

**Minute of Annual General Meeting 2013  
of  
Thai Steel Cable Public Company Limited**

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**Date and Venue**

The Meeting was held on January 29, 2013, at 10:00 a.m., at Jamjuree Rajawadee Room, Novotel Hotel, located at 333 Srinakarin Road, Nong Bon, Prayet, Bangkok.

**Directors Attended the Meeting**

1. Mr. Sunsum	Jurangkool	Chairman of Board of Directors
2. Mr. Sarit	Patanatmarueng	Director
3. Mr. Thaveechat	Jurangkool	Director
4. Mr. Kornkrit	Jurangkool	Director
5. Mr. Kavee	Vasuvat	Independent Director
6. Mr. Prinya	Waiwatana	Independent Director
7. Mr. Apinan	Na Ranong	Independent Director
8. Mr. Chatchai	Earskul	Independent Director

**Directors Absented the Meeting**

1. Mr. Makoto	Teraura	Director
2. Mr. Choothong	Patanatmarueng	Vice Chairman of Board of Directors
3. Mr. Katsuyoshi	Ogaki	Director

**Others Attendees**

1. Ms. Pranee	Phol-ngam	Financial Auditor, United Auditing PKF Ltd.
2. Mr. Thibadee	Mangkalee	Consultant, Capital Plus Advisory Co., Ltd.
3. Mrs. Kanokwan	Ngamkitcharoenlap	Accounting and Financial Manager
4. Mrs. Kasita	Pitaksongkram	Company Secretary

The secretary to the Meeting informed that, in order to run the Meeting smoothly, any shareholders would like to question or opine shall introduce his name or name of proxy assigner or fill in question in question form. The question or suggestion will be discussed according to the agenda at the moment.

The votes of each agenda shall be counted only those disagreed and abstained. Such amount would be deducted from total shares attended the Meeting and the rest shall be deemed approval of such agenda. The summary of all voting agenda will be presented after 30 – 40 minutes Q&A session

Mr. Sunsum Jurangkool, the chairman of the Meeting, announced that there were 41 shareholders and proxies attended the Meeting, total numbers of shares were 219,227,079 equaled to 84.38% of total 259,800,000 shares sold. Such deemed as quorum accordance to relevant regulations, the chairman thus announced to commence the Meeting.

The chairman further informed that supplement of this Meeting has submitted to SET and disclosed on webpage of the Company and forwarded to the Stock Market of Thailand as well as invited the shareholder to propose the issue to be agenda of the Annual General Meeting of 2013 and to propose name of qualified person to be the directors. However, there was none proposal from the shareholders. The chairman then assigned Mr. Sarit Patanatmarueng, Managing Director, to precede the Meeting.

Mr. Sarit Patanatmarueng, Director and Managing Director, informed the Meeting that as the Board of Directors' meeting of Thai Steel Cable Public Company Limited ("TSC") resolved the agendas of Annual General Meeting of Shareholders of 2013 on January 29, 2013 and TSC had sent the invitation of the meeting to shareholders, yet there were some incomplete details regarding to the issuance and offering of 4,000,000 units of warrants to Directors and Employees under ESOP-W1, the Board of Directors would like more time to consider.

The Board of Directors' Meeting No. 1/2013 held on January 29, 2013 approved to revoke the agenda of the Annual General Meeting of Shareholders of 2013 dated January 29, 2013 related to the issuance and offering of warrants to Directors and Employees (ESOP-W1) as following:

- (8) To approve the issuance and offering of 4,000,000 units of warrants under ESOP-W1 at no value
- (9) To approve the decrease of 8.7 MB of registered capital, as current capital at 268.5 MB to 259.8 MB
- (10) To approve the change of MoA Item 4 to accord with the decrease of registered capital
- (11) To approve the increase 4.0 MB of registered capital, from 259.8 MB to 263.8 MB
- (12) To approve the change of MoA Item 4 to accord with the increase of registered capital
- (13) To approve the allotment of new shares from warrants exercise under ESOP-W1

Accordingly, the agenda of the Annual General Meeting of Shareholders of 2013 dated January 29, 2013 shall be upon the following agenda:

