

(Translation)

## SUPALAI PUBLIC COMPANY LIMITED

Report of the 2013 Annual Ordinary General Meeting of Shareholders

22 April 2013

at Auditorium Room, the 33<sup>rd</sup> floor Supalai Grand Tower, 1011 Rama 3 Rd.,

Chongnonsee Subdistrict, Yannawa District, Bangkok 10120

Meeting started at 2.30 p.m.

Mr. Prateep Tangmatitham, Chairman of the Board of Directors presided as Chairman of the Meeting (Chairman) , thanked the shareholders for attending the 2013 Annual Ordinary General Meeting. Chairman clarified that the ordinary general shareholders' meeting was in compliance with the Company's Article of Association and Public Company Limited Act, which require that the Company must gather the ordinary general shareholders' meeting within 4 months from the end of the Company's fiscal year. The Company has its registered capital in the amount of Baht 1,770,000,000 and its paid-up capital in the amount of 1,716,553,249 with the par value of Baht 1 per share. Today, there were shareholders attending the Meeting in person totaling 763 persons holding altogether 1,037,096,849 shares, equivalent to 60.4174 % and presenting by

Present in person totaling 182 persons holding altogether 501,780,890 shares, equivalent to 29.2319 % of the total issued shares.

Proxy totaling 581 persons holding altogether 535,315,959 shares, equivalent to 31.1855 % of the total issued shares.

Thus formed a quorum according to the Company's Article of Association and Public Company Limited Act, which require at least 25 participants, either by self or by proxy, and at least a-third of the paid-up shares participated in the meeting.

For transparency in the Meeting today, the Chairman asked for volunteers representing the minor shareholders in order to observe the vote counting procedures at the counting center. The representative of minor shareholders were Mrs. Malinee Anuwatmetee and Mr. Kreangkrai Kitithronsap , the representative of Thai Investor Association was Miss Ratchadaporn Saisarai and no have representative from the Stock Exchange of Thailand.

Chairman declared that the 2013 Annual Ordinary General Meeting of Shareholders opened and then introduced members of the Company's Directors , management and external auditor presenting at the Meeting as follows:

- |                        |                  |  |
|------------------------|------------------|--|
| 1. Mr. Prateep         | Tangmatitham     | Chairman of the Board  |
| 2. Mrs. Ajchara        | Tangmatitham     | Director and Executive Vice President                                      |
| 3. Mr. Atip            | Bijanonda        | Director and Managing Director   |
| 4. Mr. Prakrit         | Pradipasen       | Independent Director and Chairman of the Audit Committee                   |
| 5. Mr. Prasob          | Snongjati        | Independent Director and Chairman of Nomination and Remuneration Committee |
| 6. Dr. Virach          | Aphimeteetamrong | Independent Director and Chairman of Corporate Governance Committee        |
| 7. Mr. Anant           | Gatepithaya      | Independent Director and Chairman of Risk Management Committee             |
| 8. Assist. Prof. Aswin | Bijayayodhin     | Independent Director   |
| 9. Dr. Prasas          | Tangmatitam      | Director   |
| 10. Mr. Tritecha       | Tangmatitham     | Director   |

- |                     |               |   |
|---------------------|---------------|---|
| 11. Mrs.Varunee     | Lapitananuvat | Senior Assistant Managing Director of Finance and Accounting and<br>Company Secretary |
| 12. Miss. Krongkaew | Limkittikul   | External Auditor of Earns and Young Office Limited                                    |
| 13. Miss Chatchada  | Kasemsomjai   | External Auditor of Earns and Young Office Limited                                    |

**Advisor to the board left the meeting**

Mr.Tawee Noonpukdee

The Chairman clarified to the Meeting that the Company has notified shareholders of the Meeting date via the Company's website during 1 October 2012 - 9 January 2013 to allow shareholders to take part in proposing agenda to be considered in this Meeting. However, no shareholder proposed any agenda. The Board of Directors decided to discuss 7 agendas on this Meeting, details as published in the invitation letter distributed to every shareholder earlier. For good corporate governance, the Company also published the Meeting invitation and agendas on the Company's website ([www.supalai.com](http://www.supalai.com)) since 27 February 2013.

The Chairman assigned Company Secretary to explain the voting method .

Mrs.Varunee Lapitananuvat, Company Secretary, informed the Meeting that the shareholders had the right to vote according to the number of shares held, wherein one share was equal to one vote. For each agenda item, each shareholder was eligible to cast his/her votes, to either approve, disapprove, or abstain from voting. Split votes in other ways were disallowed. In the vote-counting process, a resolution would require a majority vote at the Meeting, except as stated otherwise by law. In the vote counting process for every agenda item, except Agenda Items 4 regarding the election of Directors, shareholders who wished to disagree or abstain from voting on any agenda should indicate their votes on the ballot and submit them to the Company's officers for vote counting. Shareholders who approved the agenda were therefore not required to cast votes on the ballot. To count the vote approving an agenda, the Company would deduct the total votes cast in disagreement and abstentions, as well as the number of invalid ballots, from the total votes of shareholders in attendance at the Meeting. In agenda 4 concerning the election of Directors, all shareholders would be required to cast their votes on the ballots. The voting result of every agenda would be subsequently notified.

