

**The Minutes of the 26<sup>th</sup> Annual Ordinary General Meeting of Shareholders**

**Charan Insurance Public Company Limited**

**Wednesday, April 24, 2019**

**The Meeting was held at Rachada Room No.2 on the 2<sup>nd</sup> floor of the Chaophya Park Hotel,  
Rachadaphisek Road, Samsen Nok, Huaikhwang, Bangkok, Thailand**

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**The Meeting started at 15.00 hours**

Mr. Sopon Kluaymai Na Ayudhaya, Chairman of the Board, is Chairman of the Meeting.

The Chairman informed the Meeting that there were 15 shareholders present in person, representing 3,624,684 shares, and 10 shareholders by proxy, representing 1,671,120 shares. In total, 25 shareholders and proxies attended the meeting, holding a total of 5,295,804 shares, equivalent to 44% of the total 12,000,000 issued shares which constitutes a quorum pursuant to the Company's Articles of Association. The Chairman declared the 26<sup>th</sup> Annual Ordinary General Meeting of Shareholders open. Before commencing the meeting, Chairman assigned Mr. Sukich Charanvas, Managing Director, to introduce those in attendance to the meeting, i.e. the Directors, executives, the legal team and the external auditors of the Company and to explain the voting method and procedures, are as follows;

**Directors**

- |                                  |   |
|----------------------------------|---|
| 1. Mr. Sopon Kluaymai Na Ayudhya | - Chairman of the Board                                 |
| 2. Mr. Sompol Chaiyachow         | - Chairman of Audit Committee<br>- Independent Director |
| 3. Mr. Vorayuth Charoenloet      | - Member of Audit Committee<br>- Independent Director   |
| 4. Mrs. Poodpong Arsingsamanunta | - Member of Audit Committee<br>- Independent Director   |
| 5. Mr. Pon Titipanichayangoon    | - Executive Director                                    |
| 6. Mr. Kittipong Charanvas       | - Executive Director                                    |
| 7. Mr. Sukich Charanvas          | - Managing Director<br>- Secretary to the Board         |

**Auditor of DIA International Auditing Company Limited**

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|---------------------------|---------------------|
| 1. Sivachai Komthongsatid | - Company's auditor |
|---------------------------|---------------------|

There were 7 Directors attending the meeting, equivalent to 100%.

The Chairman declared to the meeting, in accordance with the good corporate governance practice and realize the importance of shareholders to be equally treated. The Company therefore encourages shareholders to propose in advance the appropriate agenda(s) and / or question(s) as an agenda of the Annual Ordinary General Meeting of Shareholders (AGM). The methods and procedures are inform on the Stock Exchange of Thailand news and shown in the Company's website on February 18, 2019 to March 18, 2019. There were no proposed or question for the Annual Ordinary General Meeting of Shareholders.

The Chairman assigned Mr. Sukich Charanvas, Managing Director explain the voting method and procedures to the meeting, are as follows:

1. Each shareholder shall have one vote for every share held.
2. The Chairman will ask in every agenda, any shareholders who wish to vote to **disapprove** or **abstained**, if there no, the remainder shall be deemed that all shareholders agree on that agenda.
3. In casting votes on each agenda item, if shareholders who wish to vote for **disapprove** or **abstained**, so please **mark on** the voting card and then raise his/her hand to notify the Company's officers to collect it. For the advantage of counting vote and make it clear, the shareholders who wish to vote for **approve** please return the voting card to the Company's officer when the meeting adjourned.
4. On Agenda 2, this item was for acknowledge to the Company's Performance for the year ended December 31, 2018 only and therefore did not require to be vote on.
5. On Agenda 6, this item was for appoint directors to succeed those completing their terms for the year 2019, so please the shareholders elect each director clearly as the voting method which mentioned above.