- (1) To approve the minute of 2012 Annual General Meeting
- (2) To acknowledge performance of 2012
- (3) To approve Balance Sheet and Profit and Loss Statement for year ended September 30, 2012
- (4) To approve the legal reserve and dividend payment for year 2012
- (5) To approve the replacement of Directors to vacate
- (6) To approve the remuneration of Directors and Sub-committee for year 2013
- (7) To approve auditor appointment and audit fee of 2013
- (8) To approve the amendment of MoA Item.3 by adding objective
- (9) Others (if any)

The information for the remaining agendas of meeting was presented on the invitation sent to shareholders.

Then, Mr. Sarit Patanatmarueng, Director and Managing Director, presented detailed information in accordance with the meeting agenda for shareholder's acknowledgement.

**Agenda I: To Approve Minute of Annual General Meeting of 2012 held on April 27, 2012**

Mr. Sarit Patanatmarueng, Director and Managing Director, informed that the minute contained 9 agenda and summary of Meeting's consideration had been earlier sent to the shareholders as well as invitation to the Meeting. Mr. Sarit Patanatmarueng then asked the Meeting to approve.

**Resolution:** The Meeting resolved to approve the Minute of Annual General Meeting of 2012 held on April 27, 2012, whereby the Meeting approved with a majority of votes cast as detailed below:

Voted for	221,552,379	votes or	99.99995%
Voted against	100	votes or	0.00005%
Abstained	0	votes or	0%
Total	221,552,479	votes or	100%

In this agenda item, a total of 44 shareholders and proxies were in attendance.

## **Agenda II: To Acknowledge the Performance of 2012**

Mr. Sarit Patanatmarueng, Director and Managing Director, reported the performance in 2012 as detail indicated in Annual Report submitted to shareholders as well as invitation to Meeting. The summary of performance was as followed:

**Automobile industry:** the automobile manufacturing output of 2012 compared to 2011 was 2,385,059 units, increased 64% versus to same period of previous year that was 1,457,795 and the manufacturing output of CBU motorcycles was 2,517,811 units, increased 23% versus to same period of previous year that was 2,043,039. (Source: The Federation of Thai Industries as of 24<sup>th</sup> December, 2012. Total production in December was estimated.)

Due to the changeover of the Company's accounting period from January – December to October – September, the operating performance in 2012 constitutes operating results over 9-month period from January – September 2012.

The Company generated revenue from sales at 2,355 million baht, increased 102 million baht or 5% YoY. In 2012, total revenue was 2,381 million baht, up 85 million baht or 4% YoY, and total expenses amounted to 2,217 million baht, up 136 million baht or 7% YoY. Therefore, in 2012 the Company generated net profit of 154 million baht, achieving a net profit margin of 6%, down 3% from 2011 which generated 200 million baht in net profit with a net profit margin of 9%.

When compared between 9-month operating results in 2012 and that of 2011, it is noted that the Company's sales revenue rose 403 million baht or by 21%, which is consistent with the growth trend of the automobile industry in Thailand.

After consideration, the meeting unanimously acknowledged the performance in 2012.

## **Agenda III: To Approve Financial Statements for Year Ended September 30, 2012**

Mr. Sarit Patanatmarueng, Director and Managing Director, informed the Meeting that the Financial Statement being presented in the Meeting was ended at September 30, 2012 and had been approved by the Audit Committee and certified by the accounting auditor. Detail of statement appeared in 2012 Annual Report which had been sent to the shareholders along with the invitation to this Meeting. The summary of statement was as followed:

In 2012, the Company's total assets amounted to 2,427 million baht, up 471 million baht or 24% YoY. Primarily, higher accounts receivable increased in tandem with sales revenue. Total liabilities amounted to 868 million baht, up 447 million baht or 106% YoY. Primarily, higher accounts payable increased in tandem with sales revenue. In other words, when the order increased, more raw materials or products used in production must be ordered and purchased. Another factor is long-term loan obtained to fund construction of a new production plant.

