



**Minutes of Shareholders' Annual General Meeting of the Year 2013  
of  
Electricity Generating Public Company Limited**

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The Shareholders' Annual General Meeting ("AGM") was convened at 2.00 p.m. on April 24, 2013 at the Vibhavadee Ballroom, Centara Grand at Central Plaza Ladprao Bangkok Hotel, No.1695, Phaholyothin Road, Chatuchak, Bangkok. One thousand and eighty (1,080) shareholders attended the meeting which comprised three hundred and ninety-one (391) attending in person and six hundred and eighty-nine (689) by proxies, representing 417,230,611 shares which accounted for 79.2513% of the total outstanding shares and constituting a quorum according to the Company's Articles of Association. Mr. Pornchai Rujiprapa, Chairman of the Board of Directors of the Electricity Generating Public Company Limited ("Company" or "EGCO"), chaired the meeting.

Before calling the meeting to order, shareholders were informed about the emergency fire exits for safety purpose.

The Chairman then declared the meeting open and introduced directors who attended the AGM to the shareholders as follows:

- |     |                   |                 |  |
|-----|-------------------|-----------------|--|
| 1.  | Mr. Thanapich     | Mulapruk        | Independent director, Chairman of the Audit Committee ("AC")   |
| 2.  | Mr. Phaiboon      | Siripanoosatien | Independent director, Chairman of the Corporate Governance and Social Responsibility ("CC"), and member of the Nomination and Remuneration Committee ("NRC") |
| 3.  | Mr. Pasan         | Teparak         | Independent director and AC member   |
| 4.  | Mr. Hideo         | Kuramochi       | Director, Chairman of the NRC  |
| 5.  | Mr. Shigeru       | Inano           | Director and member of the Investment Committee ("IC")   |
| 6.  | Mr. Toshiro       | Kudama          | Director   |
| 7.  | Mr. Satoshi       | Yajima          | Director and IC member   |
| 8.  | Pol. Gen. Pansiri | Prapawat        | Independent director, NRC member and CC member   |
| 9.  | Mr. Pongsthorn    | Kunanusorn      | Independent director, AC member  |
| 10. | Mr. Kulit         | Sombatsiri      | Director and CC member   |

- |                  |                 |                             |
|------------------|-----------------|-----------------------------|
| 11. Mr. Surasak  | Supavititpatana | Director and IC member      |
| 12. Mr. Pithsanu | Tongveerakul    | Director and NRC member     |
| 13. Mr. Sahust   | Pratuknukul     | President, IC and CC member |

Whereas Mr. Sorajak Kasemsuwan, Independent Director and member of the NRC and CC was absent with apology.

Mr. Sahust Pratuknukul, director and President, then introduced the senior executives attending the meeting with the purpose of clarifying any arising questions as follows:

- |                   |                       |   |
|-------------------|-----------------------|---|
| 1. Mr. John       | Palumbo               | SEVP – Business Development International 1                                 |
| 2. Mr. Niwat      | Adirek                | SEVP – Business Development International 2                                 |
| 3. Mr. Voravit    | Potisuk               | SEVP – Business Development Domestic  |
| 4. Mr. Sakul      | Pochanart             | SEVP – Strategy and Asset Management  |
| 5. Mr. Piya       | Jetanon               | Chief Finance Officer   |
| 6. Mr. Chumsak    | Desudjit              | SEVP and Director of Rayong Power Plant                                     |
| 7. Mr. Chankij    | Jearaphunt            | SEVP and Managing Director of Khanom Electricity Generating Company Limited |
| 8. Mr. Wajarapong | Palakawong Na Ayudhya | SEVP and Director of EGCO Engineering and Service Company Limited           |

The Chairman informed the Meeting that Ms. Amornrat Permpoonwatanasook, Company's auditors from PricewaterhouseCoopers ABAS Limited ("PwC") was invited to attend the AGM and to answer inquiries on the financial statements.

For shareholders' confidence on the Company's compliance with laws and regulations, the Company engaged Baker & McKenzie Legal Consultants Ltd, represented by Ms. Pornpinant Asawattanaporn and Mr. Youthachai Vitheekol as the AGM inspectors to review the shareholders' document checking process, the meeting quorum, and the voting procedures. Moreover, the Company used the AGM voting service covering shareholder/ proxy registration, voting record and processing provided by Thailand Securities Depository Co., Ltd. (TSD), aiming to facilitate and shorten the registration and voting procedures. Additionally, Ms. Wanpen Montraprasitthi, a minor shareholder, volunteered to witness the voting procedures.

To provide the shareholders with significant information, the Company facilitated the following:

- Help desk for share register, change of shareholders' name and other registration services attended by the officers of the Thailand Securities Depository Company Limited ("TSD"), which was the Company's registrar
- Mini exhibition and shareholders' corner in front of the meeting room to provide information on business activities and tax credit on dividend payment

Before starting all the agenda, a Company's video on 2012 highlighted performance and direction for year 2013 was presented.

As assigned by the Chairman, Ms. Kulkanok Leongsoithong, Corporate Secretary, informed the meeting on voting procedures that each shareholder had the voting rights equal to the number of shares held in the Company where one share equaled to one vote and that voting would be proceeded as follows:

1. Shareholders : only shareholders voting against or abstention in each agenda would show their hands to vote while shareholders with no show of hand would be considered voting in favor of the proposal.
2. Proxy Holders :  
Proxy Form A Proxies would vote in the same manner as the shareholders attending the meeting in person.

Proxy Form B If the shareholders casted their votes in the proxy form, such votes would have been recorded and proxy holders would not be required to vote in the meeting room. In the case that shareholders did not vote in advance, proxies would vote in the same manner as the shareholders who attended the meeting in person.

