

**MINUTES OF THE ANNUAL GENERAL MEETING NO.1/2010  
OF  
AAPICO HITECH PUBLIC COMPANY LIMITED**

The Annual General Meeting of the Company was convened on Wednesday, April 28, 2010 at 14.30 Hrs. at Busarakam Ballroom, Amari Atrium Bangkok Hotel, 1880 New Petchaburi Rd., Bangkok, Huay Kwang, Bangkok.

Mr. Yeap Swee Chuan, the Chairman of the Board, appointed Mr. Supasak Chirasavinuprapand, Director and member of Audit Committee, to conduct the meeting, welcomed the shareholders and introduced the members of the Board of Directors attending this meeting as follows:

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|-----------------------------------|--|
| 1) Mr. Yeap Swee Chuan            | Chairman                                 |
| 2) Ms. Teo Lee Ngo                | Director                                 |
| 3) Mr. Shigeyuki Eto              | Director                                 |
| 4) Mr. Kenneth Ng                 | Director                                 |
| 5) Mr. Pipat R. Punya             | Director and Chairman of Audit Committee |
| 6) Ms. Porntipa Praditsuktavorn   | Director and member of Audit Committee   |
| 7) Mr. Supasak Chirasavinuprapand | Director and member of Audit Committee   |

There was 1 director absent with apologies as follows:

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|---------------------|----------|
| 8) Mr. Hiroto Murai | Director |
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There were in total 49 shareholders present any by proxy representing 149,208,925 shares in total, comprising 55.5% of the total shares of the Company, which satisfied to quorum of the Annual General Meeting in accordance with the Articles of Association of the Company.

Thus, a quorum was constituted. Mr. Yeap Swee Chuan then declared the meeting duly convened. The Chairman requested Mr. Supasak Chirasavinuprapand to conduct and proceed with this meeting and would occasionally answer any questions during the meeting.

Mr. Supasak, then, reported the steps of the meeting, voting and collection method along with the vote announcement.

**Agenda 1**      **To consider and approve the Minutes of the Annual General Meeting No. 1/2009 held on Monday, 27 April 2009**

Board of Directors' Opinion was that a copy of the duly and completely recorded Minutes of Annual General Meeting No. 1/2009 held on Monday, 27 April 2009 was sent by enclosure together with the notice of AGM No. 1/2010. Hence, the Meeting should approve the said Minutes.

No shareholder raised any objection or proposed any amendment to the said Agenda.

After due consideration, the meeting, with the majority number of votes, resolved that the Minutes of the Annual General Meeting of Shareholders No.1/2009 be adopted and approved as per the following number of votes:

Approved	149,203,625	votes	representing 100.00%
Not Approved	5,400	votes	representing 0.00%
Abstained	100	votes	representing 0.00%

**Agenda 2**      **To acknowledge the performance of the Company for the fiscal year 2009 and the business plan of the fiscal year 2010.**

Board of Directors' Opinion was that the Meeting should be reported the Company's performance for the fiscal year 2009 and business plan for 2010.

Mr. Supasak, then, reported based on the summary of the consolidated financial statements of the Company that for the fiscal year 2009, the Company had total assets of Baht 9,545 million, which was around Baht 300 million higher than that of the year 2008. The Company had higher liabilities comparing Baht 4,746 million in the year 2008 to Baht. 5,243 million in 2009. The Company had total revenues of Baht 7,114 million and expenses of Baht 7,310 million, both of which were lower than those of the previous year, resulting in net losses of Baht 116 million.

The Chairman stated that the reasons for the last year performance were not so good due to the economic downturn, which was the worst in the past 100 years. The Chairman was concerned with the situation because the banks were not loaning money and it might have affected the operation of the Company. Fortunately, the Company's employees understood and extended their cooperation with the Company. Despite the fact that the salary of the Company's employees were cut down between 5% up to 40% depending on the employees' salary base, i.e. a small token increase of the employees with the salary less than Baht 15,000, no adjustment for the employees with the salary between Baht 15,000 to Baht 50,000, and salary reduction for the

employees with the salary from Baht 50,000 upwards, the Company had no problem with its employees due to good and accurate communication that the Company had maintained with its employees as disclosed in the Annual Report of the Company provided to the shareholders.