As a result, shareholders' equity of 1,559 million baht decreased by 24 million baht or down 2% YoY. The profit and loss statement shows that the Company generated 2,381, 2,217 and 164 million baht in total revenue, total expenses and profit before finance cost and corporate tax respectively. Therefore, the Company generated net profit of 154 million baht in terms of operating performance during 9-month period during January – September 2012 due to the changeover of accounting period.

**Resolution:** The Meeting resolved to approve the statements of financial position and the profit and loss statement for the period ending 30 September 2012, whereby the Meeting approved with a majority of votes cast as detailed below:

Voted for	221,568,279	votes or	99.99995%
Voted against	100	votes or	0.00005%
Abstained	0	votes or	0%
Total	221,568,379	votes or	100%

In this agenda item, a total of 49 shareholders and proxies were in attendance.

#### **Agenda IV: To Approve the Legal Reserve and Dividend Payment of 2012**

Mr. Sarit Patanatmarueng, Director and Managing Director, explained that according to the approval of Balance Sheet and Income Statement of the Company for year ended September 30, 2012, the Company gained net profit in 2012 at 154,171,295.22 Baht. The Board of Directors deemed appropriate to allocate such net profit as followed:

1. Allocation of legal reserve: The legal reserve of the Company had reached 10% of its registered capital, so there was no necessary to allocate the additional.
2. Allocation of dividend in the amount of 0.50 Baht per share, totaling 129,900,000 Baht or 84% of the net profit of 2012 that will be paid under the business which receives investment promotion incentive, the withholding tax will be waived.

In this regard, the Board of Director prepared record of shareholders that eligible to attend the meeting on December 11, 2012 and collect name list according to Article 225 by closing share transfer on December 12, 2012 and receive dividend payment on February 7, 2013 and collect name list according to Article 225 by closing share transfer on February 8, 2013. The dividend will be paid within February 22, 2013.

**Resolution:** The Meeting resolved to approve not to allocate the additional legal reserve and to pay the dividend of 2012 at 0.50 Baht per share as detail above, whereby the Meeting approved with a majority of votes cast as detailed below:

Voted for	221,568,279	votes or	99.99995%
Voted against	100	votes or	0.00005%
Abstained	0	votes or	0%
Total	221,568,379	votes or	100%

In this agenda item, a total of 49 shareholders and proxies were in attendance.

#### **Agenda V: To Approve the Re-election of the Directors Vacated**

Mr. Sarit Patanatmarueng, Director and Managing Director, informed that the re-election of directors being vacated shall be in compliance to the Public Company Act and affidavit of the Company that 1/3 of directors shall vacate their office in every annual meeting of ordinary shareholders' meeting. As the longest-serving directors shall be vacated, there were 3 directors being vacated in this Meeting as followed:

1. Mr. Thaveechat Jurangkool      Director, Chairman of the Nomination Committee
2. Mr. Kornkrit      Jurangkool      Director, Nomination Committee
3. Mr. Apinan      Na Ranong      Independent Director,  
Audit Committee Member,  
Remuneration Committee

Personal detail and work experiences of each director had been sent to the shareholders along with the invitation to Meeting. Since the directors being vacate this event were capable and performed significant role in the management of the Company, the Board of Director deemed appropriate that the Meeting shall re-elect Mr. Thaveechat Jurangkool, Mr. Kornkrit Jurangkool, and Mr. Apinan Na Ranong to resume their office. In order to comply with the principles of goods corporate governance, Mr. Sarit Patanatmarueng proposed the Meeting to consider the election of directors in place of directors vacated office one person at a time as followed:

1. Mr. Thaveechat Jurangkool      Director, Chairman of the Nomination Committee

**Resolution:** The Meeting resolved to approve to re-elect Mr. Thaveechat Jurangkool to resume his office, whereby the Meeting approved with a majority of votes cast as detailed below:

Voted for	219,462,879	votes or	99.04973%
Voted against	100	votes or	0.00004%
Abstained	2,105,400	votes or	0.95023%
Total	221,568,379	votes or	100%

In this agenda item, a total of 49 shareholders and proxies were in attendance.

