

Thaire Life Assurance Public Company Limited
Minutes of Extraordinary General Shareholders Meeting

No. 1/2014

4 August 2014

At Victor Club, 8th Floor, Park Ventures Ecoplex
57 Wireless Road, Lumpini, Pratumwan, Bangkok

Meeting begins at 14.00 hrs.

Names of attending directors:

- | | | |
|----|---------------------------|---|
| 1. | Mr. Suchin Wanglee | Chairman of the Board of Directors |
| 2. | Dr. Kopr Kritayakirana | Independent Director, Audit Committee Member |
| 3. | Mr. Chalaw Fuangaromya | Independent Director, Chairman of Audit Committee |
| 4. | Mr. Jiraphant Asvatanagul | Director |
| 5. | Mr. Surachai Sirivallop | Director and Chairman of the Executive Committee |
| 6. | Mr. Sutti Rajitragson | Director and President |
| 7. | Mr. Oran Vongsuraphichet | Director |

Names of attending company executives:

- | | | |
|----|-------------------------------|------------------------|
| 1. | Mr. Sutti Rajitragson | Director and President |
| 2. | Ms. Navadee Ruangrattanametee | Senior Vice President |
| 3. | Mrs. Nutchakorn Suwansathit | Senior Vice President |
| 4. | Ms. Duangnaporn Phermnamlap | Vice President |

Name of attending auditor:

- | | | |
|----|----------------------------|---|
| 1. | Ms. Nongluck Phumnoi | Auditor, EY Office Limited |
| 2. | Ms. Nilnate Laopatarakasem | Senior Assistant Auditor, EY Office Limited |

Name of attending legal advisor:

- | | | |
|----|--------------------------|--------------------------------|
| 1. | Mr. Decha Maraprueksawan | Legal Advisor, C.B. Law Office |
|----|--------------------------|--------------------------------|

Absence :

- | | | |
|----|--------------------------|--|
| 1. | Mr. Apirak Thaipatanagul | Independent Director, Audit Committee Member |
|----|--------------------------|--|

Mr. Suchin Wanglee, Chairman of the Board, chaired the meeting.

The Chairman assigned the Meeting Secretary to inform the quorum to the meeting.

The Meeting Secretary informed the meeting that 96 shareholders and 191 proxy holders, totaling 287 shareholders and holding total of 469,425,014 shares, equivalent to 78.24% of all sold shares of the company attended the meeting, which could form the quorum according to the law and company's articles of association.

The Chairman, therefore, declared opening of the Extraordinary General Meeting of Shareholder No. 1/2014. Before proceeding with the matters on the meeting agenda, the Chairman introduced to the meeting the Board of Directors, the management, the auditors, the financial advisors, the independent financial advisor and the legal advisor who attended the meeting. The Chairman then assigned the legal advisor to explain to the meeting about voting procedures.

The legal advisor informed the meeting of voting procedures as follows:

- Pursuant to the Company's Articles of Association regarding vote casting, a shareholder shall have a number of votes equal to the number of shares he or she holds, with one share for one vote.
- On each agenda item, a shareholder may cast vote of either "approval," "disapproval" or "abstention" only and no split voting is allowed. To facilitate the casting of votes, the barcode system shall be used for registration and vote count. The shareholders shall be given, upon the registration, a pink voting ballot. The Company shall collect the ballots from only the shareholders and proxies who vote "disapproval" or "abstention" on each agenda item. The shareholders and proxies who disapprove or abstain from voting on any agenda item shall indicate their voting on such agenda item in the ballots and sign therein, and shall then raise their hand in order for the staff to collect the ballots. Those who vote "approval" shall not have to submit their ballots.
- In case of proxies with votes already indicated in the proxy forms, they shall not be distributed the ballots. The Company shall count votes according to the votes indicated in the proxy forms delivered. In the case where the votes are indicated for only some agenda items or the proxies are authorized to cast votes on behalf of the proxy grantors, the proxies shall then be provided with the ballots for voting on any such agenda item.
- A ballot shall be deemed invalid if
 1. More than one box is marked;
 2. Voting is split (except for custodians);
 3. The ballot bears no signature of voter;
 4. The ballot is crossed out.

The invalid ballots will be counted as part of total voting results in each agenda.

The shareholders and proxies who wish to change their vote shall cross out the unwanted box and sign therein, and then re-mark the desired box.

