



บริษัท จัสมิน เทเลคอม ซิสเต็มส์ จำกัด (มหาชน)
Jasmine Telecom Systems Public Company Limited

200 หมู่ 4 ชั้น 9 จัสมิน อินเตอร์เนชั่นแนล ทาวเวอร์ ถนนแจ้งวัฒนะ ตำบลปากเกร็ด อำเภอปากเกร็ด จังหวัดนนทบุรี 11120
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(TRANSLATION)

**Minutes of the Extraordinary General Meeting of Shareholders No. 1/2019
Jasmine Telecom Systems Public Company Limited**

Date, Time and Venue of the Meeting

The Extraordinary General Meeting of Shareholders No. 1/2019 (the “**Meeting**”/ the “**EGM No. 1/2019**”) of Jasmine Telecom Systems Public Company Limited (the “**Company**”/ “**JTS**”) was held on Tuesday, February 26, 2019 at 10.00 hrs. at Auditorium, 3rd Floor, Jasmine International Tower, No. 200, Moo 4, Chaengwatana Road, Tambon Pakkret, Amphoe Pakkret, Nonthaburi, 11120, Thailand.

Directors attending the Meeting

1	Mr. Pleumjai	Sinarkorn	Chairman of the Board of Directors and Chairman of Remuneration Committee
2	Mr. Raks	Unahabhokha	Independent Director, Chairman of Audit Committee and Member of Remuneration Committee
3	Major General Sunanta	Sirisumpan	Independent Director and Member of Audit Committee
4	Acting Second Lieutenant Annop	Suthakavatin	Independent Director, Member of Audit Committee and Member of Remuneration Committee
5	Mrs. Nitt	Visesphan	Director
6	Mrs. Nonglug	Pongsrihadulchai	Director and Corporate Secretary
7	Mr. Parinya	Sahaphatsombut	Director and President

Remarks : As at the meeting date, the Company has 7 directors in total. All attended the Meeting. Therefore, the proportion of the Company directors, attending the meeting was 100 percent.

Executive attending the Meeting

1	Ms. Saengdao	Dechaduangsakul	Vice President, Accounting and Finance Department
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Other persons attending the Meeting

1	Mr. Annop	Saengvanich	Independent Financial Advisor, OptAsia Capital Co., Ltd.
2	Mr. Vasu	Prasannate	Legal Advisor, Vasu Prasannate Law office

Preliminary Proceeding

Ms.Vasita Chotipruk, staff of Administrative Department of the Company acted as master of ceremonies (the “**MC**”) at the EGM No.1/2019. The MC introduced the directors and the executive of the Company and other persons concerned to the Meeting. Then, she informed the meeting procedures and the voting processes to the Meeting as detailed below.

Prior to voting in each agenda item, the Chairman of the Meeting (the “**Chairman**”) shall ask the Meeting whether there is any shareholder wishing to vote for disagreement or abstention. In case that no shareholder disagrees or abstains his/her vote, it shall mean that the Meeting approves or agrees with the proposed matter. However, for any shareholder who disagrees or abstains his/her vote, he/she has to declare the intention in writing on the voting ballot provided by the Company and submit it to a Company staff. All the votes for disagreement or abstention will be subtracted from the entire votes of the shareholders attending the Meeting, with respect to the voting conditions of that particular agenda item. For proxies, holding Proxy Form B or Form C in which the shareholders clearly specify their intentions, the Company will record the votes of every agenda item, apparent in the proxy forms, accordingly during the registration. These votes will be combined with the votes of other shareholders in each agenda item and counted as the Meeting resolution prior to announcing to the Meeting.

In the event that a voting ballot falls into one of the following 5 cases, it shall be recognized as invalid and shall be void in the vote counting procedure:-

1. When a voter puts a mark on the voting ballot that does not belong to the agenda item under consideration;
2. When a voter does not put any mark to specify his/her intention in one of the checkboxes (☐) provided;
3. When a voter uses a symbol that does not specify whether he/she has the intention to vote for agreement, disagreement or abstention;
4. When a voter puts more than 1 mark in more than 1 checkbox (The split of votes is allowed only in the case where a custodian appointed by a shareholder attends the meeting. In such a case, the custodian is permitted not only to specify more than one type of intention, but also to allocate the votes for agreement, disagreement or abstention in the number he/she deems appropriate.);
5. When a voting ballot is so damaged that the voting intention becomes unclear.

