

Thaire Life Assurance Public Company Limited  
Minutes of the General Meeting of Shareholders No. 8  
Tuesday April 23, 2019  
At Victor Club, 8th floor, Sathorn Square  
North Sathorn Road, Bang Rak District, Bangkok

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The Meeting convened at 14.00 hours.

Names of attending Directors, Executives, Auditors and Legal Advisor, as listed below:

Directors:

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| 1. | Mr. Suchin Wanglee            | Chairman of the Board, Independent Director and Director of the Investment Committee  |
| 2. | Dr. Kopr Kritayakirana        | Independent Director, Chairman of the Audit Committee and Chairman of the Remuneration and Nominating Committee   |
| 3. | Mrs. Komkai Thusaranon        | Independent Director, Director of the Audit Committee, Director of the Remuneration and Nominating Committee and Chairman of the Enterprise Risk Management Committee |
| 4. | Dr. Sutee Mookhavesa          | Independent Director and Director of the Enterprise Risk Management Committee   |
| 5. | Mr. Sutti Rajitragson         | Director, Director of the Investment Committee , Director of the Enterprise Risk Management Committee and President   |
| 6. | Mrs. Nutchakorn Suwansathit   | Director, Director of the Enterprise Risk Management Committee and Senior Vice President  |
| 7. | Ms. Navadee Ruangrattanametee | Director, Director of the Enterprise Risk Management Committee and Senior Vice President  |

The number of directors attending the meeting was 87.5%

Executives:

- |    |                               |  |
|----|-------------------------------|--|
| 1. | Ms. Sirin Dhumma-upakorn      | Senior Vice President, CFO and Company Secretary |
| 2. | Ms. Duangnapa Kanchanawongwut | Vice President                                   |

Auditors:

1. Ms. Narissara Chaisuwan Partner, EY Office Limited
2. Ms. Ninnate Laopatarakasem Manager, EY Office Limited

Legal Advisor:

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

Mr. Suchin Wanglee, Chairman of the Board and Chairman of the Meeting, welcomed the attending shareholders and invited the Company Secretary to announce the quorum to the shareholders.

The Company Secretary informed the Meeting that there were 83 shareholders present in person and 149 represented through proxies, or a total of 232 shareholders, holding altogether 333,070,263 shares, representing 55.5117 percent of total shares sold. A quorum was thus constituted in accordance with the Company's Articles of Association.

The Chairman, therefore, declared the General Meeting of Shareholders No.8 open. Before continuing the Meeting, the Chairman introduced Board of Directors, Executives, Auditor and Legal who participated in the Meeting. The Chairman, then, invited the Legal Advisor to explain voting procedures and the Company Secretary to inform the Meeting that the Company had provided the opportunity to propose any appropriate issues to be included in the meeting agenda item and any qualified candidates for the directorship election.

The Legal Advisor informed voting procedures as follows:

- Pursuant to the Company's Article of Association regarding the voting, a shareholder shall have a number of votes equal to the number of shares he/she holds, with one share equals one vote.
- For each agenda item, each shareholder is eligible to cast his/her vote to either approved, or disapproved or abstained from voting. Split votes in other ways are disallowed.
- To facilitate the vote-counting process, the Company is using the barcode system in the registration and vote-counting processes. The shareholders shall be given, upon the registration, two types of voting ballot as follows:
- Green ballot shall be used for director election on Agenda No 6, to vote on this agenda item, the shareholders and proxies shall check or cross the "approved" box in case of approval, or the "disapproved" box in case of disapproval, or the "abstained" box in case of abstaining and then sign therein. When voting for the proposed number of directors is finished, the staff shall collect all ballots at the same time. Non-submission of any ballot shall be deemed as abstaining. Number of abstaining and invalid ballots shall not be included in the vote count.
- Pink ballot shall be used for all other agenda items, except for Agenda No. 6. The Company shall collect the ballots from only the shareholders and proxies who vote "disapproved" or "abstained" 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 "approved" shall not have to submit their ballots.
- In case of represented through proxies already indicated in the proxy forms, they shall not be given the ballots. The Company shall count votes according to the votes indicated in the proxy forms

delivered. In 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.

- The shareholders in present and represented through proxies who wished to change their vote shall cross out the unwanted box and sign therein, and then re-mark the desired box.
- The invalid ballots shall be deemed as abstaining and be included in the vote count only for agenda No. 7 and agenda No. 9
- A ballot shall be deemed invalid if
  1. More than one box is marked;
  2. Votes are cast for more than the required number of directors for election;
  3. Voting is split (except for custodians);
  4. The ballot bears no signature of voter;
  5. The ballot is crossed out.

The Company Secretary informed the meeting that the Company had provided an opportunity for shareholders to propose meeting agenda for this Annual General Meeting, nominate qualified candidates for director election, and submit questions relating to the meeting agenda in advance. It appeared that none of the shareholders proposed any agenda or nominated any qualified candidates for director election, but they submitted questions relating to the agenda. These pre-submitted questions would be asked at this meeting later in the session of each relevant agenda item.

To comply with good Company governance for the General Meeting of Shareholders in vote-counting processes, the Chairman invited the Legal Advisor and two shareholders from the floor to witness the vote-counting at this Meeting.

The Chairman, then, requested that the Meeting proceed to other items on the agenda which had been delivered to the shareholders

#### **Agenda 1: To consider and adopt the Minutes of the Annual General Meeting of Shareholders No. 7**

The Chairman requested the Meeting to consider for approval of the Minutes of Annual General Meeting No.7 on 25 April 2018, which had been delivered to shareholders together with the Notice of this Meeting and asked whether any shareholder would like to propose any amendment in the said Minutes. No amendment proposed by shareholders.

The Chairman invited the shareholders to ask questions or express their opinions.

There were no questions and opinions from the shareholders.

