



- Translation -

Minute of the 2017 Annual General Meeting of Shareholders

Inoue Rubber (Thailand) Public Company Limited

Date, Time and Venue of Meeting

The Meeting held on January 30, 2017 at 2.00 p.m., at Vitya Memorial Hall, 2nd Floor, Inoue Rubber (Thailand) Public Company Limited, 157 Moo 5 Phaholyothin Rd., Lamsai, Wangnoi, Ayutthaya 13170

Opened Meeting

Inoue Rubber (Thailand) Public Company Limited "The Company" determined the entitled shareholders to attend 2017 Annual General Meeting on December 8, 2016 and compiled the shareholder list pursuant to Section 225 of the Securities and Exchange Act by book closing method on December 9, 2016, which consisted of 1,106 shareholders with 200,000,000 shares.

Mrs. Pimjai Leeissaranukul, Chairman of the Board of Directors, acted as the Chairman of the Meeting ("the Chairman"), declared the Meeting opened and ask all shareholders to stand in 99 seconds of silence to mourn the passing of HM the late King Bhumibol Adulyadej.

Then, Ms. Tipwadee Sudwayha, Company Secretary, acted as the Secretary to the Meeting ("the Secretary") introduced the directors, the executives and the advisors of the Company, who attended the Meeting as follows;

Directors

- | | | |
|-----------------|-------------------|---|
| 1. Mrs. Pimjai | Leeissaranukul | Chairman |
| 2. Mr. Takenori | Nakamoto | President |
| 3. Mr. Kazuo | Sato | Director |
| 4. Assoc.Prof. | Jaruporn Viyanant | Independent Director / Member of the Audit Committee / Chairman of Corporate Governance and Social Responsibility Committee |
| 5. Mr. Vichit | Vuthisombut | Independent Director / Member of the Audit Committee |
| 6. Mr. Surong | Bulakul | Independent Director / Chairman of Risk Management Committee |
| 7. Mr. Thanong | Leeissaranukul | Director |
| 8. Mr. Apichart | Leeissaranukul | Director |
| 9. Mrs. Porntip | Sethiwan | Director |



Executives

- | | | |
|-------------------|----------------|--|
| 1. Mr. Eiichi | Yano | Managing Director |
| 2. Ms. Witchuda | Kupongsak | Executive Director of Admin and Control Unit /
Corporate Governance and Social Responsibility Committee Member |
| 3. Mr. Katsunori | Ito | Executive Director of IED Business Unit |
| 4. Mr. Shigeyuki | Hosokawa | Executive Director of Tire and Tube Business Unit /
Corporate Governance and Social Responsibility Committee Member |
| 5. Mr. Chaowalit | Meethongkum | Deputy Executive Director of IED Business Unit /
Risk management committee Member |
| 6. Mr. Narongchai | Rattanaekkawin | Deputy Executive Director of IED Business Unit /
Risk management committee Member |
| 7. Mr. Suchart | Kootiratrakarn | Deputy Executive Director of Tire and Tube Business Unit /
Risk management committee Member |
| 8. Ms. Praewphan | Songhong | Senior Accounting and Finance Manager |

External Auditors

Ms. Nopanuch Apichatsatien, Partner, and Mr. Thira Wong-arun, Manager, from PricewaterhouseCoopers ABAS Ltd.

Legal Consultant

Ms. Sawita Peetawan, Weerawong, Chinnavat & Peangpanor Co., Ltd., was responsible as an observer on voting examination.

The Secretary informed the Meeting that for this Meeting, the Company had invited the shareholders to propose agenda items in advance during the period from October 1 – 31, 2016; however, none of shareholders had proposed any agenda item for the Meeting. Additionally, the Company had given the shareholders an opportunity to submit inquiries related to agenda items in advance before 23 January, 2017 (7 days before the meeting date). Nonetheless, none of shareholders had submitted any inquiry in advance.

The Secretary informed the Meeting about the general information regarding the capital registration and shares if the Company as of the book closure date of December 9, 2016, as follows;

Registered Capital	200,000,000 Baht
Issued shares	200,000,000 Shares

In this Meeting, there were 120 shareholders present in person and by proxy, holding an aggregate of 149,498,919 shares counted as 74.74% of the total issued shares, which hold no less one-third of the total issued shares of the Company. A quorum was; therefore, duly formed according to the Company's Articles of



Association, which stated that there must be no less than 25 shareholders attending a meeting in person and by proxy, and they must collectively hold no less than one-third of the total issued shares of the Company. In addition, the registration had still opened.