The Chairman expected that this year should be a good year due to the fast economic recovery. The Company has received many new orders such as Nissan Eco-Car and Ford B-car, which all are starting this year. The market is very strong. Therefore, the Company should be profitable this year.

The business operation of the Company is unique with a high fixed cost due to the investment in land, building and machines, which are assets to the Company (details as stated in the Annual Report). Hence, the profit can only be achieved after the break-even point has been reached. The Chairman perceived that the car industry is a good industry, so the Company has made a lot of investment which shall be enough for the near future.

According to the forecast, the car production should reach 1.4 million cars this year, which is 40% higher than the last year production level of 1 million cars. The Company's performance is expected to be in accordance with this growth. The Chairman expressed his gratitude on the behalf of the Company for all the support from the shareholders and emphasized that the Company is operating based on honesty and good corporate governance.

Mr. Supasak asked the shareholders whether they have any question or opinion and asked the shareholders to declare their names and number of shares held before raising questions or opinions.

Khun Somchai Trirattanapitak, a proxy of a minority shareholder Khun Piangjai Pesanun with 5,000 shares, stated that in accordance with the Company's financial statement, not only short term debt has become higher, which might have an impact on the financial flexibility of the Company, but the net profit also deteriorated due to increase of its expenses. He was concerned that the investments were not performing and asked the Chairman to explain his vision and provide the guideline to objectively solve these problems.

For the Company vision, the Chairman referred that it was clearly stated on the 1<sup>st</sup> page of the Annual Report of 2009.

The Chairman explained that in running the business, the Company focused on 3 things, which are as follows:

1. Employees: The Company's policy is "To look after your men". People are the assets of the Company. For the low level employees, the Company takes care by giving them education. In order to do so, the Quality of Life program has been created. In this program, there are many clubs such as Buddhist club, Scarifice club, etc. By taking a good care of the

employees and maintain accurate communication helped the Company to prevent problem in implementing salary cut last year.

2. Machines: The machines used in the Company are the best machines with good factories so that the parts produced have good quality. To cope with the increase in productivity, new robots have been purchased. Currently, the Company has around 50 robots.

3. Market: The Company is doing a global marketing. It is a one time marketing to get the order for Thailand and if possible for China and Japan. The Company do es not wait for order but go to seek orders for customers.

The Company has improved its people, machines and marketing to the level that allows the Company to compete at the same level as the Japanese competitives. The Awards that the Company has received are good example.

Khun Somchai Trirattanapitak, a proxy of the minority shareholder, asked the Chairman how the Company does its marketing and how well it has performed.

The Chairman explained that the investment overseas is still small. The Company entered into China 5 years ago and it has been performing very well with the expansion plan . For the Malaysia operation, the current performance from being Honda dealership is good. Overall, the overseas operations are making profit. For the Thai operation, some are profitable and some are not. Generally the companies that have been managed for the longer period of time generated more profit. The Chairman emphasized that the loss was not unusually because it is a result from the economic crisis that GM, a giant car manufacturer in US. faced bankruptcy, and even Toyota still faced losses.

Last year, the focus was on surviving. However, thanks to the Company's good reputation, there were many banks that believed and had helped the Company through tough times. For this year, the pressure is on coping with the increasing number of orders.

Khun Veera Napapruekchart, holding 3,473,000 shares, requested to know the detail of the subsidiary companies with a poor performance, whether they are the companies that AAPICO has acquired from KPN or not. Also, he would like to know why the companies who produce the same type of goods, forging parts, performed differently comparing Chinese operation to the Thai operation.

The Chairman explained that the Chinese operations started from very small and now it has grown 4 times. However, the performance in Thailand is different.

Khun Somchai Trirattanapitak, a proxy of the minority shareholder, asked about the expecting profit for this year.

The Chairman stated that the profit is getting better; however, due to SET regulation, the Company is not allowed to disclose any information regarding the profit and loss figures of the listed company. The Chairman asked the shareholder to wait for the 1<sup>st</sup> quarter result.

Khun Somchai Trirattanapitak, a proxy of the minority shareholder, asked why the gross profit of the Company is low and how the Company would control its costs.

The Chairman explained that the Company is using Hejunga Control, Yamasuki Control, TPS, one-piece flow which the detail is too complicated to explain at this meeting. However, it is the policy of the Company to do everything in order to minimize its costs.