No one disputed , the Chairman asked the Meeting about the treatment on the shareholders who were late to arrive the Meeting, the Meeting allowed the late comers to participate in the Meeting and could vote on the agenda discussed when they arrived onward. Chairman asked the Meeting agreed or not. The Meeting unanimously approved such treatment so the Chairman announced the Meeting commenced.

**Agenda 1 To certify the Minutes of the 2012 Annual General Meeting of Shareholders on April 27, 2012.**

The Chairman asked the Meeting to consider adopting the Minutes of the 2012 Annual General Meeting of Shareholders. The Chairman notified that the minute has been examined and verified as correct by the Board of Directors.

No shareholders raised any questions, the Chairman proposed the Meeting to consider the matter and cast votes.

The Chairman announced the voting results

- Approval : 1,030,267,749 votes, equal to 99.2886 % of all votes of shareholders who attended and exercised their votes at the Meeting.
- Disapproval : 0 votes, equal to 0.0000 % of all votes of shareholders who attended and exercised their votes at the Meeting.

- Abstention : 7,382,066 votes, equal to 0.7114 % of all votes of shareholders who attended and exercised their votes at the Meeting.

- No invalid ballots.

**Resolution** After due consideration , the Meeting resolved, by a majority of shareholders' votes attending the Meeting and casting their votes, to approve the minutes of the 2012 Annual General Shareholders' Meeting , dated 27 April 2012.

**Agenda 2** To acknowledge the Board's report on the company's last year performance and approve Statements of financial position and income statements for the year ended December 31, 2012.

Chairman report that despite the fact that Thailand had faced a serious natural disaster at the end of 2011, it appeared that in 2012, the general economic condition had recovered quickly within just three months. As a result, the real estate business in Thailand has continued to grow. In 2012, the sales volume of Supalai Public Company Limited has increased up to Baht 21,322 million, divided into condominium sales of 74%, houses of 26%, representing a growth rate increase of 34% compared to that of 2011 when the sales amount was Baht 15,911 million.

Last year the Company has been awarded with many awards to be proud of, which is an indication of continuous creating quality goods such as :

- " **Rassadakorn Pipat** " or "The Quality Taxpayer of 2011", which was awarded by the Revenue Department under the Ministry of Finance according to the policy of "Correct, Proud to Give to the Nation".
- "**BCI Asia Top 10 Developers Awards 2012**" by BCI Asia Construction Information Company Limited and Future Arc Journal, awards were presented to the Company as a leader in the development of excellent products such as whereby the Company has been one of the 10 real estate developers of the country to receive such award.
- "**Excellent Real Estate Project Award 2012**" for Supalai Park Ville Romklao - Suvarnabhumi project in the category of "detached house" and Supalai Park Yaek Tiwanon project in the category of "condominium" from the Center for Research Information and Property Valuation of Thailand of Agency for Real Estate Affairs Co. Ltd.
- "**Joining Forces of Thai People, Maintaining Cleanliness of All Canals**" project of the Ministry of Finance for being the real estate company participating in sustainable maintenance of canals.
- "**Safe Buildings, Peace of Mind all over the City**" award was given to the Company by the Bangkok Metropolitan Administration (BMA) as an owner of Supalai Grand Tower Building for well management of safety. The Company has also received a complementary award from the "Project to Strengthen Participation in Security in Homes and Buildings" of the Department of Public Works of the BMA.

And was assigned Mr.Atip Bijanonda, Director and Managing Director, summarized performance in the past year.

Mr.Atip Bijanonda, Director and Managing Director, clarified that

- Last year the Company and subsidiaries have expanded the most in 8 provincial areas such as Chiangmai . Surat Thani , Phuket , Udonthani , Khon Khaen , Chonburi , Rayong and Haadyai Songkla .The details are as follow :

1. Chiangmai : Condominiums and detached houses
2. Surat Thani : Detached houses
3. Phuket : Condominiums and detached houses
4. Udonthani : Detached houses
5. Khon Khaen : Detached houses
6. Chonburi (Sriracha , Pattaya , Bangsan): Condominiums and detached houses
7. Rayong : Condominiums and detached houses
8. Haadyai Songkla : Condominiums and detached houses