Regarding voting, one share is counted as one vote. The voting and the vote counting shall be in accordance with the regulation specified for each agenda item as informed in the invitation letter, in line with the applicable law and the Company's Articles of Association.

Then, Mr. Pleumjai Sinarkorn, Chairman of the Board of Directors, presided over as Chairman of the Meeting. The Chairman assigned Mr. Parinya Sahaphatsombut, the President, to give detailed information on the number of the shareholders who attended the Meeting.

The President noted that 74 shareholders out of the total 1,859 shareholders attended the Meeting; of this number, 24 shareholders attended the Meeting in person and 50 shareholders attended the Meeting by proxy, that was equivalent to 3.9806 percent of the total shareholders of the Company, representing 600,790,541 shares of all the issued and subscribed 706,457,300 shares with the voting right or 85.0427 percent of all the issued and subscribed shares of the Company which were entitled to vote, constituting a quorum according to Section 103 of the Public Limited Company Act and Clause 33 of the Company's Articles of Association.

Then, The Chairman declared the Meeting convened to consider the agenda items as specified in the shareholders' Meeting notification as follows:-

Agenda Item 1 To consider and endorse the Minutes of the 2018 Annual General Meeting of Shareholders, convened on April 27, 2018

The Chairman assigned the President to give the details of this agenda item to the Meeting.

The President informed the Meeting that the Company had distributed a copy of the minutes of the 2018 Annual General Meeting of Shareholders (the "**2018 AGM**") to every shareholder as an enclosure to the letter of invitation to the EGM No.1/2019. He proposed the Meeting to consider endorsing the minutes of the 2018 AGM, convened on April 27, 2018.

Resolution of the Meeting

The Meeting resolved to endorse the minutes of the 2018 AGM, convened on April 27, 2018. The resolution was passed by a unanimous vote of the shareholders, attending the Meeting and casting the votes. Details of the vote are set out below.

The number of shares of the shareholders, attending the Meeting and casting the votes in this agenda item was 600,790,548 shares. There was no shareholder without the voting right in this agenda item. The Meeting resolution was as follows:-

Resolution	Number of shares	% of total shares of the shareholders, attending the Meeting and casting the votes, excluding invalid voting ballots
Agree	600,790,548	100
Disagree	0	0
Abstain	0	N/A
Invalid ballot	0	-

Agenda Item 2 To consider and approve the offer of financial assistance to Jasmine International Public Company Limited, which constitutes a connected transaction of the Company

The Chairman informed the Meeting that as a Company's shareholder, he had an interest in this agenda item. Therefore, he was not eligible to vote. Then, he assigned the President to conduct the Meeting.

The President assigned the Vice President, Accounting and Finance Department, to give the details of this agenda item to the Meeting.

The Vice President, Accounting and Finance Department, informed the Meeting that the characteristics and the details of this transaction were explained in the "Information Memorandum on Connected Transaction Regarding the Offer of Financial Assistance to Connected Person in Relation to the Entering into Transaction with Jasmine International Public Company Limited" and the "Opinion of the Independent Financial Advisor on Financial Assistance to Connected Person of Jasmine Telecom Systems Public Company Limited", distributed to the shareholders together with the invitation letter to the EGM No. 1/2019; material information of which could be summarized as follows.