Mr. Somchai Kaewkiew, holding 375,000 shares, gave opinion to the Company that based on the Company's financial statement; the Company had more assets, but lower profits. It was understood that the Company is now growing and has a high fixed costs due to huge investment in the fixed assets. It can be seen that the Company would be profitable once it passed the breakeven point. The profit will be growing more than the growth rate of the Company. It is expected that the Company could continue to grow.

The meeting acknowledged the performance of the Company in the fiscal year 2009 and the business plan of the Company in the fiscal year 2010.

**Agenda 3**     **To consider and approve the audited financial statements for the fiscal year ended as of December 31, 2009 and the auditor's opinion.**

Board of Directors' opinion was presented to the meeting to consider and approve the audited financial statements for the fiscal year ended as of December 31, 2009 and the auditor's opinion.

The proxy of Khun Saengduan Aewbumrung asked about the note to the consolidated financial statement, which does not include the performance of each of the Company's subsidiaries. He asked the Chairman to clarify those companies' profit and loss in details.

Khun Vissuttha, the Company's auditor, explained that the Company's financial statement only presents the overall performance of the group of companies of the Company. The financial statement was prepared in compliance with all relevant regulations, including SET's regulations and there is no regulation requiring the Company to disclose profit and loss of the subsidiaries.

Khun Somchai Kaewkiew, the minority shareholder, gave a comment about the bank loans of the Company. He noticed the high level of credit facility, which shows the banks' confidence in the Company's performance.

The Chairman explained that the banks have high confidence in the Company. However, the Company has implemented cash pooling strategy to optimize cash usage within the Group.

Khun Somchai Trirattanapitak, a proxy of the minority shareholder, requested the Chairman to disclose the performance result of the subsidiaries in details.

The Chairman explained that disclosing the profit and loss of each subsidiary will expose the Company to cost reduction request from the customers. Also, such information will be available to the competitors, which could unfavorably affect the Company. As a result, the Company did not disclose that information in order to protect the benefit of the Company, as well as of the shareholders.

Khun Taveechat Jurangkool, a minority shareholder with 5 million shares commented that in the past, the Company disclosed too much information which made the customers request for cost reduction and adversely affected the profit of the Company. However, he requested the Investor's Relation of the Company to disclose the utilization rate of subsidiaries by focusing exclusively on the significant contributors to the Group's performance in the Annual Report and explain the reasons of the losses.

The Chairman accepted this comment in consideration to improve next year's Annual Report of the Company.

Khun. Pichet Hutayon, a minority shareholder with 159,100 shares, raised a question about the recent increase in steel price in the market and measures the Company would take to deal with higher material prices.

The Chairman explained that we negotiated with the customers, the Company is allowed to adjust prices as market steel price changes, and thus the Company can control the material price. However, the Company cannot increase prices if production cost increases.

Khun Pichet Hutayon, a minority shareholder, further asked if the increase in steel price of the Company is at the same pace with that of the market.

The Chairman answered that the Company has clearly and continuously communicated with its customers on the steel price issue to adjust the prices every 6 months. Moreover, some customers set the material price for the Company to adjust the prices and notify the Company, and thus, in this case, steel price fluctuation has no impact on the Company's performance.

The meeting considered and resolved to approve audited financial statements for the fiscal year ended as of December 31, 2009 and the auditor's opinion as proposed with the following votes:

Approved	149,237,925	votes	representing 99.99%
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Not Approved	5,500	votes	representing 0.00%
Abstained	20,200	votes	representing 0.01%

**Agenda 4 To consider and approve the dividend payment from the performance in the fiscal year 2009**

Board of Directors' Opinion to the meeting was to consider and approve the omission of dividend payment from the performance in the fiscal year 2009.

No shareholder raised any objection or proposed any amendment to the said Agenda.

The meeting considered and resolved to approve the omission the dividend payment from the performance in the fiscal year 2009 as proposed with the following votes:

Approved	149,172,925	votes	representing 99.94%
Not Approved	70,500	votes	representing 0.05%
Abstained	20,200	votes	representing 0.01%

**Agenda 5 To consider and approve the appointment of the directors replacing the retired directors.**

Board of Directors Opinion was that the Board of Directors (with the consideration by the non-conflict of interest directors), with the recommendation of the Nomination and Remuneration Committee, proposed to the meeting to consider and approve the appointment of the following retired directors as the directors of the Company for another term.

