (as called "KLM Group") which is a Sunrise shareholder at 20% and continue holding. Or,
- (II) In the case that the merger has not been approved by the Authority in India by June 23<sup>rd</sup>, 2018, the investment direction will be changed to be an acquiring 80% Sunrise shares directly by Hold Co. In the meantime, KLM group will continue to hold its 20% in Sunrise. After that, there will be the merger between Hold Co. and Sunrise in order to transform both into "Merged Co." as the process mentioned in (I) or any other process that can maximize company benefit

((I) and (II) are called "Transactions"). The remuneration is calculated from the total value of Sunrise minus net liabilities and deduct the working capital, or adding the exceeding cash flows and the interest rate of 11% per annum. Regarding this term, the remuneration and total expense in the transaction will be no more than 4,692 million Indian rupees or equal to 2,383 million Baht (based on the exchange rate of the Indian rupee, compared with the Bank of Thailand, as of November 13<sup>th</sup>, 2017, 1 Indian rupee is worth 0.50795 Baht).

## 2. The overview of Sunrise's business

Sunrise was established in 1989 by KLM in Mumbai, India. The company produces the third highest quality PET and PP Plastic Packaging in India. These are used as packaging for pharmaceutical products, FMCG products for personal use, and industrial products in India. Moreover, Sunrise produces and sells plastic packaging products under its own brand "Sunpet" and also doing in frame LED business. However, LED business will not be included as part of this transaction. At the present, Sunrise has 4 factories in India, all of those are in Umbergaon, Haridwar, Silvassa and Dadra. They can produce Preform tube and packaging with a total of 44,000 metric tons per year.

## 3. Expected benefits

The expected benefits from this transaction to the company are as follows:

- 1) To expand a new customer base in a more diverse group.

Now the company's main customer base consists of 100 multinational companies that produce FMCG products. 79% of revenues comes from the top 10 customers mentioned. On the other hand, India is the world's leading country in terms of FMCG, and Sunrise is also the company that has more than 1,000 customers and 25% of its revenues comes from the top 10 customers. To do the transaction, it will allow the company to offer products that are valued for customers in both Thailand and India.

- 2) To enhance the company's production capacity

Over that last 3 decades, the company and Sunrise focus on Consumer Rigid Plastic Molding Technologies. We both have the ability and expertise in this industry. Moreover, the design, system, and manufacturing process of the Sunrise are developed in a compliance with the international standards. This transaction, thus, results in knowledge transfer, technical expertise, and better research and development. These will finally make both companies being recognized as the best manufacture and design of rigid plastic containers, and we can together improve the quality of products continuously.

- 3) To extend the product line.

Sunrise is a Preform tube manufacturer made of a wide range of PET plastic and PET bottles for pharmaceutical products, which is in the largest product line in the world, while the company is not. By doing so, the company can expand product lines and increase customer bases more and more.

- 4) To seek growth in India's economic expansion

Over the past 3 years, Sunrise has a growth rate (EBITDA) of 30% per annum, which is significantly growing. The successes are based on the strong economic expansion and the fast development of urban areas (urbanization) of the country. Sunrise is a sustainable business that is recognized in India's packaging market, which is a high demand market and rapidly growing. It is also the third-largest plastic packaging producer in India. Therefore, the acquisition of Sunrise will result in the benefit of the company eventually.

5) To strengthen the financial value after the business agreement (financially accretive Deal)

The company can increase financial strength from transactions due to Sunrise with a high profit margin, net profit margin, and higher EBITDA margins. In addition, both companies have a cash flow from better operation and low amount of liability.

4. The calculation of the size of the transaction

The calculation of the size of the transaction; the transactions are derived from the assets as declared by Capital Market Supervisory Board Thor.Jor. 20/2551 Topic is the guidelines for transactions that are to be considered or sold with the property. In addition, the announcement of the Stock Exchange Commission of Thailand Topic Information Disclosure and operation of listed companies in the acquisition or disposal of assets in 2004 (including additional amendments) ("Notice of Acquisition of buying and selling"). The size of the transaction, calculated according to the total value of the compensation. This is the result of the highest results that equal to 190.65% of the size of the transaction, calculated from the last reviewed financial statements of the company for the nine-month period ended on 30<sup>th</sup> September 2017. This transaction is, thus, in the Type 4. To make it clearer, Type 4 is the list that is more than 100% in the size, in which the transaction has been announced or sold to the company, so it is necessary for the company to be approved by the shareholders before doing the transaction.

Moreover, the company is assigned the Executive committee or chief executive officer or the board of directors or the chief Executive officer to authorize any necessary process related to transactions, including, but not limited to, the following actions;

- a. Defining other details regarding the transaction
- b. Signing the contracts and the documents relating to the transaction
- c. Signing the documents. Requests, including any documents and other evidence necessary and related to transactions, including contacts and application requests. Documents and evidence of such government and/or regulatory authorities





d. Any other actions that are required and related to the transaction until they are completed.