The Chairman, then, asked the Meeting to resolve by enquiring if any shareholders disapproved or abstained. This agenda must be adopted by the majority votes of all votes of shareholders in attendance and casting votes.

Resolution The Meeting, by a majority of all shareholders in attendance and casting votes, resolved to approve the Minutes of the Annual General Meeting of Shareholders No.7 on 25 April 2018 with the following votes:

Approved	338,535,781	votes	Percentage	99.9998
Disapproved	672	votes	Percentage	0.0002
Total	338,536,453	votes	Percentage	100.0000
Abstained	5,672	votes		
Invalid	0	votes		

## **Agenda 2: To acknowledge the Board of Directors' report on the Company's business in 2018**

The Chairman assigned the President to propose to the Meeting.

The President reported the Company's performance for the year 2018 as shown in the Annual Report sent to the shareholders together with the invitation letter in advance as follows:

Before reporting the Company's operating results for 2018, I would like to present a summary of significant events occurring in 2018 as follows:

1. Life insurance premium declined due to an adjustment to the mortality table. The lowered pricing helped to induce consumers to take out more life insurance, but at the same time led the premium to increase at a decelerating rate.
2. Written premium from health reinsurance grew in tandem with consumers' greater awareness of the importance of buying health coverage.

Based on the above two factors, the Company's product portfolio mix increasingly shifted away from life insurance, which is the basic product, to health insurance, the supplement product.

3. Claims went up significantly, as recorded by the Company at THB 1.370 billion in 2018 which soared by THB 455 million due primarily to growth in health insurance.
4. Commission fees dropped by THB 45 million to THB 5 4 6 million in 2018, ascribed partly to pricing mechanism where commission charge would be reduced against an increase in claims.
5. Reserves for life insurance increased as a result of the shortening of agreement period of some long-term contracts with the ceding company. The Company would like to explain that such reserves would not affect the higher expense as whole contract term, but merely an accelerated recognition of reserves to match the shortened contract period in these few years. The benefits of such revised agreement terms were (1) a reduction in potential impacts on future reserve calculation given the adoption of a new accounting standard (IFRS 17) and (2) a decreased burden on capital resource which would enable the Company to more efficiently utilize its capital fund.
6. On the investment side, the Company in late 2017 received proceeds from sale of its shares in EMCS, thus leading to an increase in its capital fund during the year 2018 and enabling the Company to enhance efficiency in its investment portfolio within the investment framework prescribed by the OIC. Investment

was made in shares and funds that delivered a favorable rate of dividends so as to ensure the Company's ROI could reach the threshold approved by the OIC for dividend payment to the shareholders (i.e., a required average ROI, excluding gain/loss on sales of shares, of not less than 3%). As such, the Company's investment portfolio mix changed considerably in 2018.

Based on all factors described above, the Company's performance for 2018 could be reported as follows:

Total premium written grew year-on-year by 11% to THB 2.400 billion, broken down into premium from conventional reinsurance of THB 1.351 billion, up by 12%, and premium from non-conventional reinsurance of THB 1.049 billion, rising 10%.

Net investment income diminished by THB 7 million or 10% year-on-year to THB 74 million. Excluding extraordinary items in 2017, however, investment income for 2018 advanced by approximately THB 12 million.

The Company posted a net profit of THB 253 million, plunging year-on-year by 42%, with earnings per share of THB 0.42 (forty-two satang) which decreased from the prior year by THB 0.31 (thirty-one satang).

Total assets amounted to THB 2.358 billion and shareholders' equity stood at THB 1.439 billion, representing a book value per share of THB 2.4 (two baht forty satang).

Compared with the OIC's minimum capital adequacy ratio (CAR) requirement of 140%, the Company's capital fund as at December 31, 2018 was expected to be THB 1.237 billion, representing a CAR of over 391% which was far above the said regulatory requirement.

The Company's business plan for 2019 consisted of two major parts as follows:

#### Part 1 Product management

The Company was aware of the increased opportunity for health insurance underwriting, yet with control over a well balanced portfolio. A focus should also be placed on co-product development with customers, or known as non-conventional product, which had always been the Company's competitive edge and enabled its quality control. Insurance product quality could be controlled through management at each process as follows:

1. Product development/product pricing: To gain understanding of consumer behaviors and use accurate assumption that suited risk factors, including actuary's expertise.
2. Underwriting: To set requirements regarding age, gender, profession, health record, etc. and ensure the information provided was adequate for risk assessment.
3. Sale channels or sale quality: To acquire the target group that was applied in the same assumption used in the product development process, which would help align the underwritten product with the price and anticipated risk.
4. Claim management quality: To ensure claim payment was made in line with the terms and conditions.

Through the above processes, the Company could control nature of customers and determine prices, instead of acquiring customers via bid competition.

However, the Company still offered conventional products as usual, but must more strictly control the portfolio mix by limiting the underwriting volume within the established plan so as to ensure it could maintain the overall combined ratio as targeted.

## Part 2 Three-year corporate strategy to gear up for forthcoming changes

The Company would launch business plans to open up new perspectives and broaden product and service line through four key strategies as follows:

1. Product & service strategy: To expand income base by developing new products, new sale channels and new markets, along with plans to develop life and health insurance-related services that fit with customers' lifestyle.
2. Partnership strategy: To enhance business capacity through business partners, which included other reinsurers and partners in health service business.
3. Process improvement strategy: To improve operational efficiency in order to support technology, rules and regulations, and new accounting standard.
4. People development strategy: To prepare human resource for change.

The Company attached importance to operating business to achieve sustainable profit with good corporate governance, good risk management, and internal organization and human resource management. As a result, from the 2018 Corporate Governance Assessment of Thai Listed Companies by the Office of the Securities and Exchange Commission (SEC) and the Thai Institute of Directors Association (IOD), the Company achieved the CG scores of "Five Stars," or "Excellent," which was the second consecutive year of such achievement. At the same time, the Company was assigned a credit rating of A- (equivalent to "Stable") by an international credit rating agency, AM Best.