After the meeting acknowledged the voting method, the Chairman then proposed the meeting in accordance with the agenda items listed are as follows:

**Agenda 1: To consider and certify the Minutes of 25<sup>th</sup> Annual Ordinary General Meeting of Shareholders**

The Chairman proposed the shareholders to consider and certify the Minutes of the 25<sup>th</sup> Annual Ordinary General Meeting of Shareholders held on April 26, 2018 which are shown in QR-code and URL.

The Chairman required whether any shareholders would like to ask or make any amendment.

There was no neither proposal nor query. The shareholders certified the minutes of 25<sup>th</sup> Annual Ordinary General Meeting of Shareholders held on April 26, 2018. The vote results are as follows;

Approve	5,295,804	votes equivalent to 100%
Disapprove	-	votes equivalent to
Abstain	-	votes equivalent to
Void	-	votes equivalent to

**Agenda 2: To acknowledge the Board of Directors' Report on the Company's Performance for the year 2018**

The Chairman assigned the Managing Director reported the Company's Operation for the year 2018.

The Managing Director delivered a summary as follows; The Gross Written Premium for the year 2018 of 188.67 million baht, decrease by 5.12% from the prior year. The Earned Premium Written after deducing Premium Ceded and Unearned Premium Reserves of 156.78 million baht. The Underwriting Income of 168.43 million baht after deducing Operating Expenses of 190.44 million baht, as a result, the Company has loss from Underwriting 22.01 million baht. The Investment Income and other of 27.70 million baht, decrease by 10.55%. After Income Tax Expenses the Company has Net Profit of 6.20 million baht or earning per share 0.52 baht, decrease by 53.15%. The reason that made Net Profit decrease of 53.36% was by the Outstanding Claims and Insurance Claims Loss Adjustments increase of 17.29 million baht or 37.15%.

The Financial Position for the year ended December 31, 2018, the Company has total Assets of 799.51 million baht, decrease by 7.97 million baht or 0.99% from the prior year. The total Liabilities of 223 million baht, increase by 17.57 million baht or 8.55%. The Shareholders' equity of 576.51 million baht, decrease by 4.24% or 48.04 baht per share. A Capital Adequacy Ratio (CAR) for the December 31, 2018 has 273% or 1.95

times as the minimum required by The Officer of Insurance Commission (IOC).

The Chairman required whether any shareholders would like to ask or make any amendment and assigned Mr. Sukich Charanvas, the Managing Director to answer the questions and acknowledge the comments from the shareholders are as follows;

1. Mr. Ekachai Phipitvej, the proxy holder recommend that most of Company's Income are from investment but the Company has continuously loss from the Underwriting Income for 2 years, the Company has many assets and retained earnings so, should allocate the money to increase the dividend payment.

- Mr. Sukich Charanvas, the Managing Director explain the reason that made Net Profit of 2018 decrease was by the Claim Reserved and Insurance Claims Loss Adjustments increase of 17.29 million baht. On the Underwriting, The Office of Insurance Commission (IOC) has the notice on October, 2017 that decrease the premium of Property Insurance and Fire Dwelling House Insurance at 10-15% which policy has amount insure under 50 million baht, for the policy has amount insure more than 50 million baht was not required, as a result, the Company has highly competitive market and hard to get more the premium. On the allocation the money to increase the dividend payment will declared on the Agenda 4.

After the question, the shareholders acknowledged the Company's Operation for the year 2018

**This item was for acknowledge only and therefore did not require to be voted on.**

**Agenda 3: To consider and approve the Statement of Financial Position and Statement of Comprehensive Income for the year ended December 31, 2018**

Chairman proposed to the shareholders to consider and approve the Statement of Financial Position and Statement of Comprehensive Income for the year ended December 31, 2018 as audited by the Auditors of DIA International Auditing Company Limited and approved by the Audit Committee. The details are disclosed in the 2018 Annual Report as provided in QR Code and URL.

The Chairman required whether any shareholders would like to ask or make any amendment.

