



บริษัท เอบิโก้ โฮลดิ้งส์ จำกัด (มหาชน)
401/1 หมู่ 8 อาคารเอบิโก้ ชั้น 5 ถ.พหลโยธิน ต.คูคต อ.ลำลูกกา จ.ปทุมธานี 12130
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(Translation)

ABICO HOLDINGS PUBLIC COMPANY LIMITED
MINUTES OF THE 2019 ANNUAL GENERAL MEETING OF SHAREHOLDERS
Juristic ID 0107535000214

Date, Time and Venue:

The meeting was held on 11 April 2019, at Cafeteria Room, 1st Floor, ABICO Building, No. 401/1, Moo 8, Phaholyothin Road, Kukot, Lam Luk Ka District, Pathumthani 12130.

Attending Directors

- | | | |
|----|---------------------------|---|
| 1. | Mrs.Chintana Boonyarat | Chairman of Board of Directors |
| 2. | Mr.Chaichat Boonyarat | Director |
| 3. | Mr.Kitti Vilaivarnkul | Managing Director |
| 4. | Mr.Khemdhat Sukonhasingha | Independent Director and Audit Committee Chairman |
| 5. | Mr.Techa Boonyachai | Independent Director and Audit Committee |
| 6. | Mr.Arnant Maiphum | Independent Director and Audit Committee |

Company Secretary

Mr.Chalee Thiraworakul

Legal Advisor from Banchong and Vidhya Law Office Limited

Mr. Suwittha Netiwiat

Auditor from A.M.T. Associates

1. Mrs.Natsarak Sarochanunjeen
2. Mr.Siramate Akkharachotkullanua

The meeting was convened at 13:00 a.m.

Mrs. Chintana Boonyarat, Chairman of the Board of Directors, acting as the Chairman of the Meeting (“the Chairman”), gave a welcome speech to all shareholders, proxies, directors, executives and other participants who attended the meeting. The Chairman said that, as of the book closing date on March 13, 2019, the Company had total registered capital of Baht 235,000,000 consisting of 235,000,000 ordinary shares with a par value Baht 1 each. Total paid-up capital of the Company was Baht 235,000,000 consisting of 235,000,000 ordinary shares, and the

Company had 2,859 shareholders. There were 31 shareholders who personally attended the meeting as well as 29 proxies. They collectively held 171,849,460 shares which accounted for 73.1274% of total voting shares of the Company. This constituted the quorum of the meeting, the Chairman therefore asked for the opening of the annual general meeting of shareholders for the Year 2019.

Before entering the meeting agendas, the Chairman assigned Mr. Chalee Thiraworakul, Company Secretary, to explain the procedures of voting by separating those of shareholders who personally attended the meeting and those of proxies. Mr. Chalee also explained the procedures of vote counting that required resolution on each agenda in the meeting. The Chairman then proceeded with the meeting.

The Company invited two shareholder representatives to observe the vote counting at the ballot point namely 1. Miss Phakkaon Chonroch, and 2. Miss Suntaree Vechsathit.

The meeting was then proceeded according to the agendas:

Agenda 1 To consider adopting the minutes of the 2018 Annual General Meeting of Shareholders.

The Chairman proposed the minutes of the Annual General Meeting of Shareholders 2018, held on 27 April 2018 to the meeting and declared that the Company has made the report on the minutes of the Annual General Meeting of Shareholders 2018 as well as delivered the copy of the said meeting to all shareholder together with the invitation letter to the meeting.

Resolution: After consideration, the meeting unanimously resolved to adopt the minutes of the 2018 annual general meeting of shareholders as proposed by the chairman of the meeting. The voting result on this agenda is showed as follows:

	No. of votes (1 share = 1 Vote)	Percentage of shareholders attending the meeting and casting their votes
Approved	171,846,600	99.9983
Disapproved	2,860	0.0016
Abstained	-	-
Voided Ballot	-	-
Total (60 Shareholder)	171,849,460	100.00

Agenda 2 To consider acknowledging the Company's operating result for the year 2018.