In terms of anti-corruption, the Company applied for renewal of its membership of Thailand's Private Sector Collective Action Coalition Against Corruption (CAC) in 2018 and was granted such CAC recertification on February 4, 2019. This was indicative of its tangible commitment to operating business with integrity, transparency and fairness to all groups of stakeholders under corporate governance principles. The Company communicated this to all employees by way of training and testing of their knowledge about the policy and practice guidelines on anti-corruption together with public relations via its internal communication system, and also communicated to external parties such as customers and business partners by sending letters requesting their cooperation in complying with the said policy, which was posted on the Company's website as information to stakeholders and interested persons.

The Company prepared the Sustainable Development Report 2018, which was downloadable on its website, to disclose information on its activities performed in the business process towards sustainable development.

The Chairman invited the shareholders to ask questions or express opinions.

- The Company Secretary asked the pre-submitted questions on behalf of the shareholders as follows:  
Mr. Su-Eak Piampatjai asked about why the Company's profit dropped continuously since Q3 and declined sharply in Q4 of 2018; whether causes of such declining profit were only short-lived or likely to remain; and how the Company planned to restore its profit growth.

The President explained that, as already described during Agenda 2 session, the major cause of our weaker performance was an increase in claims due to growth in health reinsurance provided by the Company in line with the greater market demand. As to our current remedial measures, the Company was controlling an appropriate product mix and speeding up development of non-conventional product which was health insurance. By focusing on non-conventional product, we could control quality and pricing better than general health products on the market. Besides, the Company was in the process of refining the strategy for product and service development and partnership to enhance business capacity.

The Company was therefore confident that our performance would improve in the not too distant future.

- Mrs. Kanung Makthiranuwat, a shareholder, inquired whether the Company, as a reinsurer, had its own sales agents and who was to be responsible for claims in case losses were incurred to customers.

The President replied that the Company was a reinsurer and, thus, did not have any sales agents to directly contact the insured. Since our clients were life insurance companies, our sales department would contact and work through life insurance companies only.

- Mrs. Kanung Makthiranuwat, a shareholder, asked whether there were any foreign investors holding shares in the Company.

The President answered that there was only a small amount of foreign shareholding in the Company.

- Mr. Thitipong Sophon-udomporn, a shareholder, asked why revenues had steadily increased whereas net profit did not grow at the same pace and even fluctuated in recent years, as illustrated by the historical statistics shown on page 130 of the Annual Report, and also inquired whether the increase in loss ratio from 44% to 60%, as shown on page 122, was not unusual, why the ratio had increased, how the Company would reduce it, and, if the 60% ratio was not a normal rate, what the Company's target ratio was.

The President clarified as follows:

1. As regards the question about net profit and revenues which did not grow in a consistent direction, it stemmed from the margin of the two main product lines: basic and supplement products. Basic product, which was life insurance, normally delivered a higher margin than supplement product, which consisted of a variety of rider products which mainly from health insurance. Over the past couple of years, the Company's written premium from health product increased at a faster pace than the premium from basic product in line with market demand, which relatively led to a change in our product mix and a decline in our profit margin.

2. The Company implemented co-product development with our customers in order to deliver non-conventional product for which we could set pricing in alignment with the anticipated amount of claims.

3. The Company could review terms and conditions upon every yearly contract renewal. Since most of the supplement products covered a short agreement term with yearly renewal, we could review the agreement based on its performance and could then quote a new price so as to regain the target margin rate. However, the new price quotation may cause customers to decline to renew the agreement. Despite a loss of premium income from these customers, we could mitigate a higher risk from claims.

4. Our expected loss ratio is approximately 50%.
- Mr. Thitipong Sophon-udomporn, a shareholder, drew attention to information on pages 30-31 of the Annual Report showing the total nationwide premium of THB 627.387 billion, reinsurance premium of THB 12.159 billion and the Company's written premium of THB 2.400 billion, and asked how the Company would increase its market share.

The President explained as follows:

1. The premium of THB 627.387 billion was the total premium of the entire market that also included premium relating to investment product. Reinsurance would cover only the part that needed risk coverage. Reinsurance premium of the business sector totaled THB 12.159 billion in the past year, growing by about 9.9%. Apparently, the Company could outperform the business sector.

2. Direct insurance companies mostly were affiliates of multinational insurers and, thus, had a policy on reinsurance placement with overseas reinsurers, which accordingly was a hindrance to approach our products to them. However, we have the business with all ceding parties, but in different amount with each party.

3. The Company tried to maintain a market share at 20% and a higher premium growth rate than the market's by way of co-development of non-conventional products with our customers, which was our competitive edge against international reinsurers.

- Mr. Ponlawit Konupraphan, a shareholder proxy, inquired whether the Company still participated in the Senior OK Project, which was now being faced with problems, and whether there would be any projects that required huge selling expenses like the previous projects.

The President replied that the Company currently offered life insurance for the elderly through online media, which was less costly as sales via television commercials. The previous problem facing the entire business sector that buyers received incomplete information via TV spot which, due to the limited airtime, had to communicate concisely to the audience, causing consumers to fail to profoundly understand the whole agreement terms and conditions.

- Mr. Tavorn Chuanromanee, a shareholder, asked what the combined ratio for health product was when compared with the Company's total combined ratio of 89.4% and whether it incurred a loss.

The President explained that the combined ratio for health product in the past year exceeded 90%, which still did not incur a loss. On a case by case basis, some contracts had a combined ratio of more than 100%. In this respect, the Company implemented measures to improve our underwriting performance.