There was no neither proposal nor query. During the meeting on the Agenda 3, 1 additional shareholder, holding 200 shares, attending the meeting thus making a total of 26 shareholders, holding 5,296,004 shares attending the meeting. The vote results are as follows;

Approve	5,234,404	votes equivalent to 99%
Disapprove	61,600	votes equivalent to 1%
Abstain	-	votes equivalent to
Void	-	votes equivalent to

**Agenda 4: To consider and approve the Allocation Net Profit and Dividend Payment for the year 2018**

The Chairman assigned the Managing Director reported to the shareholders.

The Managing Director reported to the shareholders that in 2018 the Company posted a Net Profit after Income Tax Expense of 6.20 million baht. As the Company's Policy requires that at least 60% of net profit has distributed as dividend. The Board of Directors considered and then proposed to the shareholders to approve the cash dividends payments for the year 2018 at 12 million shares at 0.50 baht per share, totaling 6 million baht from earning per share 0.52 baht. The date of dividend payment is on May 24, 2019.

The Chairman required whether any shareholders would like to ask or make any amendment and assigned Mr. Sukich Charanvas, the Managing Director to answer the questions and acknowledge the comments

from the shareholders are as follows;

1. Mr. Ekachai Phipitvej, the proxy holder recommend that next year, the Board of Directors should consider the dividend payment by allocated the unappropriated retained earnings to pay as dividend.

- Mr. Sukich Charanvas, the Managing Director extended appreciation for the suggestion and took it under advisement.

After the question, the shareholders approved the Dividend Payment for the year 2018. The vote results are as follows;

Approve	5,234,404	votes equivalent to 99%
Disapprove	61,600	votes equivalent to 1%
Abstain	-	votes equivalent to
Void	-	votes equivalent to

**Agenda 5: To consider and approve the Directors' Remuneration for the year 2019**

The Chairman assigned the Managing Directors reported to the shareholders.

The Managing Director reported that the Company has no the Remuneration Committee; nevertheless, the consideration of Directors' Remuneration was considered by the Board of Directors Meeting and comparing with the familiar industries and the Directors' responsibilities appropriateness. The Board of Directors proposed to the shareholders the Director's Remuneration for the year 2019, the detail was attached to this invitation letter which are shown in QR-code and URL are as follows;

<b>Composition</b>	<b>2019</b>	<b>2018</b>
<b>The Board of Directors</b>		
<b><u>Meeting Allowance</u></b>		
- Chairman	20,000 Baht / Time	20,000 Baht / Time
- Director	15,000 Baht / Person / Time	15,000 Baht / Person / Time
<b><u>Fees</u></b>	300,000 baht, considered by 5% of dividend. The Chairman received the higher rate than the Directors of 50%	300,000 baht, considered by 5% of dividend. The Chairman received the higher rate than the Directors of 50%
<b><u>Audit Committee</u></b>		
- Chairman	20,000 Baht / Time	20,000 Baht / Time
- Director	15,000 Baht / Person / Time	15,000 Baht / Person / Time

**Executive Board, Investment Committee, Risk Management Committee there are no remuneration.**

The Chairman required whether any shareholders would like to ask or make any amendment.

There was no neither proposal nor query. The shareholders approved the Directors' Remuneration.

The vote results are as follows;

Approve	5,234,404	votes equivalent to 99%
Disapprove	61,600	votes equivalent to 1%
Abstain	-	votes equivalent to
Void	-	votes equivalent to

**Agenda 6: To consider and appoint director to succeed those completing their terms**

The Chairman assigned the Managing Director reported to the shareholders.

The Managing Director reported to the shareholders. According to the Company's Article of Association, there shall not less than five and not more than fifteen Directors in the Company, one-third of the Directors must be retire by rotation. In 2019 the Company's Board of Directors was composed of seven members and the following two Directors were due to retire by rotation this year;

1. Mr. Sapon Kluaymai Na Ayudhya Director
2. Mrs. Poodpong Arsingsamanunta Independent Director

The Board of Directors, excluding directors who might have conflict of interest, propose to the shareholders to reelect the two directors to serve as the Company's Directors for another term and details of each directors was attached to this invitation letter which are shown in QR-code and URL.