- The sales volume of the Company has increased up to Baht 21,322 million, representing a growth rate increase of 34% compared to that of 2011. Furthermore at the end of year 2012 we had the booking to be sale contracts with approximately 2,000 million baht
- In the past year proportion of condominiums and detached houses were condominiums worth 15,879 million baht , approximately representing two third of the development project and detached houses totaled 5,534 million baht with approximately representing one third of the value of the development project. In addition, the products developed by the Company include condominiums and detached houses in order to support the direction of housing market which may be changing.  
In the 4<sup>th</sup> quarter of last year the Company has launched 3 new condominium projects and closing sales of 2 condominium projects, namely, Supalai Monte @ Wiang Chiang Mai which project value are 1,560 million baht , and Supalai Elite Sathorn- Suan Plu which project value are 1,200 million baht. Also, Supalai Light Sathorn - Charoen Rat which project value are 1,900 million baht and it could reach the sales amount up to 95% at the opening and now sales amount are 99 %.
- As of 31 December 2012 , the Company has house and/or condominium backlogs of Baht 31,257 million. The Company expects to transfer additional Baht 7,824 million of these backlogs over the year 2013, and the remaining over the year 2014 -2016. Most backlogs are condominiums because the company can transfer detached houses within a year
- As of December 2012 , the inventory of the Company was Baht 19,041 million divided into
  1. inventory which are completed and ready to transfer of Baht 3,031 million comprising
    - Baht 2,231 million of condominiums, mainly are Supalai Casa Riva Project , Supalai Park Srinakarin Project and Supalai City Home Srinakarin.
    - Baht 800 million of houses and townhouses.
  2. work under construction of Baht 16,010 million comprising Baht 6,183 million of condominiums, and Baht 9,827 million of detached houses and townhouses.  
So the company has completed products which can be sold for about one year.

#### **The 2013 Plan of the Company and its subsidiaries**

For 2013, the Company has set sales target including those of the subsidiaries in the amount of not less than Baht 26,000 million, or not less than 7,000 units, with the budget for purchasing land of approximately Baht 5,000 million. The Company plans to launch 25 new projects divided into 16 horizontal projects in Bangkok and its vicinity as well as in provincial areas, and 9 condominium projects with approximately 25,000 million baht of project value.

And was assigned Mrs.Varunee Lapitananuvat, Senior Assistant Managing Director of Finance and Accounting clarified the past financial statement of the Company and its subsidiaries.

Mrs.Varunee Lapitananuvat, Senior Assistant Managing Director of Finance and Accounting, clarified that

- The revenue from sales of real estate in the amount of Baht 11,260 million or a decrease of Baht 1,206 million or 9% from the previous year, divided into the revenue of 51% from the transfer of ownership of condominiums and the remaining 49% was from the transfer of ownership of detached houses and townhouses. The total revenues has, therefore, decreased from Baht 12,809 million of the last year to Baht 11,649 million or an decrease of Baht 1,160 million or 9%. The main reason was due to the transfer of ownership condominium project due in the fourth quarter, with 3 major projects with a number of units outstanding to be transferred will be carry forward to transfer in the year 2013 onward.
- Selling and administrative expenses was Baht 1,406 million, close to the last year, which slightly increase in line with the number of projects increased.
- Net Profit was 2,743.52 million baht or an increase of Baht 175.67 million or 7% from the last year, mainly due to the corporate income tax rate reduction from 30 % to 23 % and results in basic earnings per share was increased to 1.60 per share from last year.
- Total assets was 23,653, million baht, increased 3,158 million baht
- Total liabilities was 10,766 million baht, increased 1,404 million baht from the issuance of unsecured debentures in the amount of 1,200 million baht. Net gearing ratio was 25% as at 31 December 2012, which was decrease from the level of 40% as at December 31, 2011 because of a large number of ownership transfers, the liquidity of the Company and its subsidiaries was high and project loan was therefore repaid in a full amount. The Company and its subsidiaries have no outstanding balance of project loan with financial institution as of 31 December 2012.

The significant financial ratios were

- Net Assets Value was 7.51 baht/share or increased from 6.49 baht/share of previous year.
- Return on Equities decreased from 23 % of previous year to 21 % of this year and
- Return on Total Assets was 12 % nearly to previous year.

#### Consolidated Financial Statement

Unit : Million baht	2012	2011	Increase/ (Decrease)
Revenue from sales of real estate	11,260	12,466	(1,206)
Total Revenues	11,649	12,809	(1,160)
Net Profit	2,744	2,568	176
EPS. (baht/share)	1.60	1.50	0.10
Total Assets	23,653	20,495	3,158
Total Liabilities	10,766	9,362	1,404
Total Equities	12,465	10,750	1,715

No shareholders raised any questions. Then the Chairman asked the Meeting to consider and approve the Statements of financial position and income statement for the year ended December 31,2012, which had been approved

by the Audit Committee and audited by independent auditor. Details are presented in the 2012 Annual Report attached to shareholders along with the Notice of this Meeting.

Questions of shareholders

Name	Suggestions/Questions
<p><b>Mr.Suport Pongjindakarn</b> Minor shareholder</p>	<p>Why had the profit of 2012 increased only slightly from the previous year since the government had set out measures to reduce corporate tax from 30% to 23%, coupling with the fact that the Company had been impacted by the flood in 2011, therefore, the Company should have had profit more than before?</p>
<p><b>Mr. Prateep Tangmatitham</b> Chairman of the Board of Directors</p>	<p>The accounting standard specifies that the revenue from real estate business can be recognized after the ownership has been transferred, therefore, the sales amount of condominium of which the contract has already been made can be recognized in the next 2-3 years.</p>
<p><b>Mr.Metha Woradilog</b> Minor shareholder</p>	<p>This morning, Krungthep Turakij newspaper specified that there might be economic bubbles from the construction of condominiums, which is corresponding to what the Chairman has just said that the recognition of income in the future for the backlog of the condominiums must be made in 2-3 years' time and the Company will receive a large amount of money upon completion of the construction and after the ownership transfer. This is quite different from the construction of horizontal work of which the income can be recognized within a year. In practice, there has been signal from government sector, such as the Bank of Thailand, that business operators can collect higher amount of down payment. It can be seen that Supalai has the least amount of debt when compared with other companies in the same industry. Other companies have debt-to-equity ratio of 2-3 times as much, while Supalai has less than 1 time, resulting in confidence in the security and stability of the Company. Nevertheless, there is still some concern about income awaiting recognition, which may be fluctuated in the future.</p>
<p><b>Mr. Prateep Tangmatitham</b> Chairman of the Board of Directors</p>	<p>As regards the construction, the Company has been able to complete all the projects according to the schedule. As for the backlog, the Company requires the customers to pay down payment as high as 15 – 20% in order to prevent speculation, and from the statistics, more than 90% of the customers have ownership transferred.</p>