The Chairman declared to the meeting that the Company's operating result for the year 2018 was shown in the 2018 annual report which was sent to all shareholders along with the invitation letter to this this meeting. Then, the Chairman asked Mr. Kitti Vilaivarangkul, Managing Director, to provide an explanation regarding the Company's operating result for the year 2018.

Mr. Kitti Vilaivarangkul explained the business overview of Abico group before announcing the operating result as follows:

Abico Holdings Public Company Limited had the registered capital of Baht 235 million and held 99.99% of shares in three subsidiary companies including:

1. Abico Dairy Farm Company Limited (“ADF”)

ADF had the registered capital of Baht 240 million. Its factory located in the area of 55 Rais in Pak Chong District, Nakhon Ratchasima Province. ADF runs business of contract manufacturing of milk and fruit juices. Its products include ready-to-drink UHT milk, pasteurized milk, and pasteurized fruit juices.

ADF was certified in the standards as follows:

- ADF was certified in Food Safety System Certification (FSSC) 22000 on December 18, 2018.
- ADF was renewed its ISO 9001:2005 certification on December 26, 2018.
- ADF was renewed its GMP Codex on December 18, 2018.
- ADF was renewed its HACCP on December 18, 2018.
- ADF was certified in Sedex Member Ethical Trade Audit (SMETA SEDEX) on October 17, 2018. The standard is a business code of conduct regarding labor, safety, environment-oriented practice, and transparency.
- ADF was certified in Green Industry Level 2 by the Ministry of Industry of Thailand on January 28, 2019.

In 2018, ADF increased its production quantity according to its strategic plan, with production quantity of 51,498 kiloliters for UHT milk, an increase of 21,265 kiloliters compared to 2017.

Also in 2018, held many Corporate Social Responsibility (CSR) events such as Children's Day, Sports Day against Drug, Toxic Waste Exchange, as well as sponsoring dairy products for schools, students, and locals, etc.

2. PPO Farm Company Limited (“PPO”)

PPO had the registered capital of Baht 19.25 million and located in Seka District, Bueng Kan Province. PPO runs business of dairy farm for manufacture and distribution of unprocessed milk (raw milk).

In 2018, PPO produced more raw milk and owned more dairy cows than in 2017.

3. Abico Land Company Limited (“Aland”)

Aland had the registered capital of Baht 50 million. It runs business of office space rental in a five-storey building, rented by subsidiary companies and associated companies.

In 2018, the Company was evaluated in the Corporate Governance Report of Thai Listed Companies 2018 (CG Rating) by the Thai Institute of Directors Association (IOD) and ranked three-star for the first year.

The Company's operating result was as follows:

The Company saw its total revenue of Baht 783 million from its operations, an increase of Baht 218 million compared to 2017 and accounted for 39%. The income in contract manufacturing business was Baht 700 million, an increase of Baht 193 million, thanks to more order quantity from its clients which accounted for 54%.

The income in dairy farm business was Baht 64 million, an increase of Baht 20 million, thanks to more 1.01 million kilograms, accounted for 46%, of manufacture and distributed raw milk in 2018 compared to 2017.

The income in rental and service business was Baht 19 million, an increase of Baht 5 million, thanks to more office space for rent in 2018 compared to 2017.

The operating profit was Baht 58 million, an increase of Baht 35 million compared to 2017, thanks to more order quantity and more efficient management on the Company's spending and costs.

In 2018, The Company saw the realization of loss sharing from investments in its associated companies amounting to Baht 74 million baht, because of the loss on its associated companies' operating results. Thus, the Company saw a net loss of Baht 16 million for its financial statements in 2018.

The Company's statements of financial position was as follows:

The Company had total assets of Baht 1,412 million, an increase of 5% compared to 2017, because the Company invested more in machinery, improved efficiency to support its manufacturing expansion, and order raw materials and packages to prepare for manufacturing.

As of December 31, 2018, the Company had total liabilities of Baht 599 million, including Baht 265 million on loans of from financial institutions, Baht 119 million on liabilities under finance lease agreement of, and Baht 112 million on accounts payable and others.