Proxy Form C This form was designed for foreign shareholders with the custodian in Thailand, in accordance with the announcement made by the Department of Business Development, the Ministry of Commerce, and that voting would be the same as Proxy Form B where proxy holders would not vote in the meeting room if shareholders casted their vote in advance.

The Corporate Secretary further informed that ballots were used for voting. Although the votes for director election would be counted for each individual nominee, the ballots with the vote in favor, against and in abstention would be all collected at one time while only the ballots with the vote against or abstention would be collected for other agendas to deduct from total registered voting shares. The remaining ballots, however, would be collected at the end of the meeting to ensure accuracy of the vote counting process which was in line with the AGM's Checklist recommended by the Thai Investors Association, Thai Listed Company Association and the Securities and Exchange Commission ("SEC"). In this regard, shareholders and proxies who had to leave early were requested to hand the ballots to the Company's officers.

The voting result of each agenda would then be announced by the Chairman and that the barcode system was used to speed up shareholders' registration and vote counting. For the benefit of correct records in the minutes of meeting, the Corporate Secretary requested shareholders and proxies to identify themselves before asking questions.

The Chairman then convened the meeting in accordance with the following notified agendas.

**Agenda 1**     **To Consider and Approve Minutes of the Shareholders' Annual General Meeting of the Year 2012**

The Chairman proposed to the Meeting to consider the minutes of the AGM of the year 2012 held on April 25, 2012 which were posted on EGCO website (www.egco.com) since May 10, 2012 with the draft minutes in hard copies sent for shareholders' review for the third year.

After that, the Chairman invited questions/ recommendations from shareholders. There being no questions/ recommendations, the Chairman called for the voting to approve the minutes of the AGM of the year 2012 held on April 25, 2012. The resolution required the majority of votes of shareholders present and voting.

**RESOLUTION:**

Having considered the matter, the shareholders approved with the majority of votes the minutes of the Shareholders' Annual General Meeting of the Year 2012 as follows:

<u>Voting result</u>	<u>No. of votes</u>	<u>%</u>
For	417,483,161	99.9892
Against	0	0
Abstention	44.960	0.0107
Total voting shares	417,528,121	100.0000

**Agenda 2**      **To Consider and Acknowledge the Company's 2012 Annual Report**

The Chairman reported to the Meeting that starting from 2004, the annual report was presented in a CD ROM format to reduce paper consumption and save cost while the printed version would be available on request. The incurred cost saving of 2,233,808 baht for 2012, was donated on behalf of EGCO's shareholders to the "Thai Forest Conservation Foundation" which had the objective to conserve the environment.

After that, the Chairman delegated Mr. Sahust Pratuknukul, the President, to present the Company's 2012 performance up to March 2013, 2012 annual business plan and the Company's strategic directions to the Meeting which were summarized as follows:

**1. Significant Events in 2012**

**1.1 Project which Completed its Construction in 2012**

The Lopburi solar power plants, phase 2-4, which had been continuously and gradually constructed phase by phase since 2011, completed their construction and all commercially supplied power to grid in March 2012, contributing to 16 MW equity to EGCO's portfolio.

**1.2 Acquisition of Operating Assets**

- In January 2012, EGCO acquired 99.99 percent stakes in SPP4 Company Limited ("SPP4"), the solar power plant with the installed capacity of 6 MW. SPP4 was awarded a Power Purchase Agreement ("PPA") from Provincial Electricity Authority ("PEA") under the very small power producer scheme and had been commercially operated since January 24, 2012.
- In February 2012, EGCO acquired 99.99 percent stakes in SPP3 Company Limited ("SPP3"), the solar power plant with the installed capacity of 8 MW. SPP3 was awarded a PPA from PEA under the very small power producer scheme and had been commercially operated since February 21, 2012.
- In March 2012, EGCO invested in solar power projects through the acquisition of 60 percent of registered shares in G-Power Source Company Limited ("GPS") from Gunkul Engineering Public Company Limited. GPS was awarded 4 PPAs from PEA under the very small power producer scheme with the contracted capacity of 6.5 MW for each plant. The first three projects (phase 1-3) had been commercially operated since March 2012.

- In May 2012, EGCO acquired 99.99 percent stakes in SPP2 Company Limited (“SPP2”), the solar power plant with the installed capacity of 8 MW. SPP2 was awarded a PPA from PEA under the very small power producer scheme and had been commercially operated since May 2, 2012.
  
- In May 2012, EGCO acquired additional 45.875 percent shares in Quezon power plant, a coal power plant in the Philippines with the capacity of 503 MW, bringing EGCO’s total ownership interest in QPL to 98 percent shares. Moreover, EGCO also completed the acquisition of Quezon Management Service Company to provide the management service to Quezon power plant.
  
- In June 2012, EGCO acquired 99.99 percent stakes in SPP5 Company Limited (“SPP5”), the solar power plant with the installed capacity of 8 MW. SPP5 was awarded a PPA from PEA under the very small power producer scheme and had been commercially operated since June 22, 2012.

### **1.3 Projects under Construction**

- In January 2012, EGCO acquired 90 percent stakes in Theppana Wind Farm Company Limited (“TWF”), the wind power plant with the installed capacity of 6.9 MW. TWF was awarded a PPA from PEA under the very small power producer scheme and would expectedly start its commercial operation in July 2013.
  
- In February 2012, EGCO invested 49 percent stakes in Yanhee EGCO Holding Company Limited (“YEH”) to conduct the solar power projects. YEH was awarded 6 PPAs from PEA under the very small power producer scheme with the contracted capacity of 9.5 MW for each project totaling 57 MW which would expectedly start the commercial operation in December 2013.
  