The Chairman announced the voting results

- Approval : 1,030,684,252 votes, equal to 99.2889 % of all votes of shareholders who attended and exercised their votes at the Meeting.

- Disapproval : 0 votes, equal to 0.0000 % of all votes of shareholders who attended and exercised their votes at the Meeting.

- Abstention : 7,381,366 votes, equal to 0.7111 % of all votes of shareholders who attended and exercised their votes at the Meeting.

- No invalid ballots.

**Resolution** After due consideration , the Meeting resolved, by a majority of shareholders' votes attending the Meeting and casting their votes, to approve the Statements of financial position and income statement for the fiscal year 2012 ended 31 December 2012 that have been audited by Ernst and Young Office Limited .

**Agenda 3** To consider the allocation of profit for the Year 2012 for distribution of dividend to shareholders at 0.65 baht per share.

The Chairman notified the Meeting that SPALI will pay dividend to shareholders approximately 45 percent of net income after tax. The Chairman clarified to the Meeting that dividend payment depend on net profit , if the Company has net loss , the Company will not pay dividend. However, in case it is necessary for the Company to use fund to expand business , the Company may not pay dividend. This year 2012, SPALI recorded a net income of 2,595 million Baht. The Company's Board of Directors considers to propose to shareholders' meeting to pay dividend form the operating performance of 2012 to shareholders at 0.65 baht/share or 43%. However, the board of director's 8/2012 resolution on 14 August 2012, had resolved to approve interim dividend payment 0.30 baht/share, the Company still has to pay the dividend for the second-half-year operations of 2012 at the rate of 0.35 Baht per share.

The dividend will pay to shareholder whose name was shown on the record date of 13 March 2013 and the closing date is 14 March 2013. The dividend payment date is 7 May 2013.

The dividend payment record

Details of Dividend Payment	2012 (proposed)	2011 (previous year)
1. Net Profit (Baht)	2,594,808,775	2,511,229,218
2. Earning per share (Baht)	1.51	1.46
3. No. of shares after net off treasury share	1,716,553,249	1,716,553,249
4. Dividend per share (Baht : share)	0.65	0.65
4.1 Interim Dividend	0.30	0.35
4.2 Dividend for the second-half- year	0.35	0.30
5. Total dividend payment (Baht)	1,115,759,611	1,115,759,611
6. Payout ratio (%)	43%	44 %

No shareholders raised any questions, the Chairman proposed the Meeting to consider the matter and cast votes.

The Chairman announced the voting results

- Approval : 1,029,703,561 votes, equal to 99.1927 % of all votes of shareholders who attended and exercised their votes at the Meeting.

- Disapproval : 8,365,700 votes, equal to 0.8059 % of all votes of shareholders who attended and exercised their votes at the Meeting.

- Abstention : 15,266 votes, equal to 0.0015 % of all votes of shareholders who attended and exercised their votes at the Meeting.

- No invalid ballots.

**Resolution** After due consideration , the Meeting resolved, by a majority of shareholders' votes attending the Meeting and casting their votes, to approve the allocation of profit for the Year 2012 for distribution of dividend to shareholders at 0.65 baht per share.

**Agenda 4 To consider to elect directors in replacement of those who are retired by rotation.**

The Chairman informed to the Meeting that every year, one-third of the directors will be retired according to the Company's Article of Association Item 14. This year, 3 directors who were due to be retired were:

1. Mr.Prasob Snongjati
2. Assist. Prof. Aswin Bijayayodhin
3. Mr.Atip Bijanonda

Practically, Mr Prasop Snongjati, Chairman of the Nomination and Remuneration Committee, would have to nominate the names of new directors to replace the ones vacating office at the end of their terms. Mr.Prasop Snongjati, unfortunately, would also vacate the office by the end of this term, therefore, the Company had appointed the other directors who were not stakeholders to be a person in charge of the election of directors.

