

**Minutes of the 2008 Annual General Meeting of Shareholders**  
**of**  
**Polyplex (Thailand) Public Company Limited**

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**Date, time and place**

The Meeting was held on the 29 July 2008 at 10.30 a.m. in the Function room on the 2nd Floor of the Rembrandt Hotel, located at Soi Sukhumvit 18, Sukhumvit Road, Kwaeng Klongteoy, Khet Klongteoy, Bangkok, 10110, Thailand.

**Directors present:**

Mr.Manu Leopairote

Dr. Virabongsa Ramangkura

Mr.Sanjiv Saraf

Mr.Pranay Kothari

Mr.Shiraz Erach Poonevala

Mr.Praphad Phodhivorakhun

Mr. Rohit Kumar Vashistha

**Director Absent:**

Mr.Ranjit Singh

**Company Executives Present:**

Mr.Manish Gupta - GM - Commercial, during the period under review and currently the Group CFO

Mr.Anurag Baheti – Manager – Accounts

Mrs. Supritha Pai Kasturi – Manager – Finance



### **Preliminary Proceedings**

Mr. Manu Leopairote was the Chairman of the Meeting. The Chairman announced that there were a total of 104 shareholders attending the Meeting, 70 in persons and 34 by proxy, representing 666,930,489 shares equal to 83.37 percent of the total issued shares, and that a quorum was constituted. The Chairman then declared the Meeting duly convened to consider the agenda.

During the Meeting, additional shareholders and proxy holders joined the Meeting. At the end of the Meeting, there were a total of 109 shareholders attending the meeting in persons and by proxy, representing 667,533,489 shares equal to 83.44 percent of the total issued shares.

#### **1. To certify the Minutes of the 2007 Annual General Meeting of Shareholders**

The Chairman proposed that the Meeting certify the Minutes of the 2007 Annual General Meeting of Shareholders, held on 27 July 2007

**Shareholders Votes:** Approved with: 666,930,489 votes, Disapproved with: - none-, Abstain with: -none-

**Resolved:** The Meeting unanimously resolved that the Minutes of the 2007 Annual General Meeting of Shareholders be certified.

#### **2. To acknowledge the report on the Company's operating results and to approve the Directors' Report**

The Chairman summarised the Company's operating result for last year and informed the Meeting that the shareholders may review the Company's operating results as shown in the Annual Report which was distributed to the shareholders together with the Notice convening the 2008 Annual General Meeting of Shareholders.

A brief summary is as follows:

The Company made a net profit of Baht. 813.55 Million on a consolidated basis, which is higher than the previous year profit of Baht 341.84 by 138%. Sales revenue for the year was Baht 6.4 billion, which is higher than Baht 4.7 billion of the previous year by about 36%.

The Chairman proposed the Meeting to acknowledge the report on the Company's operating results and to approve the Directors' Report.

**Shareholders Votes:** Approved with: 666,930,489 votes, Disapproved with: - none-, Abstain with: -none-



**Resolved:** The Meeting unanimously resolved that the Company's operating results and the Directors' Report for 2007-2008 be acknowledged and approved

**3. To consider and approve the Company's audited balance sheet and profit and loss statements for the year ended 31 March 2008**

The Chairman proposed that the Meeting consider and approve the Company's audited balance sheet and profit and loss statements for the year ended 31 March 2008, the details of which were set out in the audited balance sheet and profit and loss statements sent to the shareholders together with the Notice convening the 2008 Annual General Meeting of Shareholders

The shareholders asked several questions about the audited financial statements as follows:

**1. Referring to the statements of income on page 79, please clarify about the loss resulted from the foreign exchange rates. How much of Baht 45 million loss has been realised and how much is yet to be realised?**

Mrs. Supriha Pai Kasturi, the Finance Manager responded that loss of Baht 10 million had already been realised while the Baht 35 million is unrealised loss as a result of the restatement of Euro long term loans.

**2. The amount of loss from foreign exchange rate was for the year ending 31 March 2008. If we use US dollar as our trading currency and US dollar was weak at the time, could the board of directors clarify why did we make a loss? Could you also suggest any preventive measures that the Company is using?**

The Chairman responded by explaining that there are three types of transactions which involve foreign currency. The first is the loan in foreign currency, the second is the raw material payments and the third is export sales. If the Company only received in foreign currency and never made payments in foreign currency then the loss would have been worse at the time of strengthening of the baht against USD. Since the Company receives payments and also makes payments linked to foreign currency, it balanced each other out.

The Chairman further explained that the operating result this year is better than last year. The year 2006-07 profits were only Bt. 341.84 million due to the downcycle in the PET film industry. But 2007-08 profits have risen to Bt 813.55 million, as indicated by the management in the 2007 AGM that the industry situation was on the improving trend and that profitability was likely to be better in the subsequent year. In addition, the Chairman also informed the



Meeting that the following main factors had improved the Company's profitability:

- Increase in selling prices due to improvement in demand v/s supply scenario in the PET Film industry.
- Increased efficiency in production which led to reduction in cost per unit.