Characteristics and Details of the Connected Transaction

Lender	: Jasmine Telecom Systems Public Company Limited (" JTS " / the " Company ")
Borrower	: Jasmine International Public Company Limited (" JAS ")
Amount of Loan	: 300 million Baht
Term of Loan	: 12 months with an extension right for another 12 months, totaling not exceeding the period of 24 months
Interest Rate	: Referred from an average deposit interest rate from 3 banks which were Bangkok Bank PCL. (" Bangkok Bank "), Krung Thai Bank PCL. (" Krung Thai Bank "), and Kasikorn Bank PCL. (" Kasikorn Bank "), as at January 8, 2019, plus 1.00 percent, equal to 2.08 percent per annum, with an interest payment in every 3 months When the loan period reaches 12 months, the Company will recalculate the latest average deposit interest amount from 3 banks as that period of time for the second year loan.
Warranty	: None
Objective	: To be used as working capital of JAS
Agreement	: JAS will issue a promissory note to the Company as collateral of the loan.

Relationship

50.91 percent of the total issued shares of JTS have been held by JAS and the companies in JAS Group. In addition, 3 directors of JTS, namely, Mr. Pleumjai Sinarkorn, Chairman of the Board of Directors, Mrs. Nonglug Pongsrihadulchai, Director, and Mrs. Nitt Visesphan, Director, are related to JAS. Therefore, the financial assistance was considered a connected transaction.

Calculation of Transaction Size

The provision of financial assistance of the Company to JAS at the amount of 300 million Baht, with interest rate of 2.08 percent and with the term of loan for 24 months is equivalent to 312.48 million Baht or 32.26 percent of the net tangible assets of the Company. The latest 6 months transaction is the provision of financial assistance to JAS on December 28, 2018 at the amount of 27.50 million Baht, with interest rate of 2.08 percent per annum and the term of loan for 24 months, which is equivalent to 28.64 million Baht or 2.96 percent of the net tangible assets of the Company. The mentioned loan transaction and the latest 6 months transaction combined is equivalent to 341.12 million Baht or 35.22 percent of the net tangible assets of the Company, exceeding 3 percent of net tangible assets and over 100 million Baht.

Consequently, the Company has the duty to disclose the information regarding this transaction to the Stock Exchange of Thailand (the“**SET**”) and seek approval of the transaction from the shareholders' meeting by obtaining not less than three-fourths of the votes from the shareholders attending the meeting and eligible to vote, excluding the votes from the shareholders who have conflict of interest.

The Board of Directors at the meeting No.1/2019, held on January 9, 2019, passed a resolution to propose to the EGM No. 1/2019 on February 26, 2019 to approve the Company's granting of financial assistance to JAS.

Source of Funds

The source of funds used to provide financial assistance this time comes from working capital of the Company. As at September 30, 2018, the Company had cash and current investments of 83.66 million Baht. Later, as at December 25, 2018, the Company received a loan of 340 million Baht from JAS. Then, on December 28, 2018 the Company provided financial assistance of 27.50 million Baht to JAS. After granting the loan amounting 300 million Baht to JAS, the Company still have liquidity of 96.16 million Baht.

The operating results for the 4th quarter of 2018 and the working capital of the Company during such period were still not taken into consideration; this indicates that the Company still has sufficient working capital and liquidity.

Therefore, the financial assistance given to JAS this time has no impact on liquidity and financial position of JTS.

Appropriateness of Interest Rate Setting

The Company can obtain interests from this financial assistance. The guidelines on how to consider interest rate comprise 3 different approaches as follows:-

- (1) Calculation of interest based on a policy of loans provision among related companies of the Company which is based on the average 1-year fixed deposit interest rate of 3 major financial institutions, including Bangkok Bank, Kasikorn Bank and Krung Thai Bank, plus 0.50 percent; the interest rate calculated by this approach is equal to 1.58 percent per annum.
- (2) Calculation of interest based on the average rate of return on the investments of the Company in the last three quarters. By this approach, the interest rate will be in a range of 1.05 – 1.07 percent per annum.
- (3) Calculation of interest based on the average loan interest rate of general financial institutions.

Currently, JAS has borrowed loans from the Siam Commercial Bank PCL. with the interest rate of MLR - 0.25 percent or equal to 5.775 percent per year, or when comparing with MLR of 3 major commercial banks, including Bangkok Bank, Kasikorn Bank and Krung Thai Bank, the interest rate will be in a range of 6.25 - 6.275 percent per annum.