The Company had total shareholder's equity of Baht 812 million, a decrease of Baht 33 million compared to 2017, since the Company saw a net loss of Baht 16 million in 2018. Also in 2018, the Company also paid a dividend of Baht 17 million according to the 2017 operating result.

The Debt to Equity ratio in the consolidated financial statements was 0.74:1 in 2018, a slight increase compared to 2017, because of loans of from financial institutions. The Debt to Equity ratio in the separate financial statements was 0.07:1, a decrease compared to 2017, because of the payment for loans of from financial institutions.

Shareholder's Inquiry

Mr. Anu Wongsarnkij, Shareholder who personally attended the meeting, asked the following questions:

Question: Did the production capacity include that of newly-bought machinery? Is the Company satisfied with the increase in UHT milk and the capacity of 7% in pasteurized fruit juices?

Answer: Mr. Kitti explained that an increase of production capacity in 2018 for UHT milk, which was a main source of income, had been supported by the order of new machinery. The Company has negotiated with the clients for 2-3 years in advance because it takes time to install a machinery. The production quantity of UHT milk clearly increased in 2018 compared to 2017. Meanwhile, the production capacity for the clients' pasteurized fruit juices has decreased, because a slow growth in the fruit juices market did not boost the order quantity from the clients. The Company emphasized on UHT milk as its main business.

Question: How would the Company's farm business grow when it sold products to the cooperative at lower prices than the medium price? What is the Company's opinion?

Answer: Mr. Kitti explained that the dairy farm business accounted for 8% of total revenue. The reason for the lower prices was because the cooperative came to pick up the products at the farm and was responsible for the transportation cost. This reduced the risk of the transportation for the Company.

Question: According to the financial statements, the office space rental business is growing. What is the reason behind this? How often did the Company adjust the rental rates?

Answer: Mr. Kitti explained that the office space rental business was gaining more income because the rental rates reached their cycle of adjustment with the due time of every three years.

Question: What is the reason behind more liquidity ratio on the inventories, as well as reserved raw materials and packages?

Answer: Mr. Kitti explained that the inventories were in the waiting list for delivery at the end of the year, and would be actually delivered at the beginning of the following year. The reason behind reserving on some raw materials and packages was because they were the expired raw materials that the clients could not market in time as planned.

Question: What is the Company's principle on calculating the depreciation of machinery?

Answer: Mr. Kitti explained that the Company calculated the depreciation of machinery by 10 years.

Agenda 3 To consider approving the Company's audited financial statements for the year ended on December 31, 2018.

The Chairman declared to the meeting that the Board of Directors had provided statements of financial position and position and profit (loss) for the accounting year ended on December 31, 2018, which was audited by the auditor and reviewed by the Audit Committee. The details appeared in the 2018 Annual Report which was sent to all Shareholder along with the invitation letter to this meeting. All details pertaining were already reported in Agenda 2 and ready for the meeting to consider.

Shareholder's Inquiry

Mr. Anu Wongsarnkij, Shareholder who personally attended the meeting, asked the following questions:

Question: What caused the increase of properties and equipment? I noticed more buying and selling in the statement of cash flows.

Answer: Mr. Chalee explained that the increase of machinery was mostly caused by more buying in Abico Dairy Farm Company Limited. The properties were increased not by more buying, but by the revaluation of their fair values.

Question: What is the agreement with banks on the revision of installment for liabilities due within one year?

Answer: Mr. Kitti explained that liabilities due within one year were classified by the duration of installment. The Company has no difficulties in paying the installment, therefore there is no need to ask the banks for the extension of installment. The Company is capable of paying according to the installment plan.

Question: What caused to commission income of Baht 23 million in the financial statements.

Answer: Mr. Chalee explained that the income was from the OEM Commission which varied in line with more production quantity.

Question: What caused the surplus of subsidiary companies? And what are the items that will not be reclassified in the statements of comprehensive income?

