

**Minutes of the 2010 Annual General Meeting of Shareholders
of
Polyplex (Thailand) Public Company Limited**

Date, time and place

The Meeting was held on 22 July 2010 at 10.00 a.m. in the Function Room on the 2nd Floor of the Rembrandt Hotel, located at Soi Sukhumvit 18, Sukhumvit Road, Kwaeng Klongtoey, Khet Klongtoey, Bangkok, 10110, Thailand.

Directors present:

Mr. Manu Leopairote

Dr. Virabongsa Ramangkura

Mr. Sanjiv Saraf

Mr. Shiraz Erach Poonevala

Mr. Praphad Phodhivorakhun

Mr. Rohit Kumar Vashistha

Director Absent:

Mr. Pranay Kothari

Mr. Ranjit Singh

Company Executives Present:

Mr. Manish Gupta, Group CFO

Mr. Vinod Sureka, Head-Commercial

Mr. Anurag Baheti, Manager – Finance & Accounts

Mrs. Supritha Pai Kasturi, Manager – Finance & Accounts, Company Secretary

Preliminary Proceedings

Mr. Manu Leopairote was the Chairman of the Meeting. The Chairman announced that there were a total of 140 shareholders attending the Meeting, 83 in person and 57 by proxy, representing 689,076,702 shares



equal to 86.13 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 course of the Meeting, additional shareholders and proxy holders joined the Meeting. At the end of the Meeting, there were a total of 156 shareholders attending the meeting in person and by proxy, representing 705,558,202 shares equal to 88.19 percent of the total issued shares.

The Chairman explained the voting process and the vote counting method to the shareholders. For each agenda item, shareholder has a choice to vote as approve, disapprove or can abstain from voting. The vote counting would be done as one vote per one share. After voting for each agenda item, the Chairman will ask the shareholders who have voted negative or abstained from voting, to raise their hands and their ballot papers would be collected, to read the bar code and mark the negative votes and tabulate the result of voting for each agenda item.

The Chairman proposed to the Meeting to consider the following agenda.

1. To certify the Minutes of the 2009 Annual General Meeting of Shareholders

The Chairman proposed that the Meeting certify the Minutes of the 2009 Annual General Meeting of Shareholders.

The shareholders asked various questions and made various suggestions about this agenda as follows:

Shareholder: Mr. Sakchai Sakulsrimontri

Question: I refer to the minutes of the 2009 AGM item 1(3) which specified that the Company would organise a visit to the Company's factory for its shareholders. I would like to ask whether or not such a visit has been organised by the Company.

Chairman: The Company had already organised a visit to the Company's factory in November last year.

Question: Why did the Company let the Thai Investors Association organise a visit for the Company? I would like to state that only few shareholders who gave their names to the Company at the last AGM visited the Company's factory. Fifty percent of the visitors were persons related to the Thai Investors Association. In addition, a fee of Baht 500 was collected from the visitors at first and then returned to them after the visit. Why the Company did not give a priority to the shareholders who had given their names to the Company at the last AGM.

Chairman: Thank you for your comments. The Company would further consider your comments

Shareholders: Mr. Veera Chaimanowong



Comment: Mr. Chairman, I would like to express to this meeting that the shareholders have the right to request the Company to organise a visit to the Company's factory. However, it is up to the company to decide whether or not to organise such a visit, or the manner in which it organises the visit. There is no requirement or regulation of the SET which requires the Company to do so. I would ask the shareholders to respect the Company's decision.

Chairman: Thank you for your comments.

Shareholder: Mr. Sakchai Sakulrimontri

Comment: I raised this issue at this meeting in order to ask the Company to give priority in visiting the Company's factory to the shareholders who gave their names at the last AGM.

The Chairman asked the meeting to vote on agenda 1.

Shareholders Votes: For: 705,549,602 votes, Against: - none-, Abstain: -none-

Resolved: The Meeting unanimously resolved that the Minutes of the 2009 Annual General Meeting of Shareholders, as proposed by the Chairman, be certified.

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

The Chairman summarised the Company's operating results for last year and informed the Meeting that the shareholders may review the Company's operating results in the Annual Report, which was distributed to the shareholders together with the Notice convening the 2010 Annual General Meeting of Shareholders.

A brief summary is as follows:

The Company made a net income for the year of Baht 1,039.39 million. Sales revenue for the year was Baht 7,125.37 million. Details of the financial information were shown in the Annual Report distributed to the shareholders.