The Board of Directors had the opinion that such transactions are reasonable and for the ultimate benefit the company will gain in the long term, the shareholders should be proposed to approve the investment in Sunrise, which is stated as the list of assets as mentioned.

The company has given the opportunity to shareholders to provide feedback and ask questions about this agenda, but no one comments and asks questions. The company, thus, need a vote to pass a resolution

Resolution the meeting passed a resolution approving the investment in Sunrise with the following votes:

| Shareholders      | Votes       | Percentage (%) |
|-------------------|-------------|----------------|
| Agree             | 209,878,911 | 100.00         |
| Disagree          | -           | 0.00           |
| No Vote           | -           | 0.00           |
| Spoiled vote      | -           | 0.00           |
| Total (153 votes) | 209,878,911 | 100.00         |

Note:

1. The resolution of this agenda must be approved by a vote of not less than three fourths of the number of votes of the shareholders and entitled to vote. Non-counted equity holders. However, there is no shareholder who has issues with this agenda.
2. Shareholders and proxies increased from the 2<sup>nd</sup> agenda of 89,101 share, equal to 89,101 votes. This agenda, thus, has a total number of 209,878,911 eligible votes.

\*\*\*\*\*

Agenda 4 To consider other matters (if any)

Mr. Theerawit Busayapoka has informed the meeting that to follow No. 105 of the Public Limited Companies Act B.E. 2535 (including amendments), when the meeting considers the agenda to be notified in the notice of the meeting invitation, the shareholders who have a total share of not less than one third of all the available shares. The meeting may consider other matters that are not noticed in the invitation letter. However, no shareholders propose an additional agenda to the meeting.

The company has given the opportunity to shareholders to provide feedback and ask questions about this agenda, which shareholders ask questions and questions answered to the shareholders. These are as follows;

Questions/Answers

1. Question : Mr. Phongsathorn Wanitsathian, the Proxy, has a question (1) Why did Sunrise's former shareholders decide to sell the shares that they hold for the company, while Sunrise still has good performance and (2) How is the business condition in India? and has the company have a plan for doing business in India?

Answer : The Chairman and Mr. Theerawit Busayapoka together answered a question (1) Sunrise is formed by Mundhra Brothers in India. At the present, Sunrise formers are now getting old, especially K. L. Mundhra, a 70-years-old older brother of a Mundhra family. Thus, they wanted to share all benefits to the family and reduce the shareholding proportion of the Mundhra group to meet only 20% of the total of Sunrise. For the above reasons, the old shareholders' group decided to transfer the shares that were held at Sunrise of 80% percent to the company. Moreover, The son of K. L. Mundhra, who is about 30 years old, will be one of the representatives of the KLM group to administer the Sunrise business together with the company in the next future (2) Indian economy is growing and it is believed that the country will consume more plastic products in the future. In addition, the company has a plan to do business with the KLM group continuously as the cooperation with the Indian partner will encourage the business operation of Sunrise in India.

2. Question : Mr. Thamrong Ananthaveephol, the shareholder, asked the question that as shown on page 77 about the opinion of the independent financial advisor regarding the acquisition rate of the plastic industry at the rate of 18% per annum, why is the company's growth estimated at only 10-15% per annum?



Answer : The Chairman explained that the company did not assess the growth rate of the company from just the top line but considered other factors. In addition, Mr. Vuthichai Tumasaroj, the independent financial advisor, has a further clarification that the growth rate of the plastics industry in the next 4-5 years is at the rate of 18 % per annum, resulting from the forecast of the Federation of the Indian Chambers of Commerce and Industry (FICCI), the growth rate of 15 % per annum is an estimate of the independent financial advisor using the company's data using historical growth and apply with the conservative Basis. As a result, the growth that the independent financial advisor estimated is at a lower level than the average growth rate of the company, which has grown at about 16-17 % per annum.

3. Question : Mr. Thamrong Ananthaveephol, the shareholder, asked the question that after his studies through all attachment documents, there is a mention about the increase in the company's registered capital to be 500 million Baht. So when?

Answer : The Chairman clarified that the Board of directors will consider increasing the company's registered capital carefully and appropriately. However, The Board of directors believe that at the present the company has no need to increase its registered capital. In addition, the text that appears in the document is the text that refers to the requirements of the contract of borrowing with the local financial institution. The agreement is also in the process of the negotiation with the financial institution in which the terms and conditions are subject to change appropriately.

4. Question : Mr. Suriya Sapasa, the shareholder, asked the question about the remuneration for the transaction that was acquired by the merger and the acquisition of shares as mentioned in the 3<sup>rd</sup> agenda. Is it an equal number?

Answer : Mr. Theerawat Busayapoka clarified that the compensation for both transactions have equal amounts.

5. Question : Mr. Thamrong Ananthaveephol, the shareholder, asked the question that why does the company let Hold Co. to process the bond?