In this Meeting, the Secretary informed that the Company would use the barcode system for the registration and vote count, and further informed the Meeting about the voting procedures and the vote count method as detailed in the Invitation Letter to the Meeting. Additionally, the Secretary informed the Meeting that prior to casting votes on each agenda item, the shareholders would have an opportunity to make inquiries in relation to such an agenda item as appropriate. In case that an inquiry or opinion was not directly related to the agenda item, the shareholders were requested to make such an inquiry or give such an opinion during the end of the Meeting. After the Meeting closed, the Company would collect all ballots from shareholders to be the evidence; therefore, the shareholder kindly submitted your ballots to staff at the exit.

The Chairman proceeded to conduct the Meeting in accordance with the agenda items as specified in the Invitation Letter to the Meeting as follows;

Agenda 1 To certify the minute of Annual General Meeting No.1/2016, held on January 30th, 2016

The Chairman proposed the Meeting to consider and certify the minute of Annual General Meeting No. 1/2016, held on January 29, 2016, which had been distributed to shareholders together with the Invitation Letter, and the minute had been published on the Company's website.

The Chairman gave the Meeting an opportunity to express opinions and make inquiries about the agenda item. However, no shareholder expressed any opinion or made any inquiry on the agenda item. The Chairman then asked for the resolution from the Meeting.

Resolution: The Meeting resolved to certify the minute of Annual General Meeting of Shareholders 2016, with a majority vote of the shareholders attending the meeting and casting their votes, excluding abstentions from the calculation base, the details of which were as follows:

Vote	Number of Votes	%
Approved	149,498,919	100
Disapproved	-	-
Abstained	-	-
Total	149,498,919	100

Agenda 2 To acknowledge the Company's operation results in 2016

The Chairman assigned Mr. Takenori Nakamoto, President, to report the summary of the Company's operational result for the fiscal year 2016 as disclosed in the Annual Report and the Sustainability

Report 2016 and as delivered to the shareholders in the form of CD-ROM together with the Invitation Letter.

1) Overall economy and related Industry situation

- Economic condition: Thai economy was gradually expanded due to driving the investment in many infrastructure projects, particularly in transportation, and stimulus packages from the Government. These made the overall economy changes into a better condition. The GDP increased from 1.7% in the first quarter of the fiscal year 2016 to 3.2% during July-September 2016.
- 3 Foreign currencies related to the Company's transaction:
 - US dollar comparing to Thai Baht appreciated around 6% from the previous year. This resulted from the positive sign of the economic conditions and the signal from Fed to increase the interest rate since the beginning of 2016 until officially adjusted at around 0.25% in December, 2016.
 - Yen comparing to Thai Baht appreciated around 13% from the previous year, due to the pressure of uncertainties in politics and the global economy. This caused many investors decide to invest in Yen, which was considered as a safe-haven asset although the Bank of Japan kept implement the negative interest rate policy.
 - Euro comparing to Thai Baht appreciated the least at around 2% from the previous year. This resulted from the QE policy together with the political uncertainty in Eastern Europe and the result of the UK's referendum of leaving the EU (Brexit).
- Main Raw Material Prices: such as natural rubber price and synthetic rubber price still faced the oversupply situation. This caused the price stayed at the low level following the movement of crude oil prices.
 - Average price of crude oil in 2016 stayed at around 43 US dollar per barrel or decreased around 24%.
 - Average price of synthetic rubber was around 1,265 US dollar per ton or decreased around 11%.
 - Average price of natural rubber was around 53 baht per kilogram or decreased around 6% from the previous year.
- Automotive Industry: (Source--the Federation of Thai Industries)
 - Total numbers of Thailand's automobile production in 2016 were 1.96 million units, increased from the previous year around 3%. The Production for export expanded around 8% at 1.19 million units, or 61% of total automobile production in Thailand, mostly came from the export to the main markets such as Oceania, Asia and Middle East. Especially, Oceania and Asia market had growth rate around 10% and 7% respectively comparing to the same period of previous year. While the number of automobile production for domestic sales shrunk around 4% from the previous year at around 0.77 million units, corresponding to the decelerating in purchasing power and farmer incomes.



- Total numbers of motorcycle production were affected by the decelerating of the global economy that grew lower than expected, as well as the oversupply in commodity which was a factor of declining agricultural prices. These affected contracting in the purchasing power of farmers. However, many of the motorcycle manufacturers had held promotion campaigns and launched new models to color the market and boost the demand throughout the year. Thus, the number of motorcycle production in 2016 was 1.79 million units, decreasing 3% from the previous year. From total amount, 1.49 million units were sold in domestic market, kept at the same level comparing to the previous year, and 0.29 million units were exported, dropped around 15%.