- In March 2012, EGCO acquired 60 percent stakes in G-Power Source Company Limited, the solar power projects. The forth project (phase 4) was completely constructed and commercially operated on February 2, 2013.
  
- In September 2012, EGCO acquired 50 percent stakes in Gidec Company Limited (“Gidec”), a waste power plant with the installed capacity of 6.5 MW. Gidec was awarded a PPA from PEA under the very small power producer scheme and would expectedly start its commercial operation in August 2013.

### **1.4 Acquisition of Other Business**

- In May 2012, EGCO acquired 50 percent stakes in Absolute Power P Company Limited (“APPC”), a bio diesel plant with the production capacity of 300,000 liters per day. APPC had been commercially operated since October 2011.

- In August 2012, EGCO acquired 40 percent stakes in PT Manambang Maura Enim Company Limited (“MME”), a 5,800-kcal/kg sub-bituminous coal mine in Indonesia with the 28-year term concession agreement. MME had approximately 140 million tons of the reserved coal and had been operated since March 2010.

## **2. Overview of Power Business Investment**

As at December 31, 2012, EGCO possessed 20 operated power plants with the total installed capacity of 4,708 MWe, comprising 3,453 MWe of IPP, 293 MWe of SPP, 60 MWe of renewable energy and 902 MWe of overseas power plants.

EGCO had power plant projects under construction and development with the installed capacity of 580 MWe comprising 205 MWe of 6 under-construction projects and 375 MWe of 3 under-development projects which had already entered into PPA with EGAT.

Apart from the power business, EGCO invested in the other business in the following 5 companies:

<b>Company</b>	<b>Business</b>
1. EGCO Engineering and Services Company Limited	Operation, Maintenance and Engineering
2. Eastern Water Resources Development and Management Public Company Limited	Supply and distribution of raw water
3. EGCOM Tara Company Limited	Generation and distribution of piped water
4. Absolute Power P Company Limited	Generation of Biodiesel
5. PT Manambang Maura Enim	Coal mine

## **3. Operating result**

The Company had the profit of 6,060 million baht before foreign exchange (FX) of the Company, Subsidiaries and Joint Ventures as well as the accounting profit resulted from the business merging after the amortization, totaling 4,182 million baht. Compared to the last year's profit of 5,301 million baht, the profit in 2012 increased by 759 million baht due to the following major factors:

- The income of Equivalent Availability Factor (EAF) decreased by 648 million baht, according to the PPA's structure.
- The technical problems on power plant equipment of EGCO Cogeneration Company Limited and Nong Khae Cogeneration Company Limited resulted in the decrease of the profit by 690 million baht.

- The better performance from the maintenance and operation of the existing power plants resulted in the increase of the profit by 1,158 million baht.
- New power plants were acquired, resulting in the increase of the profit by 939 million baht.

EGCO's debt to equity ratio based on the consolidated financial statements in 2011 was 0.25 times while it was 0.60 times in 2012. Considering the Company's financial statements, the debt to equity ratio in 2011 was 0.23 times while 0.40 times in 2012 as EGCO had more debt in 2012 to expand the investment.

#### **4. Strategic Plan**

EGCO needed to manage the 20 existing power plants to keep their operation running normally and most efficiently. In addition, EGCO had save cost for each plant in order to make the profit as most as possible. Regarding the project under construction, EGCO had to accelerate to complete the construction as scheduled within the budget. In addition, the Company sought not only the opportunities in new domestic projects such as attending a bidding for new power plants and following the government's policy, but also in overseas projects especially in Asia.

Then, the Chairman invited questions / recommendations from the shareholders, the discussions of which were summarized as below:

Question: Mr. Chokboon Chitpradabsin, a minor shareholder, asked whether the waste power plant was a kind of the biomass power plant or not.

Answer: The President explained that the biomass power plant used the agricultural products such as dried sugar-cane and rice husk as fuel through burning process while the waste power plant generate the electricity from the process of waste elimination.

Question: Mr. Jiraphunt Buaboocha, a proxy, expressed his view that the financial overview of the past 10 years was too detailed and did not have meaning for the general users of financial statements. Then, Mr. Jiraphunt Buaboocha asked the following questions:

1. To align with 2012 Annual Report, item 3 in page 145 regarding the future plan that the asset management of the commercial operating projects is necessary to ensure that the operating results meet the estimation, could the Company provide the detail of the return for such estimation? Additionally, had the return rate during the past 3 years reached the Company's plan,
2. To align with 2012 Annual Report, page 150 regarding EGCO's

operating result of EGCO Cogen and NKCC, which faced the equipment failure, the questions was listed below:

- 2.1 What was the reason for such equipment failure?
- 2.2 Was the maintenance period of 8 months for EGCO Cogen and 5 months for NKCC appropriate?
- 2.3 Had the incident occurred before? If yes, when did it occur?

Answer:

1. The Chairman and the Management explained that EGCO had planned the annual operation and maintenance as well as the annual budget for each power plant to comply with the PPA of each plant. However, for each year EGCO usually set the action plan and budget for each plant better than indicated in the agreement, except for EGCO Cogen and NKCC which faced the equipment failure. Besides, EGCO could save the cost and earn higher profit from power generation, but could not clearly indicate the profit amount of each project. For example, the profit of Rayong Power Plant and Khanom Power Plant would be low as they were in the final period of PPA.
2. EGCO Cogen faced a gearbox failure. Also, the supplier did not recommend sparing the part for gearbox; therefore, a gearbox had to be newly produced and delivered within 8 months, resulting in the cool period of EGCO Cogen plant. With regard to NKCC's case, the generator performed over limited speed, leading to the equipment failure. For both case, the specialist and the insurer were requested to investigate the failure factors and estimate the damage value, the process of which was time-consuming as mentioned above.