**Shareholders Votes:** Approved with: 666,955,489 votes, Disapproved with: - none-, Abstain with: -none-

**Resolved:** The Meeting unanimously resolved that the audited balance sheet and profit and loss statements for the year ended 31 March 2008 be approved.

**4. To consider and approve the distribution of dividends and appropriation of the profit as a legal reserve**

The Chairman informed the Meeting that pursuant to the Public Companies Act B.E. 2535, the Company is required to appropriate 5 percent or more of the annual net profit less retained loss (if any) as a legal reserve, until the legal reserve reaches a minimum of 10 percent of the total registered capital. For the accounting period ended on 31 March 2008, the Company's net profit was Baht 813.55 million. Considering the registered capital being Baht 960 million and the balance of reserve fund being Baht 81.25 million, the Board of Directors therefore proposed that the Meeting consider and approve the appropriation of the profits as a legal reserve and dividend distribution as follows:

- (a) The appropriation of Baht 14.75 million as a legal reserve;
- (b) A dividend payment of Baht 0.40 per share to the company's shareholders whose names appear in the shareholders register as at 12.00 noon on 7 August 2008; and
- (c) Dividend payment schedule by 21 August 2008.

**Shareholders Votes:** Approved with: 667,475,489 votes, Disapproved with: - none-, Abstain with: -none-

**Resolved:** The Meeting unanimously resolved that the appropriation of net profit as legal reserve and distribution of dividends as proposed by the Board of Directors be approved.



**5. To consider and approve the appointment of directors in place of those retiring by rotation and to determine the directors' remuneration**

The Chairman informed the Meeting that according to the Public Companies Act B.E. 2535, at every annual general meeting of shareholders, 1/3 of the directors or if it is not a multiple of three, then the number nearest to 1/3, must retire from office. There must be a drawing by lots to determine the directors retiring in the first and second years following the registration of the Company. In each subsequent year, the directors who have occupied the position for the longest period must retire. This year, the retiring directors are:

1. Mr. Shiraz Erach Poonevala
2. Mr. Pranay Kothari
3. Mr. Rohit Kumar Vashistha

The Board of Directors therefore proposed that the Meeting consider and approve the following matters:

**5.1 Re-appointment of the retiring directors for another term. The Chairman proposed the Meeting to consider and approve the proposal of the Board of Directors.**

**Shareholders Votes:** For appointment of Mr. Shiraz Erach Poonevala

Approved with: 667,533,489 votes, Disapproved with: - none-, Abstain with: -none-

**Shareholders Votes:** For appointment of Mr. Pranay Kothari

Approved with: 667,533,489 votes, Disapproved with: - none-, Abstain with: -none-

**Shareholders Votes:** For appointment of Mr. Rohit Kumar Vashistha

Approved with: 667,533,489 votes, Disapproved with: - none-, Abstain with: -none-

**Resolved** The Meeting unanimously resolved that the re-appointment of Mr. Shiraz Erach Poonevala, Mr. Pranay Kothari and Mr. Rohit Kumar Vashistha as Directors for another term be approved.



**5.2 Determining the remuneration of the directors as follows:**

- (a) a remuneration of Baht 50,000 per month per person to the following independent directors:
- (i) Mr. Manu Leoparote
  - (ii) Dr. Virabongsa Ramangkura
  - (iii) Mr. Praphad Phodhivorakhun
  - (iv) Mr. Shiraz Erach Poonevala

Mr. Manu Leoparote, in his capacity as the Chairman of the Board of Directors and the Chairman of the Audit Committee, be paid an additional remuneration of Baht 25,000 per month, for each role.

- (b) a meeting fee of Baht 10,000 per member, per meeting attended be paid to the Audit Committee members.

The other directors voluntarily waived their rights to receive the remuneration as the Company's directors.

**Shareholders Votes:** Approved with: 667,533,489 votes, Disapproved with: - none-, Abstain with: -none-

**Resolved:** The Meeting unanimously resolved that remuneration of the directors as proposed by the Board of Directors be approved.

**6. To consider and approve the appointment of auditors and their remuneration**

The Chairman proposed that the Meeting appoint Mr. Narong Puntawong, Certified Public Accountant Number 3315, and/or Mr. Supachai Phanyawattano, Certified Public Account Number 3930, and/or Ms. Siraporn Ouaanunkum, Certified Public Accountant Number 3844 of Ernst & Young Co., Ltd. as the Company's auditors for the accounting period ending 31 March 2009 with a remuneration not exceeding 2,700,000 Baht.

**Shareholders Votes:** Approved with: 667,528,489 votes, Disapproved with: - none-, Abstain with: 5,000 votes.

**Resolved:** The Meeting resolved by 83.44 percent of the total issued shares that the appointment of Mr. Narong Puntawong, Certified Public Accountant Number 3315, and/or Mr. Supachai Phanyawattano, Certified Public Account Number 3930, and/or Ms. Siraporn



Ouaanunkum, Certified Public Accountant Number 3844 of Ernst & Young Co., Ltd. as the Company's auditors for the accounting period ending 31 March 2009 with a remuneration not exceeding Baht 2.7 million be approved.