The shareholder asked the question to the management as follows:

Shareholder: Mr. Sakchai Sakulrimontri

Question: What production line was just opened (as shown in the Annual Report)?

Chairman: This is the Cast polypropylene plant located at the Industrial Estates in Rayong Province.



The Chairman proposed that the Meeting to acknowledge the report on the Company's operating results and to approve the Directors' Report for 2009-2010.

Shareholders Votes: For: 705,554,602 votes, Against: - none-, Abstain: -none-

Resolved: The Meeting unanimously resolved that the Company's operating results and the Directors' Report, as proposed by the Chairman, be acknowledged and approved.

The Chairman asked Mr. Rohit Kumar Vashistha, Managing Director to present the Company's business operations of last year and business plan for next year to the shareholders and presentation.

Mr. Rohit Kumar Vashistha made a slide presentation and summarised the business operations of last year and industry environment as follows:

Key highlights of FY 2009-10

- Start up of a new product line in Thailand – Cast polypropylene film (Plain and metalized film) in March 2010.
- Setting up of a Trading company in China, one of the world's biggest Polyester film market.
- Approval of Investment in another value added film line in Thailand – Silicone Coated film which will provide better stability and impetus to our revenues and profitability.
- Highest total consolidated revenues (Bt 7.3 billion – growth of 3.4% over previous year)
- Consolidated profit of over THB 1 billion, second time in succession. (Bt 1,039 million – marginally lower than Bt 1,042 million of previous year)
- Consistent dividend of Bt 0.52 per share (same as previous year), including the Interim dividend @ Bt 0.345 per share paid in February 2010
- The Company's total consolidated assets have grown from Bt 3.7 billion to Bt 8.9 billion, over last 6 years – a CAGR of 15%.
- The Company has been able to increase the share of value added products (consolidated sales) in its sales portfolio from 19% in 2005-06 to 40% in 2009-10.

CSR Initiatives taken by the company:

Polyplex understands its responsibility towards the society and environment conservation and has been engaging in various activities to contribute towards a better environment and a better society

- Blood donation by employees of PTL
- Nature conservation – Mangrove tree plantation event organized in Chantaburi province



- Charity at Orphanage in Pattaya – Computer donation
- Scholarships and free lunch for school children organized on Children's day
- Sea Turtle conservation and Coral planting at Thai Naval base – Chonburi

Business Outlook/Conclusion:

- Shift from rigid forms of packaging to flexible packaging resulting in higher than GDP growth rates in flexible packaging industry across the globe
- PET film being a high end packaging substrate, seeing the fastest growth amongst other packaging substrates
- Opportunities for cost competitive suppliers like Polyplex to capture this growth by going for capacity expansions
- Large PET producers in the developed countries focusing more on the high end applications like Optical industry, Photovoltaic industry etc and exiting from commodity segments of packaging.
- Demand growth in 2010 expected to be about 10% in South East Asia and 3-5% in Europe and US markets
- Continued raw material price volatility to remain a challenge for the industry, but the current favourable industry situation would help manufacturers to pass on most of the cost increase to end buyers.
- Currency fluctuations likely to impact PTL's earnings from exports, as well as the profits from subsidiaries, due to strengthening of the Thai baht against USD and EURO currencies.

The Chairman reported to the Meeting that the plant showed in the presentation is the Company's plant in Turkey. The Turkish company will focus on the sales in Europe, Russia and the U.S.A. The business in Turkey runs successfully.

3. To consider and approve the Company's audited balance sheet and profit and loss statements for the year ended 31 March 2010

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 2010, 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 2010 Annual General Meeting of Shareholders.

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

Shareholder: Mr. Sathaporn Phangniran



Question: I thank the management team and the Company's staff who put their efforts into the Company's business which resulted in a growth of business and added value to the investment of the shareholders. I have one observation and one question to ask the management team as follows:

- (1) Referring to the Note to the Financial Statements as shown in page 106 of the Annual Report (Thai language), why did the Company have to book the allowance for diminution in value of inventories-reduction for work in process?
- (2) Referring to the Income Statements as shown in the Separate Financial Statements on page 93 of the Annual Report (Thai language), revenues from sales reduced from last year while the administrative expenses and management benefit expenses increased. Why did these two expenses not reduce as I think they should be under control of the management team?

