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The Minutes of 2019 Annual General Meeting of Shareholders

Pacific Pipe Public Company Limited

Wednesday, April 25th, 2019

The Meeting was held at Infinity Room, 7th Floor, Aetas Lumpini Hotel Bangkok, No.1034/4, Rama IV Road, Thungmahamek, Satorn, Bangkok 10120. The Meeting started at 02.00 p.m.

Dr. Vicharn Aramvareekul is a Chairman of the meeting.

The Chairman introduced directors and auditors who attended the meeting as follows:

1. Dr. Vicharn Aramvareekul Independent Director and Chairman of Audit Committee
2. Mr. Kriengkrai Rukkulchon Independent Director and Chairman of Remuneration Nomination and Corporate Committee
3. Ms. Piyanus Chaikajornwat Independent Director
4. Mrs. Udomwara Dechsongjarus Independent Director
5. Mr. Somchai Lekapojpanich Executive director and Chief Executive Officer
6. Ms. Viriya Ampornnapakul Executive Director and Chief Financial Director
7. Ms. Thitima Vattanasakdakul Executive Director and Chief Financial Officer
8. Ms. Watoo Kayankannawee Auditor from EY Office Company Limited
9. Ms. Nalinrat Passakchai Auditor from EY Office Company Limited
10. Mr. Jatesada Promsuwan Legal counsel from Dragon Three Service Company Limited

Absent Director

1. Dr. Chaiyong Satjipanon Independent Director and Chairman of Risk Management Committee

There were 7 directors from 8 directors or 87.50% from total of all directors that attended the AGM 2019.

The Chairman assigned Mr. Pert Leevilaikulrat, the company secretary to conduct the meeting.

For consensual understanding about voting in each agenda, Mr. Pert, the company secretary, informed the shareholders the voting methods stated as follows;

1. Each shareholder was entitled to vote equaling to the number of shares held.
2. In casting vote, chairman asked for votes whether there were disapproved or abstained. Shareholders who wished to vote as said should raise their hands and gave the ballot paper to the company's officer so that votes would then be deducted from the total number of votes cast by shareholders



presenting at the meeting and having voting rights. The remained votes after the deducting would be included as agreed.

3. To collect voting cards rapidly, the officers would collect only disapproved and abstained voting cards.
4. For continuity of the meeting, the chairman was proposed the shareholder to consider next agenda and then back to inform the result of the previous agenda while authority was gathering a score for each agenda.
5. Shareholders could ask questions related to items on the agenda. If questions were not related to any agenda, please ask in agenda of other matters. Shareholders shall inform their names before asking any question.

The Company had published on the company's website and through the system of Stock Exchange of Thailand, providing minor shareholders an opportunity to propose agenda, any qualified person as a company director and question in advance before AGM meeting date since November 1st, 2018 to December 30th, 2018 and March 13rd, 2019-April 16th, 2019, respectively. However, no shareholders proposed any agenda, nominee and question.

Before the first agenda, the Company Secretary had the staffs hand out the financial statement due to the duplicated page in the 2018 Annual Report.

In the annual general meeting of shareholders, there were a total of 87 shareholders which accounted for 531,120,983 shares or 80.47 % of 660,000,000 total ordinary shares, achieving the quorum according to the Company's articles. The meeting proceeded according to following agendas:

Agenda 1 To consider and certify the Minutes of 2018 Annual General Meeting of Shareholders

Mr. Pert Leevilaikulrat, the company secretary, informed to shareholders that the Company sent a copy of the minute of 2018 Annual General Meeting of Shareholders which held on April 27st, 2018 to shareholders in advance.

There were no questions; the company secretary asked the shareholders to vote.

Resolution

The meeting considered and resolved to certify the Minutes of 2018 Annual General Meeting of Shareholders by majority votes as follows:

Vote	Share (s)	Percentage (%)
Approved	530,976,583	100.0000



Disapproved	0	0.0000
Abstained	0	
Invalid ballot	0	
Total vote(s)	530,976,583	100,0000

Agenda 2 To acknowledge the Board of Directors' report on the Company results of the operations of the year 2018.

Mr. Pert Leevilaikulrat, the company secretary reported the details of financial statement of 2018 and those of the 3 previous years. The main details were described as follows:

Revenues	2018	
	Consolidated	Separated
Total Income	9,942.69	9,179.71
Net (Loss) Profit	94.00	80.62
Financial Position		
Total Asset	4,914.76	4,409.31
Total Dept	2,494.28	2,271.08
Shareholder's Equity	2,420.48	2,136.23
Financial Ratio		
Return on Asset (%)	1.91	1.83
Return on Shareholder's Equity (%)	3.88	3.77
Dept per Shareholder's Equity (%)	1.03	1.06

The Company submitted Declaration of Intent to Collective Action against Corruption (CAC) and proposed for the certification and approval from Thai Institute of Director (IOD).