Answer: Mr. Chalee explained that the surplus of subsidiary companies was caused by the revaluation of properties of subsidiary companies. The items that will not be reclassified were those that will not be reversed in the statements of income.

Question: What are the items that will not be reclassified in the statements of comprehensive income on page 58 of the Annual Report?

Answer: Mr. Chalee explained that the items that were already recorded, therefore they cannot be reversed in the statements of income, but were shown in the statements of comprehensive income.

Question: How did the Company record the allowance for stock obsolescence of Baht 7 million in the financial statements?

Answer: Mr. Chalee explained that the record of the allowance was due to the fact that the clients did not market their products as planned. The Company can recall those raw materials from the clients, therefore they are not removed from the account, but reserves as the allowance for depreciation.

Question: What caused the decrease of fixed deposit?

Answer: Mr. Chalee explained that decrease of fixed deposit was due to the fact that the Company used the fixed deposit as a guarantee for electricity usage. Later, the Company has turned to use a bank guarantee instead, therefore the item was removed and used as working capital.

Question: What was the effect to the Company after associated companies bought back their shares?

Answer: Mr. Chalee explained that associated companies bought back 4,000,000 shares, therefore the Company realized the increased ratio caused by the buyback.

Question: How did TFRS15 and TFRS16 affect the Company's financial statements?

Answer: Mr. Chalee explained that TFRS15 would affect the Company positively, because of the faster realization of income. Meanwhile, the Company is evaluating the effect of TFRS16 which will be enacted in 2020.

Question: Did the company provide the allowance regarding the labor law which was recently enacted?

Answer: Mr. Kittii explained that the Company had recorded the allowance into the 2018 financial statements.

Mrs. Gesiree Panthura, Proxy of Thai Investors Association, asked the following question:

Question: How did the auditor's report conditionally comment about the financial statements?

Answer: Mr. Chalee explained that on the pages of the report where the auditor had conditionally comment, it was because of the financial statements of associated companies which had the investment abroad. This created discrepancy among accounting standards of different countries. The Company will complete addressing this issue by the first quarter of 2019.

Resolution: After consideration, the meeting unanimously resolved to the Company's audited financial statement for the year 2018 ended 31 December 2018 which were audited and certified by an independent external auditor. The voting result on this agenda is showed as follows:

	No. of votes (1 share = 1 Vote)	Percentage of shareholders attending the meeting and casting their votes
Approved	171,847,100	99.9982
Disapproved	2,960	0.0017
Abstained	-	-
Voided Ballot	-	-
Total (61 Shareholder)	171,850,060	100.00

Note In this agenda, 1 additional shareholder who held 600 shares attended the meeting. Thus, there were 61 shareholders and proxies who collectively held 171,850,060 share accounting for 73.1277% of total voting shares of the Company attending the meeting

Agenda 4 To consider and approve ceasing of paying dividend from operating results for the year ended 31 December 2018.

The Company Secretary declared to the meeting that the Company had a policy to pay the dividend at a rate not less than 30% of the profit after tax from operations according to the separate financial statements, and reserves of all types, as required by law. However, such payment must be in accordance with the cash flow, investment plans of the Company and subsidiary companies, as well as necessities and circumstances in the future.

According to the separate financial statements, the Company has net profit of Baht 14.52 million and basic earnings per share of Baht 0.06. However, since the Company needs to reserve parts of its money to invest on boosting its operating capacity, and still has its liabilities on financial institutions, the Company would like to ask the meeting to consider omitting the dividend payment derived for operating for the year ended on December 31, 2018.

Shareholder's Inquiry

Mr. Anu Wongsarnkij, Shareholder who personally attended the meeting, asked the following question:

Question: How much liabilities will the Company have to pay in the future? Is there any chance that the Company will change the dividend policy?

Answer: Mr. Kitti explained that the Company was looking for new investment opportunity, while carrying the liabilities of around Baht 45 million which would be paid back in the form of installment of Baht 16 million per year to financial intuitions. Moreover, associated companies also omitted the dividend payment for the year 2018 despite having paid out the dividend in the past. Therefore, the Company will have to omit the dividend payment derived for operating for the year 2018.