Mr. Vinod Sureka, Head-Commercial responded to the shareholder as follows:

- (1) This loss is in relation to the new Cast polypropylene project which commenced commercial production in March 2010. Due to the initial low levels of utilisation, and higher operating fixed costs & wastages, the production costs have been higher than the market value of the product and in line with the accounting standard relating to inventory valuation, the semi finished and the finished goods inventory had to be valued at lower of cost or market value, and since the market value was lower than the production costs, it has resulted in a provision for diminution in value of inventories. The lower selling prices was mainly because sales of this new product is still in the build up phase and also, sales made on trial basis to new customers are normally at slightly lower prices than the normal market prices.
- (2) Sales revenue in standalone has decreased mainly due to lower selling prices during last financial year. But the cost of sales has been higher due to higher raw material prices, in line with increase in crude oil prices. Also, since the new cast polypropylene plant also added to the depreciation charge in the month of March 2010, this has contributed to higher cost of sales. The management benefit expenses include bonuses of senior management executives which are linked to company's performance also, in addition to the individual's performance. So the figure of FY 2009-10 includes bonus relating to FY 2008-09 which were actually paid in FY 2009-10.

Shareholder: Mr. Sakchai Sakulsrimontri

Question: Please explain the translation adjustment amounting to Baht 388 million as shown in the Balance Sheet on page 92 of the Annual Report (Thai language). What does this relate to?

Mr. Vinod Sureka, Head-Commercial responded to the shareholder as follows:



The financial statements of the subsidiary companies are prepared in foreign currencies, in line with their respective reporting currencies and at the time of consolidation with the Thailand parent company's financial statements, Balance sheet items are converted into Thai baht using a particular exchange rate. Due to differences in the period opening and closing exchange rates, there will be a translation FX gain or loss, which is reflected in the consolidated balance sheet. This is just a notional gain or loss and not any actual cash gain or loss.

Auditor: In summary, the Company has an investment in Turkey in the Euro currency. Due to depreciation of the Euro, the Company suffered a loss on its investment in the Euro currency.

Question: Is it possible that the Company will gain from investment in foreign currency. How about an investment in China?

Auditor: Investment in China is a nominal amount (approximately Baht 10 million). There should not be any impact on the financial statements.

Question: The Company invested in overseas subsidiary companies, but the Financial Statements do not show the details of the subsidiary companies, amount of investment, revenues or expenses of each company. The Company should show this information in the Financial Statements.

Mr. Vinod Sureka, Head-Commercial responded to the shareholder as follows:

The amount of total investment by PTL in its subsidiaries is available in the standalone financial statements, on the asset side of the balance sheet. It stood at Baht 2.1 billion as at 31st March 2010.

The amounts of the Investment in the subsidiary companies, along with the % of shareholding are reported in the Annual report under section 2.2. The revenue structures break up in available on Pg 19 (Section 3.3) of the Annual Report. If the standalone numbers are subtracted from the consolidated numbers, the share of revenues from subsidiaries can be computed.

Question: Did the Turkey Company pay dividend to the Company?

Mr. Vinod Sureka, Head-Commercial responded to the shareholder as follows:

In the FY 2009-10, Turkish company has remitted funds to the parent company – Polyplex (Singapore) Pte Ltd (PSPL) by way of interest free loan repayment, which has in turn been remitted to Thailand by PSPL in the form of Preference Share redemption.

Question: Can the management team clarify whether or not the income received from holding preference shares in the subsidiary company in Singapore has been included in the dividend amount paid by the Company this year?



Mr. Vinod Sureka, Head-Commercial responded to the shareholder as follows:

This income was not received by way of dividend; it was Preference share redemption.

Question: The Company has never received dividend from the subsidiary company in Turkey. Why? I would like to make the comments that, for the benefit of the shareholders, the Company should receive some return from its investment in Turkey because the investment came from the fund of the Company.

Auditor: The Turkish company is wholly-owned by the Company. Its revenues were recognised in the Consolidated Financial Statements although there was no dividend paid by Turkey Company.

Question: Sale of chips last year was reduced significantly. Why?

Mr. Vinod Sureka, Head-Commercial responded to the shareholder as follows:

The figure of Baht 157 million appearing in this table includes income from sale of chips to third party only. Chips sold by Thailand to Turkey get eliminated in consolidation as they are intercompany sales. This % has been high in 2007-08 since Chips capacity was much higher than the requirement for film production, but after 2nd line start up in Turkey in 2008, surplus chips available have reduced and consequently, the third party sale of chips have also declined.