Chairman informed the Meeting that for nominating the directors, the Company made an announcement to invite the minor shareholders to propose the names the qualified candidates for the positions of the directors via the Stock Exchange of Thailand's media channel and also on the Company's web site ([www.supalai.com](http://www.supalai.com)) from October 1, 2012 – January 9, 2013. However, none of shareholders proposed the name of candidates to the Company. The Board of Directors considered the candidates after consideration on the Nomination and Remuneration Committee. Board of Directors is of the opinion that the candidates qualified with competence, experience, good working records, and ability. Additionally, the Nomination and Remuneration Committee took into account the candidate's qualifications which are in line with the Board of Directors component and structure of the Company's Business Strategy. The Nomination and Remuneration Committee agreed to propose Mr.Prasob Snongjati , Assist. Prof. Aswin Bijayayodhin and Mr.Atip Bijanonda to be re-elected as Directors who retired by rotation. (Biography of directors and persons listed in Attachment end of the meeting notice sent to all shareholders in advance) and then.

1. Name	: Mr.Prasob Snongjati
Director Type	: Independent Director
Present Position	: Independent Director and Chairman of the Nomination and Remuneration Committee
Age	: 75 years
Nationality	: Thai
Education	: B.Commerce (Accounting) of University of Calcutta, India Cert. Industrial Development
Director Training Program	: - Directors Certification Program (DCP) from IOD - The Role of Compensation Committee (RCC) from IOD - IBM Advance Management
Former	: Director and Senior Executive Vice President of Siam Media and Communication Company Limited Director and Director of Finance of IBM Thailand Company Limited Councilor of Thailand Management Association Associated Judge of the Central Intellectual Property and International Trade Court



SPALI shareholding : 380,533 shares (include spouse's shares)

Year of Directorship : 20 years

Positions in other Non Listed Company : Chairman of the Board of Directors of Infonet (Thailand) Limited

Positions in Rival Companies / Connected Business that may cause conflict of interest : -

Meeting Attendance : Board of Directors : 12 meeting in total ; 10 meeting attended

Criteria and Procedures Selection : Approved by the Nomination and Remuneration Committee

**2. Name : Assist.Prof.Aswin Bijayayodhin**

Director Type : Independent Director

Present Position : Independent Director and Member of the Audit Committee

Age : 73 years

Nationality : Thai

Education : B.Arch. (Hons.) Chulalongkorn University  
M.Arch.(Hons.) University of Illinois at Urbana-Champaign U.S.A.

Director Training Program : - Directors Accreditation Program (DAP) from IOD  
- Audit Committee Program (ACP) from IOD

Former : Independent Director and Management Committee Director, The Government Housing Bank (GHB.)  
Assistant Professor, Faculty of Architecture, Chulalongkorn University

SPALI shareholding : - shares

Year of Directorship : 2 years

Positions in other Listed Companies: -

Positions in other Non Listed Companies : Lecturer for the Graduate Study of Chulalongkorn University,  
Thammasat University, Silpakorn University and The school of Real Estate Business  
Honorary Advisor "Real Estate Broker Association"  
Vice President of Alumni Association of Illinois University  
Advisor to the National Economic and Social Advisor Council on Infrastructure,  
Communication and Energy Task Group  
Subcommittee of The office of The National Broadcasting and Telecommunications Commission  
Advisor "The Committee of The New Parliament Construction" at Kiag Kay  
Advisor "The Committee of Property Valuation in Bangkok" Treasury Department

Advisory Committee of “The Real Estate Business Development” Thammasat University  
 President Advisor of The Thai Real Estate Business School (TREBS)  
 Advisor “The Association of Condominium”, “The Association of Housing Business”, “The Association of Real Estate Business”  
 Advisory “Trade Associations Group of Construction and Real Estate Business.”, “The Federation of Thai Industries” and Committee of “The Real Estate Business Development” of Thai Chamber of Commerce

Positions in Rival Companies / Connected Business that may cause conflict of interest : -

Meeting Attendance : Board of Directors: 12 meeting in total; 12 meeting attended

Criteria and Procedures Selection : Approved by the Nomination and Remuneration Committee

**3. Name : Mr. Atip Bijanonda**

Director Type : Authorized Director

Present Position : Director and Managing Director

Age : 55 years

Nationality : Thai

Education : B.Acc. (Finance) Chulalongkorn University  
 M.B.A (International Business) Georgia State University, U.S.A.  
 M.B.A (Finance) Mercer University, U.S.A.  
 Graduate Degree of The National Defense College of Thailand 2009

Director Training Program : - Directors Certification Program (DCP) from IOD  
 - Director Accreditation Program (DAP) from IOD

Former : Advisory Committee of Central Land Subdivision Board ,  
 Department of Land  
 Board of Real Estate Information Center of The Government Housing Bank  
 Specialist Board of Environmental Impact Assessment (EIA) of Residential Projects,  
 Office of Natural Resources and Environmental Policy and Planning

SPALI shareholding : 5,334,140 shares

Year of Directorship : 20 years

Positions in other Listed Companies: -

Positions in other Non Listed Companies : Director and Member of Executive Board , Board of Trade of Thailand  
 Chairman of Trade Associations Group of Construction and Real Estate Business, Board of Trade of Thailand

Honorary President of Thai Condominium Association  
 Advisor to Housing Business Association

Positions in Rival Companies / : -

Connected Business that may  
 cause conflict of interest

Meeting Attendance : Board of Directors : 12 meeting in total ; 12 meeting attended

Criteria and Procedures Selection : Approved by the Nomination and Remuneration Committee

Chairman clarified that the 3 retired directors should be re-elected as they had done a superb job in the past while in the post.