- 1) Mr. Hiroto Murai Director
- 2) Mr. Shigeyuki Eto Director

Khun Somchai Trirattanapitak, a proxy of the minority shareholder, asked the reelected directors of his vision.

Khun Eto introduced himself and answered that his vision is the same as that of the Company.

Khun Somchai Trirattanapitak, a proxy of the minority shareholder, asked how many times that the retired directors attended the Board's meetings in the past year.

Khun Supasak answered that Khun Eto just joined the Board at the end of the year 2009 and therefore did not attend any Board's meeting.

Khun Taveechat Jurangkool, a minority shareholder, asked Khun Eto as a representative from Sojitz Group, a major shareholder, whether he had any concern in AAPICO performance in the future or not since Sojitz Group bought the shares of the Company at very high price.

Khun Eto said that Sojitz Group believes that the relationship with AAPICO would bring a mutual benefit to both companies.

Khun Taveechat Jurangkool, a minor shareholder, asked K.Eto in term of his work, where he would base on and would there be any new project join with the Company?

Khun Eto said that he is working based in Thailand and responsible for promoting joint venture and technical agreement with the Company. The Chairman also said that Sojitz Group has been a partner with one of our subsidiaries for almost 20 years and they had helped the Company through the Tom Yum Khung crisis. The reason the Company partnered with Sojitz is because the Company wanted to last for 100 years. Also, the Company is learning a lot from this partnership since Sojitz has excellent corporate governance. Moreover, AAPICO want to join Sojitz in a global areana. Therefore, partnership with Sojitz is a long term business strategy.

KhunSomchai Trirattanapitak, a proxy of the minority shareholder, asked Khun Eto to promise to attend all the Board meeting

KhunEto promised.

Khun Somchai Trirattanapitak, a proxy of the minority shareholder, asked to have the shareholders to nominate a new director, who is more committed and has more time for the Company rather than Mr. Murai, who was not presented at the meeting.

The Chairman explained that Khun Murai is a manager in the Business Development Department, which required him to frquently travel in order to meet with the customers.

The meeting considered and resolved to approve the appointment for the above directors replacing the retired directors as proposed with the following votes:

1) Mr. Hiroto Murai		Director	
Approved	149,212,925	Votes	representing 99.97%
Not Approved	30,200	Votes	representing 0.02%
Abstained	20,200	Votes	representing 0.01%
2) Mr. Shigeyuki Eto		Director	
Approved	149,212,925	Votes	representing 99.97%
Not Approved	30,400	Votes	representing 0.06%
Abstained	20,200	Votes	representing 0.01%

**Agenda 6 To consider and approve the directors' remuneration**

Board of Directors' opinion was to propose to the meeting to consider and approve the directors' remuneration for the fiscal year ended as of December 31, 2010 at the amount of not exceeding Baht 925,000.- and the attendance fees of the Audit Committee and the Independent Director of Baht 7,500.- per director per time, and the attendant fee of the Nomination and Compensation Committee of Baht 5,000 per person per time, as suggested by the Nomination and Compensation Committee.

<b>Remuneration</b>	<b>2009</b>	<b>2010</b>
<b>1. Annual Remuneration</b> - Chairman of Audit Committee - Directors of Audit Committee - Independent Directors	Baht 250,000 Baht 225,000 per person Baht 225,000 per person	Baht 250,000 Baht 225,000 per person Baht 225,000 per person
<b>2. Attendance Fees</b> - Chairman of Audit Committee - Directors of Audit Committee - Independent Directors - Chairman of Nomination and Compensation Committee - Directors of Nomination and Compensation Committee	Baht 7,500 per person per meeting Baht 7,500 per person per meeting Baht 7,500 per person per meeting - -	Baht 7,500 per person per meeting Baht 7,500 per person per meeting Baht 7,500 per person per meeting Baht 5,000 per person per meeting Baht 5,000 per person per meeting

Khun Somchai Trirattanapitak, a proxy of the minority shareholder, requested for the comparison details of the remuneration between the companies in the same industry.

