

(Translation Only)

**Minutes of Extraordinary General Meeting No. 2/2013**  
**Of**  
**Charn Issara Development Public Company Limited**  
**(“Company”)**

Time and Place:

The meeting was held on 26 September 2013 at 2 p.m., at the meeting room on 21<sup>st</sup> floor, Charn Issara Tower 2, New Petchaburi Road, Bangkok Sub-district, Huaykwang District, Bangkok.

Directors present at the Meeting:

- |                                 |                                    |
|---------------------------------|------------------------------------|
| 1. Mrs. Srivara Issara          | Chairman of the Board of Directors |
| 2. Mr. Songkran Issara          | Managing Director                  |
| 3. Mrs. Linda Prasertsom        | Director                           |
| 4. Mrs. Teeraporn Srijaroenwong | Director                           |

Directors absent from the Meeting:

- |                            |  |
|----------------------------|--|
| 1. Mr. Niti Osathanugrah   | Director   |
| 2. Mr. Pravesvudhi Raiva   | Director   |
| 3. Mr. Phisud Dejakaisaya  | Independent Director and Chairman of Audit Committee |
| 4. Mr. Witit Ratchatatanun | Independent Director and member of Audit Committee   |
| 5. Mr. Pinit Puapan        | Independent Director and member of Audit Committee   |

Other persons attended at the Meeting :

- |                                |   |
|--------------------------------|---|
| 1. Ms. Waraporn Prapasirikul   | Ernst & Young Office Ltd.<br>(Auditor)                        |
| 2. Mr. Sriprasert Sriprawatkul | Ernst & Young Office Ltd.<br>(Auditor)                        |
| 3. Ms. Linda Osathaworanan     | Siam Premier International Law Office Ltd.<br>(Legal Advisor) |
| 4. Ms. Araya Sunlakawit        | Siam Premier International Law Office Ltd.<br>(Legal Advisor) |

The Chairman of the Board of Directors presided over the Meeting as the Chairman of the Meeting and introduced the Board of Directors present at the Meeting and Auditor from Ernst & Young Office Limited (Khun Waraporn Prapasirikul and Khun Sriprasert Sriprawutkul) and Legal Advisor from Siam Premier International Law Office Limited (Khun Linda Osathaworanan and Khun Araya Sunlakawit) and announced to the Meeting that there were shareholders attended the Meeting in person and by proxy holders as follows:

Shareholders attended in person: 40 persons holding 215,706,987 shares representing 35.95% of the total shares

Shareholders attended by proxy holders: 30 persons holding 95,392,265 shares representing 15.90% of the total shares

Total shareholders attended at the Meeting: 70 persons holding 311,099,252 shares representing 51.85% of the total shares which constituted a quorum as required by the Company's Articles of Association.

Shortly after the meeting was convened there were additional shareholders and proxy holders registered to attend the meeting which made total attendance by shareholders and proxy holders combined as follows:-

Shareholders attended in person: 46 persons holding 229,899,277 shares representing 38.32% of the total shares

Shareholders attended by proxy holders: 34 persons holding 107,713,520 shares representing 17.95% of the total shares

Total shareholders attended at the Meeting: 80 persons holding 337,612,797 shares representing 56.27% of the total shares

**Agenda 1: To confirm the previous minutes of the Extraordinary General Meeting No. 1/2013 held on 14 August 2013.**

The Chairman requested the Meeting to consider the previous minutes of the Extraordinary General Meeting No. 1/2013 held on 14 August 2013 and approve the said minutes accordingly.

After consideration, the Meeting voted as follows:

Approved	325,360,507	votes, equivalent to 100%
Disapproved	-	votes, equivalent to - %
Abstained	-	votes, equivalent to - %

**Resolution:**

Agreed to the proposed resolution from the Board of Directors with 325,360,507 votes representing 100% no abstained and no vote against.

The Meeting had considered with unanimous vote of total shareholders attended the Meeting and casted their vote to approve the minutes of the Extraordinary General Meeting of Shareholders No.1/2013

**Agenda 2: To approve the payment of interim dividends in the form of cash and stock dividends**

The Chairman reported to the meeting that as the Company has retained earnings so the Board of Directors Meeting had resolved to propose for consideration of the shareholders' meeting the approval of an interim dividend payment in cash and the Company's ordinary shares as follows:-

1. Payment of Baht 18 Million or equal to Baht 0.03 per share (par value of Baht 1) in cash and
2. Payment of stock dividends in the amount no exceeding 120 Million new ordinary shares (par value of Baht 1) to shareholders of the Company at the ratio of 5 existing shares (par value of Baht 1) to 1 ordinary share. The total value of stock dividends to be paid is approximately Baht 120 Million or equivalent to Baht 0.20 per share. For any remaining fraction from the calculation of the payment of the stock dividends, the Company will pay such fraction in cash instead of stock dividends at the rate of Baht 0.20 per share (par value of Baht 1).