Company Secretary requested the Meeting consider re-electing the Directors retiring by rotation one by one. In addition, the Company would comply with the recommendations of the Office of the Securities and Exchange Commission, specifying the use of ballots in the voting for re-election of Directors to ensure greater transparency in the vote-counting procedure. All shareholders were therefore requested to cast their votes, either in agreement, disagreement or to abstain on the ballot, and the Company would collect the ballots when shareholders have accomplished their voting for all three directors.

No shareholders raised any questions and no one requested additional voting ballot, the Chairman proposed the Meeting to consider the matter and cast votes.

The chairman announced the voting results

	Director's Name	Type of Director	Approved (%)	Disagreed (%)	Abstained (%)
1	Mr.Prasob Snongjati	Independent Director	1,024,915,580 votes (98.7314 %)	5,787,601 votes (0.5575 %)	7,381,366 votes (0.7111 %)
2	Assist.Prof.Aswin Bijayayodhin	Independent Director	1,030,153,681 votes (99.2360 %)	549,500 votes (0.0529 %)	7,381,366 votes (0.7111 %)
4	Mr.Atip Bijanonda	Authorized Director	1,025,465,281 votes (98.7844 %)	5,237,900 votes (0.5046 %)	7,381,366 votes (0.7111 %)

**Resolution** After due consideration , the Meeting resolved, by a majority of shareholders' votes attending the Meeting and casting their votes, to approve to re-elect all three directors as the Company's directors for another term.

**Agenda 5** To consider 2013 allowance and remuneration for directors and advisors to the boards, Audit Committee, Nomination and Remuneration Committee and other committees appointed by the board of director.(if any)

The Chairman requested Mr.Prasob Snongjati , Chairman of Nomination and Remuneration Committee , to present this agenda item.

Mrs.Varunee Lapitananuvat , Secretary Company informed the Meeting that there was error typing in the AGM invitation letter in page 7 agenda 5 as follow :

Old

Remuneration for sub committee : Nomination and Remuneration Committee , Corporate Governance Committee , Risk Management Committee and other committee set up by the Board.		
Detail of allowance and remuneration	2013 (proposed)	2012
1. Meeting allowance		

Remuneration for sub committee : Nomination and Remuneration Committee , Corporate Governance Committee , Risk Management Committee and other committee set up by the Board.		
Detail of allowance and remuneration	2013 (proposed)	2012
(not include executive directors)		
- Chairman	25,000 baht/person/month	20,000 baht/person/month
- Director	20,000 baht/person/month	20,000 baht/person/month

**Revise**

Remuneration for sub committee : Nomination and Remuneration Committee , Corporate Governance Committee , Risk Management Committee and other committee set up by the Board.		
Detail of allowance and remuneration	2013 (proposed)	2012
1. Meeting allowance (not include executive directors)		
- Chairman	25,000 baht/person/meeting	20,000 baht/person/meeting
- Director	20,000 baht/person/meeting	20,000 baht/person/meeting

Mr.Prasob Snongjati , Chairman of the Nomination and Remuneration Committee informed the meeting that the Board of Directors of the Company, after having considered remuneration for the Directors by taking into account all details, suitability and references by comparing remuneration for various committees of the same types of business. The Board opined to propose to the shareholders to approve as considered by the Nomination and Remuneration Committee to approve remuneration and special remuneration of directors and meeting allowance of sub committees.

Remuneration and special remuneration of directors and meeting allowance of sub committees are same rate as year 2012 except meeting allowance of Chairman of sub committee such as Chairman of Corporate Governance Committee , Chairman of Risk Management Committee and Chairman of Nomination and Remuneration Committee who have more responsibilities. Then the Board opined to propose to the shareholders' meeting to approve as follow :

Detail of allowance and remuneration	2013 (proposed)	2012
<b>Remuneration for Director</b>		
1. Remuneration/month	same as year 2012	Chairman , Director and Advisor to the Board 20,000 baht/person/month
2. Special Remuneration/year	same as year 2012	Chairman , Director and Advisor to the Board 500,000 baht/person/year
<b>Remuneration for Audit Committee</b>		
Detail of allowance and remuneration	2013 (proposed)	2012
1. Remuneration/month		
- Chairman	same as year 2012	25,000 baht/person/month
- Director	same as year 2012	20,000 baht/person/month
Remuneration for sub committee : Nomination and Remuneration Committee , Corporate Governance Committee , Risk Management Committee and other committee set up by the Board.		
1. Meeting allowance (not include executive directors)		
- Chairman	25,000 baht/person/meeting	20,000 baht/person/meeting
- Director	same as year 2012	20,000 baht/person/meeting

No shareholders raised any questions, the Chairman proposed the Meeting to consider the matter and cast votes.