The Chairman stated that the Company has done the investigation internally and felt that this is a reasonable compensation. Khun Supasak also stated that the Company would consider to add this detail in the Annual Report next year.

The meeting considered and resolved to approve the directors' remuneration as proposed with the following votes:

Approved	149,198,025	Votes	representing 99.96%
Not Approved	45,400	Votes	representing 0.03%
Abstained	20,200	Votes	representing 0.01%

**Agenda 7 To consider and approve the appointment of the auditor and the auditor's remuneration.**

Board of Directors' opinion was to propose to the meeting to consider and approve the appointment of Ms.Vissuta Jariyathanakorn, certified license no.3853 or Ms. Sumalee Reewarabandith, certified license no. 3970 or Mr.Chaiyapon Supasetthanon certified license no. 3972 or Ms.Pimjai Manikajornkit certified license no. 4521 of Ernst & Young Office Limited to be the auditor of the Company for the fiscal year ended as of December 31, 2010 and to approve the auditor's remuneration for not exceeding Baht 1.5 million.

No shareholder raised any objection or proposed any amendment to the said Agenda.

The meeting considered and resolved to approve the appointment of the auditor and the auditor's remuneration as proposed with the following votes:

Approved	149,197,925	Votes	representing 99.96%
Not Approved	5,500	Votes	representing 0.00%
Abstained	60,200	Votes	representing 0.04%

## **Agenda 8 To consider other business (if any)**

There were no other matters to be tabled for discussion. However, there are some questions raised from the shareholders as follows:

Khun Pichet Hutayon, a minority shareholder, asked about the effect on the Company from the current political instability.

The Chairman explained that, the performance in the first quarter is good while there won't be any change in the second quarter since the order has been placed three months ahead, the only concern could be the delay in production. However, so far, there still has no request in production delay. Also, there is high demand from overseas market during the year.

Khun Taveechat Jurangkool, a minority shareholder, continued to ask that how much AAPICO's production is from the overseas market?

The Chairman stated that pick-up truck has contributed more to the Company's revenues than the passenger cars and we have more than 50% of the export as an indirect sale. If the situation gets worse, only the local market would be affected.

Khun Pichet Hutayon, a minority shareholder, asked that what production line of the Company has almost full capacity.

The Chairman replied that Dies and Jigs are producing at nearly their full capacity.

Khun. Taveechat Jurangkool, a minority shareholder, continued to ask about the plan in expanding the Company's capacity.

The Chairman explained that it would depend on the products. Now the press machine is nearly at the full capacity and we already have the new factory in Rayong. However, the plastic fuel tank is still at half capacity, which we are trying to get more order for this product.

Khun Taveechat Jurangkool, a minority shareholder, asked regarding the export market, whether the Company will be able to get export order from USA like Somboon?

The Chairman stated that, currently AAPICO Plastics is exporting goods to Australia and some other parts are exported to Mexico and India. All the export mentioned here are indirect exports.

Khun Taveechat Jurangkool, a minority shareholder, asked that since there are many companies in the AAPICO Group that didn't increase its capital investment, whether the company has any plan to decrease the capital in some companies, which have no good performance?

The Chairman explained that the Company's policy is to look at overall unless they are not performing. However, so far the Company has no plan to reduce the capital in any company.

Khun Taveechat Jurangkool, minor shareholder, asked regarding the overseas investment that how much the Company plans to increase the investment in China and Malaysia?

The Chairman explained that the Company expects that they should be able to self-sustained, therefore we do not plan to send much capital except there are big acquisitions in those countries.

Khun Somchai Trirattanapitak, a proxy of the minority shareholder, asked that since the current assets ratio of the Company has increased, whether there would be any effect on the financial status of the Company and inquired about the Company's policy in solving this problem.

The Chairman explained that the Company has both short-term and long-term loans. The Company can convert short-term loan to long-term loan easily. However, financing with short-term loan is cheaper, therefore the Company decided to finance with short-term loan.

Miss Yeap Xin Rhu also stated that the Company does not have problem in returning the debt since it has loan value to Baht 3,200 million that has not fully been drawn down as a cushion, therefore, the shareholders should not have any concern on our ability to pay back its debt.

The Chairman declared the meeting closed and adjourned at 18.00 Hrs.

Sincerely yours,

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( Mr. Yeap Swee Chuan )  
Chairman of the meeting