Mr. Rohit Kumar Vashistha- Managing Director also responded to the shareholders as follows:

I would like to mention here that the chips plant was set up mainly for captive consumption, to have consistency in quality of film, and also to develop new products in film. In 2007-08, the company had surplus chips capacity, but after expansion of film capacity in Turkey in 2008, most of the chips capacity now is used only for captive consumption.

The Chairman proposed that the Meeting vote on this agenda.

Shareholders Votes: For: 705,558,202 votes, Against: - none-, Abstain: -none-

Resolved: The Meeting unanimously resolved that the audited balance sheet and profit and loss statements for the year ended 31 March 2010 be approved.

4. To consider and approve the distribution of final dividend for the financial year 2009- 2010

The Chairman informed the Meeting that in line with the Company's dividend policy of 40% of the total consolidated net profits, the Board of Directors proposed to the Meeting that the Meeting approve the payment of an annual dividend of Baht 0.52 per share or total of Baht 416 million for the financial year 2009-2010. The Company had already paid an interim dividend of Baht 0.345 per share or total of Baht 276 million in February 2010. Therefore, the Board of Directors proposed to the Meeting that the Meeting consider and approve the following:



- (a) the Company pays the final dividend of Baht 0.175 per share (Baht 140 million in total) to those shareholders entitled to receive the dividend available on 30 July 2010 (Record Date); the book-closure date is 2 August 2010; and
- (b) the dividend payment date is 16 August 2010.

The payment of dividend of FY 2009-2010 is out of the profits of the following BOI promotion certificates:

	Amount in Baht
BOI Certificate 1321(2)/2002 (Current Year profit)	101,500,000
BOI Certificate 1321(2)/2002 (Retain earnings of FY 2003-04)	78,500,000
BOI Certificate 1321(2)/2002 (Retain earnings of FY 2004-05)	116,000,000
BOI Certificate 1321(2)/2002 (Retain earnings of FY 2005-06)	120,000,000
TOTAL	416,000,000

The shareholders asked several questions as follows:

Shareholder: Mr. Supoj Euachailutkul

Question: The Company has never before this year paid an interim dividend. Will this be the Company's policy?

Chairman: Interim dividend is considered and approved by the Board of Directors based on various factors.

Shareholder: Mr. Sakchai Sakulsrimontri

Question: May I suggest that the amount of interim dividend and final dividend should be equal so as to avoid any disadvantage for the shareholders who purchase the shares in the second half of the financial year?

Chairman: Thank you for your comment.

The Chairman proposed that the Meeting vote on this agenda.

Shareholders Votes: For: 705,558,202 votes, Against: - none-, Abstain: -none-

Resolved: The Meeting unanimously resolved that the distribution of final dividend and dividend payment schedule as proposed by the Chairman 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 Limited 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 of 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.

At this 2010 Annual General Meeting of Shareholders, the retiring directors are:

1. Mr. Manu Leopairote
2. Mr. Praphad Phodhivorakhun

The Chairman informed the Meeting that he and Mr. Praphad Phodhivorakhun have conflict of interest in this agenda. Therefore, he and Mr. Praphad Phodhivorakhun will be out of the meeting room until the shareholders pass the resolution for this agenda.

Dr. Virabongsa Ramangkura acted as the Chairman for this agenda. The Chairman informed that the Board of Directors proposed to the Meeting that the Meeting consider and approve the following matters:

5.1 Re-appointing the retiring directors for another term. The Chairman proposed to the Meeting that the Meeting vote on this agenda.

Shareholders Votes: For appointment of Mr. Manu Leopairote

For: 705,558,202 votes, Against: - none-, Abstain: -none-

Shareholders Votes: For appointment of Mr. Praphad Phodhivorakhun

For: 705,558,202 votes, Against: - none-, Abstain: -none-

Resolved The Meeting unanimously resolved that the re-appointment of Mr. Manu Leopairote and Mr. Praphad Phodhivorakhun as the directors for another term as proposed by the Chairman 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 Leopairote
- (ii) Dr. Virabongsa Ramangkura



(iii) Mr. Praphad Phodhivorakhun

(iv) Mr. Shiraz Erach Poonevala

Mr. Manu Leopairote, in his capacity as the Chairman of the Board of Directors and the Chairman of the Audit Committee, is also entitled to the additional remuneration of Baht 25,000 per month for each role.

(b) a meeting allowance of Baht 10,000 per member per meeting attended to the Audit Committee members.