The Chairman announced the voting results

- Approval : 1,020,928,442 votes, equal to 98.3262 % of all votes of shareholders who attended and exercised their votes at the Meeting.
- Disapproval : 9,938,111 votes, equal to 0.9571 % of all votes of shareholders who attended and exercised their votes at the Meeting.
- Abstention : 7,441,366 votes, equal to 0.7167 % of all votes of shareholders who attended and exercised their votes at the Meeting.
- No invalid ballots.

**Resolution** After due consideration , the Meeting resolved, by a majority of shareholders' votes attending the Meeting and casting their votes, to approve 2013 allowance and remuneration for directors and advisors to the boards, Audit Committee, Remuneration Committee and other committees appointed by the board of director as proposed by the committee.

**Agenda 6** To consider the appointment of Auditor and Auditing Fee for the Year 2013.

The Chairman appointed Mr. Prakit Pradipasen, Independent Director and Chairman of the Audit Committee, to clarify to the Meeting .

Mr. Prakit Pradipasen , Chairman of the Audit Committee clarified to the Meeting that according to audit committee's proposition, asking approval from the Meeting to appoint an Ernst and Young's auditor from the following list as SPALI's auditor in 2013. The appointed auditor is responsible for auditing and providing opinion on financial reports of the company. Three auditors of Earns and Young Office Limited are as follow :

Mr. Termphong Opanaphan CPA. License No.4501 or Mrs.Chonlaros Suntasvaraporn CPA. License No.4523 or Mr.Supachai Phanyawattano CPA. License No.3930

Proposed auditors must not have benefit or interest from the Company, affiliated company, associated company, related company or majority shareholder of the Company; which enable auditors to independently audit and provide opinion on financial reports of the Company.

The auditor of SPALI and its subsidiaries is the same person. In 2012, Mr. Supachai Phanyawattano was the auditor to 4 subsidiaries i.e. Supalai Property Management Company Limited, Supalai Northeast Company Limited, Phuket Estate Company Limited, and Haadyai Nakarin Company Limited.

The board of directors proposed by the Audit Committee agreed that setting annual audit fees for year 2013 proposed at shareholder's meeting, increased from 1,930,000 Baht to 1,970,000 or increased by 2 %. Auditing office has increased the audit fees of subsidiaries from 1,200,000 baht to 1,230,000 baht or increased by 2.5 %. Charges for other (non audit fee), the company and its subsidiaries have not hired other persons which/whom the auditor is employed, or other business related to the auditor and audit firm in the past accounting period.

Auditing Fee	2013	2012
Auditing fee of SPALI	1,970,000 baht	1,930,000 baht
Auditing fee of subsidiaries	1,230,000 baht	1,200,000 baht
Other Service	-	-

No shareholders raised any questions, the Chairman proposed the Meeting to consider the matter and cast votes.

The Chairman announced the voting results

- Approval : 1,030,875,552 votes, equal to 99.2842 % of all votes of shareholders who attended and exercised their votes at the Meeting.
- Disapproval : 51,001 votes, equal to 0.0049 % of all votes of shareholders who attended and exercised their votes at the Meeting.
- Abstention : 7,381,366 votes, equal to 0.7109 % of all votes of shareholders who attended and exercised their votes at the Meeting.
- No invalid ballots.

**Resolution** After due consideration , the Meeting resolved, by a majority of shareholders' votes attending the Meeting and casting their votes, to approve to appoint Mr. Termphong Opanaphan CPA. License No.4501 or Mrs.Chonlaros Suntiasvaraporn CPA. License No.4523 or Mr.Supachai Phanyawattano CPA. License No.3930 as the auditors of the Company for the year 2013 and approve the auditing fee for the Company's Financial Statements for the year 2013 of 1,970,000 Baht.

**Agenda 7** To consider other matters (if any)

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**Questions of shareholders**

Name	Suggestion/Question
<p>Mr.Barak Busun Kwata Minor shareholder</p>	<p>How should the Company handle the businesses at Pasak Resort and Spa and Phuket hotels? Should their operations be kept or sold? There was news from the newspapers that the Company will invest in the office building in the Philippines. How much more profit the Company expects to make and how much the income from rentals will be increased from the current percentage of 2.5%?</p>
<p>Mr.Prateep Tangmatitham Chairman of the Board</p>	<p>There are two possibilities depending on various factors. Currently, the two hotels are profitable since tourism industry is in an uptrend. The investment in hotel business is a part of our strategy, while the value of the assets held by the Company increases over time.</p>
<p>Mrs.Ajchara Tangmatitham Director</p>	<p>Supalai Pasak Resort and Spa Hotel located in Saraburi Province is a subsidiary company started a housing business by selling more than 200 units of resort houses to clients. At that time, the Company had promised that there would be a hotel to provide service to the customers throughout their stay after the ownership transfer. This hotel has operated good business and has been driven by its own without imposing any cost or burden to the Company. In addition, the Company has a policy to increase the income from recurring income, which almost investors are well aware that the Company needs to hold this piece of asset for rent or sale in the future in order to accommodate the uncertainty. If, one day, the business faces any problems, the Company still has smooth level of income.</p> <p>While in Phuket, there is another hotel which has been managed in the same manner with the main purpose of building resort houses for selling to foreigners and has the same idea as that of Pasak Hotel, that is, generating revenue from hotel operations and</p>