The Managing Director requested the shareholders to consider and vote individually for each nominated director.

There was no neither proposal nor query. The shareholders approved two directors to serve as the Company's Director for another term. The vote results are as follows;

Directors	Approve		Disapprove		Abstain	
	Vote	Percent%	Vote	Percent%	Vote	Percent%
1. Mr. Sapon Kluaymai Na Ayudhya	5,234,404	99%	61,600	1%	-	-
2. Mrs. Poodpong Arsingsamanunta	5,234,204	98.83%	61,800	1.17%	-	-

**Agenda 7: To consider and appoint the external auditor and fix the audit fee for the year 2019**

The Chairman assigned the Managing Director report to the shareholders.

The Managing Director reported to the shareholder, the Audit Committee was considered the qualifications of Auditor by performance, an independent auditor and audit fee. The Board of Director proposed to the shareholders for appoint the DIA International Auditing Company Limited as the Company's Auditor which was registered with the Federation Accounting Profession in accordance with the Accounting Profession Act, B.E. 2547 (2004). The auditors recommended for appointment are as follows;

Name	CPA Registration No.
1. Mrs. Suvimol Krittayakiern	2982 and / or
2. Miss Somjintana Pholhirunrat	5599 and / or
3. Mr. Chumpot Prairattanakorn	7645 and / or
4. Miss Supaporn Mangjit	8125

In 2019, Mrs. Suvimol Krittayakiern shall sign the audit report of the Company. All four auditors of DIA International Auditing Company Limited had neither any relationships nor any transactions that could constitute a conflict of interest with the Company or any of its executives or any related parties. The Managing Director proposed to the shareholder for consider and approve the audit fee for the year 2019 totaling 1,500,000 baht are as follows;

	<b>2019</b>	<b>2018</b>
Fee for Review of Interim Financial Statements 3 quarters	540,000	540,000
Fee for Audit of the Financial Statement for the period ending 31 December 2018	760,000	760,000
Fee for Review of the Risk-Based Capital (RBC) report for the 6 months and year ending	<u>200,000</u>	<u>200,000</u>
Total	<u>1,500,000</u>	<u>1,500,000</u>

The Chairman required whether any shareholders would like to ask or make any amendment.

There was no neither proposal nor query. The shareholders approved the appointment of Mrs. Suvimol Krittiyakarn, CPA Registration No.2982 and/or Miss Somjintana Pholhirunrat, CPA Registration No. 5599 and/ or Mr. Chumpot Prairattanakorn, CPA Registration No. 7645 and/or Miss Supaporn Mangjit, CPA Registration No. 8125 of DIA International Auditing Company Limited as Company's Auditor for the year 2019, and to approve the audit fee at 1,500,000 baht. The vote results are as follows;

Approve	5,234,404	votes equivalent to 99%
Disapprove		votes equivalent to
Abstain	61,600	votes equivalent to 1%
Void	-	votes equivalent to

**Agenda 8: To consider and other matter (if any)**

The Chairman queried whether there were any other matters which the shareholders would like to put forward questions about the Company's operation or suggestion for progress and improvement.

1. Dr. Songvut Kraipatsornpong, a right protection volunteer and proxy of the Thai Investors Association, would like to ask about the Company's Investment, Does the Company invested with the Finance and Securities Company?

- The Managing Director informed that the Company has the Investment Committee.

2. Does the Company have Anti-Corruption Policy?, Will the Company cooperate with the IOD?

- Mr. Sornchai Kaewrakmuk, the legal team informed that the Company had cooperated with The Officer of Insurance Commission (IOC), and cooperate with the IOD is on the consideration.

There was no neither proposal nor query, the Chairman then declared the meeting closed and thanked all shareholders and proxy holders for attending the meeting.

The meeting adjourned at 4.15 p.m.

(Mr. Sopon Kluaymai Na Ayudhya)  
Chairman

(Mr. Sukich Charanvas) Minute Taker  
Managing Director and Secretary to the Board of Director