The remuneration as proposed above is the same as approved by the 2009 Annual General Meeting of Shareholders held in July 2009.

The other directors voluntarily waived their rights to receive the director's remuneration and meeting allowance.

Shareholders Votes: For: 705,558,202 votes, Against: - none-, Abstain: -none-

Resolved: The Meeting unanimously resolved that the directors' remuneration and meeting allowance as proposed by the Chairman 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 Office Ltd. as the Company's auditors for the accounting period ended 31 March 2011 with remuneration not exceeding Baht 2,810,000.

Shareholders Votes: For: 705,558,202 votes, Against: - none-, Abstain: -none-

Resolved: The Meeting unanimously resolved that the appointment of Mr. Narong Puntawong, Certified Public Accountant Number 3315, and/or Mr. Supachai Phanyawattano, Certified Public Accountant 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 ended 31 March 2011 with a remuneration not exceeding Baht 2,810,000 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 made various suggestions about the business and performance of the Company and its subsidiaries as follows:

Shareholder: Mr. Anan Raweesangsuen

Question: The Company produced metallized film which resulted in lack of PET film to sell to the existing PET film's customers. Can the Company please clarify how it plans to retain the PET film's customers?

Chairman: Metallized film is the value-added products of the Company. Production of metallized film does not have any affect to the existing PET films' customers. The Company remains one of market leaders in PET film. Having a diversified product portfolio is of benefit to the Company's business.

Question: How many percent did demand and supply grow in this industry? AJ Plast has announced an expansion to add about 30,000 MT to their capacity. India is also adding capacities. How will the demand/ supply situation be after these expansions?

Mr. Rohit Kumar Vashistha- Managing Director responded to the shareholder as follows:

In the recent past, although there has been demand growth, the capacity additions haven't been in line with growth, thereby resulting in a gap in the demand supply at the moment. Capacity additions will now take place, mainly in Asia including AJ Plast, India and China. However, some of the old PET lines in Europe and other developed markets are also closing down and some of the manufacturers are exiting from the packaging segment into higher end applications like Optical industry, Photovoltaic industry etc as mentioned earlier. So the traditional packaging segment is likely to witness a reduction in capacity and when new capacities come up, it will help in balancing the imbalance presently seen. Asian markets are expected to grow at the rate of 8-10% in packaging segment and western countries at about 3-5%.

Question: How much is the production capacity and utilisation capacity of Metallized Film, CPP and Silicone Coated Film of Thailand?

We would like to thank the Company for providing the information and making a good presentation on the Company's business to the shareholders.

Chairman: Capacity of PET plain film is 42,000 MT and that of Metallised film is 11,000 MT per annum, Polyester Chips about 52,500 MT per annum CPP film (plain film) about 10,000 MT per annum and Metallised CPP about 4,200 MT per annum. Utilisation of PET plain film is at 97% utilisation levels in Thailand.

The demand increase about 8%-10% in Asia and 3%-5% in Europe and America in recent year. With the diversified products and expansion of the capacity, the Company will have the best position in the market. The Company have an efficient production capacity and also reduce the production cost and gain more profits.



Mr. Vinod Sureka- Head-Commercial responded to the shareholder as follows:

CPP film line is currently at 50-60% utilisation levels for both plain and metallised CPP. Metallised film line capacity utilisation is at about 80%. Silicone Coating line is expected to commence commercial production in Q2 of next FY. So in this FY, there won't be any production from this new line.

Shareholder: Mr. Supoj Euachaileutkul

Question: Will the Company have any substantial shut downs for maintenance in the next six months to one year?

Mr. Vinod Sureka- Head-Commercial responded to the shareholder as follows:

Apart from normal maintenance shutdowns of film and chips plant (1-2 days in a year), there are no other major shutdowns planned in the next 6 months.

Shareholder Mr. Polayuth Lauengvalinkul

Question: Are we in the down cycle or up cycle?

Mr. Rohit Kumar Vashistha- Managing Director responded to the shareholder as follows:

The PET industry is cyclical. Earlier, cycles used to last 7-8 years, but recently it has shortened to 2-3 years. We are currently in the up cycle, but as and when additions happen over next 1-2 years, the situation of demand supply will have to be seen.

Shareholder: Mr. Sakchai Sakulrimontri

Question: Can the management team compare the quality of our products and products produced by manufacturer in China?

Chairman: I am confident that the quality of our products is best compared to the products of other manufacturers and the price is competitive.