The Chairman added that the Board of Directors had held discussions regarding the guidelines on underwriting of such product and viewed that, although the high combined ratio of health product relatively pushed up the total combined ratio, we should, insofar as health product remained profitable, continue underwriting the product in an appropriate proportion.

After all, the additional reserve of THB 80 million set aside in 2018 also led to a drop in profit and an increase in the combined ratio of around 3%.



- A shareholder remarked that the overall health product market in Thailand encountered problems in consumers' disbursement of medical benefits and concealment of the truth about their health condition at the time of application, and then asked how the Company would cope with such problems, apart from premium increase at renewal, and what approach it would take to make the health product sustainable.

The President explained that both the insurance business and the regulatory authorities were aware of the problems and were working together through various measures such as request for medical diagnosis reports where healthcare expenses were affected, examination as to whether the length of hospital stay was reasonable, or, in some cases, cancellation of fax claims in which case patients had to advance the medical expenses and make reimbursement afterwards, in a bid to control and mitigate risk incidental to the claim management process, coupled with the government measure for medicine price control on hospitals.

These problems directly affected consumers as a whole such that those who did not make a claim would have to buy expensive products as well. Therefore, the Company and the entire industry endeavored to increase consumers' knowledge and understanding about reasonable claims to ensure fair and appropriate health insurance premium for all parties, with hopes for health product improvement in the long term.

- Mrs. Kanung Makthiranuwat, a shareholder, asked for explanation about the investment in TKI and inquired whether it was profitable and whether the Company planned to make investments in any other ASEAN countries apart from Laos.

The President explained that it was an investment in a life insurance business, TKI Life, in Lao PDR for 32.5% of TKI Life's capital or amounting to more than THB 20 million approximately, which was one of the ways of our business expansion in ASEAN. The investment had not yet generated a profit because, during the initial operational period of life insurance business, fund was to be used primarily for building the business and forming broker teams.

Besides, in doing business in ASEAN, the Company as a reinsurer could also provide reinsurance to other life insurance companies overseas, which already was a part of our business plan. However, it would take a certain period of time for the overseas business operation to come to fruition.

- Mr. Somchai Kunakornporamat, a shareholder, inquired about the past and future product mix between life and health insurance and about the Company's focus on which product in order to minimize loss and grow profit.

The President replied as follows:

- As at present, health product had not incurred any loss, but delivered a lower profit margin than that of life product.
- As for the product portfolio mix which consisted of basic product or life insurance and supplement product or rider, whereby more than half of supplement product was health product, our historical records showed a portfolio mix between basic and supplement products of 60:40. As described earlier, there had been a growing demand for health product, which accordingly led to a change in

such product mix to 55:45 in the past year. In particular, health product alone accounted for around 28% of written premium in the past year. For our future plan, the basic to supplement products should not exceed 50:50.

- To increase the margin of health product, we would co-develop non-conventional products with our customers, whereby we could control quality, instead of acquiring business via price competition. This could create a win-win situation for consumers, ceding companies and reinsurance companies.
- Mr. Supakorn Shinpongpaiboon, a shareholder, inquired whether the insurance reserve set aside by the Company was simply to comply with IFRS17 in advance and, since it had an impact on financial statements, why the Company deemed it appropriate to take such action.

The President clarified as follows:

- IFRS 17 Insurance Contracts was likely to come into force in Thailand by 2023 following which a dramatic change was expected in the method for recognition of income, expenses and reserves. The details and interpretation of such accounting standard were still under preparation and not yet completed.
  - The Company calculated reserves in accordance with the existing accounting standard which we had all along applied to long-term life insurance contracts whereby we would gradually set aside reserves by the actuarial method for benefits and claims under contracts in the future, instead of recognizing the full amount of expenses in the year the claims occurred.
  - The impact of a significant increase in reserves on our 2018 performance stemmed from amendment to conditions of some contracts which had a long-term obligation. Despite the premium income from yearly contract renewal, the adoption of IFRS17 could have a crucial effect on recognition of income and reserves under the new calculation method. To mitigate risk from such uncertainty, the shortening of contract period, or recapture, was therefore deemed as preparedness for such potential outcome.
  - The said increase in reserves would, over the long-term contract period, not constitute a greater amount of recognized expenses, but merely an accelerated recognition of reserves to match the shortened contract period. Rather, the value of full reserves for the whole contract would decrease in line with the lowered obligation.
  - As a consequence of the accelerated recognition of reserves, the Company had to record an extraordinary increase in life insurance reserves in the past year and this year and a slight increase for next year.
- Mr. Supakorn Shinpongpaiboon, a shareholder, inquired about management of claim expenses for health product and asked how the Company controlled the hospital claim processing.

The President explained that the Company implemented claim quality management through collaboration with our ceding customers. Both the insurance business sector and several regulatory authorities were aware of this problem and were working together to ensure medicine prices, medical diagnosis that affected medical expenses, and length of hospital stay were reasonable.

- Mr. Nipat Theptrakanporn, a shareholder, expressed concern about the overall business operation in the future since the MD&A on the Company's operating results pointed to concerns over, for instance, the slower premium growth rate of conventional product, the high amount of claims for health product, and the required rate of return on investment (ROI) which had been made a condition for dividend payment.

The Chairman and the President jointly explained as follows:

- The OIC's minimum ROI requirement of 3% would be calculated on interest and dividend income only. Based on the total return on investment, the Company's ROI exceeded 4%.
- The slower growth in conventional product was attributed to the adjustment to the mortality table, as described earlier, which accordingly prompted the Company to focus on non-conventional product development in order to increase the opportunity to grow faster than the business sector.
- To cope with the huge claim amount of health product, the Company adopted measures to redress the balance between underwriting and quality under the combined ratio target.