2) Operational performance

In the fiscal year 2016, the Company total sales amounted to 4,955 million baht, decreased by 171 million baht or 3% from the previous year, which these came from 2 business units in 50:50 proportion as following details;

- Motorcycle Tire & Tube Business: valued at 2,458 million baht expanding from previous year around 2% due to the export sales, which expanded and grew better than the market. The main market groups were Asean, Asia and Europe etc.
- Industrial Elastomer Parts Business: valued at 2,496 million baht shrinking around 8%. This was the result from the related economic condition aforesaid. Nonetheless, the elastomer parts in other industries such as electronic industry, cooling system industry, construction industry and the industry related to infrastructure– rail way transportation and others –started to increase due to the expansion of customers and products.

Total revenues of the Company were 5,002 million baht decreasing 184 million baht or 3.5% from the previous year. The Company's expenses cut by 6% or 282 million baht from the previous year and the total expenses amounted to 4,376 million baht. The proportion of cost of goods sold decreased the most due to the declining in raw material prices that went in line with the downward trend of crude oil and commodity prices, as well as the adoption of the automation system in the production line in order to increase the efficiency and control the cost of production. Therefore, in 2016, the Company generated the highest net profit figure in the history at 514 million baht expanding around 16% from the previous year, and there was a debt to equity ratio amounted to 0.33.

For the financial position, as of September 30th, 2016, total assets of the company were 4,272 million baht increasing 299 million baht or 7.5% from September 30th, 2015. This came from the increase in cash and short-term investment around 467 million baht and the decrease in inventory 146 million baht. Additionally, the Return on Asset (ROA) was 12% increasing 1% from the previous year and total liabilities were 1,072 million baht decreasing 38 million baht. This resulted from the decrease in account payables in line with the falling of sales. For the shareholders' equity, it was 3,200 million baht increasing 337 million baht due

to the increasing in operating profit during the fiscal year 2016 as well as the Return on Equity (ROE) was 16% increasing 1% from the previous year.

3) Awards and Successes

In the fiscal year 2016, the Company received award and recognition from related stakeholders in various aspects; for example,

- ESG 100 Certificate, which is 1 of 100 companies for the outstanding performance in terms of environmental, social and governance among 621 companies listed awarded by Thaipat Institute
- “Very Good” corporate governance recognition level awarded by Thai Institute of Directors for the second consecutive year

4) Sustainability Report

- Employees’ well-being: the Company provided the training to develop knowledge and skill of employees such as off-house training in Japan and financial literacy training etc.
- Strengthen the competitiveness: the Company launched various new products. For motorcycle tires and tubes, there were 55 new sizes launched such as MOBICITY SCOOTER SPORT, IRC URBAN SNOW SN26 and IRC Retro RT-01. Additionally, for IED products, there were 185 new models covering industrial elastomer parts in pickup 1 ton, passenger cars, motorcycles, railway infrastructures, construction industry, electronic and cooling system industry, agricultural machinery industry, and rubber chip for sport track. Moreover, the Company supported controlling the cost of production by installing the automation system which helped increase the production efficiency.
- Corporate Social Responsibility: the Company joined many activities and projects, namely
 - Safety Driving Campaign— the cooperation with the Government sector in Ayutthaya Province on Phaholyothin Road, along Wang Noi area, and the cooperation with customers to arrange D.I.D RIDE FOR LIFE and HONDA SPORT DAY activities. Furthermore, the Company also provided motorcycle inspection services, held the seminar sessions for mechanics and the training for safety motorcycle biking and raising awareness about safety driving etc.
 - Dual Vocational Training project: the cooperation between the Company and the Office of the Vocational Education Commission. The Company allows 26 students to practice the professional skills and knowledge that meet the qualification of organizations.
 - Hai-Archeep Hai-Cheevit: the project has continued for 3 years under the aims of creating good persons to society through the professional training to female prisoners so that they can become skilled labor, then they shall earn their livings and their families after they are released. The total number of person who has participated in this project amounted to 666 persons.

- Industrial Supply Chain Efficiency Improvement Project: this project was the cooperation between the Company and the Department of Industrial Promotion, Ministry of Industry. The Company provided knowledge and suggestion to our contractors and small business entrepreneurs in developing LEAN system in order to uplift the capabilities in competition.
- Klongpang Cooperative Project: the Company provided knowledge about the process of obtaining latex from rubber farmers through the production process and the forming of rubber smoked sheet until the grading process of rubber to the Cooperative. Additionally, the Company also provided knowledge in upgrading the quality of rubber smoked sheet to meet international standard ISO 9001: 2015.