Question:

Ms. Prajakporn Sophon, a minor shareholder provided the following questions and queries:

1. What was the possibility that leded EGCO to win the IPP bid in 2013?
2. Had EGCO tended to acquire more stakes in Xayaburi Hydro Power Project in Laos?
3. Please explain the pros and cons of the investment in Xayaburi Hydro Power Project.
4. Would there be any possibilities that CH. Karnchang PCL would sell its shares in Xayaburi Hydro Power Project? If such case occurred, who would be the successor to undertake CH Karnchang PCL's role to manage the project? Also, would there be any possibilities to consider the other sub-contractors to provide the OM services in the future?
5. What was the benefit EGCO got from TEPDIA which was the international shareholder and the second major shareholder? In addition, did EGCO get any credit from Japanese sources of fund or ADB?

6. Had EGCO planned to invest in Laos as RATCH did with EDL?

Answer:

1. The Chairman informed that EGCO was attending the bidding; however, the detail of the bidding and the possibility to win the bid could not be disclosed.
2. The Chairman explained that EGCO held approximately 12 percent share in Xayaburi Hydro Power Project; therefore, EGCO could not precisely indicate the direction of the project operation and the acquisition of additional shares. This issue should be subject to the company that directly managed the project.
3. The Chairman informed that the revenue from Xayaburi Hydro Power Project was tentatively in a good level. However, EGCO had a policy to provide an environmental assistance to the project in accordance with the international standard.
4. The Chairman explained that TEPDIA provided the technology and expertise for EGCO's business development. With regard to the sources of fund, EGCO had the reliable reputation to seek the fund by itself. However, having the international shareholders would further help with the investment in overseas projects.
5. The Chairman indicated that EGCO had not discussed with EDL to purchase its shares. In case EDL intended to sell its shares with good conditions, it would be such an interesting project; however, EGCO would have to consider the project return carefully before making a decision.

Question:

- Mr. Chokboon Chitpradabsin, a minor shareholder, questioned as follows:
1. Due to the equipment failure leading to the cool period of the power plants, did EGCO Cogen and KNCC receive any compensation from the insurer and did they have to pay any penalty to EGAT?
  2. Did the renewable energy projects give a good return?

Answer:

1. The Chairman and the Management explained that EGCO Cogen and KNCC received some compensation from the insurer as stated in the insurance policy. NKCC got the compensation on the forecast lost income while EGCO Cogen did not as the compensation on the failure equipment was not sated in the insurance policy of EGCO Cogen. In addition EGCO set a policy to handle with the incidents on the power plant equipment failure which might occur in the future.
2. The Chairman indicated that although the return on the renewable energy project was quite low, it was cost effective and got in line with the government's policy.

There being no other questions/recommendations, the Chairman concluded the resolution of the meeting.

**RESOLUTION:**

With the permission from the shareholders, the Company's Annual Report for year 2012 were noted.

**Agenda 3 To Consider and Approve Balance Sheet and Income Statement as at December 31, 2012**

The Chairman delegated Mr. Sahust Pratuknukul, President, to report the financial statements as of December 31, 2012. Mr. Sahust, then, presented the details of financial statements to the shareholders with the key information as shown in the following table.

<b>Description</b>	<b>Consolidated (baht)</b>	<b>Company (baht)</b>
Total Assets	109,324,074,194	78,913,661,540
Total Liabilities	41,003,851,806	22,386,951,605
Total Revenues and share of net profit (loss) from Subsidiaries and Joint Venture Entities	24,359,138,170	7,359,210,609
Equity holders of the Company	10,979,397,609	4,554,084,772
Earnings per Share	20.85	8.65

After that, the Chairman delegated Mr. Thanapich Mulapruk, AC Chairman, to present information on the review of the financial statements.

Mr. Thanapich Mulapruk, the AC Chairman reported that the AC had reviewed the quarterly and annual financial statements with the Management and the auditors from PwC where the AC asked questions, gave opinions and recommendations to ensure that the Company's financial statements were fair, accurate, and reliable, presented all material respects, and that such statements complied with the generally accepted accounting principles and all governing rules and regulations. The consolidated financial statements were presented on page 173-241 of the annual report.

After that, the Chairman invited questions/ recommendations from shareholders of which the discussions were summarized below.

**Question :** Mr. Jiraphunt Buaboocha, a proxy, asked questions on page 167 of the 2012 annual report regarding the oversight of internal audit as below.

1. What material recommendations provided by the AC regarding the result of 2012 management audit were? Due to the AC assign to practice, the chief of internal audit levels at the manager division,

- how independent and powerful to conduct the auditing works?
2. AC Report only stated that internal control system of the Company and the subsidiaries are proper and sufficient, were the internal control system of joint venture being GEC and BLCP sufficient and adequate?
  3. How was the AC entrusted that the Management and employees had complied with rules and regulations by their confirmation? Were there any units to monitor such compliance? How did the AC know if the Management and employees did not follow the rules and regulations?

Answers : AC Chairman clarified the questions as below.

1. The management audit was carried out to ensure that the Management complied with the Board's and the subcommittees' resolutions. In 2012, there was no report showing that the Management neglected the resolutions.
2. Although the chief of internal audit was the manager division, she could act as an internal auditing tool for the AC. Annual auditing plan was prepared by the Internal Audit Division and approved by the AC. The result of the auditing works was reported to the AC once they were carried out in accordance with the plan. The AC would inform the Management of any related issues and would follow up the Management's actions until they completed the tasks.
3. The auditing BLCP was also included in the annual internal audit plan and the result showed significant shortcomings in the year 2012. GE's financial statements and performance had usually been audited.
4. Compliance auditing which covered the compliance of laws and relevant regulations was included in the annual internal audit plan.