The Total amount of dividends to be paid is Baht 138 Million. The payment of dividends will be subject to withholding tax at the rate prescribed by law and such tax shall be paid from cash dividends.

The Record Date on which the shareholders shall have the right to receive dividends was on 7 October 2013 whereby the Company's share register book was closed on 8 October 2013 for collecting shareholders' names pursuant to Section 225 of the Securities and Exchange Act B.E.2535 (as amended). The dividends shall be payable on 24 October 2013.

The Chairman allowed the Meeting to ask question and there were following shareholders asking questions:-

Mr. Suthus Kancharoensuk (shareholder and proxy holder) had enquired about the concept of dividend payment if it is intended to increase liquidity or other benefits.

Mrs. Srivara Issara, the chairman had responded that dividend payment to increase liquidity is one of the reasons but the main objective is to give stock dividend to shareholder for increased benefits of shareholders.

A shareholder asked about tax credit as dividend is paid out of retained earning if that is subject to a tax credit of 30% as it has not been mentioned.

Mr. Weerachai Wijittanakul (Finance and Accounting Manager) clarified that the Company has already set aside cash reserve for tax settlement at 30%.

The Chairman then requested the Meeting to consider for approval the interim dividend payment in cash and the Company's ordinary shares.

After consideration, the Meeting voted as follows:

Approved	337,612,797	votes, equivalent to	100%
Disapproved	-	votes, equivalent to	- %
Abstained	-	votes, equivalent to	- %

**Resolution:**

Agreed to the proposed resolution from the Board of Directors with 337,612,797 votes representing 100% no abstained and no vote against.

The Meeting had considered with unanimous vote to approve the payment of interim dividends in the form of cash and stock dividends.

**Agenda 3: To approve to increase the registered capital of the Company**

The Chairman proposed to the Meeting that in order to increase the registered capital of the Company from Baht 600,000,000 to Baht 720,000,000 by issuance of 120,000,000 new ordinary shares at a par value of Baht 1 for the purpose of reservation for stock dividend payment, as agenda 2.

The Chairman then requested the Meeting to consider for approval the increase of the Company's registered capital

After consideration, the Meeting voted as follows:

Approved	337,612,797	votes, equivalent to	100%
Disapproved	-	votes, equivalent to	- %
Abstained	-	votes, equivalent to	- %

**Resolution:**

Agreed to the proposed resolution from the Board of Directors with 337,612,797 votes representing 100% no abstained and no vote against.

The Meeting had considered with unanimous vote to approve increase the registered capital of the Company

**Agenda 4: To approve the amendment of Clause 4 of the Memorandum of Association of the Company with respect to the registered capital of the Company to be in line with the increase of the Company's registered capital**

The Chairman reported to the meeting that to comply with the increase of the Company's registered capital resolved in agenda 3 it deems appropriate to make an amendment to clause 4 of the Company's Memorandum of Association in regard to registered capital of the Company to be in line with the increased capital as follows:-

“Clause 4 Registered capital Baht 720,000,000 (Seven Hundred and Twenty Million Baht)  
of  
Divided into 720,000,000 shares (Seven Hundred and Twenty Million shares)  
With a par value Baht 1 (One Baht)  
of each  
Categorized into  
Ordinary shares 720,000,000 shares (Seven Hundred and Twenty Million shares)  
Preference shares - shares (- shares)”

The Chairman then requested the Meeting to consider for approval the amendment of the Company's Memorandum of Association.

After consideration, the Meeting voted as follows:

Approved	337,612,797	votes, equivalent to 100%
Disapproved	-	votes, equivalent to - %
Abstained	-	votes, equivalent to - %

**Resolution:**

Agreed to the proposed resolution from the Board of Directors with 337,612,797 votes representing 100% no abstained and no vote against.

The Meeting had considered and resolved with unanimous vote to approve the amendment of clause 4 of the Company's Memorandum of Association with regard to registered capital as proposed by the Chairman.