The Chairman also said that during the flood in the Southern of Thailand since 2nd of January, 2017 until now, the Company has contacted to Klong Pang Cooperative in Trang Province, which stays in the area that gets effect from this disaster, to ask about the situation as well as to provide instant foods and to support by purchasing rubber from the Cooperative before the delivery date stated in the contract so that the Cooperative's members early earn incomes and alleviate their suffering during this time.

The Chairman gave the Meeting an opportunity to express opinions and make inquiries about the agenda item. The summary of opinions/ inquiries/ responses was as following;

Mr. Amorn Kowanichcharoen - Shareholder

admired the Management for performing good turnover and higher net profits to the Company despite of the downturn of the economy and the automotive industry. Moreover, he inquired of (1) what did higher profits come from? (2) were the decreasing in inventories related to declining in sale volumes? (3) what was the feedback of new product "Sleeper"?

Mrs. Pimjai Leeissaranukul - Chairman

responded to the shareholder that (1) the more profit resulted from decreasing in the raw material prices both crude oil and natural rubber. Another factor was increasing in the effectiveness of raw material consumption such as the Zero Waste Zero Reject Project that aimed to maximize the benefits of raw materials proceeded into the production process. Those two factors can lead to reducing in raw material costs and quantities. Besides, the Company managed the conversion cost by introduced the automation system into the production process to enhance the productivity and generate more profit margin from the previous year. (2) Decreasing in inventories came from the sales dropped. (3) Our product "Sleeper", I understood that it was called as "Rubber Pad". It was supplied to Italian-Thai Development PCL., used in some railway project and its sale volumes was approximately one million baht. For the next project, it was during the bidding process which the Company planned to export this product to the neighboring countries. As the Company manufactured,



our Rubber Pad was a special part used at the curve of the railway track. In the meantime, the Company was developing other products to be used in other parts of railway system as well.

Mr. Dhecha Soontharachun - Shareholder

inquired that (1) the overall automotive industry— 4-wheel and 4-wheel up market expanding and motorcycle market shrinking —, why was the Company's turnover reverse? (2) due to the decreasing in sale volumes for the 3 consecutive years, did the Company's market share drop? (3) would be the upward trend of raw material prices in the year 2017 and how would they affect the Company?

Mrs. Pimjai Leeissaranukul - Chairman

responded to the shareholder that (1) the raising of the 4-wheel and 4-wheel up market resulting from the higher demand in some models that the Company might not gain massive orders and so forth. Meanwhile, the Company's motorcycle tire and tube sales benefitted from the expansion of export market. As dropping in commodity and agricultural prices, it affected the domestic purchasing power as well as the domestic motorcycle tire and tube markets. (2) in the past 2-3 years, it was evidently seen that the economic situation was aligned with the downward direction of the oil price. Some automobile models dropped their prices in line with the economic situation, especially Eco Car. If we considered the market share in terms of quantity, I deemed that the Company still maintained the market share. (3) about the tendency of the rubber price, it was still unclear resulting from various factors such as the U.S.'s policy impacted on the exportation, US dollar exchange rate and the direction of the oil price. Currently, the natural rubber price signaled the upward trend. The Company, therefore, would try to perform the best in every aspect to maintain our profit margin level.

Mr. Anu WongSarakit - Shareholder

admired the Company for generating the highest profits in the Company's history as well as receiving the pride award "ESG 100" in 2016, and made the inquiries of; (1) the color and meaning of the charts as disclosed on the Annual Report, page 5 (2) how could the change in production from Mass production to Mass customization help reduce the cost and increase the gross profit margin? (3) how could changing to Smart Factory support the Company's cost? How much would the Company invest and what would be the source of fund? (4) whether the operation of last year project "Zero Waste Zero Reject could be succeeded or not, and how this project would be operated in this year.

Ms. Tipwadee Sudwayha - Company Secretary

responded to the shareholders in subject (1) about color and the meaning of the charts, together with giving an apology for any inconvenience might result from the publishing, which led to inconsistency between the chart's scale and color.



Mrs. Pimjai Leeissaranukul - Chairman

responded to the shareholder in subjects (2)-(4) that, transforming into Mass Customization, its principle was to improve the production process whether which stations could be cut off or merged into one station leading to the new production process. When the TPM system and the cycle time of machines were stable, the machines would turn to be automated. After the information technology and/ or IOT (Internet of Things) aggregated, this would enable business units/ systems such as transportation during the production process to be fully connected. This paved the way for being Smart Factory.

For investing in such a project, the Company would invest unit by unit which was the long term investment at least 4-5 year by using the internal fund.