Additionally, the Company's Legal Division confirmed that the Management and employees had complied with regulated laws.

Question: Mr. Pitipat Patanathanachoke, a representative of Thai Investor Association, asked the questions about the 2012 annual report:

1. On page 198 of 2012 annual report, what was the policy on trade receivable, 12 months overdue for 26 million baht which had not been set as reserve as allowance for doubtful debts?
2. On page 198 of 2012 annual report, EGCO had realized the provision of obsolete inventory of 937 million baht and 1,145 million baht in 2011 and 2012, respectively. Why was the large amount of the provision recorded? How fast did power plant spare parts become obsolete?

Answer: The Management clarified that as follows:

1. Such trade receivable did not belong to EGCO. It was ESCO's due to its service provided to offshore customers. The payment had been made periodically, resulting the balance as of the first quarter amounted to 7 million baht.
2. Such allowance was for obsolete spare parts. The allowance had been made based on the remaining value of such allowance divided by the remaining term of the PPA. The obsolete spare part allowance belonged to Rayong Power Plant and Khanom power plant of which the expiry of PPAs were approaching, causing the increase of the allowance.

There being no other questions/recommendations, the Chairman put to shareholders the voting to approve the Company's statements of financial position and the income statement ended on December 31, 2012 which was audited and certified by the Auditor and reviewed by the Audit Committee as shown in the Annual Report distributed to the shareholders with the notice to the meeting. The resolution required the majority of votes of shareholders present and voting.

**RESOLUTION:**

Having considered the matter, the shareholders with the majority of votes approved the statements of financial position and the income statement ended on December 31, 2012 as proposed by the Chairman with details as shown below.

<u>Voting result</u>	<u>No. of votes</u>	<u>%</u>
For	417,604,482	99.9888
Against	0	0
Abstention	46,460	0.0111
Total voting shares	417,650,942	100.0000

**Agenda 4 To Consider and Approve Appropriation of Net Profit and Payment of Dividend**

The Chairman reported to the shareholders that in the absence of unforeseen circumstances, the Company had a policy to dividend approximately 40% of the consolidated net profit after taxation, or to increase the dividend amount in a steady manner, to the shareholders. It should be noted that the Company's reserve fund had reached the amount of 530 million baht which was 10% of the registered capital as required by law.

Additionally, Article 41 of the Company's Articles of Association stated that the Board of Directors might pay interim dividend if the profit was adequate for doing so and shall report the same to the shareholders at the next meeting. With respect to this, the Board in the Board of Directors in the meeting no.8/2012 on August 27, 2012 resolved to pay the interim dividend from the first-half year operation at 2.75 baht per share or 1,448 million baht in total and the payment was made on September 21, 2012.

For year 2012, the net profit from operating result excluding the accounting gain on business combination was 6,669 million baht.

Considering the satisfactory operating results with higher profit and the projection of profit according to the investment project, the Board of Directors viewed that the Company had adequate profit to dividend out at the same or incremental amount and proposed the dividend for the remaining yearend at 3.25 baht per share or 1,711 million baht. Therefore, the dividend payment for the 2012 operating year was 6.00 baht per share or 3,159 million baht. The proposed dividend was higher than the year 2011 at 0.75 baht per share or 47% of the net profit excluding the accounting gain on business combination. As the dividend for the 2012 operation year at 6.00 baht, the retained earnings carried forward (consolidated) and (company) were 49,055 and 37,223 million baht respectively. The final dividend was paid in May 3, 2013 which was one day earlier than the previous year. The comparison of the dividend payment between 2011 and 2012 was illustrated as follows.

<b>Description</b>	<b>2012</b>		<b>2011</b>	
Net Profit (million baht)	6,669		4,990	
Total number of shares	526,465,000		526,465,000	
Earnings per share (baht)	12.67		9.48	
Dividend per share (baht)	2.75	3.25	2.50	2.75
Total dividend amount (million baht)	3,159		2,764	
Dividend Payout Ratio (%)	47		55	

After that, the Chairman invited questions/ recommendations from shareholders of which the discussions were summarized below.

Question: Mr. Chokboon Jitpradabsilpa, a minor shareholder, asked what the trend of the decreasing net profit was.

Answer: The Chairman and the Management answer the main reason was that Quezon changed its status from EGCO's joint venture to subsidiary due to the acquisition of additional shares in Quezon in 2012. Also, Quezon's net profit was lower than the Group Companies resulting from its higher tax rate. For the future, the shareholders should be entrusted that the Board of Director would take this issue into account.

Question: Mr. Boonruen Jangbua, a minor shareholder, asked about the inconsistency of information disclosed in Life Newsletter circulated to the shareholders and that in the 2012 annual report as follows.

1. The net profit in Life Newsletters was 3,797 million baht whereas that in 2012 annual report was 6,669 million baht.
2. Dividend payment ratio in Life Newsletter was 5.50 baht per share whereas that in 2012 annual report was 6.00 baht per share.

Answer: The Management clarified as below.

1. The net profit in Life Newsletter was used for the comparative financial statements analysis with the year 2011. The profit excluded the accounting gain on business combination after deducting asset distribution appraising from fair value of Quezon Power at 4,182 million baht. Unlike the annual report, the net profit excluding the accounting gain on business combination amounted to 4,310 million baht showed the performance of the Company based on the financial statements.
2. Regarding the different dividend payment ratio, the dividend payment in Life Newsletter came from the addition of the final dividend of 2011 paid in May and the interim dividend from the first half-year of 2012 whereas that in the annual report was the dividend ratio for the 2012 performance.