**Agenda 5: To consider for approval the appropriation of new ordinary share to support the dividend payment**

The Chairman reported to the meeting that in order to support the payment of dividend in the Company's ordinary shares as resolved in agenda 2 the Board of Directors meeting had resolved to propose to the shareholders' meeting to consider for approval the appropriation of 120,000,000 new ordinary shares at Baht 1 par value to support the payment of such stock dividend and to assign the Board of Directors and/or Managing Director and/or other assignee from the Board of Directors or Managing Director to be an authorized person in any necessary business in relation to such new shares appropriation. This assignment include but not limited to giving information and filing any documents to Security and Exchange Commission, Stock Exchange of Thailand, Thailand Securities Depository Co.,Ltd., Ministry of Commerce and other related authorities.

The Chairman then requested the Meeting to consider for approval the appropriation of new ordinary shares to support dividend payment.

After consideration, the Meeting voted as follows:

Approved	337,612,797	votes, equivalent to 100%
Disapproved	-	votes, equivalent to - %
Abstained	-	votes, equivalent to - %

**Resolution:**

Agreed to the proposed resolution from the Board of Directors with 337,612,797 votes representing 100% no abstained and no vote against.

The Meeting had considered and resolved with unanimous votes to approve the appropriation of new ordinary shares to support the dividend payment as proposed by the Chairman.

**Agenda 6: To consider other matters (if any).**

The Chairman had invited Ms. Waraporn Prapasirikul auditor from Ernst & Young Co.,Ltd. to report to shareholder in regard to the sale of Sri panwa Hotel to the Sri panwa Hotel Property Fund and how to record the transaction on the account book. Ms. Waraporn then explained the profit realization in the consolidated financial statement as a result of booking profit from the sale of Sri panwa Hotel to the Sri panwa Hotel Property Fund which need a deduction of profit from Charn Issara Residence who has 30% shares in the Property Fund and shared profit to those related parties who has non-controlling interests in Charn Issara Residence Co.,Ltd. by 16% leaving approximately 54% of total profit to be booked on the consolidated financial statement.

Mr. Kamjon Arunvilairat, shareholder has made the following enquiries:-

1. Shall the tax incurred from the sale of Sri panwa Hotel of approximately Baht 100 million be paid pro rata to the income realization?

Ms. Waraporn responded that in principle tax must be paid in full as prescribed by law but profit realization may be booked according to accounting principle.

2. As CI and CIR hold 10 % and 20% interest should those investments be booked at the cost of Baht 10.- per unit as offered to general public.

Ms. Waraporn responded that CI will book at cost on its individual account but the income realization was explained as a consolidated account which is required as a governing principle.

3. Question on CIR with regard to the acquisition and disposition of asset which was booked on the account at Baht 900 million but was shown in quarter 2 financial statement11 asset in transition to sell to the Property Fund of Baht 792 million which showed the cost of asset sold to the Property Fund of around Baht 800 million, if I understand correctly.

Mr. Sriprasert responded that the cost of hotel has been deducted by depreciation therefore the cost appeared on the financial statement of the 2<sup>nd</sup> quarter was the cost as of June 30, 2013.

4. After the sale of its assets to the Property Fund if CIR has any other asset left or no asset in CIR?

Mr. Songkran responded that after the sale of such asset CIR has 5 rai of land for the development of hotel in phase 2 in preparation for the injection into the Property Fund.

5. It was noted from report form 56-1 clause 4 that there are 60 rai of land but it is indicated as 45 rai of one plot of land in the operating asset of CI and another 15 rai at Cape Panwa. Question is if that land belong to CI alone or partly own by CIR?

Mr. Songkran responded that all land belong to CIR, the size of which was 80 rai in the beginning then it was developed into Villa and sold out by approximately 20 rai, some become road, 20 rai is for the hotel which is injected into the Fund. There is approximately 20 rai left of which 5 rai will be developed into phase 2 of the hotel for injection into the Fund.

6. After the sale of asset into the Fund if CIR still has any asset?

Mr. Songkran responded that there is 20 rai of land of which 5 rai will be developed into phase 2 of the hotel and to be injected into the Fund, the rest will be developed further.

7. The cost of asset sold to the Fund of Baht 700-800 million, in fact there will be more assets left on top of that, is it correct?

Mr. Songkran answered yes.

Mr. Suthus Kancharoensuk (shareholder and proxy holder) has enquired that the Company has just received money and spent in those projects on regular basis but the Company still has a resolution to issue debenture of which Baht 300 million was issued, question is how necessary and in what area that the Company need to raise fund through debenture which will incur a considerable interest burden?