Appropriate Interest Rate

The interest rate will be based on the average 1-year fixed deposit interest rate of 3 commercial banks, plus 0.50 percent per annum, which is 1.08 percent plus 0.50 percent, or equal to 1.58 percent per annum.

However, since the size of the transaction is significant, the Company has to receive an approval from a meeting of shareholders, resulting in expenses incurred. Thus, to protect the interest of the Company, there is an additional 0.5 percent per annum plus to the interest rate, or equal to 2.08 percent per annum. Therefore, the net return after subtracting expenses is higher than the current return on investment of the Company or the return on the loan according to the policy of the companies in JAS Group. The interest rate as stated above is; thus, appropriate to the transaction.

Advantages and Disadvantages of the Provision of Financial Assistance to JAS

Entering into the Transactions

Advantages

- The Company receives a higher return on the loan than the return on the loan according to the policy of the companies in JAS Group.
- JAS Group will have more liquidity and flexibility in money management for the company in the same group.

Disadvantages

- The Company may have risk of not receiving the repayment from JAS. However, JAS has the ability to repay debt and never had the problem of default to the financial institutions.

Not Entering into the Transactions

Advantage

- The Company will have a remain liquidity of 423.66 million Baht for its working capital.

Disadvantage

- JAS has to consider other funding sources to be used as working capital. However, this is not in accordance with the Group's policy on financial assistance.

Advantage and Disadvantage of Entering into the Connected Transactions

Entering into the Transactions

Advantage

This is the management of liquidity within the Group; therefore, there is flexibility in negotiations and coordination over than transactions with third parties.

Disadvantage

Entering into the transaction with connected person causes the burden of the disclosure of information and the regulatory compliance, including the increasing costs and the appointment of Independent Financial Advisor ("IFA") to provide an opinion regarding the transaction. If the transaction is made with a third party, it is not required that the Company propose the matter for the shareholders' meeting's approval.

According to the aforesaid reasons, OptAsia Capital Company Limited, as the Independent Financial Advisor (“IFA”), has an opinion that shareholders of the Company should approve the provision of financial assistance of the Company to JAS which is a connected person.

After the Vice President, Accounting and Finance Department, had completely given the information on this agenda item, the President allowed the shareholders to express the opinions and ask questions. There were shareholders who had an interest in asking questions and expressing opinions as follows:-

Mrs. Nongyao Chompoo Si, a minority shareholder, raised a question and a suggestion as follows:-

1. “Why does JAS who pays dividend to the shareholders every year have to borrow the money from JTS, the lender who has not paid the dividend?”
The Vice President, Accounting and Finance Department, clarified :
“The Company and the Board of Directors have considered JTS business plan and are of the opinion that JTS working capital is still much enough and that the assistance being provided to JAS this time will be more beneficial to the Company. With regard to dividend payment, according to the policy, the Company considers paying dividend from the net profit as shown in its separate financial statement.”
2. “In my opinion, if JTS has to provide a financial assistance in this manner again in the future, the interest rate for the loan should be higher.”
The Vice President, Accounting and Finance Department, clarified :
“This interest rate is appropriate enough due to the addition of the interest rate of JAS Group : $0.50+0.50=1\%$.”