Mr. Anu WongSarakit - Shareholder

inquired further (1) who would be our potential customers in automotive and motorcycle original equipment manufacturers (OEM)? (2) what would be the Company's policy in seeking for new customers? (3) was the Company's successful in regard of the product sold to Ducati?

Mrs. Pimjai Leeissaranukul - Chairman

elaborated that seeking for new OEM customers we should consider the overall automotive industry. Currently, there is MG as a newcomer which the Company is on the process of further considering and researching. For Ducati, the Company produced the industrial rubber part assembled in Ducati's motorcycles. In the meantime, we planned to expand the market attracting new customers.

Mr. Suphat Promsa-ard - Shareholder

asked about the Company's profits from foreign investment.

Mrs. Pimjai Leeissaranukul - Chairman

responded that the Company has been invested in Inoue Rubber Vietnam Co., Ltd. or "IRV" , which performed good turnover.

Mr. Thara Chonpranee - Shareholder

suggested that the Company's environmental reporting should consider about the unit of measurement and the relation of saving energy and saving expenses.

Mrs. Pimjai Leeissaranukul - Chairman

thanked for useful suggestion and it would be delivered to Corporate Social Responsibility Committee for further discussion. If there is any change or revise, the Company will publicize on our website.

Mr. Phichet Hutayon - Shareholder

made an enquiry about the period of natural rubber that the Company kept in stock for production. Did the Company undertake the rubber forward contract?



Mrs. Pimjai Leeissaranukul - Chairman

responded that to relieving chemical odor to surrounding community, the Company needed to stock the natural rubber for 3-7 days in production. Besides, the Company directly undertook the forward contract with the natural rubber producer such as the Klong Pang Cooperative, of which had contract period 3-4 months.

Mr. Somchai Suchartcharoenying - Shareholder

referred to the Company's director that they were all knowledgeable and experienced persons who were able to build confidence for shareholders. Nevertheless, whether Mr. Soichi Inoue attended this meeting or not and did he still hold the Company's share? Why did some directors not hold the Company's share or hold just the small proportion?

Mrs. Pimjai Leeissaranukul - Chairman

explained that Mr. Soichi Inoue is engaged in Japan so did not attend the meeting. However, Mr. Soichi Inoue has been followed up with the Company performances closely.

Mr. Kazuo Sato - Director

mentioned that Mr. Soichi Inoue was a representative director of Inoue Rubber (Japan) Co., Ltd. or "IRCJ". Additionally, IRCJ holds 34.30% of the Company's total shares.

Mrs. Pimjai Leeissaranukul - Chairman

additional mentioned that the Company's shareholding structure was disclosed on the Annual Report, page 37.

-There is no voting in this Agenda as it is for acknowledgement.-

Agenda 3 To approve the financial statement for the year ended September 30th, 2016

The Chairman proposed the Meeting to consider and approve the Company and its subsidiaries' financial statement for the fiscal year ended September 30th, 2016 which was audited by the certified public accountant. Details were stated disclosed on the Annual Report, page 67-117 and reported to the shareholders in Agenda item 2.

The Chairman gave the Meeting an opportunity to express opinions and make inquiries about the agenda item. The summary of opinions/ inquiries/ responses was as following;

Mr. Anu WongSarakit - Shareholder

inquired that (1) what would be the short-term investment plan of the Company? (2) did the Company have any purchasing plan to counter the inflating natural rubber prices? (3) how would the Company determine the connected transaction prices?



Mrs. Pimjai Leeissaranukul - Chairman

elaborated as follows;

(1) the investment plan could be divided into 3 objectives which are;

- the Company's stability from various external factors;
- investing through a professional fund manager to uplift the returns;
- investing to develop and enhance productivity in research and development including quality and marketing

(2) the Company efficiently undertook forward contracts under the controlling budget.

Ms. Preawphan Songhong - Senior Accounting and Finance Manager

informed the shareholder in subject (3) that the Company had price determination based on the market price.

As no one put forward for any more inquires, the Chairman asked for the Meeting resolution.

Resolution: The Meeting resolved to approve the Company's and its subsidiaries' 2016 financial statement, ended September 30, 2016, with a majority vote of the shareholders attending the meeting and casting their votes, excluding abstentions from the calculation base, the details of which were as follows:

Vote	Number of Votes	%
Approved	149,498,919	100
Disapproved	-	-
Abstained	-	-
Total	149,498,919	100

Agenda 4 To approve the dividend payment for the year 2016

The Chairman asked the Secretary to clarify the dividend payment policy to the meeting.

The Secretary clarified regarding to the policy that the Company shall pay not more than 65 percent of consolidated net profits after deducting the corporate income tax and legal reserve. The yearly payout shall be considered by many factors which should not materially affect the Company's normal business operation in the future.