Name	Suggestion/Question
	services to customers who buy houses. Moreover, the investment in expanding business of the Company has been thoroughly considered by Board of Directors.
Mr.Atip Bijanonda Director	<p>There are reasons behind all types of investments. The Company believes that the values of assets held currently are likely to increase in the future. This may be one reason why it takes longer period of investment. In addition, the Company trusts that taking care of customers after the ownership transfer is a correct approach to manage the Company's business. Therefore, the hotel business can serve as the "central service" for customers to use while the hotel can also generate revenue from the services for the parent Company.</p> <p>As mentioned before that Phuket Hotel has the same management approach as that of Pasak Hotel, and the investment in Phuket Hotel has high potential for added value in the future. If hotels can be profitable in the future, The Company may sell the hotel to interested investors, but not right now since the hotel has been generating good profit and the initiative for expanding this business is the source for building hotels to provide services.</p>
Mr.Prateep Tangmatitham Chairman of the Board	One factor that makes high gross profit for the Company is the income from rentals which has low cost. The rental business is a distribution of investment risk. In addition, having its own office building, the Company has saved rent expense as the management costs are low.
Mr.Peerapong Joondeach Minor shareholder	From the trend of increasing costs, which may result in future changes in the gross margin, what are guidelines for the Company to manage costs which are likely to increase?.
Mr.Prateep Tangmatitham Chairman of the Board	The Company is managed by cost estimation for the construction with uncertainty cost covered. Moreover, the management team of high-rise buildings has planned to improve the management of cost at all times with the objective to allow customers to buy their goods at a cheaper price with better quality.
Mr.Atip Bijanonda Director	For the construction pending revenue recognition, which will be constructed within the next 2 years, there has been contracts signed for the construction exceeding 70%, which has reduced risk regarding capital costs. For the projects launched in the last quarter, of which the contracts have not been signed, their costs will be calculated with provision to cover such risk and new pricing has also been set. Therefore, the impact on gross profit was marginally expected.
Mr.Vasan Polcomnuan Minor shareholder	<ol style="list-style-type: none"> <li>1) What are the goals for foreign investment?.</li> <li>2) To what extent will there be the increase of income from rentals which are supplemental? What is the goal for this year? Is there any idea of creating a shopping plaza to be included in the Property Fund?.</li> <li>3) Is there any idea about investment in the Property Fund? Recently, the investment in property has been more likely in the form of Property Fund Management, what are the goals set by the Company on this matter?.</li> </ol>

Name	Suggestion/Question
<p><b>Mr.Prateep Tangmatitham</b> Chairman of the Board</p>	<p>1) The Board of Directors has a policy to expand investment abroad. One reason is to distribute risk, increase investment opportunities and maintain return on equities at a good level. It can be seen that the current D / E Ratio or Debt to Equity Ratio is likely to decline.</p> <p>Investment abroad is another channel to increase the rate of return to shareholders. In many countries, the rate of economic growth is higher than that of Thailand. In addition, there are several risk factors that cannot be controlled in Thailand including the declining rate of population growth. Therefore, the demand for housing will grow only for a certain period of time, while, on the other hand, the growth rate of population is high in many countries, such as Indonesia, Malaysia, the Philippines where birth control is not popular. However, investments in other countries must be done carefully with rather small amount of capital and less risk while generating profit to the Company.</p> <p>In addition, the Company has expanded its business into the provincial areas before other developers, therefore, the real estate sales in 2012 increased by 34% when compared to that of 2011.</p> <p>2) The rental income is expected to exceed 10% of the total revenue, whereby the increase in revenue from the lease tends to increase gradually.</p> <p>3) The Company has studied the investment in property fund and found that payment of return is around 7-8%, while the borrowing cost is lower with higher return and since the Company has low capital cost, it, therefore, does not choose the choice of investment in Property Fund.</p>
<p><b>Mrs.Sageerat Meateesuvapab</b> Minor shareholder</p>	<p>1) Is there any possibility to present the Company's work products in various projects to shareholders who may be interested to increase their investment?</p> <p>2) Is there any possibility to take shareholders for site visit of the Company's projects?</p> <p>3) What are the channels of investments by the Company in two years' time when Thailand enters AEC (Asean Economic Community)?</p>
<p><b>Mr.Atip Bijanonda</b> Director</p>	<p>1) In the next meeting, the Company will present its new projects through the Slide Presentation before the meeting starts.</p> <p>2) The Company is willing to take shareholders to visit its various projects by dividing into small groups in order to be able to take good care of all visitors.</p> <p>3) The Company is interested in investing abroad, and has been prepared to expand its businesses by setting up a special unit to conduct studies on investment in AEC and non-AEC countries. The investment overseas is expected to occur in the near future.</p>



There were no more questions raised.

The Chairman of the Meeting declared the Meeting closed, and expressed his appreciation to External Auditors, Directors and all shareholders for attending the Meeting and sharing their views with the Company.

The Meeting adjourned at 16.20 hours.



(Mr. Prateep Tangmatitham)

Chairman



(Mrs. Varunee Lapitananuvat)

Company Secretary