There being no questions/recommendations, the Chairman called for the voting to approve the appropriation of net profit and the payment of final dividend from the second half-year operation of 2011 as detailed above. The resolution required the majority of votes of shareholders present and voting.

#### **RESOLUTION:**

Having considered the matter, the shareholders with the majority of votes approved the appropriation of the 2012 net profit and final dividend payment from the second half-year operation of 2012 at 3.25 baht per share or 1,711 million baht in total with the payment date on May 3, 2013 as proposed by the Chairman.

The voting details were as shown below.

<u>Voting result</u>	<u>No. of votes</u>	<u>%</u>
For	417,609,942	99.9888
Against	0	0
Abstention	46,460	0.0111
Total voting shares	417,656,402	100.0000

#### **Agenda 5 To Consider Auditor Appointment and to Determine Audit Fee**

The Chairman delegated Mr. Thanapich Mulpruk, AC Chairman, to present the information on auditor selection to the shareholders.

Mr. Thanapich Mulpruk reported to the shareholders that the Company put priority on the independence of the auditor. In this regard, the AC set the policy to change the statutory auditor of the Company at every five years whereby the auditors from the same office could be appointed. This policy was in consistent with the recommendation of the SEC which was promulgated in 2006.

In 2012, the AC resolved to open the bidding for the Company's new statutory auditor for year 2013, taking into account qualifications and the comparison of auditing fees, before the existing auditor completed their 5-year term. Leading auditor firms were invited to submit a bid whereby PwC, one of the bidders, was ranked the top with the best scores. Considering the bidding document and PwC's past performance, the AC opined that auditors from the PwC were independent, and professional with qualified auditing experiences and proven good service as well as being in the list of auditors approved by the SEC. As such, the auditors from PwC should be appointed as EGCO Group's statutory auditors for year 2013 with the auditing fees of 1,787,700 baht, a drop of 644,690 baht from the year 2012's, and the out-of-pocket expenses for audit work in Thailand of not exceeding 123,600 baht. Expenses incurred from any offshore audit work of the auditors should be borne by the Company. To ensure uniform accounting standards, in 2012 PwC auditors were also appointed the auditors of 10 subsidiaries. It should be noted that PwC and the proposed auditors did not have any interest or relationship with the Company, its subsidiaries, the Management, major shareholders, or other related parties in a way that would affect their independence in discharging their duties

The Board of Directors, with the recommendation of the Audit Committee, then proposed the appointment of PwC's Certified Public Accountants, namely Mr. Somchai Jinnovart, Certified Public Accountant (Thailand) No. 3271 or, Mr. Vichien Khingmontri, Certified Public Accountant (Thailand) No. 3977 or, Ms. Amornrat Pearmpoonvatanasuk, Certified Public Accountant (Thailand) No. 4599, to be the Company's auditors, anyone being authorized to conduct the audit and express the opinions on the financial statements of the Company with the audit fee for year 2013 of

not exceeding 1,787,700 baht and out-of-pocket expenses for audit work in Thailand of not exceeding 123,600 baht while the Company would be responsible for the auditors' oversee traveling expenses. The shareholders should authorize the Board of Directors to appoint alternate certified public accountant from PwC in case of absence of the three auditors as stated above. In addition, the Board of Directors should be authorized to consider and approve the review fee of the financial statements of subsidiary, associated and joint venture companies which would be established or acquired during the year.

After that, the Chairman invited questions/ recommendations from shareholders of which the discussions were summarized below.

Question: Mr. Prasert Khewduangthien, a minor shareholder, asked and provided the following questions and suggestions.

1. What did the AC view about the objectives and benefits from rotation of auditors every 5 years?
2. Changing the auditors with the same auditing firms did not cause any benefits. With the Company's policy on the auditor selection, new auditors in the same audit firms would still be acquaint with the Company's employees and internal audit division which could affect their independency and professional works. Therefore, the Company should change the auditing firms instead of rotating the auditors.

Answer: The Chairman of AC clarified as follows.

1. It was the policy regulated from the SEC that the listed companies could change their auditors every 5 years so that the auditors would be independence and could perform their work professionally.
2. The Company welcomed all the leading auditing firms to participate in the bidding.

Question: Mr. Boonruen Jangbua, a minor shareholder, asked the following questions

1. Would it be possible that the Company could pay the dividend in April earlier than the normal payment period in May?
2. Due to the decrease in audit fee in 2013, why did the Company cut down the auditors to 3?

Answer: The Chairman and the Chairman of the AC clarified as follows.

1. The preparation of financial statements of EGCO's overseas subsidiaries and joint ventures was time consuming which lengthened EGCO's consolidated financial statements process and consequential impacted to the timing for dividend payment to EGCO's shareholders.

However, the Company would try its best to accelerate the process.

2. The Company did not cut down the number of auditors. The decrease in auditing fees was due to PwC's better understanding of EGCO business which help fastened their auditing process.

There being no questions/recommendations, the Chairman called for the voting to approve the appointment of the Company's statutory auditors and the audit fee. The approval of this item required the majority of votes of shareholders present and voting.

**RESOLUTION:**

Having considered the matter, the shareholders resolved with majority vote the appointment of the auditors, namely Mr. Somchai Jinnovart, Certified Public Accountant (Thailand) No. 3271 or, Mr. Vichien Khingmontri, Certified Public Accountant (Thailand) No. 3977 or, Ms. Amornrat Pearmpoonvatanasuk, Certified Public Accountant (Thailand) No. 4599 of PwC, anyone being authorized to conduct the audit and express an opinion on the annual financial statements of the Company. The audit fee was approved at 1,787,700 baht plus the out-of-pocket expenses for audit in Thailand at not exceeding 123,600 baht. The Company would also be responsible for the auditors' overseas traveling expenses. The shareholders also authorized the Board of Directors to consider and approve the alternate certified public auditors of PwC in case of the absence of the above auditors; and to approve the additional quarterly review fees of any subsidiaries, associate or joint venture companies, to be incorporated during the year from business expansion.