Dr. Kopr Kritayakirana, as Chairman of the Audit Committee, explained that the Company had over the past several years enjoyed a satisfactory return on equity (ROE). Its 2018 results, however, were concurrently impacted by some short-term factors as follows:

- Life insurance premium grew at a decelerating pace due to the downward revision of the mortality table nationwide. This could initially lead to a decline in new premium rates, but it would in the long run induce consumers to increasingly buy insurance, thus boding well for the Company.
  - Another factor was the accelerated recognition of life reserves which resulted from the shortening of long-term contract period by the Management, as explained earlier. The reserves were not actually paid out, but were merely an estimate of future expenses to set aside the amount as reserves for the next 2-3 years. Claims made under those contracts would then be paid for from such reserves.
  - The 2017 profit was partly derived from recognition of an extraordinary income from sale of shares in EMCS. Thus, when compared with 2017 without selling EMCS's stocks, 2018 ROI was improved.
- Mr. Nipat Theptrakanporn, a shareholder, asked which of the three factors explained by Dr. Kopr Kritayakirana had the most impact on a plunge in ROE from 30% to 17% in 2018.

The President replied that it was the accelerated recognition of life reserves of about THB 80 million in 2018 and another THB 80 million in 2019, which would then decrease to a small amount in 2020. The said reserves were calculated for only such one single contract. If there were additional contracts made

during the year, the reserves would be increased/decreased based on the calculation under the assumptions for any such contracts.

The Chairman provided an opportunity for the shareholders to ask questions or express opinions.

There were no questions and opinions from the shareholders.

Resolution The Meeting acknowledged the Board of Directors' report of activities for the year 2018.

### **Agenda 3: To approve the financial statements for the year ended 31 December 2018.**

The Chairman assigned the President to explain to the Meeting.

The President asked the Meeting to consider approving the Financial Statements for the year ended 31 December 2018, as shown in the annual report which had been delivered to the shareholders together with the Notice of this Meeting. The Financial Statements had been audited by an independent certified public accountant and considered by the Audit Committee.

The Chairman provided an opportunity for the shareholders to ask questions or express opinions.

The Chairman, then, asked the Meeting to resolve by enquiring if any shareholders disapproved or abstained. This agenda must be adopted by the majority votes of all votes of shareholders in attendance and casting votes.

Resolution The Meeting, by a majority of all shareholders in attendance and casting votes, resolved to approve the Financial Statements for the year ended 31 December 2018 with the following votes:

Approved	346,172,096	votes	Percentage	99.9998
Disapproved	672	votes	Percentage	0.0002
Total	346,172,768	votes	Percentage	100.0000
Abstained	15,672	votes		
Invalid	0	votes		

### **Agenda 4: To approve the appropriation of net profit for the dividend payment.**

The Chairman assigned the President to propose to the Meeting.

The President reported the Meeting that the Company has adopted a dividend payment policy which dividend will be paid out at rate of not less than 40% of net profit. The Board of Directors proposed the Meeting to approve an appropriation of profit from the 2018 operating results as follows: the Company's separated net profit totaled Baht 255 million or Baht 0.43 per share, the remaining dividend payout at the rate of Baht 0.15 per share, an interim dividend payout at the rate of Baht 0.20 per share on September 2018, totaling 2018 dividend payment on ordinary shares was Baht 0.35 per share, equivalent to the total of Baht 210 million. The remaining retained earnings would be carried forward.

According to the Life Insurance Act B.E. 2535, the dividend payment must be approved by the Office of Insurance Commission (OIC) and the Company will keep the shareholders informed the date of payment accordingly.

The Chairman invited the shareholders to ask questions or express their opinions.

There were no questions and opinions from the shareholders.

The Chairman, then, asked the Meeting to resolve by enquiring if any shareholders disapproved or abstained. This agenda must be adopted by the majority votes of all votes of shareholders in attendance and casting votes.

Resolution The Meeting, by a majority of all shareholders in attendance and casting votes, resolved to approve the appropriation of profit and dividend payment with the following votes:

Approved	346,172,096	votes	Percentage	99.9998
Disapproved	672	votes	Percentage	0.0002
Total	346,172,768	votes	Percentage	100.0000
Abstained	15,672	votes		
Invalid	0	votes		

**Agenda 5: To approve the increase of the number of directors.**

The Chairman assigned Chairperson of Remuneration and Nominating Committee to propose to the Meeting.

The Chairman of Remuneration and Nominating Committee reported to the Meeting that, In order to be in accordance with the expansion of business strategy and to make the Board's structure and composition more effective and more variety in professional skill. Therefore, propose that should increase in the number of new directors by 2 persons and reorganized the Board of Directors from 8 to 10 persons.

The Chairman invited the shareholders to ask questions or express their opinions.

The Chairman, then, asked the Meeting to resolve by enquiring if any shareholders disapproved or abstained. This agenda must be adopted by the majority votes of all votes of shareholders in attendance and casting votes.

Resolution The Meeting, by the majority votes of all shareholders in attendance and casting votes, resolved to approve the increase of the number of directors with the following votes:

Approved	345,920,896	votes	Percentage	99.9272
Disapproved	251,872	votes	Percentage	0.0728
Total	346,172,768	votes	Percentage	100.0000
Abstained	15,672	votes		
Invalid	0	votes		

**Agenda 6: To re-elect directors to succeed those completing their terms and the appointment of 2 new directors.**

The Chairman assigned Chairperson of Remuneration and Nominating Committee to propose to the Meeting.