Resolved : After consideration, the meeting unanimously to approve to refrain from paying the dividend for the year 2018 based on operating results for the year 2018 with the voting result as follows:

	No. of votes (1 share = 1 Vote)	Percentage of shareholders attending the meeting and casting their votes
Approved	171,848,910	99.9983
Disapproved	2,860	0.0016
Abstained	-	-
Voided Ballot	-	-
Total (62 Shareholder)	171,851,770	100.00

Note In this agenda, 1 additional shareholder who held 1,710 shares attended the meeting. Thus, there were 62 shareholders and proxies who collectively held 171,851,770 share accounting for 73.1284% of total voting shares of the Company attending the meeting.

Agenda 5 To consider approving election of new directors to replace those who retired by rotation.

Company Secretary informed to the meeting that pursuant to the Public Company Act B.E. 2535 and the the Company's Articles of Association stated that in each Annual General Meeting, one third of the directors must retire. The directors who had the longest term must retire by rotation. The retired directors may be re-elected. In this Annual General Meeting of Shareholders 2019, there were 2 directors namely Mr.Khemadhat Sukonhasingha and Mr.Arnant Maiphum. The Board of Directors meeting no.1/2019 held on 26 February 2019 resolved to propose for consideration by the meeting of shareholder re-election.

The Company had invited shareholders to nominate candidate(s) to be elected as the Company's directors(s) in advance via the Company's website or postal during 9 November 2018 - 14 January 2019, but there was no shareholder proposing nominated candidate(s).

Resolution: After consideration, the meeting reached a majority vote resolved to approve re-election of those three directors, with the voting result for each director as follows:

5.1 Mr. Khemadhat Sukonhasingha, a director, is reappointed as a director for another term, with the voting result as follows:

	No. of votes (1 share = 1 Vote)	Percentage of shareholders attending the meeting and casting their votes
Approved	171,848,810	99.9982
Disapproved	2,960	0.0017
Abstained	-	-
Voided Ballot	-	-
Total (62 Shareholder)	171,851,770	100.00

5.2 Mr. Arnat Maiphum, a director, is reappointed as a director for another term, with the voting result as follows:

	No. of votes (1 share = 1 Vote)	Percentage of shareholders attending the meeting and casting their votes
Approved	171,848,910	99.9983
Disapproved	2,860	0.0016
Abstained	-	-
Voided Ballot	-	-
Total (62 Shareholder)	171,851,770	100.00

Agenda 6 To consider approving directors' remuneration for the year 2019.

The Chairman declared that the Board of Directors had consider directors' remuneration for the year 2019, on the basis of the Company's operating result compared to other listed companies in the industry, with aim to pay out the remuneration in accordance with directors' obligations and responsibilities. The Board of Directors resolved to maintain the remuneration on the rate of no more than Baht 2 million in 2019, same as the previous years, then paid out the paid out the director's remuneration of Baht 1,090,000 in 2018.

Mr. Anu Wongsarnkij, Shareholder who personally attended the meeting, asked the following question:

Question: Why did the Company set a high limit of remuneration for directors despite having paid only half of the providing limit? Why was the Auditor Committee's remuneration paid out on a yearly basis? What as the difference?

Answer: Mr. Kitti explained that the Company compared its remuneration to those in the industry and set a minimum limit compared to other industries. As for the Auditor Committee's remuneration, it was divided to two parts including the meeting allowance and yearly remuneration, because it is the remuneration for the time the Auditor Committee spent working with the Company.

Resolution: After consideration, the meeting unanimously resolved to approve directors' remuneration for the year 2019 to be the same as that of the preceding year which shall not exceed Baht 2 million. The voting result is as follows:

	No. of votes (1 share = 1 Vote)	Percentage of shareholders attending the meeting and casting their votes
Approved	171,848,910	99.9983
Disapproved	2,860	0.0016
Abstained	-	-
Voided Ballot	-	-
Total (62 Shareholder)	171,851,770	100.00

Agenda 7 To consider approving appointment of the Company's external auditor and fixing audit fee.