According to the Company's performance in the fiscal year 2016, the Company had net profits amounted to 513,630,013 baht, so the Company is able to pay dividend to shareholders in accordance with Public Limited Companies Act B.E. 2535 and the Company's Articles of Association Clause 39. After considering all factors, the Board had proposed the Shareholders' meeting to approve paying the dividend of the year 2016 at 1.0273 baht per share-- from BOI promoted operations 0.2330 baht per share and non-BOI promoted operations 0.7943 baht per share --totaling 205,460,000 Baht or



counted as 40% of consolidated net profits. After the shareholders' approval, the XD symbol or ex-dividend date would be determined on February 6-8, 2017 and the dividend payment would be determined on February 28, 2017.

The Chairman gave the Meeting an opportunity to express opinions and make inquiries about the agenda item. However, no shareholder expressed any opinion or made any inquiry on the agenda item. The Chairman then asked for the resolution from the Meeting.

Resolution: The Meeting resolved to approve the dividend payment for Company's performance of the year 2016 (Oct 1, 2015 - Sep 30, 2016) to the shareholders at 1.0273 Baht per share. The dividend will be paid from net profit derived from BOI business 0.2330 Baht per share and Non-BOI business 0.7943 Baht per share, totaling 205,460,000 Baht, with a majority vote of the shareholders attending the meeting and casting their votes, excluding abstentions from the calculation base, the details of which were as follows:

By scheduled, the record date on February 8, 2017 to determine the names of shareholders who have the rights to receive the dividend. Moreover the date for gather the names of shareholders under Section 225 of the Securities and Exchange Act B.E. 2535 (as amended) by closure of the share register book and suspension of share transfer on February 9, 2017. Therefore, the Stock Exchange of Thailand would post the XD symbol or ex-dividend date on February 6-8, 2017 and the Company would set the dividend payment date on February 28, 2017.

Vote	Number of Votes	%
Approved	149,498,919	100
Disapproved	-	-
Abstained	-	-
Total	149,498,919	100

Agenda 5 To approve the appointment of the directors in replacement of those who are due to retire by rotation

The Chairman informed the meeting in accordance with Section 71 of Public Limited Companies Act B.E. 2535 and the Company's Articles of Association Clause 15, one-third of the directors must retire from office at Annual General Meeting of Shareholders. The 4 directors who must be retired by rotation this year namely:

- 1) Assoc. Prof. Dr. Chesada Loha-unchit Independent Director
- 2) Mr. Surong Bulakul Independent Director
- 3) Mr. Thanong Leeissarunukul Director
- 4) Mr. Takenori Nakamoto Director



To comply with Good Corporate Governance Principles, the mentioned directors were invited to leave the meeting room till the end of this agenda item.

Although the Company has not set up the Nomination and Compensation Committee, in consideration of the directors' selection and nomination, the Board will consider and review the qualified directors regarding to knowledge, experience, and related work as well as good performance thoroughly. Additionally, Assoc. Prof. Dr. Chesada Loha-unchit who shall retire by rotation in this time and he has no intention to continue his directorship due to the personal business. The Board; therefore, had selected and screened qualified persons then proposed Mr. Kittichai Raktakanit to hold the position of a director in replacement of Assoc. Prof. Dr. Chesada Loha-unchit. As a result, the Board approved to propose the Shareholders' meeting to appoint those 4 directors namely:

- | | | |
|------------------|----------------|----------------------|
| 1) Mr. Kittichai | Raktakanit | Independent Director |
| 2) Mr. Surong | Bulakul | Independent Director |
| 3) Mr. Thanong | Leeissaranukul | Director |
| 4) Mr. Takenori | Nakamoto | Director |

Details related to biography, educational qualification, and experiences of proposed directors were disclosed on the Invitation Letter, page 31-36.

The Chairman gave the Meeting an opportunity to express opinions and make inquiries about the agenda item. However, no shareholder expressed any opinion or made any inquiry on the agenda item. The Chairman then asked for the resolution from the Meeting.