Mr. Anu Wongsarakit, a minority shareholder, raised the following questions:-

1. “Why does JTS choose not to consider this agenda in the annual general meeting of shareholders in April 2019?”
The Vice President, Accounting and Finance Department, clarified :
“It is because the financial assistance transaction must be processed according to its time frame. For this case, based on the time frame, the Company has deemed it appropriate to call for the shareholders’ meeting at this period of time.”
2. “Has JAS notified JTS the reasons for its asking for the loan?”
The Vice President, Accounting and Finance Department, clarified :
“JAS has notified us that the loan will be used as its working capital. However, it did not specify the details of the activities for which the loan will be used.”
3. “Has JTS a plan to invest for more profit?”
The President, clarified :
“JTS working capital is enough for its business operation of this year and the following year. Regarding investment plan, the Company will acknowledge the shareholders in the agenda on the Company’s operating results in the coming annual general meeting of shareholders in April 2019.”
4. “There is a tendency for the interest rate to become higher. Why doesn’t the Company quarterly calculate the interest rate?”
The Vice President, Accounting and Finance Department, clarified :
“For a connected transaction, we have to calculate the transaction size and use the interest rate as at the date on which the Board of Directors passes a resolution to approve the transaction. Furthermore, it is required that the transaction be disclosed to the SET. The Company will recalculate the interest rate when the loan period reaches 12 months (based on the latest average deposit interest amount from 3 banks plus 1%).”

Mr.Hangshai Akkawassakul, on behalf of Thai Shareholder Club, expresses the opinion and provided suggestions as follows :

“Granting a loan without collateral is considered as risk. The Company should undertake risk insurance or loan guarantee in order to prevent problems that may arise in the future in case that an event occurs and causes JAS to be unable to make loan repayment to JTS.”

The Vice President, Accounting and Finance Department, clarified :

“The IFA has considered this matter and provided the opinion accordingly in Part 2 of the “Opinion of the Independent Financial Advisor on Financial Assistance to Connected Person of Jasmine Telecom Systems Public Company Limited” that explains about the reasonableness and the advantages and disadvantages of the entering into this transaction. In addition, I would like to additionally explain that a promissory note is considered as legal evidence; therefore, it can be used as a collateral of the loan in the event that the borrower is unable to make loan repayment.”

When no other shareholders expressed any opinion nor did they raise any query that was related to this agenda item. The President; thus, proposed the Meeting to vote for approval. He also informed the Meeting that the resolution on this agenda item should be passed by the votes of no less than three-quarters (3/4) of the total votes cast by the shareholders, attending the Meeting and eligible to vote, but excluding the shareholders who had interests in this matter. The shareholders who had interest in this agenda item and; thus, were not eligible to vote were as follows:-

1 Jasmine International PCL	Number of shares :	231,714,400 shares
2 ACeS Regional Services Co., Ltd	Number of shares :	64,027,700 shares
3 T.J.P. Engineering Co., Ltd	Number of shares :	63,918,000 shares
4 Mr.Pleumjai Sinarkorn	Number of shares :	50,000 shares

Resolution of the Meeting

The Meeting resolved to approve the Company’s provision of financial assistance to Jasmine International Public Company Limited, which constituted a connected transaction. The resolution was passed by the votes of not less than three-quarters (3/4) of the total votes cast by the shareholders, attending the Meeting and eligible to vote, but excluding the shareholders who had interests in this matter. Details of the vote are set out below.

The number of shares of the shareholders, attending the Meeting and were eligible to vote on this agenda item, was 241,085,561 shares. (While the Meeting was proceeding, more shareholders registered to attend the Meeting.) There were 4 shareholders who were not eligible to vote on this agenda item. The Meeting resolution was as follows:-

Resolution	Number of shares	% of total shares of the shareholders, attending the Meeting and were eligible to vote, excluding invalid voting ballots
Agree	239,332,873	99.2730
Disagree	1,752,688	0.7270
Abstain	0	0
Invalid ballot	0	-
Not eligible	359,710,100	-

Agenda Item 3 To consider other matter (if any)

The Chairman notified the Meeting that a chance had been provided for the shareholders to raise agendas other than the ones set out by the Board of Directors for the Meeting's consideration. The shareholders, holding shares altogether not less than one-third (1/3) of the total paid-up shares, might request the Meeting to consider matters other than those set out in the invitation letter to the Meeting.

There was no other matter proposed for the Meeting's consideration. Hence, the Chairman declared the Meeting closed.

The Meeting was closed at 10.48 hrs.

Signed_____ - *signature*_____ Chairman of the Meeting

(Mr. Pleumjai Sinarkorn)

Signed_____ - *signature*_____ Minutes Taker

(Mrs. Nonglug Pongsrihadulchai)