The Chairman of Remuneration and Nominating Committee reported to the Meeting that, under the Company's Article of Association, the member of the board should be between 5 to 15 directors and one-third of them shall retire by rotation at every General Meeting of Shareholders. At present, the Company's Board of Directors consists of 8 directors, 3 directors shall retire by rotation were:

<u>Directors</u>	<u>Position</u>
1. Ms. Navadee Ruangrattanametee	Director and Director of Enterprise Risk Management Committee
2. Mr. Suchin Wanglee	Chairman, Independent Director and Director of Investment Committee
3. Mrs. Komkai Thusaranon	Independent Director, Director of the Audit Committee and Chairman of Enterprise Risk Management Committee and Director of the Nominating and Remuneration Committee

And to follow the principles of good corporate governance and there are interest in this agenda. The Chairman of Remuneration and Nominating Committee invites all three of them to leave the meeting. The three directors who will be retired for this agenda are Ms. Navadee Ruangrattanametee, Mr. Suchin Wanglee and Mrs. Komkai Thusaranon expressed their willingness to be re-elected as directors for another term. The Company had provided the opportunity for shareholders to propose any qualified candidates for directorship election prior to the General Meeting of Shareholders schedule. There were no shareholders proposing a candidate for the directorship election via our website.

The Nominating and Remuneration Committee considered the composition of the board and all required qualifications of each person who may become the Company's director under the applicable laws and the Company's Article of Association, including the individual assessment, the Committee agreed to propose the three retired directors, namely Ms. Navadee Ruangrattanametee, Mr. Suchin Wanglee and Mrs. Komkai Thusaranon to the Minutes of the General Meeting of Shareholders to re-elect for another term.

According to strategy of the company and restructuring of the Board of Directors, The Chairman of Remuneration and Nominating Committee considered to propose the new directors are Mr.Oran Vongsuraphichet and Mr.Tarate Poshyananda. So that, the company has ten directors.

Before voting, the chairman of remuneration and nominating committee stated that the Public Company Act prohibits a director to operate business, take partnership or hold share in another juristic person, which has the same status and is competition with the Company's activities, unless the Meeting has been notified before resolution is made for appointment. To comply with the said law, The President informed that Ms. Navadee Ruangrattanametee, Mr. Suchin Wanglee, Mr.Oran Vongsuraphichet and Mr.Tarate Poshyananda are not directors or executives in the Company which operate the same business and may compete with the Company. While Mrs. Komkai Thusaranon is Chairman of the Executive Board of Directors of Bangkok Life Assurance PCL. Which is one of Company's clients. She is knowledgeable, capable with various experience in life insurance which is

beneficial to the Company and his profile was already delivered to shareholders for consideration with the Notice to this Meeting.

The Chairman of Remuneration and Nominating Committee provided an opportunity for the shareholders to ask questions or express opinions.

- Mr. Thitipong Sophon-udomporn, a shareholder, questioned whether Mr. Oran Vongsuraphichet, who would be elected as a new director of the Company, would be able to dedicate sufficient time to fully perform his duty since he also served as CEO of Thai Reinsurance PCL. with which he already had a huge work burden.

Chairman of the Nominating and Remuneration Committee explained that the Nominating and Remuneration Committee had nominated Mr. Oran Vongsuraphichet as the Company's director. He would be able to assist in policy-making which would be beneficial to the Company. He was capable of additionally undertaking such duty since it was a non-executive task.

The Chairman of Remuneration and Nominating Committee, then, asked the Meeting to vote for election by announcing the proposed directors individually. The Legal Advisor and two shareholders to witness the vote-counting. Result of voting was as follows:

Resolution The Meeting resolved to re-elect Ms. Navadee Ruangrattanametee for another term

Approved	333,156,902	votes	Percentage	99.6886
Disapproved	1,040,693	votes	Percentage	0.3114
Total	334,197,595	votes	Percentage	100.0000
Abstained	11,991,263	votes		
Invalid	0	votes		

Resolution The Meeting resolved to re-elect Mr. Suchin Wanglee for another term

Approved	334,196,502	votes	Percentage	99.9998
Disapproved	793	votes	Percentage	0.0002
Total	334,197,295	votes	Percentage	100.0000
Abstained	11,991,563	votes		
Invalid	0	votes		

Resolution The Meeting resolved to re-elect Mrs. Komkai Thusaranon for another term

Approved	334,196,902	votes	Percentage	99.9998
Disapproved	793	votes	Percentage	0.0002
Total	334,197,695	votes	Percentage	100.0000
Abstained	11,991,163	votes		
Invalid	0	votes		

Resolution The Meeting resolved to elect Mr. Oran Vongsuraphichet for new directors

Approved	333,589,502	votes	Percentage	99.8180
Disapproved	608,093	votes	Percentage	0.1820
Total	334,197,595	votes	Percentage	100.0000
Abstained	11,991,263	votes		
Invalid	0	votes		

Resolution The Meeting resolved to elect Mr. Tarate Poshyananda for new directors

Approved	333,946,923	votes	Percentage	99.9250
Disapproved	250,672	votes	Percentage	0.0750
Total	334,197,595	votes	Percentage	100.0000
Abstained	11,991,263	votes		
Invalid	0	votes		

**Agenda 7: To approve the directors' remuneration.**

The Chairman assigned the President to propose to the Meeting.

The President proposed the Meeting that to comply with the Public Company Act B.E.2535 section 90 authorized the Meeting to determine the remuneration of directors. The directors play an important role in setting the Company's policy and regulating its operation. The directors' and sub-committees' remunerations should be appropriate with their roles and responsibilities and could be compared with other business similar.

The President, then, proposed the Meeting to consider approving the 2019 remuneration of directors

	<u>Meeting Allowance</u>	<u>Bonus</u>
1. Board of Directors	Chairman : Baht 30,000/time Director : Baht 20,000/time/person Payable only to those attending a meeting	Not exceeding Baht 2.63 million by allocating to Chairman of Board 2 parts each, other directors 1 part each.
2. Audit Committee	Chairman : Baht 30,000/time Director : Baht 20,000/time/person Payable only to those attending a meeting	None
3. Remuneration and Nominating Committee	Baht 20,000/time/person Payable only to those attending a meeting	None
4. Investment Committee	Baht 20,000/time/person Payable only to those attending a meeting	None
5. Enterprise Risk Management Committee	Baht 20,000/time/person Payable only to those attending a meeting	None

The Chairman invited the shareholders to ask questions or express their opinions.