Resolution: The meeting resolved to approve the appointment of the directors who are due to retire by rotation, namely Mr. Surong Bulakul, Mr. Thanong Leeissaranukul, and Mr. Takenori Nakamoto to act as directors of the Company for another term, and approved the appointment of Mr. Kittichai Raktakanit to hold the position of a director in replacement of Assoc. Prof. Dr. Chesada Loha-unchit who shall retire by rotation in this time and he has no intention to continue his directorship due to the personal business effective on 31 January, 2017, with a majority vote of the shareholders attending the meeting and casting their votes, excluding abstentions from the calculation base, the details of which were as follows:

Mr. Kittichai Raktakanit

Vote	Number of Votes	%
Approved	149,490,919	100
Disapproved	-	-
Abstained	8,000	-
Total	149,498,919	100



Mr. Surong Bulakul

Vote	Number of Votes	%
Approved	149,490,919	100
Disapproved	-	-
Abstained	8,000	-
Total	149,498,919	100

Mr. Thanong Leeissaranukul

Vote	Number of Votes	%
Approved	149,490,919	100
Disapproved	-	-
Abstained	8,000	-
Total	149,498,919	100

Mr. Takenori Nakamoto

Vote	Number of Votes	%
Approved	149,490,919	100
Disapproved	-	-
Abstained	8,000	-
Total	149,498,919	100

Agenda 6 To consider and approve the directors' remuneration for the year 2017

The Chairman informed the Meeting that the Company had not established the Remuneration Committee; hence the remuneration of the Company's directors has been deliberately considered within the Board of Director's meeting regarding to the assigned responsibilities of each director, aligned with the market and the industry. To make a comparison, the Company compared the directors' remuneration with the listed companies which had the revenues with the range of 1,001 – 5,000 million baht and 5,001 – 10,000 million baht, referred to the director remuneration survey 2014 of the Thai Institute of Directors.

Therefore the Board has agreed to propose the Shareholder's meeting to approve the remuneration budget for the 2017 Board of Directors and its sub-committees within the amount of 6,000,000 baht under the remuneration policy and details as following;

Directors' Remuneration Policy

Type of Remuneration	Amount (Baht)	
	FY 2016	FY 2017 (proposed)
1. Annual Remuneration		
Non-executive director	200,000	300,000
Executive director	200,000	300,000
Chairman of Audit Committee	350,000	450,000
Independent Director (excluding AC Chairman)	270,000	370,000
Chairman of Risk Management Committee	100,000	100,000
Chairman of CGSR Committee	100,000	100,000
2. Transportation allowance/ meeting	7,000	7,000
3. Other benefits	-none-	-none-

The Chairman gave the Meeting an opportunity to express opinions and make inquiries about the agenda item. However, no shareholder expressed any opinion or made any inquiry on the agenda item. The Chairman then asked for the resolution from the Meeting.

Resolution: The Meeting resolved to approve the directors' remuneration for the year 2017 within the amount of 6,000,000 baht, with the vote not less than the two-third from votes of shareholders who attend the meeting and cast their votes, including abstentions from the calculation base, the details of which were as follows:

Vote	Number of Votes	%
Approved	149,490,919	99.994649
Disapproved	-	-
Abstained	8,000	0.005351
Total	149,498,919	100

Agenda 7 To appoint the auditors and approve the audit fee for the year 2017

The Chairman informed the meeting in accordance with Section 120 of Public Limited Companies Act B.E. 2535 and the Company's Articles of Association Clause 34, the appointment of the Company's auditors and the audit fee must be approved by the Annual General Meeting of Shareholders annually. The Audit Committee and the Board of Directors; therefore, considered and proposed the Shareholder's meeting to appoint the certified public accountants from PricewaterhouseCoopers ABAS Ltd (PwC) as the Company's and its subsidiaries' external auditors for the fiscal year ended 2017 with the following reasons;

- 1) auditor qualifications
- 2) auditor independence and knowledge
- 3) understanding of the Company's business
- 4) past performance and work quality



By given auditors as followings to express an opinion on the Company and its subsidiaries' financial statements for the fiscal 2017;

- 1) Ms. Nopanuch Apichatsatien CPA Number 5266 and/or
- 2) Mr. Chanchai Chaiprasit CPA Number 3760 and/or
- 3) Mr. Paiboon Tunkoon CPA Number 4298

(Profile and work experiences of proposed external auditors as disclosed on the Invitation letter, page 35)

Anyhow, PwC and the proposed auditors were independent and had no conflict of interest with the Company, subsidiaries, the management, major shareholders or any related person.

In consideration of the Audit Committee, the Board of Directors had agreed to propose the shareholders' meeting to consider and determine the audit fee for the fiscal year 2017 including the audit fee for the Company in the amount of 1,680,925 baht, increased 5% or 80,047 baht from the previous year and the audit fee for BOI in the amount of 64,800 baht per copy (no change). However, this audit fee is excluded the transportation cost.

The Chairman gave a chance for shareholders to inquire and some of them asked with following subject matters.

Mr. Hangchai Akkawatsaku - Shareholder

inquired what was the reason to increase the auditing fee? In addition, he would like to propose the Company to consider local auditor firms as another option.