Details of voting result were as shown below.

<u>Voting result</u>	<u>No. of votes</u>	<u>%</u>
For	413,281,509	98.9506
Against	4,327,463	1.0361
Abstention	55,430	0.0132
Total voting shares	417,664,402	100.000

**Agenda 6 To Consider and Elect Directors to Replace Retired Directors**

The Chairman reported to the shareholders that article 17 of the Company's Articles of Association stipulated that one-third or the nearest number to one-third of the directors would retire by rotation at the shareholders' meeting. Upon this meeting, the following five directors would retire by rotation.

1. Pol. Gen. Pansiri Prapawat Independent Director, NRC member and CC member
2. Mr. Sahust Pratumkul President, IC and CC member

3. Mr. Surasak Supavititpatana      Director and IC member
4. Mr. Pithsanu Tongveerakul      Director and NRC member
5. Mr. Hideo Kuramochi              Director, Chairman of NRC

For transparency and for shareholders' convenience to freely discuss on director election, all the retired directors voluntarily excused from the meeting.

The Company posted on the Company's website to welcome the shareholders' recommendations on director nominees but no recommendation was received. In this regard, the Board of Directors excluding members who had potential conflict of interest considered the proposal of the NRC on director candidates, taking into account the director mix along with the knowledge, expertise and the past performance of the directors, and proposed that the Pol. Gen. Pansiri Prapawat, Independent Director, and Mr. Sahust Pratuknukul, Mr. Surasak Supavititpatana, Mr. Pithsanu Tongveerakul and Mr. Hideo Kuramochi, Company's directors should be re-elected for another term. The director nominees complied with the definition of EGCO independent directors prescribing that independent director shall hold shares not more than 0.5% of the paid-up capital with the voting right of EGCO which the Pol. Gen. Pansiri Prapawat, Independent Director held no EGCO's shares.

The resume of the proposed directors were presented in Attachment # 5 of the notice to the meeting.

There being no questions/recommendations, the Chairman of the meeting then invited the retiring directors to the meeting. After that, the Chairman put to shareholders the voting on director election on individual basis. The resolution required the four-fifth majority of votes of shareholders present and voting.

**RESOLUTION:**

Having considered the matter, the shareholders resolved to re-elect Pol. Gen. Pansiri Prapawat as the Independent Director and Mr. Sahust Pratuknukul, Mr. Surasak Supavititpatana, Mr. Pithsanu Tongveerakul, and Mr. Hideo Kuramochi as the Company's directors for another term. The number of the votes in favor for each director exceeded four-fifths of the total shares present and voting. The voting shares for each director were as follows.

Directors	For (%)	Against (%)	Abstention (%)	Void Ballot (%)	Total (%)
1. Pol. Gen. Pansiri Prapawat Independent director	417,200,539 (99.8886)	399,540 (0.0956)	62,680 (0.0150)	2,750 (0.0006)	417,665,509 (100.000)
2. Mr. Sahust Pratuknukul Director	415,971,787 (99.5944)	1,639,842 (0.3926)	53,880 (0.0129)	-	417,665,509 (100.000)
3. Mr. Surasak Supavitpatana Director	414,506,386 (99.2436)	3,100,142 (0.7422)	58,381 (0.0139)	600 (0.0001)	417,665,509 (100.000)
4. Mr. Pithsanu Tongveerakul Director	414,472,626 (99.2355)	3,125,102 (0.7482)	67,781 (0.0162)	-	417,665,509 (100.000)
5. Mr. Hideo Kuramochi Director	411,423,786 (98.5055)	6,183,642 (1.4805)	58,081 (0.0139)	-	417,665,509 (100.000)

**Agenda 7 To Consider and Determine Directors' Remuneration**

The Chairman of the meeting informed that taking into account the operating result of the Company, the responsibilities of the Board of Directors and the comparison with the market norms as well as incentive to attract and retain qualified directors, the Board of Directors with the recommendation of the NRC proposed to the shareholders to consider the directors' remuneration comprising the bonus from the 2012 performance and the director fee as follows:

1. To allocate the 2012 director bonus, to be appropriated at the Board's discretion, at 20 million baht, equaled to 2011's approved amount, taking into account the Company's growth, the recognition in terms of good corporate governance, the increasing of share price, peers' director bonus, and dividend payout ratio. Such bonus payment accounted for 0.72% of the dividend payment;
2. To maintain the director fee at the existing rate which included the monthly retainer fee of 30,000 baht and the meeting allowance of 10,000 baht. The Chairman and the Vice Chairman of the Board would receive 25% and 10% additional remuneration both in retainer fee and meeting allowance. Any absent directors should not receive the meeting allowance. Such principle and fee amount had been approved by the shareholders since 2003 and comparable to the peer companies; and
3. To maintain the remuneration of the four Board's Committees as the same rate as previously approved, taking into account the number of meetings together with the duties and responsibilities of each committee.

Committee	Retainer Fee (baht)		Meeting Allowance (baht)	
	2013	2012	2013	2012
Audit Committee	20,000	20,000	20,000	20,000
Nomination and Remuneration Committee	20,000	20,000	20,000	20,000
Investment Committee	20,000	20,000	24,000	24,000
Corporate Social Responsibility Committee	-	-	24,000	24,000

The Chairman of each Board Committee would receive 25% additional remuneration both in retainer fee and/ or meeting allowance. Shareholders should also authorize the Board to approve remuneration for committees which would be established or changed during the year to be in line with their duties and responsibilities.