2. Mr. Kornkrit Jurangkool Director, Nomination Committee

**Resolution:** The Meeting resolved to approve to re-elect Mr. Kornkrit Jurangkool to resume his office, whereby the Meeting approved with a majority of votes cast as detailed below:

Voted for	219,462,879	votes or	99.04973%
Voted against	100	votes or	0.00004%
Abstained	2,105,400	votes or	0.95023%
Total	221,568,379	votes or	100%

In this agenda item, a total of 49 shareholders and proxies were in attendance.

3. Mr. Apinan Na Ranong Independent Director,  
Audit Committee Member,  
Remuneration Committee

**Resolution:** The Meeting resolved to approve to re-elect Mr. Apinan Na Ranong to resume his office, whereby the Meeting approved with a majority of votes cast as detailed below:

Voted for	221,568,279	votes or	99.99995%
Voted against	100	votes or	0.00005%
Abstained	0	votes or	0%
Total	221,568,379	votes or	100%

In this agenda item, a total of 49 shareholders and proxies were in attendance.

#### **Agenda VI: To Consider Compensation of Board of Directors and Sub-committee in 2013**

Mr. Sarit Patanatmarueng, Director and Managing Director, informed that the compensation payment required approval of shareholder's Meeting at more than 2/3 of total attending votes. The Board of Directors and the Remuneration Committee deemed appropriate to propose to the shareholders' Meeting the compensation in 2013 for directors and sub-committee as followed:

<b>Compensation of Board of Directors and sub-committee</b>	
At not more than 5 million Baht	
1. Meeting allowance (per attendance)	
• Chairman of the Board of Director	35,000 Baht
• Directors and sub-committee	25,000 Baht
2. Performance bonus to member of Board of Directors at 1.50% of dividend paid from 2012 performance.	

The sub-committee comprised of Audit Committee, Remuneration Committee, and Nomination Committee.

**Resolution:** After consideration, the Meeting unanimously resolved to designate compensation of directors and sub-committee in 2013 as detail stated above, whereby the Meeting approved with a majority of votes cast as detailed below:

Voted for	221,571,279	votes or	99.99995%
Voted against	100	votes or	0.00005%
Abstained	0	votes or	0%
Total	221,571,379	votes or	100%

In this agenda item, a total of 50 shareholders and proxies were in attendance.



## **Agenda VII: To Appoint the Financial Auditor and Assign the Remuneration of 2013**

Mr. Sarit Patanatmarueng, Director and Managing Director, informed the Meeting that the Audit Committee and Board of Directors had considered to propose the shareholder's Meeting to appoint either Mrs. Janyaporn Techamontrikul - registered auditor no. 6720 or Ms. Pranee Pol-ngam - registered auditor no. 4987 of United Auditing PKF Limited to perform as the financial auditor of the Company for year 2013 and specify the remuneration at 530,000 Baht and auditing the BOI account upon fee at 50,000 Baht.

**Resolution:** The Meeting unanimously resolved to appoint the financial auditor and specify the remuneration for year 2013 as detail above, whereby the Meeting approved with a majority of votes cast as detailed below:

Voted for	221,571,279	votes or	99.99995%
Voted against	100	votes or	0.00005%
Abstained	0	votes or	0%
Total	221,571,379	votes or	100%

In this agenda item, a total of 50 shareholders and proxies were in attendance.

## **Agenda VIII: To approve the amendment to Article 3 of the Memorandum of Association, requiring additional objectives**

Mr. Sarit Patanatmarueng, Director and Managing Director, informed the Meeting that the Board of Director resolved to propose the amendment of the Memorandum of Association with respect to three additional objectives to the shareholders' meeting for approval in order to achieve employee retention and continuous capacity building.

Due to ongoing growth and expansion of the automobile industry in Thailand, many organizations have been facing shortages of capable personnel with specialized skills. Thus, supplementation of three company objectives to extend scopes of information technology, quality management, and safety, health and environment functions is regarded as a mean to achieve employee retention and continual capacity building of our personnel. The Company would like to add three more objectives, whereby the number of objectives will be increased to 32 from the original list of 29 objectives.