There were no questions; the company secretary asked the meeting acknowledge the Board of Directors' report on the Company results of the operations of the year 2018.

Agenda 3 To consider and approve of balance sheets and statement of income of the Company and subsidiaries for the year ended December 31st, 2018.

Mr. Pert Leevilaikulrat, the company secretary, informed to the meeting that the financial statement of the Company ended December 31th, 2018 was audited by Mr. Watoo Kayankarnavee, an auditor from EY Office Company Limited. The auditor reported that the



financial statement was accurate in accordance with significance of Financial Reporting Standards. Today, the representatives from EY Office Company Limited attended the meeting to explain inquiries on the financial statements. Mr. Pert Leevilaikulrat summarized significant issues of financial statement which had the details are as follows

Unit : Million Baht

Total Asset	4,914.76
Total Dept	2,494.28
Shareholder's Equity	2,420.48
Total Income	9,942.69
Total Expense	9,769.09
Profit (Loss) Before Tax	118.57
Net (Loss) Profit	94.00
Basic (Loss) Earnings per Share	0.14

KhunPorntip Kittichaiwat, a rights protection volunteer from Thai Investor Association queried the reason of the 67.86% decreasing of net profit in year 2018 which was 94.00 million baht, comparing to year 2017 with 292.42 baht net profit. Ms.Thitima Vatanasakdakul, executive director and chief operation officer clarified that there were 3 main issues in the last year. The first one was politics which The United States of America has issued Article 232 which regarded the national security and its America First policy. Article 232 prescribed the countries importing products to USA to pay 25% increased tax. The 12 countries specified in the article included Thailand. The Company's export had not been affected due to the small-scale export. However, outer countries had been affected and resulted in 25% price increase. Secondly, there was an anti-dumping in products, especially steel products, exported to USA. China, the former biggest exporter, now unable to export to USA, sought for new market. And the market with the largest import is South East Asia. As the result, steel cost increased and caused the rise in steel price around the world. It led to more competitions when China used dumping in South East Asia and other continents. The last is supply short in oil price and steel price with increasing supply among global market. For Thailand that was still politically unstable, investments were highly uncertain. With three factors: high supply, low demand and high global indicator, steel price increased. When the cost was higher but the selling price could not be lower, the gap of selling price thus decreased and led to the smaller net profit.

There were no questions; the company secretary asked the shareholders to consider and vote.

Resolution

The meeting considered and approve of balance sheets and statement of income of the Company and subsidiaries for the year ended December 31st, 2018 by majority votes as follows:

Vote	Share (s)	Percentage (%)
Agree	531,053,683	100.0000
Disagree	0	0.0000
Abstained	0	
Invalid ballot	0	
Total vote (s)	531,053,683	100,0000

Agenda 4 To consider and approve the dividend payment

Mr. Pert Leevilaikulrat, the company secretary, announced the Company's dividend policy of paying the shareholders at the rate of no less than 40 percent of the net profit after withholding reserves according to the law. Nonetheless, such dividend payment can be changed, depending on the Company's performance, financial status and investment planning of the Company. After the board of director approves the dividend annual payment, the payment shall be proposed to the shareholder's meeting, except for the interim dividend that board of director is authorized to approve before reported to the shareholders in the next meeting.

According to the Company's operating results ended 31 December 2018, The Company had 80.62 million baht net profit from separated financial statement and full legal reserve. The board of director proposes the shareholder to pay the dividend payment at the rate of 0.05 baht per share or 41.70 of net profit to the shareholders entitled to attend the 2019 Annual General Meeting, receive the dividend and whose names were listed in the record date in March 13th, 2019. The date of dividend payment is May 16th, 2019.

There were no questions, the company secretary asked the shareholders to consider and vote.

Resolution



The meeting considered and resolved unanimously to approve dividend payment in the rate at 0.50 baht per share to the shareholders entitled to attend the 2019 Annual General Meeting, receive the dividend and whose names were listed in the record date in March 13rd, 2019. The date of dividend payment is May 16th, 2019. The votes are as follows;

Vote	Share(s)	Percentage (%)
Agree	531,074,983	100.0000
Disagree	0	0.0000
Abstained	0	
Invalid ballot	0	
Total vote (s)	531,074,983	100,0000

Agenda 5 To consider reducing the number of directors

Mr.Pert Leevilaikulrat, a company secretary informed to shareholders that the board of director considered changing the Board of Directors structure by reducing the number of directors from 10 directors to 7 directors for flexibility in performing the duties of the Board of Directors. In this regard, careful consideration has been given to each aspect, the reduction of the number of directors does not affect the performance of the duties due to the members of director consist of variety of knowledge, skill and experienced that have adequate proficiency to perform and and it is not against the Company’s article 11., “The Company shall have a Board of Director which consists of at least 5 persons.”