There were no questions and opinions from the shareholders.

The Meeting, by the votes of not less than two-thirds of all shareholders in attendance and have the right to vote, resolved to approve the remuneration of directors with the following votes:

Approved	346,042,493	votes	Percentage	99.9577
Disapproved	130,693	votes	Percentage	0.0378
Abstained	15,672	votes	Percentage	0.0045
Invalid	0	votes	Percentage	0.0000
Total	346,188,858	votes	Percentage	100.0000

**Agenda 8: To appoint an auditor and fix the auditing fee.**

The Chairman assigned the Chairperson of Audit Committee to report the appointment and the approval of audit fee to the Meeting on behalf of Directors.

The Chairman of Audit Committee reported that the Audit Committee presented the meeting to propose the appointment of the three certified public accountants of EY Office Limited for the year 2019, comprising: Ms. Narissara Chaisuwan, CPA No. 4812 and/or Ms. Ratana Jala, CPA No. 3734 and/or Mrs. Nongluck Poomnoi, CPA No. 4172 and/or Ms. Rachada Yongsawadvanich, CPA No. 4951, with a total fee of Baht 2,510,000 or 7.7% increasing from the year 2018. All four auditors have no relationship or any transaction that may cause conflict of interest with the Company. In case the said mentioned auditors cannot perform their duties, EY Office Limited will provide other certified public accountants of its office to audit account and make opinion to the Financial Statements instead.

Pursuant to the SEC Notification, a listed company must rotate its auditor after that auditor had performed duties in reviewing/auditing and expressing opinion on its financial statements for a total of seven fiscal years, regardless of consecutiveness, and, after a lapse of at least five consecutive fiscal years, such auditor could be reappointed to perform the audit services for the company. In this respect, Ms. Narissara Chaisuwan, the auditor, had thus far performed duties in reviewing/auditing and expressing opinion on the Company's financial statements for one fiscal year.

The Chairman invited the shareholders to ask questions or express their opinions.

- Mrs. Kanung Makthiranuwat, a shareholder, inquired about the reasons for an increase in the audit fee.

The President assigned Head of Accounting and Finance Department to answer the question.

Ms. Sirin Dhumma-upakorn, Head of Accounting and Finance Department, clarified that, in the past year, the Company earned a higher amount of premium, with an increase in types of contracts requiring calculation of claim reserves, or IBNR, together with calculation of life insurance reserves. The audit office accordingly informed the Company of the greater amount of time required for performing an audit as well as the need for an increasing number of its overseas actuaries to assist in the audit. The audit fee had been proposed after enquiries in details and negotiations were made with EY Office.

Ms. Narissara Chaisuwan, the certified public accountant, additionally explained that the increased amount of work of the Company would relatively require additional working hours in the audit of the financial statements. For this accounting period, the higher audit fee resulted mainly from additional costs of hiring actuaries to help review adequacy of the calculated reserves for life insurance set aside by the Company. The actuaries were independent and would review reasonableness of the assumptions applied by the Company to its business.

- Mrs. Kanung Makthiranuwat, a shareholder, inquired whether the auditor performed the audit once every quarter or for how many working hours.

Ms. Narissara Chaisuwan, the certified public accountant, replied that the audit office could not provide the figures requested, but the proposed audit fee was calculated based on the amount of work determined by the actuaries.

There were no questions and opinions from the shareholders.

The Chairman, then, asked the Meeting to resolve by enquiring if any shareholders disapproved or abstained. This agenda must be adopted by the majority votes of all votes of shareholders in attendance and casting votes.

Resolution The Meeting, by the majority votes of all shareholders in attendance and casting votes, resolved to approve Ms. Narissara Chaisuwan, CPA No. 4812 and/or Ms. Ratana Jala, CPA No. 3734 and/or Mrs. Nongluck Poomnoi, CPA No. 4172 and/or Ms. Rachada Yongsawadvanich, CPA No. 4951 of EY Office Limited, to be the Company's certified public accountants for the year 2019 and fix the total fee of Baht 2,510,000. In case the above mentioned certified public accountants cannot perform their duties, EY Office Limited would provide other certified public accountants of its office to perform auditing duty and to make opinions to the Financial Statements of the Company in substitution for the said certified public accountants with the number of votes as follows:

Approved	345,132,514	votes	Percentage	99.6994
Disapproved	1,040,672	votes	Percentage	0.3006
Total	346,173,186	votes	Percentage	100.0000
Abstained	15,672	votes		
Invalid	0	votes		

**Agenda 9: To Approval of the amendment of Clause 27 and Clause 33 of the Articles of Association.**

The Chairman assigned the President to propose to the Meeting.

The President proposed the Meeting that The Company intends to amend its Articles of Association to include the alternative to arrange the meetings of the Board of Directors via electronic means as well as to revise the rights of shareholders in relation to their requests to call for extraordinary general meetings of shareholders by the virtue of the Announcement of the National Council for Peace and Order and the Directive of the Head of the

National Council for Peace and Order. The Articles of Association of the Company by replacing with the following wording:

Existing:           “Clause 27.     In calling a meeting of the Board of Directors, the Chairman of the Board or the director designated by him shall send a notice of the meeting to the directors at least seven days prior to the date of the meeting. However, where it is necessary and urgent to preserve the rights or interests of the Company, a meeting may be called by other methods and an earlier date of the meeting may be determined. The selected venue of the meeting may not necessarily be the locality in which the Company's head office is situated. The meeting may be held at any other place as deemed appropriate by the Chairman of the Board or the director designated by him”

Amended:           “Clause 27.     For calling a meeting of the Board of Directors, the Chairman of the Board or the director designated by him shall send a notice of the meeting to the directors at least seven days prior to the date of the meeting. However, where it is necessary and urgent to preserve the rights or interests of the Company, a meeting may be called by other methods and an earlier date of the meeting may be determined. The selected venue of the meeting may not necessarily be the locality in which the Company's head office is situated. The meeting may be held at any other place as deemed appropriate by the Chairman of the Board or the director designated by him. Or the meeting may be held via electronic means, provided that such meeting shall be held in accordance with the laws, regulations, notifications, requirements or any other relevant rules that are currently applicable or as may be amended in the future. The notice of the meeting of the Board of Directors may be served via electronic means, subject to requirements under the applicable laws.”