A shareholder inquired about the fact that originally the Company is a manufacturer but will run a new consulting business. He would like to know what business plan has been formulated, how much return the Company will get, and what operational risks will be in this business.

Regarding a business plan of the consulting business, Mr. Sarit Patanatmarueng, Director and Managing Director, explained that the Company does not expect much profit compared to increased experience and capabilities of our personnel to be gained from running this business.

Amid rapidly changing business environment, shortage of personnel experienced in the fields of information technology, quality management and occupational safety, health and environment in several organizations stems from the fact that personnel have to work the same ways and are stuck with the same routines for a long time. As works become monotonous, eventually they will decide to leave. Opportunities to work outside will equip personnel with broader perspectives and diverse experiences and also reduce work monotony. As a result, the Company's turnover rate will be reduced.

The return that the Company expects to receive from consulting business will not constitute a main source of revenue. We will focus more on indirect return or benefits, that is, increased experience and competence of personnel. Once personnel gained more experience, they would be able to improve their skills and works at the Company. Most importantly, the Company would be able to retain talented personnel.

Moreover, the Company does not discern operational risks in the consulting business since we will receive more benefits.

**Resolution:** The Meeting resolved to the amendment to Article 3 of the Memorandum of Association, requiring additional objectives as detail above, whereby the Meeting approved with a majority of votes cast as detailed below:

Voted for	219,465,879	votes or	99.04974%
Voted against	100	votes or	0.00004%
Abstained	2,105,400	votes or	0.95022%
Total	221,571,379	votes or	100%

In this agenda item, a total of 50 shareholders and proxies were in attendance.

#### **Agenda IX: Others (if any)**

There was no other agenda so the Director proposed that the shareholders may opine, question, or advice as the following summary:

1. A shareholder asked, “How will the Company grow in 2013 since there will be no more first car policy?”

Mr. Sarit Patanatmarueng, Director and Managing Director, explained that under normal circumstances, annual automobile production volume would be around two million units. This policy which was put into effect in 2012 helped increase production volume by only around 100,000 units and was a contributory factor in only one year. However, the automobile industry’s growth must be scrutinized over a long term. This year Thailand ranks the 10<sup>th</sup> largest automobile manufacturing country and the 6<sup>th</sup> largest automobile exporting country in the world. It could quickly leapfrog into the top ten because many automobile makers chose Thailand as their production and export bases according to a long-term plan of each maker.

Therefore, the government’s first car policy boosted automobile sale only a little bit. According to a projection, it is likely that Thailand will produce as many as three million units. If this projection was achieved, the Company could definitely grow in tandem with the industry.

2. A shareholder asked, “How does the government’s minimum wage policy, especially a minimum salary of 15,000 baht for bachelor degree graduates, impact the Company’s cost?”

Mr. Sarit Patanatmarueng, Director and Managing Director, explained that when recruiting personnel, the Company will make selection based on competency and potential development only, and it pays wages which match actual market rates of each position. For example, engineer position already receives more than 15,000 baht. However, the Company could still manage and control this cost portion as well as other operational expenses on ongoing basis in order to minimize cost impacts.



3. A shareholder asked, “In 2012, accounts payable rose to 249 million baht, which is very high. How will the Company manage to lower accounts payable in 2013?”

Mrs. Kanokwan Ngamkitcharoenlap, Accounting and Financial Manager, explained that accounts payable increased in tandem with higher sales value.

Mr. Sarit Patanatmarueng, Director and Managing Director, added that as we all know Thailand was hit with a major flood in late 2011, resulting in dwindling Q4/2011 sales. However, Q3/2012 was a different story. In that period, consumer demand was very high. Therefore, accounts payable compared between Q4/2011 and Q3/2012 does not reflect the real picture.

4. A shareholder suggested that the Company should focus on two important aspects, i.e. research and development, by actively reducing raw material cost. If the Company could do so, production cost would be reduced substantially. On the other hand, production capacity should be utilized optimally, particularly automobile window regulator because only 20% of its capacity is currently utilized and its market share is only 20%. If the Company could manage to increase capacity utilization, the fixed cost would be reduced. However, if the Company has already implemented something that dealt with both aspects, could you explain about this?