**7. To consider any other business**

The Chairman informed the Meeting that it had considered the whole agenda and asked whether any of the shareholders had any queries or suggestions.

The shareholders asked various questions and suggestion about the business and performance of the Company and the Company's subsidiaries as follows:

**1. One shareholder suggested that there should be a slide presentation regarding the, Company's business operations and progress.**

The Chairman agreed with the idea and assured that the next Annual General Meeting of Shareholders of the Company will have a slide presentation.

**2. Please explain about the progress of the new project.**

The Chairman responded that the new project in Turkey had been going on schedule and that the productivity will reach the optimum level soon. With regard to the new project in Thailand, the progress of the project is still on schedule despite some delays.

**3. One shareholder suggested that the Company organises a visit to the Company's factory for the shareholders.**

The Chairman also accepted this suggestion and said that the company will arrange for the factory visit in the near future.

**4. Please clarify about the production capacity and utilization of new projects in Turkey and in Thailand.**

The Chairman responded that Turkey's production capacity and utilization will reach 100 percent by the next quarter. For Thailand, the production capacity and utilization is on schedule.

**5. Please explain about the progress of the new project in Thailand which had been approved in the meeting of the Board of Directors held on May 20<sup>th</sup>, 2008.**

The Chairman responded that the progress for the investment approved in May'08 is on schedule.



6. **Is the Company's business heading upwards yet?**

The Chairman responded that the Company's business is currently heading upwards as shown in the Annual Report. However, the Company may not be able to describe the market and sales because the Company must comply with the SET' regulations.

The productions in Thailand and Turkey are currently increasing thus, the sales is likely to increase. However, the Company is also facing an increasing raw material cost. On the other hand, many of the Company's competitors are suffering from the US anti-dumping while the Company has already adopted the necessary preventive measures to safeguard itself.

7. **A shareholder suggested that a detailed slide presentation should be made by the Board of Directors and the Executives on the operational performance of the company for the relevant year. This presentation would be better to explain the Agenda 2 on acknowledging and approving the operating results of the company. Please give a forecast of the demand and supply scenario of the Company's products for next year.**

Mr. Manish Gupta stated that the suggestion on the slide presentation is accepted and reassured the Shareholders that the management will prepare a detailed slide presentation for the next Annual General Meeting. Mr.Gupta also mentioned that the Annual Report for 2007-08 has a lot of details regarding the business operations and the future expansion projects, copy of which was already sent to the Shareholders along with the Notice of the Annual General Meeting. Regarding the outlook for the next 12 months, the Company believes that the demand and supply situation will be more stable and the margins should remain more or less the same, if not improve. This is because the demand is growing and there is also an increase in supply in Asia especially from China and India. But the increase in supply does not differ too much from the growth in demand.

Mr.Gupta also highlighted the Company's efforts to interact with the shareholders on an ongoing basis and mentioned that the company arranged a factory visit for the shareholders in Nov'07 in which many shareholders got a chance to see the Company's production facilities. The Company is always making an effort to provide any information regarding the progress of its business operations and also respond to the questions of the shareholders which are received over e-mail. The Management Q&A (Question & Answer) are posted on the Company's website which the shareholders may refer. In addition, the Company also participates in the SET Opportunity Day organised by the SET and would like to invite and encourage all the shareholders to attend and interact with the Company there.





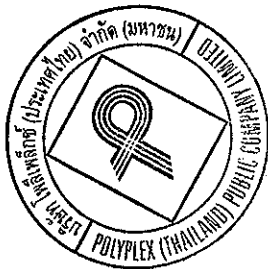
**8. Please explain why the Company believes that there will be an increase in demand during this current economic recession period.**

The Chairman explained that there is an increase in demand for PET products. The Company has a good business opportunity compared to other competitors because this business requires high technology and effective management and moreover the Company is cost efficient compared to some other players in this industry. Our Turkey and Thailand facilities have maintained high levels of productivity and efficiency. In addition, the Company's facilities are based in different geographical locations which have its own advantages like proximity to markets and customers, provide better services to customers and also have benefits associated with logistics etc..

The Chairman informed the Meeting that the Board of Directors in their meeting held on January 25th 2008 has appointed Mrs. Supritha Pai Kasturi as the Secretary to the Board of Directors. In addition, in order to comply with the New Amendment to the SEC Act, (A.D 2008) relating to appointment of the Company Secretary (which will take effect on 31 August 2008), the Board of Directors has also appointed Mrs. Supritha Pai Kasturi as the Company Secretary.

As no shareholders raised any further questions or suggestions, the Chairman thanked all shareholders for giving their time to attend the Meeting. The Chairman then closed the 2008 Annual General Meeting of Shareholders.

The Meeting adjourned at 11.30 a.m.



Signed Manu Leopaivote Chairman of the Meeting  
(Mr. Manu Leopaivote)