Ms. Nopanuch Apichatsatien - Partner of PricewaterhouseCoopers ABAS

responded to the shareholder that as auditing process required a professional with years of experiences to established credibility among shareholders. In addition, auditors who fit the profile were difficult to find which caused it imminent to invest in human resources. The examination of the changes made in 2017 in comparison to 2015 revealed at 30,000 baht increased or approximately only 2%. Therefore, the increased in auditing fee was considered appropriated and just for all stakeholders.

Assoc.Prof. Jaruporn Viyanant - Independent Director / Member of the Audit Committee

added about increasing in the auditing fees that there was the new standard regarding Key Audit Matter (KAM) implemented which increased the auditors' responsibility leading to higher costs.

As no one put forward for any more inquires, the Chairman asked for the Meeting resolution.

Resolution: The Meeting resolved to appoint the auditor from Price WaterhouseCoopers ABAS Limited (PwC) as the external auditor of the Company and its subsidiaries for the year 2017. By assigning one of these auditors to have the right to examine and give some opinion to Company's financial statement. Details are as follows:

- 1) Ms. Nopanuch Apichatsatien Certified Public Accountant No. 5266 and/or;
- 2) Mr. Chanchai Chaiprasit Certified Public Accountant No. 3760 and/or;
- 3) Mr. Paiboon Tunkoon Certified Public Accountant No. 4298

Moreover, the determination of the audit fee for the Company and its subsidiaries amounted to 1,680,925 Baht and the audit fee for BOI in the amount of Baht 64,800 per copy as proposed, with a majority vote of the shareholders attending the meeting and casting their votes, excluding abstentions from the calculation base, the details of which were as follows:

Vote	Number of Votes	%
Approved	149,498,189	99.999512
Disapproved	730	0.000488
Abstained	-	-
Total	149,498,919	100

Agenda 8 Other topics (if any)

Mr. Somchai Suchartjaroenyng – shareholder

inquired and expressed concerns as followed:

- (1) could the Rubber Pad make the market? Had there been any trade with the State Railway of Thailand?
- (2) would the Company be able to profit from a dual-track railway project that covers wider range of areas (kilometers)?
- (3) proposed the Company to support the Government policy in order to utilize natural rubber as a raw material in production since this would also support the Southern rubber farmers who were suffering from the flood.
- (4) what would be the Company's outlook towards the positive tendency in the automotive industry?
- (5) what would be the Company's investment plan or investment opportunities in 2017?
- (6) could the Company's production capability manufacture rubber used for tall buildings?
- (7) would the Company have the probability to have unforeseen expenses?

Mrs. Pimjai Leeissaranukul - Chairman

responded to the shareholder in each subject as followed:

- (1) referred to the responding to Mr. Amorn Kowanichcharoen – Shareholder in agenda item 2.
- (2) the Company had been made very full effort to expand the market.
- (3) adopted the shareholder's suggestion into account and informed that the Company had been determined to research and develop in order to support the usage of natural rubber.
- (4) the Company expected that the growth of automotive and motorcycle industry would be approximately 5-7%. However, this estimation had not included various significant factors such as trade policy of the President Trump and unpredictability of the World's economy etc.
- (5) in 2017, the Company's investment projects would be to support the expansion of other industries' production apart from the automotive industries such as an insulator for the construction industry that was on the researching process.



(7) the Company had established the Risk Management Committee to be responsible for risk monitoring of the Company. Hence, the threat or risk that might occur would be followed and managed properly.

Mr. Takenori Nakamoto - President

responded to the shareholder in subject (6) that the Company had developed a rubber formula and technology that was transferred from Japan. Thus, the Company believed in our readiness and capability to produce such a product.

Mr. Suwan Decharin - shareholder

inquired whether the Company produced tires for motorcycle 250 cc or 500 cc, and tubeless motorcycle tires or not.

Mrs. Pimjai Leeissaranukul - Chairman

thanked the shareholder for inquiries and responded that the Company produced all motorcycle tires as mentioned. If any shareholders are interested to be IRC's customers, we are welcome.

Mr. Hangchai Akkawatsaku - Shareholder

encouraged the Company for its determination and success in following through with the Company's corporate social and responsibility (CSR) activities as well as the prompt responses to the social problem such as giving assistance to rubber farmers in the Southern who had been affected by the flood. I would like to sincerely admire to the Company.

Mrs. Pimjai Leeissaranukul – Chairman

expressed her gratitude to the shareholders for their opinions.

As no one put forward for any more topics or inquires, the Chairman declared the Meeting adjourned and thanked all shareholders for participating in the Meeting.

The meeting closed at 15.50 hours

Sign
(Mrs. Pimjai Leeissaranukul)
Chairman