Answer : Mr. Theerawat Busayapoka clarified that the company would like to reduce the risk in the foreign exchange, even if issuing bond itself may benefit higher interest.

6. Question : Mr. Thamrong Ananthaveephol, the shareholder, asked the question regarding the inquiry of the opinion of the independent financial advisor about the acquisition, it seems that the company now focuses on growth, which can affect the future dividend policy. Does the company change the dividend policy in the future?

Answer : Mr. Theerawit Busayapoka clarified that the Board of Directors shall carefully consider the company's dividend payment policy and will attempt to retain the original dividend policy. In addition, Mr. Vuthichai Tumasaroj, the independent financial advisor, has a further clarification that the message referred to is merely the opinion of the independent financial advisor, it is not the company's policy. As a result, the company will be able to carry out the funds for the transaction, which will result in a higher interest burden that the company may pay less dividends. However, for a company that focuses on growth even if no dividend is made, the shareholders will be deemed to benefit from the price of shares adjusted by the company's continued growth. Examples of companies that focus on growing abroad is "Amazon".

7. Question : Mr. Thithat Wanitsethien, the shareholder, asked the question that (1) Is there any approach the company has to manage a business in both Thailand and India at the same time, especially Sunrise, which is larger than the company's business and (2) Does the company have other plans to invest in any other business in the future?

Answer : The Chairman and Mr. Theerawit Busayapoka together clarified that (1) this investment does not cause any changes because the Sunrise business is similar to the current business of the company, Together, it can lead to technological exchanges and global development of the systems. (2) The company will choose to invest in high-potential operations in the global, focusing on business opportunities in high growth markets and emerging markets in Asia, as well as, to seek more potential business partners.

8. Question : Mr. Suriya Sapasa, the shareholder, asked the question that how much is the interest rate of a debenture in India and when is the redemption period?

Answer : Mr. Theerawit Busayapoka clarified that the issuance of debenture in India must be performed through the financial institutions in India. The interest rate is determined at approximately 9-10% per annum. The amount can be deducted as a cost for a tax deduction of 30% per annum. When the interest rate is to be calculated in combination with the tax benefit, the actual interest rate will be reduced to about 6-7% per annum. The redemption period is defined for a period of 5 years, in which the company believes that revenue from business operations will be sufficient for redemption within the period.

9. Question : Mr. Sukhum Phinyowanitsakun, the proxy, asked the question that (1) The company now has the profit as shown in the financial statements of approximately 100 million Baht. The loan to be repaid is at 2,000 million Baht. How does the company plan to repay the loan amounting to 2,000 million Baht? and (2) how much is the revenue from Sunrise's business? Will it be sufficient for the repayment of such a loan?



Answer : Mr. Theerawit Busayapoka answered that (1) In determining the profit and income of the Company, it shall consider the consolidated financial statements after the merger with Sunrise, and the company will earn additional income from Sunrise's operations to repay the loan of 2,000 million Baht. This will be divided into 2 portions. The first portion is the money from the issuance of debentures of approximately 1,000 million Baht and the second portion is the loan from the financial institutions, approximately 1,000 million Baht (2) Sunrise's income is based on the opinion of the independent financial advisor regarding the acquisition of assets, which, when combined with the revenue of the company, shall be sufficient for the repayment of loan as mentioned above.

10. Question : Mr. Thamrong Ananthaveephol, the shareholder, asked the question that when will the company **use** the total loan of 2,000 million Baht?

Answer : Mr. Theerawit Busayapoka answered that the company shall make a payment to the seller when the transaction is expected to finish in June 2018.

11. Question : Mr. Suriya Sapasaḥ the shareholder, asked the question that as Hold Co. will process the issuance of the debenture abroad, Should the company issue debenture in Thailand instead of borrowing from a local financial institution to reduce the interest rate incurred?

Answer : Mr. Theerawit Busayapoka noticed that the shareholders should have the confidence to ensure that the board of directors and the executives do the best to consider the method of providing the best funding source for the company.

When there is no comment or any further questions, Mr. Theerawit Busayapoka assigned the Secretary to re-inform the number of attendees from the beginning of the meeting. The secretary stated that the shareholders and proxies attended the meeting from the opening are 327,103 shares, as equal to 327,103 votes. With the total number of the annual general shareholder and the proxy to be held at any of the 153 shareholders and the proxy holder. The total number of shareholders at the end are 209,878,911 shares or as equal to 82.68% of the total number of shares sold.

After that, Mr. Theerawit Busayapoka invited the Chairman to thank to all attendees and closed the meeting at 3.20 p.m.



Name.....Chairman

(Mr. Kevin Kumar Sharma)



Chairman of the Board of Directors/ Chief Executive Officer

Name.....Secretary

(Ms. Anong Sompittayanurak)

Vice President Finance and Administration

Name.....Minutes Approver

(Mr. Theerawat Busayapoka)

Managing Director/ Executive Director