There were no questions, the company secretary asked the shareholders to consider and vote.

Resolution

The meeting considered and resolved unanimously to approve reducing the number of directors from 10 directors to 7 directors as follows:

Vote	Share(s)	Percentage (%)
Agree	531,074,983	100.0000
Disagree	0	0.0000
Abstained	0	
Invalid ballot	0	



Total vote (s)	531,074,983	100,0000
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Agenda 6 To consider and approve the appointment of directors to replace the retiring directors by rotation

Mr. Pert Leevilaikulrat, the company secretary, informed the shareholders that according to the Company's Articles no.13 "One third of directors are requested to resign at every Annual Shareholder's Meeting. In the event that the number of directors cannot be clearly divided into one third, the closet number of directors to one third is required to resign. A draw will be held to identify directors required to resign from their positions in the first and second year after the Company becoming a listed company. After that, directors who have remained in the position for the longest will be required to resign. However, directors required to resign due to expiration of their term remain eligible for re-appointment". In this year, there were 3 directors who retired by rotation;

1. Mrs. Saowanee Kamolbutr Independent Director
2. Dr. Chaiyong Satjipanon Independent Director
3. Ms. Thitima Vattanasakdakul Executive Director

The Company received the resignation letter from Mrs.Saowanee Kamolbutr which effective April 17th, 2019.

The board of director considered the appropriateness of company structure with the qualification, knowledge, abilities and experiences of the nominees considered proposing Ms.Thitima Vatanasakdakul as the executive director for another term. The Company had attached the curricula vitae of the nominees with the invitation to shareholders consideration in advance.

The Company had published on the company's website and through the system of Stock Exchange of Thailand, providing minor shareholders an opportunity to propose any qualified person as a company director since November 1th, 2018 to December 30th, 2018. However, no shareholders proposed any nominee.

There were no questions; the company secretary asked the shareholders to consider and vote.



Resolution

The meeting considered and approved the re-appointment of Ms. Thitima Vattanasakdakul as executive director for another term by majority votes as follows:

Vote	Share(s)	Percentage (%)
Agree	530,956,983	99.9966
Disagree	18,000	0.0034
Abstained	100,000	
Invalid ballot	0	
Total vote(s)	530,974,983	100.0000

Agenda 7 To consider the directors' remuneration for year 2019

Mr. Pert Leevilaikulrat, the company secretary, informed the shareholders that the compensation divided into 2 categories as follows;

1. Monetary compensation:

- Allowance
- Pension (*The Executive Directors will receive only pension*).

2. Other:

- Medical treatment fee
- Pension for the independent director who retire by rotation or be an independent director for 9 years.
- Training fee to support the increase in the performance of the directors.

The Company had attached the details of the directors' remuneration 2019 and the previous year with the 2019 Annual General Meeting sent to the shareholders in advance.

Considering the director compensation rate comparing to those of companies in the familiar industry, the Company's operating result and the director's responsibility appropriateness, the Board of Director proposed the compensation of director for year 2019 within the amount 5,500,000 baht to the shareholders' consideration.

There was no question from shareholders, the company secretary asked the shareholders to consider and vote.



Resolution

The meeting approved the directors' remuneration for year 2019 in the amount not exceeding 5,500,000 baht by majority vote as follows:

Vote	Share(s)	Percentage (%)
Agree	530,984,883	99.9812
Disagree	100,000	0.0188
Abstained	0	
Invalid ballot	0	
Total vote(s)	531,084,883	100.0000

Agenda 8 To consider the appointment of the auditors and the auditor's fee for year 2019

Mr. Pert Leevilaikulrat, the company secretary, informed the shareholders that EY Office Company Limited had expertise and good experienced in auditing including the independent that appropriate for the duty. The Board of Director proposed that meeting appoint EY Office Company Limited as an auditor of the Company for year 2019. The auditor's name was:

- Ms. Watoo Kayankannawee Registration No. 5423
(She had signed on financial statement of the Company for year 2017).
- Ms.Supanee Triyanantakul Registration No. 4498
(Never signed on financial statement of the Company)
- Mr.Preecha Arunnara Registration No. 5800
(Never signed on financial statement of the Company)

One of the above has the authority to audit and express opinion towards the Company's financial statement. In the case that the auditors cannot work, EY Office Company Limited has a power to appoint other auditors to complete the task instead.