Question: Does the change of climate and environment in Turkey affect our production (e.g. raining or flooding)?

Chairman: Our plant in Turkey is located in the industrial estates. There should not have any affect. The Turkish company is able to continue the production without interruption.

Shareholder Mr. Suwan Saktayanukul

Question: May I ask the management team to explain the differences in quality, qualification and application of CPP, PET film and silicon film?



Chairman: Cast polypropylene film is used as the inner most layer in food packaging, due to its excellent heat sealing properties. The price is competitive in the market. Silicon film is also used in food packaging. I would ask the Managing Director to give more information on Silicon Coated film.

Mr. Rohit Kumar Vashistha- Managing Director responded to the shareholder as follows:

Silicone Coating is coating of Silicone on a Polyester substrate. It basically helps in easy release. For example, a label on shampoo bottles, stickers on bus bodies, graphic designs etc is carried on Silicone coated base, before being released and used in its final intended application. Traditionally, wax paper was being used as label liner, but it is being replaced with Silicone film due to better efficiency of film over paper. So the application of Silicone coating is different from traditional packaging.

Shareholder Mr. Veera Chaimanowong

Question: The Company holds shares in subsidiaries in the U.S.A and China (through the Singaporean company). Please explain how the Company manages purchase orders from these subsidiary companies. Will purchase orders from the U.S.A be sent to the Turkish company and the purchase orders from China be sent to Thailand?

Mr. Rohit Kumar Vashistha- Managing Director responded to the shareholder as follows:

Basically, the natural distribution is Thailand for Asia, and for US, depending on capacity availability it is preferred from Turkey, due to lower logistic costs and also the impact of import duty in different countries. For example, under FTA's there is zero % duty for import from Thailand into China, but from Turkey, they will have to pay import duty. However, certain specific speciality products are manufactured only in Turkey and will be supplied from Turkey.

Question: The Managing Director mentioned that gross sales in China will increase substantially. What types of the product will be our opportunity. Does the Company plan to establish a plant in China?

Mr. Rohit Kumar Vashistha- Managing Director responded to the shareholder as follows:

In China, our strategy is to focus on speciality products because, in normal commodity products, Chinese manufacturers have excess capacity. But in case of multinational companies whom we service in other countries, we may also cater to their requirement in China. Due to the nature of the specialty products, the process of acceptance by customers will be more time consuming than normal products. So it may take some time for our products to gain acceptance in China markets, maybe a year and once we have reached a certain level of market penetration we may consider if we need to set up a manufacturing facility in China.



Shareholder Ms. Pikul Pitthayaisarakul

Question: The Company's presentation showed that the industry moved from normal packaging products to flexible packaging products. I am just wondering what does the Company mean by flexible packaging.

Mr. Rohit Kumar Vashistha- Managing Director responded to the shareholder as follows:

An example for moving from rigid packaging to flexible packaging is a can/tin packaging to flexible packaging. This change is due to reasons of consumer taste, ease of transportation in flexible packaging (consumes lesser space etc), it has lesser environment effect.

Question: When the industry moved to the flexible packaging product, do the big manufacturers like TORAY etc, need to change or adapt their production lines? Did they start investing in this new type of technology?

Mr. Rohit Kumar Vashistha- Managing Director responded to the shareholder as follows:

The cost structure of big manufacturers is very high, due to which they are not able to compete in packaging segment. They are focusing more on high end applications mentioned earlier and they are not likely to return to packaging segment.

Question: You seem to be confident about the industry situation and that the cycles of industry are upward. From the information included in the Annual Report, the utilisation seems to have dropped to about 70%. I wonder if this information includes some other segments as well.

Mr. Rohit Kumar Vashistha- Managing Director responded to the shareholders as follows:

From mid 2008, when recession hit, there was reduction in growth rates in packaging segment and a contraction in demand in other items of discretionary nature like LCD TV's etc. Due to the uncertain outlook, no capacity additions were happening in 2009, banks were also not lending credit to support investments. Recovery happened faster in Asia, but in US and Europe, it happened only in later part of 2009. As such, utilisation levels in 2009, on an overall basis were lower than in 2008. But since late 2009, revival has been seen in the industry which is also reflected in current favourable market situation.

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 2010 Annual General Meeting of Shareholders.

The Meeting adjourned at 12.45 p.m.

Signed  Chairman of the Meeting

(Mr. Manu Leopairote)