The Chairman asked the legal advisor and two volunteers from the shareholders to act as the inspectors to ensure the meeting and vote count are conducted transparently and correctly in compliance with the good corporate governance practice.

A shareholder was pleased to be a witness in vote counting.

The Chairman then requested the meeting to consider the matters according to the meeting agendas, which were sent to all attendants in advance.

Agenda 1: To adopt the Minutes of the Annual General Meeting of Shareholders No. 3 dated April 25,2014

The Chairman requested the meeting to consider for approval of the Minutes of Annual General Meeting No. 3 dated April 25,2014 which has been sent to shareholders together with invitation letter and asked the meeting whether any shareholder would like to propose an amendment in the said Minutes or not. No amendment proposed by shareholders.

This agenda must be approved by majority votes of shareholders present and voting.

The meeting considered and unanimously resolved to approve the Minutes of Annual General Meeting No.3 dated April 25, 2014 with following votes:.

Approval	469,716,022	votes equivalent to 100.0000% of shareholders present and voting
Disapproval	0	Votes equivalent to 0.0000 of shareholders present and voting
Abstention	0	
Invalid	0	Votes equivalent to 0.0000 of shareholders present and voting

Agenda 2: To consider and approve the amendment of Clause 10. of the Article of Association

The Chairman assigned the President to propose to the meeting.

The President reported to the meeting that in order to be in line with the fact that the Office of Insurance Commission (OIC) has approved the increase of the foreign shareholding limit of the Company to be more than 49% of the total voting and issued shares pursuant to the letter of OIC No. 4220/2386 dated August 15,2013. Therefore, the board of directors would like to propose the amendment of Clause 10 of the Articles of Association of the Company by replacing with following wording :

Existing Articles of Association :

“ Clause 10. The Company's shares can be freely transferred without any restriction, except for the case that such transfer may cause the aliens to hold more that 25% of the total issued shares of the Company. However, if any transfer will increase the ratio of aggregate shares held by the aliens over the limit specified above, the Company may refuse to register such transfer of shares.”

Amending to :

“ Clause 10. The Company shares can be transferred without any restriction”

In addition, the meeting also empowered the person(s) authorized by the board of directors for registration the amendment of Articles of Association with the Department of Business Development, the Ministry of Commerce, to amend or add words in the manner as directed by the Registrar.

The Chairman inquired if any shareholders had the questions or any opinions.

Below are the queries from the shareholders.

- Was the lifting of foreign ownership limit a temporary or a permanent measure? Would there be any capital increase? Would the increase of foreign shareholding to exceed 49% take place by this year? The Executive Committee Chairman explained that the measure was valid for 10 years and the Company would not make any capital increase but would only amend its Articles of Association to be in line with the principles approved by OIC. The Chairman added that the amendment to the Company's Articles of Association was in consequence of the remedial measures implemented by Thai Reinsurance Plc. (“THRE” or “Parent Company”) to cope with the massive flood incidents erupting in 2011. Such measures called for a capital increase and foreign shareholding of more than 49%, thereby leading THRE to become a foreign juristic entity and to seek permission thereof from OIC. Accordingly, the Company, as a THRE subsidiary, was also defined as a foreign juristic entity. OIC therefore granted the same permission to the Company for 10 years. In this relation, the foreign shareholding must be lowered to the level not exceeding the 49% threshold within the said 10-year period. After all, the Company had no intention to amend the foreign limit for any other foreign investors.

- Under the Life Insurance Act, was it compulsory for life insurance companies to be of Thai nationality? Had the Company become a foreign entity, would there be any ensuing problems pertaining to, for example, land ownership? The Chairman clarified that according to the Act, foreign shareholding was limited at 25% unless otherwise permitted by OIC case by case. For the Company, OIC granted a waiver of such foreign shareholding restriction for a period of 10 years, after which the Company must be reinstated as a Thai entity. The Executive Committee Chairman explained that land ownership was governed by the land act and any approval/waiver was to be sought case by case.

- How many foreign shareholders were there in the Company? The Secretary replied that there were currently 25 foreign shareholders representing 11.4%, whereas THRE held 50.8% of the Company's shares, making up 62.2%.

- If this issue was not approved, what would happen to the Company? The Chairman explained that since the Company already had THRE, which will be a foreign entity, as a shareholder holding 50.8%, the Company itself will automatically be defined as a foreign entity. The shareholder suggested that this matter should first be approved by the Company's shareholders' meeting before seeking approval from THRE shareholders' meeting. The Chairman clarified that approval was to be separately sought from a shareholders' meeting of each entity and THRE shareholders' meeting already passed the relevant approval this morning.