Mr. Songkran explained that the Company is engaged in 5 project developments such as Baan Thew Talay 1 project which need cash in the transfer of title, Baan Thew Talay 2 project spent approximately Baht 700-800 million in construction, Baan Thew Talay 3 need cash to buy land and there is also hotel part which is in negotiation with hotel chain and that will require land acquisition and development, the CIN company which engage in ISSI Condo need to reserve cash for construction of which pile works have been done. In addition there are plans to acquire land at Soi Nang Linchee, at Chiangmai, at Phangha around 27 rai and 30 rai at Bangna Trat, a negotiation is in progress to acquire land for housing project therefore cash is needed in the cash flow.

Mr. Suthus Kancharoensuk (shareholder and proxy holder) wants to know when Bann Thew Talay 1, Baan Thew Talay 2, ISSI Condo will be completed and when transfer can be made?

Mr. Songkran explained that Baan Thew Talay 1 can be transferred in the 3<sup>rd</sup> quarter of 2014, Baan Thew Talay 2 can be transferred in the 3<sup>rd</sup> quarter of 2015 while that of ISSI Condo is expected to be in the 4<sup>th</sup> quarter of 2015.

Mr. Sorakrit Klongpramong (shareholder) asked question on revenue, as the company incurred loss in the 2<sup>nd</sup> quarter, wants to know about the transfer of Baan Sita Wan, Pakchong in the 3<sup>rd</sup> quarter.

Mr. Weerachai Wijittanakul (Finance and Accounting Manager) clarified that the Company has completed the house construction but the transfer can only be made when the construction of clubhouse is completed. It has been an attempt to transfer in the 4<sup>th</sup> quarter but seem unlikely. It is expected that the transfer can happen in the 1<sup>st</sup> quarter of 2014.

Mr. Sorakrit had also asked question about ISSARA Ladprao where project value was at Baht 2,500 million by the end of 2012. The Annual Report said that the Company has sold approximately Baht 82 million therefore suggesting that the remaining is Baht 450 million, it was heard that Baht 500-600 million are unsold. The question is how much revenue can be realized in the 3<sup>rd</sup> quarter out of the remaining?

Mrs. Teeraporn Srijaroenwong (Director and Project Development Manager) explained that income realization for the whole year will be approximately Baht 500 million including those that have been sold from the beginning of the year up to the 3<sup>rd</sup> quarter. Net margin will be approximately 30 (million). It is expected that not every unit can be sold out this year as the remaining 30 units are of large units. There will be a promotion towards this year end.

Mr. Sorakrit Klongpramong, shareholder, wants to know which part of Sri panwa is phase 2 and also which part are of phase 3 and 4?

Mr. Songkran Issara and Mrs. Wilai Intagool has explained that Sri panwa has already gone through Phase 1, Phase 2, Phase 3 and Phase 4 but the hotel part which is injected into the Sri panwa Property Fund will re-start at phase 1.

Mr. Sorakrit Klongpramong, shareholder enquired that if the Company manages Sri panwa Property Fund it will not be able to collect room rental, is this correct?

Mrs. Wilai Intagool explained that rental and management fees will be under Sri panwa Management, all revenue of Sri panwa will be realized but there will be a deduction of rental fees which will need to be paid to the Fund by Baht 151 million per annum, the rest will be treated as profit for Sri panwa Management as the Company holds 99.9%

Mr. Sorakrit asked an additional question on the dividend payment of the Sri panwa Property Fund if that can be expected by this year?

Mrs. Wilai responded that there will be no dividend payment this year as it has already been informed that there will be 2 dividend payment in 1 year (every 6 months) therefore the first payment of dividend will be next year.

Mr. Sorakrit asked if there is any other project which can realize income this year?

Mr. Songkran responded that there are The Issara Village project, The Issara Ladprao, Baan Chaan Talay and Baan Sita Wan.

Mr. Kamjon Arunvilairat, shareholder, enquire about details of International Resources Development whereby the Company hold 16-17% interest. What business this company is up to? There is a land bank of 924 rai and it was booked on the account at Baht 148.967 million as an investment which is recognized in the account as a long term investment. In the event the company incurred loss there must be a provision for impairment but the Company so far has not yet set aside such provisional impairment. Question is how much is it in the book value?

Mr. Songkran explained that there was originally 1,500 rai and 6-7 years ago there was partial sale by approximately 300 rai and dividend was then paid. Later, 2 years ago, there was another sale for the purpose of soccer field development of 100 rai. Now there are around 900 rai remaining at the book value of 1,700 million and the Company has no debt. The land part is definitely not an impair asset and there are development around the site which we will wait for an opportunity to sell at a profit to the Company.

There are no other matters to be considered.

The Chairman thanked all the shareholders and the meeting was adjourned at 3.30 pm.

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(Mrs. Srivara Issara)

Chairman of the Meeting

Certified by

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(Mr.Songkran Issara)

Managing Director