The board of director then asked the meeting to approve the auditor's compensation of 2019 which has the details from 2016-2019 are as follows;

	2017	2018	2019
Company audit fee	1,140,000	1,160,000	1,200,000
2 Subsidiaries audit fee	540,000	610,000	630,000



Others	-	-	-
Total	1,540,000	1,770,000	1,830,000

In case of other task beyond quarterly and yearly financial statement audit, the Board of director is entitled to consider specific compensation for each case.

There was no question from shareholders, the company secretary asked the shareholders to consider and vote.

Resolution

The meeting considered and resolved as follows;

- 1) Approved the appointment of the auditors from EY Office Company Limited as the Company's 2019 auditors by majority votes as follows,

Vote	Share(s)	Percentage (%)
Agree	530,987,483	99.9812
Disagree	100,000	0.0188
Abstained	0	
Invalid ballot	0	
Total vote (s)	531,087,483	100.0000

- 2) A

pproved with majority vote the auditor's fee of 2019 in the amount of **1,830,000** baht

Vote	Share(s)	Percentage (%)
Agree	530,987,483	99.9812
Disagree	100,000	0.0188
Abstained	0	
Invalid ballot	0	
Total vote (s)	531,087,483	100.0000

Agenda 9 To consider any other business (if any)

-None -



Shareholder's queries in summary

Miss Pornthip Kitichaiwat asked about the Company's strategic plan for 2019.

Miss Thitima explained to the meeting that the Company had changed its strategy. For 20 years, the Company had been focused on engineering and product quality. However, in 2018, the Company had been headed towards Customer Relationship Management: CRM more. The vision was announced as "Your Partner For Total Solutions" with the operation that fulfilled all of the customer's needs. From only a manufacturer and a seller, the Company had expanded its Totalmaterial Solutions service. The Company would manufacture or supply not only steel pipes but also any construction materials the customers needed. It would help the customers reduce their cost be it the price and time. The new product the Company would expand the investment was being a trader that supplied, sold and provided total solution to the customers.

Dr.Vicharn, Chairman of the meeting, added that for today's marketing, supply and service must cover the One Complete Set to achieve the solution for both cost and time for customers. The Company believed that customer satisfaction would lead to pleasing benefit.

Miss Pornthip Kitichaiwat queried how the Company would apply the anti-corruption policy that was waiting for approval to its subsidiaries.

Miss Viriya explained to the meeting that for the anti-corruption, the Company had sent a request for approval. The result would be announced in May 2019. The Company would consider applying the policy to its subsidiaries later.

A minor shareholder asked about the result from the first topic regarding the change in company strategy to adapt the products to match the customer need since the beginning of 2019.

Miss Thitima informed the meeting that the Company had started the operation since 2017. It resulted in the moderately increasing sales ratio regarding steel pipe and other goods. And comparing to the 2017 financial statement, the sales volume (ton) grew due to the change in strategy last year. However, the profit decreased because of global economic condition and the shrinking domestic demand. Therefore, the new strategy could create market share. The Company believed that without significant external factors, the new strategy would cause positive reaction from the customers and higher benefit.

Miss Haruthai Udommahantisuk, a minor shareholder, asked how the Company managed the receivables reported in the notes to financial statement ended 31 December 2017 number 8 Trade Receivables and Other Receivables, Trade receivables - unrelated parties. The 6-12 month overdue receivable was significantly higher when comparing between year 2017 and 2018 in both consolidated and separated financial statements. For



examples, the number rose from 1,939 million baht to 13,785 million baht. In the consolidated financial statement, the number rose from 2,040 million baht to 29,231 million baht.

Mr. Pert explained and corrected the misunderstanding about the numbers from the financial statement stated by the shareholder. The 6-12 month overdue receivable from consolidated financial statement had risen from 2 million baht to 29 million baht. The receivable from separated financial statement had risen from 1.9 million baht to 13.7 million baht. Since the Company's operating had headed more to One Stop service, the customers were contractors and industrial users. The contractors were provided with longer credit term. The Company's regular credit term is between 60-90 days. But practically, the process of billing and receiving check might prolong the credit term and led to the increase of over 6 month overdue receivables. But since such customers were continually operating, together with the Company's cash flow had high working capital, the credit term thus extended.

Dr.Vicharn, Chairman of the meeting, added that when expanding the business and customer base, credit term offered to customers was a part of the market expanding. The Company had been considered the risk and assessed and monitored the customer's ability as well.

No addition question was raised, Dr. Vicharn Aramvareekul, chairman of the meeting thanked all shareholders for attention and adjourned the meeting at 02.45 pm.

Signed _____ -signed by- _____ Chairman
(Dr. Vicharn Aramvareekul)

Signed _____ -signed by- _____ Company Secretary /
(Mr. Pert Leevilaikulrat) Minute Taker