No more inquires or opinion from the shareholders.

The resolution in this agenda shall be approved by not less than three-fourths of the total number of votes of shareholders attending the meeting and having right to vote.

The meeting resolved by majority to approve the amendment of Clause 10 of the Articles of Association with the following votes :

Approval	470,114,762	votes equivalent to 100.0000% of shareholders present and having right to vote
Disapproval	0	Votes equivalent to 0.0000 of shareholders present and having right to vote
Abstention	4,360	Vote equivalent to 0.0000 of shareholders present and having right to vote
Invalid	0	Votes equivalent to 0.0000 of shareholders present and having right to vote

Agenda 3: Other matters (if any)

The Chairman let the shareholders to ask questions which were follows:

- Would the foreign shareholder ask for any director seats in the Company? The Chairman replied that there would not be any such request. In fact, the Company's major shareholder was THRE, which itself had two foreign directors who had no involvement in the Company.

- How many distribution channels did the Company have? How much income could each channel bring in? Would there be any additional channels? The President explained that the Company provided reinsurance through life insurance companies by reinsuring the excess of customers' retention. The Company also offered non-conventional reinsurance business such as DRTV project. Another type of life insurance reinsured by the Company was high-sum insurance such as credit life insurance where the credit amount exceeded the insurer's retention and would then be reinsured by the Company. Revenues from conventional and non-conventional reinsurance were in a ratio of 75% and 25% respectively. The Executive Committee Chairman added that revenues from all lines of products were composed of accident and health insurance, 29%; credit life insurance, 25%; ordinary life insurance under DRTV project, 22%; group life insurance 14%; and ordinary life insurance, 10%. The shareholders may wish to know as to whether these products could earn a favorable gross profit margin. The best performer was DRTV which recorded a gross margin of around 50% before profit appropriation and a net margin of about 30% after profit appropriation. Ordinary life insurance and credit life insurance generated a gross profit margin of over 30%, while group life insurance brought in the lowest margin of only 2%-3% due to stiff competition in this segment. Accident and health insurance recorded a

gross profit margin of roughly 20%. In overall, the total gross profit margin was 26%-27%. In the previous year, combined ratio was very good but this could not be expected to last forever.

- What was the Company's market share for this year? How many life insurance companies in Thailand were the Company's customers? The Executive Committee Chairman replied that the Company could this year capture a market share of 23%, rising from last year's 19% as contributed by non-conventional reinsurance which enabled the Company to increase its market share faster than other reinsurers. The President explained further that all 24 domestic life insurance companies were the Company's customers, the first six of which made up 80% of its total revenues. The Executive Committee Chairman added that the said top six companies, which were Muang Thai Life Assurance Plc., AIA Plc., SCB Life Assurance Plc., Thai Life Assurance Plc., Allianz Ayudhya Assurance Plc. and Krungthai-AXA Life Insurance Plc., occupied almost 90% market share and totally were main customers of the Company.

- What were the Board of Directors' future plans to increase the Company's market share to higher than 23%? The Executive Committee Chairman explained that the direct life insurance market could grow 14% in the past three years, while the Company in the past decade experienced an average growth rate of 32%. It was evident that the Company was founded later than other players, but could grab an increasingly higher market share. This year, the Company could achieve a market share of 23% vis-à-vis last year's market share of 19%. A shareholder inquired further about the Company's ranking. The Executive Committee Chairman replied that the Company ranked among the top three. However, the Company did not give priority to the market share, but to profit-making. In its budgeting, the Company set an ROE target of 20% and put an emphasis on qualitative growth.

- How could the Company continually increase its market share? The Executive Committee Chairman explained that the Company had the advantage of local presence and closeness to life insurers in the country. Moreover, the Company could more flexibly operate business. For instance, the Company could readily provide credit life insurance via life underwriting, which originated from banks' bancassurance transactions, whereas other reinsurers were not ready but required a financial underwriting which banks did not agree on since they would have to start anew the entire process although approval was already given. Factor prompting other reinsurers to require a financial underwriting was their fear of money laundering acts which were regarded as a criminal offence. Thus, the Company had the edge on its competitors through its local presence and acquaintance with business environment in the locality. The Company would consider offering the life underwriting to banks on a case by case basis.