Mr. Sarit Patanatmarueng, Director and Managing Director, explained that the Company has been carrying out research and development, as mentioned by the shareholder, on ongoing basis for several years, and overall results have reflected in operating results every year. However, the Company did not explain all the details because there are many raw materials involving in research and development programs, and we think this is a basic management task. In addition, it is also our customer policy that every parts manufacturer must bring raw material cost down to a target level. Consequently, the Company could satisfy customer requirements very well. Research and development, which is responsible by engineering and laboratory departments, is still undergoing ongoing programs that have been running for several years.

Concerning optimal capacity utilization, particularly automobile window regulator, the fact is even though products carry the same brand name and have the same customers, they must use different production lines because each product model’s features vary greatly, in some cases, due to cost reduction. As a result, existing production lines could no longer be used, and production could not be cancelled because certain vehicle models are still using these parts. Consequently, the Company needed to build a new production line. Currently, there are five production lines. Each production line is running at 20% capacity particularly due to design requirements. The issue does not relate to management or marketing whatsoever.

However, Managing Director will discuss with concerned departments to seek ways to improve the operation.

5. A shareholder asked, “Is the dividend of 0.50 baht per share paid for ten months?”

Mrs. Kasita Pitaksongkram, the Company Secretary, explained that the dividend of 0.50 baht per share is paid for 9-month operating results in 2012 (January – September 2012).

6. A shareholder asked, “Regarding director resigning at the end of his term, how many consecutive terms could he be re-elected or could he re-assume the position when he was re-elected?”

Mrs. Kasita Pitaksongkram, the Company Secretary, explained that a director resigning at the end of his term can be re-elected and re-assume the position consecutively without any restriction on the number of times, provided that the board concurs to propose the nomination for approval by shareholders and shareholders approves his re-nomination.

7. A shareholder asked, “What opportunities for motorcycles and automobiles do we have in Indonesia and India?”

Mr. Sarit Patanatmarueng, Director and Managing Director, explained that Indonesia has a population of around 300 million, and total production volume of motorcycles and automobile is approximately 8 and 1.2 million units respectively. It is envisioned that Indonesia is another country that has a great growth potential in the automotive industry because motorcycle and automobile usage rates per capita are still low. As a result, automobile makers have continued to expand their markets there like in Thailand.

In case of India, it has a huge population. There are also many automobile makers there. However, there is a condition requiring that automobile maker desiring to invest in India must be a joint venture company. Moreover, production is geared more towards domestic market, not exports.

An indication that clearly assures the industry will grow is “Is basic economy growing?” In addition, people must be educated and have income. When comparing Thailand with both countries, it is noted that Thai population is less but better educated and higher income per capita. As a result, Thai economy is growing at a faster pace. In addition, Thailand has an advantage, that is, ASEAN export hub. Therefore, it represents a good vehicle export base. Quality of products from Thailand gains greater acceptance, so every automobile maker still has more confidence with investment in construction of its production base in Thailand, compared to Indonesia and India.

8. A shareholder asked, “Why did gross margin decline in 2012?” and “What is a suitable level under normal circumstances?”

Mr. Sarit Patanatmarueng, Director and Managing Director, explained that the gross margin declined in 2012 because during the first three months the Company’s major customers suffered from the after-effects of the major flood in Thailand in 2011 and could not resume their production. Moreover, the Company did not have a policy to lay off employees or reduce wages. So, administrative and operational expenses still remained at the same level while sales revenue plummeted.

However, the management will try to improve gross margin ratio on continual basis.

9. A shareholder asked, “Does Japanese Yen have any effect on the Company’s cost?”

Mr. Sarit Patanatmarueng, Director Managing Director, explained that currently the ratio of the Company’s imports which are paid in Japanese Yen is around 15-20%, down from 30% in the past. The decline stemmed from cooperation between the Company and many manufacturers which have capabilities to jointly improve and develop parts on ongoing basis. Consequently, the Company has imported more parts from other countries, beside Japan. Therefore, an impact from Japanese Yen has reduced. Meanwhile, Thai Baht also appreciates.