4. The President who was the executive director was not entitled to any directors' remuneration.

The Chairman further elaborated that Mr. Sahust Pratuknukul, the President, who held 1,890 shares in EGCO, was considered having special conflict of interest in this agenda. With respect to this, he had no right to cast the vote in this agenda.

After that, the Chairman invited discussion on each director nominee of which the discussions were summarized below.

**Question:** Mr. Boonruen Jangbua, a minor shareholder, questioned about some inconsistency of information in the Annual Report, full version on page 96 on the remark <sup>2/</sup> which read that the shareholders in the Annual General Meeting no. 1/2013 resolved not to pay the directors' remuneration comprising the meeting allowance for year 2012 and bonus for 2011 performance". Such information was not consistent with the resolution of the shareholders in this AGM.

**Answer:** The Management clarified that it was typing error. The remuneration stated in the annual report was the remuneration of EGCO Management in their capacity of directors of Khanom Electricity Generating Company Limited ("KEGCO"). The Shareholders in KEGCO's 2012 AGM resolved not to pay the remuneration to directors. As a result, the correct statement was "the shareholders in KEGCO's 2012 Annual General Meeting no. 1/2012 resolved not the pay directors the remuneration ...". With respect to this, the Management apologized for this error and would be more careful next time.

There being no other questions/recommendations, the Chairman called for the voting on directors' remuneration. The resolution required the two-thirds majority of votes of shareholders present and voting.

**RESOLUTION:**

Having considered the matter, the shareholders approved with votes exceeded two-third majority of votes as required by law the bonus for 2012, the monthly retainer fee and the meeting allowance for 2013, and the remuneration for Board committees as proposed by the Chairman. Details of voting result were as shown below.

<u>Voting result</u>	<u>No. of votes</u>	<u>%</u>
For	414,961,067	99.3455
Against	2,679,763	0.6415
Abstention	53,770	0.0128
Total voting shares	417,694,600	100.000

**Agenda 8 To Consider Other Matters**

The Chairman asked whether the shareholders had any other matters to propose to the shareholders. There being no other businesses, the Chairman invited questions/recommendations on general issues from the shareholders. The summary of the discussion was as shown below.

Question: Mr. Chokboon Jitpradabsilpa, a minor shareholder, asked normally, the share price would rise up when the AGM was held but why the share price fell this year

Answer: The President answered that there was no significant issue impacting the share price. This might have something to do with mechanism in the market which was a normal case.

Question: Mr. Boonruen Jangbua, a minor shareholder, asked whether EGCO had difficulties with raw water sources as having 20 power plants in the portfolio.

Answer: The Chairman clarified that when constructing power plants, the Company would take into account the location of raw water and substation which should be close to the power plant. Moreover, the raw water should be sufficient for both electricity generation and community's use. The power plant would not withhold water from community.

Question: Mr. Prasert Keawduangthein, a minor shareholder, asked the following questions.

1. Why did EGCO decide to hold 98% of ownership in Quezon which yielded low return and also planned to expand more investment in the Philippines?
2. Besides the Philippines, Did EGCO plan to invest in other countries such as Myanmar or Middle East?

Answer: The Chairman and the President provided the following answers.

1. Actually, the yield from the investment in the Philippines was not low. The return mentioned earlier was the net return not the return on equity ("ROE"). However, the ROE of the Quezon Project in the Philippines was higher than that of the project investment in Thailand.
2. Talking about the overseas investment such as in Myanmar which just opened its door, its investment law to protect was not well established and the tax rate was considerably high. To invest in any project, the Company would take into account risks and return, investment and people readiness. Some investment studies had been carried out but the Company was waiting for the right timing. Furthermore, the Company did not have any plan for investment in the Middle East, a faraway region, which would cause consequential governance and oversight problems. As such, the Company focused on the South East Asia.

Questions: Mr. Chokboon Jitpradabsilpa, a minor shareholder, queried why the return on asset ratio ("ROA") was decreasing while the debt to equity ratio ("DE") was increasing.

The Chairman and the President clarified that despite higher assets and income, the ROA was still decreasing because some assets were under construction which had not generated income. Moreover, the nearly retired assets had generated less income which was in line with the nearly expired PPA. However, when considering the long term, the assets and income would be relatively increased. It was suggested to consider the return on equity as well.

The ROE was higher because in the past, greater amount of equity was used to finance the projects. Normally, the proportion of debt should be higher than that of equity such as 70:30. In 2012, EGCO secured more loan to finance the investment projects.

There being no other questions/recommendations, the President informed that the shareholders, investors and analysts would be welcome to a site visit to Lopburi Solar Power Plant and SPP Two in Lopburi province and Saraburi province, respectively, on Wednesday, June 13, 2013. Interested shareholders could contact the Investor Relations booth in front of the meeting room or visit the Company's web page at [www.egco.com](http://www.egco.com).

There were no other matters raised for consideration, the Chairman then closed the meeting and thanked all shareholders for attending the meeting and providing useful recommendations to the Company.

The meeting adjourned at 5.00 p.m.

After the Chairman declared the meeting open, the shareholders still registered to attend the meeting resulting in the increasing numbers of shareholders and proxies to five hundred and forty-eight (548) and eight hundred and twenty-one (821) shareholders attended the meeting in person and by proxy, respectively, or one thousand three hundred and sixty- nine (1,369) in total holding 417,696,490 shares or 79.3398% of the total outstanding shares.

Signed \_\_\_\_\_Chairman

(Mr. Pornchai Rujiprapa)

Note: An English version of the Minutes of Shareholders' Annual General Meeting for year 2013 had been prepared from the Thai version. In the event of a conflict or a difference in interpretation between the two languages, the Thai version shall prevail.