- Would the offering of non-conventional products make the Company a direct life insurer? The Executive Committee Chairman explained that the Company acted as a reinsurer only and had to do all transactions through life insurance companies, as well as to rely on their sales channels. The Company was aspiring to change its role from a passive reinsurer to an active reinsurer, considering that it was a compact-sized entity and thus could not perform business in the same manner as other large reinsurers.

- In the lifting of foreign ownership limit beyond 25%, had the Company held talks with any foreign strategic partners? Was there any development? What were the benefits to the Company? The Executive Committee Chairman replied that there were a number of them approaching the Company. In the future, the Company may need to join with

a strategic partner whose business concept must be compatible with the Company's. The Company would unlikely approach no.1 or no. 2 player. In the wake of global liberalization, strategic partnership with large players would be essential. The Company itself would welcome any such business opportunity.

- What was growth in conventional and non-conventional insurance? Did stronger competition in non-conventional segment, as evident from advertising media, hinder growth in such business? Was there any chance of other reinsurers competing in the non-conventional market by offering a similar type of products? The President clarified that non-conventional products grew more than 30% and DRTV was only a part of non-conventional business. The Company believed it could offer customized products, which was a new line that it was keen to do but still was not adept in and was aware of risks involved. The Company would share risk and liability and would offer pricing and product program. Therefore, non-conventional business was not limited only to DRTV and still had a good growth prospect. While other reinsurers had not developed products exclusively for any insurance companies, the Company could better maintain close relationship with customers and joined with them in product development.

- How would the Company cope with a risk factor arising from a loss of business from foreign life insurers that would more likely take out reinsurance from their affiliates? The President explained that in the case where foreign life insurance companies were controlled in, for example, reinsurance transaction limit with each reinsurer, the Company would turn to other potential businesses such as credit life insurance. Some companies, despite their parent's policy, still sought reinsurance from the Company. The Company must build up good mutual relationship and introduce new products not yet available for customers.

- Had the Company planned on expansion to neighboring countries or AEC? The President replied that as a reinsurer, the Company must provide reinsurance for insurance companies. It was found that several of them were interested in expanding their business to AEC. If any transactions were beyond their exposure, they might reinsure such risk and there would then be room for the Company. Life insurers must be knowledgeable in various matters, including mortality rate, interest rate, and regulatory rules in each country, with which they had to familiarize themselves little by little.

- How much premium did the Company expect for this year in order to estimate the Company's potential in life reinsurance ? The Executive Committee Chairman explained that the Company expected to earn life insurance premium of 1,670 million baht this year. The industry's total premiums were forecast at 500,000 million baht, of which only 7,200 million baht or 1.1% was expected to come from life reinsurance. This was because life insurance was a tiny scale business and reinsurance was only required for risky portion, while saving portion would be retained by life insurance companies. The profit earned by life insurance companies and that generated by the Company was very different. Life insurance business and banking business were alike. Banks' cost came from interest expense, while life insurance companies did not pay interest but would bear cost from loss on underwriting only. The Company 's risk would be death cases only, recognized on a yearly basis. Risk price was based on mortality rate in Thailand. The currently applicable death rate was based on 2008 record, which was outdated for five years. Accordingly, premium payment was high, resulting in a high gross profit margin for the Company.

- How much income and profit did the Company expect to earn for the latter half of the year? The President replied that the Company usually recognized the income one quarter behind the regular business. For the whole of 2014, it expected to bring in total income of around 1,670 million baht, with faster growth seen in the second half than the first half.

- What was the degree of impact from the internal political unrest? Could the business improve hereafter? The President explained that life insurance business in overall could grow 20% in the past six months and had not been affected. Insurance was provided over a long period. Based on historical records, policy renewal amounted to over 85%. It was notable that the worse the political situation, the more people would buy insurance to cover risk to their life.

- What were the future interest rate trend and its impact on insurance business? The President explained that interest rates were on the rising trend both at home and overseas. Given a hike in interest rates in the market, life insurance would benefit from an increased spread. For the Company, the receivable funds would be invested and accordingly generate a higher rate of return.

No more questions from the shareholders.

The Chairman thank you all shareholders who devoted their time for attending the meeting and declared closing of the Extraordinary General Meeting No. 1/2014.

Meeting was closed at 15.15 hrs.

- Signed-

(Mr. Suchin Wanglee)

Chairman of the Board of Directors

-Signed-

(Mr. Sutti Rajitrangson)

Director and President