Amended:           “Clause 33     The board of directors shall call a shareholders meeting which is an annual ordinary general meeting of shareholders within four months of the last day of the fiscal year of the company.

Shareholders meetings other than the one referred to in the first paragraph shall be called extraordinary general meeting. The board of directors may call an extraordinary general meeting of shareholders at any time the board considers it expedient to do so, or shareholders holding shares amounting to not less than one-fifth of the total number of shares sold, or shareholders numbering not less than twenty five persons holding shares amounting to not less than one-tenth of the total number of shares sold may submit their names in a request directing the board of directors to call an extraordinary general meeting at any time, but the

reasons for calling such meeting shall be clearly stated in such request. The board of directors shall proceed to call a shareholder meeting to be held within one month of the date of receipt of such request from the said shareholders.”

Existing: “Clause 33 The board of directors shall call a shareholders meeting which is an annual ordinary general meeting of shareholders within four months of the last day of the fiscal year of the company.

Shareholders meetings other than the one referred to in the first paragraph shall be called extraordinary general meeting. The Board of Directors may call an extraordinary general meeting of shareholders at any time the Board considers it appropriate to do so, or one or more shareholders holding shares not less than 10 percent of the total number of shares sold, may request in writing to the Board of Directors to call an extraordinary general meeting at any time, but the subjects and reasons for calling such meeting shall be clearly stated in such request. In such case, the Board of Directors shall proceed to arrange a shareholder meeting within 45 days from the date of receipt such request from the shareholders.

In case the Board of Directors does not hold the meeting within the period set out in paragraph 2, the shareholders who subscribe their names or other shareholders holding the number of shares as required may call the meeting within 45 days from the completion of the period set out in paragraph 2. In this regard, such meeting shall be considered as the shareholders’ meeting called by the Board of Directors, and the Company shall be responsible for any necessary expenses incurred from the meeting and appropriate facilitation.

In the case that the quorum of the meeting convened as requested by shareholders under paragraph 3 cannot be formed as required by Clause 35, the shareholders in paragraph 3 shall be responsible to the Company for any expenses incurred from such meeting.”

In the above connection, the person(s) authorized by the Board of Directors for registration of the amendment to the Articles of Association with the Department of Business Development, the Ministry of Commerce, shall be empowered to amend or add words in the manner as directed by the Registrar.

The Chairman provided an opportunity for the shareholders to ask questions or express opinions.

There were no questions and opinions from the shareholders.

The Chairman, then, asked the Meeting to resolve by enquiring if any shareholders disapproved or abstained. This agenda must be adopted by the votes of not less than three - fourths of all shareholders in attendance and casting votes.

The Meeting, by the votes of not less than three - fourths of all shareholders in attendance and casting votes, resolved to approve the amendment of Article 27 and 33 of Association of the Company with the following votes:

Approved	346,042,514	votes	Percentage	99.9577
Disapproved	672	votes	Percentage	0.0002
Abstained	145,672	votes	Percentage	0.0421
Invalid	0	votes	Percentage	0.0000
Total	346,188,858	votes	Percentage	100.0000

**Agenda 10: To consider other issues (if any).**

-None-

The Chairman invited the shareholders to ask questions or express their opinions.

- Mrs. Kanung Makthiranuwat, a shareholder, asked the Company to provide photos of all directors and executives in the Annual Report of the following years.

The Chairman and the Board of Directors agreed to make consideration on such request.

- Mr. Su-Eak Piampatjai, a shareholder, asked his pre-submitted questions as follows:
  - The Company was urged to buy back its shares as THREL share price considerably dropped below the IPO price of THB 9.50 per share.
  - The Company should consider splitting the par value of THREL shares to boost the trading liquidity.
  - The Company should organize the “Opportunity Day” event after the release of its financial statements in every quarter.

The President explained that the Company still had insufficient funds to buy back the shares at the market price and needed to use such funds for management of other investments. The shares buyback was deemed not yet necessary as it would affect the Company’s CAR which was a crucial factor for the business operation.

As for the splitting of THREL shares’ par value of THB 1 per share, the Company viewed that such par value was still appropriate and the par value splitting could not significantly help to enhance the shares’ trading liquidity. If necessary, however, the Company would make consideration on this issue jointly with the expert.

The Company in conjunction with the relevant departments would consider the request for the “Opportunity Day” event and, if it decided to host such activity, would keep the shareholders so informed on the next occasion.

There were no questions and opinions from the shareholders.

During the meeting more shareholders registered to attend the meeting, making the total number of 97 shareholders present in person and 161 represented through proxies, totaling 258 persons. Holding altogether 346,188,858 shares, representing 57.6981 percent of total shares sold.

The Chairman thanked to all shareholders for attending the Meeting, sharing their valuable views, and supporting with the Company. The Chairman declared the Annual General Meeting of Shareholders No.8 closed.

Meeting was adjourned at 16.30 hours.

(Signed)

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(Mr. Suchin Wanglee)

Chairman of the Board

(Signed)

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(Mr. Sutti Rajitragson)

Director and President