10. A shareholder asked, “How are Chinese and American competitors doing?”

Mr. Sarit Patanatmarueng, Director and Managing Director, explained that presently global automobile makers impose global sourcing policies when they have their network operations throughout the world. So, opportunities for procurement of raw materials or products from manufacturers are no longer limited to a single source. The Company does not identify which company is a competitor but focuses on its cost reduction and innovation potential which can better respond to customer requirements. These companies are not limited to only China or U.S. They are also situated in other countries which have production capabilities and attract customers’ attention, and customers would consider whether they could produce according to specifications and how much the cost would be.

Automobile control cables are parts which are not produced easily and require high technology and production expertise. Some manufacturers may be able to produce but quality may not be up to OEM standard (Original Equipment Manufacturer or OEM is engaged to manufacture products for various brands according to customer specifications). At the same time, automobile makers are well aware which manufacturers have good quality and standards and how companies that they compare prices are.

Therefore, the Company still tries to keep cost down on ongoing basis in order to receive more orders from customers.

11. A shareholder asked, “After construction of a new plant, what is the new production capacity?”

Mr. Sarit Patanatmarueng, Director and Managing Director, explained that initially it was expected that the production plant built in 2007 would be able to handle orders for a period of 7-10 years. However, in 2012 production space was almost insufficient because the automobile industry has grown rapidly. So, we need to build a new plant whose utility space is 75% of the current one and which can handle orders for another ten years from 2012.

In 2011, average production output stood at 2.5 million cables per month, but in 2012 the average monthly output stood at 3 million cables. At present, overall capacity utilization rate is 70-80%. When the utilization rate rose to 80%, the Company would consider increasing production capacity or expanding production line based on customer projections.

Therefore, we are confident that the Company’s production lines will be able to handle increasing orders in 2013 based on projections of automobile maker at 2.5 million units.

12. A shareholder asked, “What will the Company’s growth be three years from now?”

Mr. Sarit Patanatmarueng, Director and Managing Director, explained that according to the Company’s vision, we will develop the Company by increasing sales in overseas markets and focusing on research and development as well as product quality in order to achieve world-class standards.

Concerning new products in the automobile control cable group within the next 1-2 years, i.e. rear window (electrical) which are primarily developed to meet consumer needs. In the future, if consumer needs change, the Company is confident that we are ready in terms of production and design which is supported by our trade partner, Hi-Lex Corporation, which is the most experienced automobile control cable manufacturer in Japan.

In conclusion, three years from now the Company will pursue continuous development and achieve a higher production volume, and our sales will definitely grow in tandem with the automobile industry's trend.

13. A shareholder asked, "Why was the agenda item on ESOP-W1 removed?" and "Will we have it in the future?"

Mr. Sarit Patanatmarueng, Director and Managing Director, explained that the Board of Director reviewed and concluded that there are some incomplete details concerned. ESOP-W1. As a result, the Board of Director needs more time for further consideration. Therefore, agenda items on ESOP-W1, i.e. item 8-13, were removed as shareholders were notified before the meeting started. However, the Company will further review this program because it provides benefits to all parties.

14. A shareholder asked, "What is the difference between "sales volume" and "production volume"?"

Mr. Sarit Patanatmarueng, Director and Managing Director, explained that "sales volume" means the number of units sold only in local market, but "production volume" means total production volume which includes export volume and volume for domestic sales.

In the end, on behalf of the Board of Directors, the Chairman expressed his gratitude to the shareholders for attending the meeting and for their never-ending trust, confidence and support.

Every director is committed and determined to lead the Company to achieve the status of global automobile control cable manufacturer in a sustainable manner.

There was no other agenda proposed for attention,

The Meeting adjourned at 11:30 a.m.

Sunurn Jurangkool Chairman of the meeting  
(Mr. Sunurn Jurangkool)  
Chairman of the Board

Kasita Pitaksongkram Secretary of the meeting  
(Mrs. Kasita Pitaksongkram)  
Company Secretary