The Chairman informed that with the Public Company Act B.E.2535, a public company must appoint in each of its annual general meeting of shareholders an external auditor and fix the audit fee. The Company's board of directors' meeting No.1/2019 held on 26 February 2019 resolved to approve in accordance with proposal as made by the audit committee appointment of Mr.Chaiyuth Angsuwithaya, certified public account no. 3885 from A.M.T Associates. Ms.Daranee Somkamnerd Certified Public Accountant No.5007 and/or Ms.Jarunee Nuammae Certified Public Accountant No. 5596, from A.M.T & Associates, to be the Company and subsidiary's auditors for the year 2019.

Proposed to determine the audit fee to be in the amount of no more than Baht 1,810,000 which the composed of Baht 610,000 for the company and Baht 1,200,000 for the subsidiary (excluding out-of-pocket expenses) as proposed by the Audit Committee. The audit fee equal from previous year.

Auditor from A.M.T. Associate who perform the auditing for the Company and subsidiaries have no relationship nor interest to the Company / subsidiaries / executives / major shareholders or person related to such person thus the aforementioned auditors are independent in audit and expressing their opinion on financial statement. The detail as appeared in the invitation letter to the meeting sent to shareholder in advance. For your consideration.

Resolution: After consideration, the meeting unanimously resolved to approve the appointment of Mr.Chaiyuth Angsuwithaya, certified public account no. 3885 Ms.Daranee Somkamnerd Certified Public Accountant No.5007 and/or Ms.Jarunee Nuammae Certified Public Accountant No. 5596, from A.M.T Associates, the Company's external auditor for the year 2019 and fix audit fee for the Company's 610,000 Baht and that for all subsidiaries of the Company shall

not exceed Baht 1,200,000. Thus, total audit fee for the year 2019 shall not exceed Baht 1,810,000. The voting result is as follows:

	No. of votes (1 share = 1 Vote)	Percentage of shareholders attending the meeting and casting their votes
Approved	171,849,010	99.9983
Disapproved	2,860	0.0016
Abstained	-	-
Voided Ballot	-	-
Total (63 Shareholder)	171,851,870	100.00

Note In this agenda, 1 additional shareholder who held 100 shares attended the meeting. Thus, there were 63 shareholders and proxies who collectively held 171,851,870 share accounting for 73.1285% of total voting shares of the Company attending the meeting.

Mrs. Gesiree Panthura, Proxy of Thai Investors Association, gave a suggestion that, since the Company's financial statements was conditionally commented, the Company should appoint the same auditor. However, the Company should propose a selection process for the auditor, as well as selection process for independent directors, to shareholders.

Agenda 8 To consider other matters (If any)

The Chairman stated that all agendas were considered and asked the meeting whether any shareholders would like to propose other matters for consideration. There were some questions from a shareholder as follows:

Mr. Anu Wongsarnkij, Shareholder who personally attended the meeting, asked the following questions:

Question: How is the condition regarding dairy products? Since the Company runs the OEM business, how is the condition in the competitive market?

Answer: Mr. Kitti explained that in the contract manufacturing business, the Company was approached by its clients. The Company owns excellent technology and expertise in manufacturing, while receiving orders from its clients which own major brands and long-running business. The Company is confident that it will grow steadily.

Question: How is the condition regarding cost prices and raw material supplies?

Answer: Mr. Kitti explained that there were two types of trading partners. One provides their raw materials and packages for the Company, therefore the Company charges only manufacturing costs plus profit margins. The other has the Company order raw materials and packages, therefore the Company charges management costs, manufacturing costs, plus profit margins.

No other shareholders proposed additional matters for consideration. The Chairman then thanked all shareholders who attended the 2019 annual general meeting of shareholders and closed the meeting.

Close Meeting at 14.17 p.m.

Sing

(Mrs. Chintana Boonyarat)

Chairman of the Board of Directors