

Minutes of the Extraordinary General Meeting of Shareholders No. 1/2007

of

The Erawan Group Public Company Limited

Held at Salon A Room, JW Marriott Hotel Bangkok

No. 4 Sukhumvit Road, Khwaeng Khlongtoey, Khet Khlongtoey, Bangkok

On 30 August 2007

at 14.00 hours

Mr. Luen Krisnakri, Chairman of the Board of Directors, who acted as the Chairman of the Meeting, declared the Meeting open. The Chairman informed that at the closing of the Company's share register on 14 August 2007, there were 2,664 shareholders holding a total of 1,970,404,930 shares and at this meeting, details of shareholders, the Company's directors and executives, and a representative from the Company's legal advisor attending the Meeting were as follows :

♦ There were 9 directors and executives who attended the Meeting (8 directors of the total 12 directors attending this meeting) as follows:

Mr. Luen	Krisnakri	Chairman of the Board / Chairman of the Nominating & Corporate Governance
Assoc. Prof. Manop	Ponsadadt	Independent Director / Member of the Audit Committee
Mr. Dej	Bulsuk	Independent Director / Member of the Audit Committee
Mr. Banyong	Pongpanich	Director / Member of the Management Development & Compensation / Member of the Financial & Risk Management Committee
Mr. Vitoon	Vongkusolkit	Director / Chairman of the Financial & Risk Management Committee / Member of the Management Development & Compensation
Mr. Chanin	Vongkusolkit	Director, Member of the Financial & Risk Management Committee / Member of the Nominating & Corporate Governance
Mr. Krisda	Monthienvichienchai	Director
Mr. Kasama	Punyagupta	President & CEO / Member of the Financial & Risk Management Committee
Mr. Poom	Osatananda	Executive Vice President (CFO)

♦ There was a representative of LS Horizon Limited, the legal adviser, namely Miss Panida Wongsriyanon who attended the Meeting to monitor the vote counting.

♦ There were 136 shareholders at the beginning of the Meeting, representing 1,472,793,059 shares or an equivalent to 74.75% of the total issued shares of the Company, which were divided into:

- 57 shareholders attending in person, representing 12,095,425 shares
- 79 shareholders as proxy grantors, representing 1,460,697,634 shares (where there were 11 proxy grantors authorizing independent director as the proxy). In addition, there were a total of 18 proxies who attended the Meeting.

Since there were no less than 25 shareholders attending the Meeting, representing more than one-third of the total number of the Company's shares, a quorum was thus constituted.

Then, the Chairman assigned Mr. Viboon Chaisutyakorn, the Company Secretary, to explain the voting method as follows :

- One share is equal to one vote.
- The Chairman will allow shareholders to openly vote in each agenda
- Shareholders against or abstaining from voting in any agenda may raise their hands to give a ballot to the Company's staff for counting in these parts. In case a shareholder does not raise his hand, such shareholder will be considered approving the Board of Directors' proposal. However, the Company's staff will collect all remaining ballots from each shareholder for the Company's evidence.
- The Chairman will inform results of the ballot counting by identifying the number of shares voted for, against or abstained the agenda.

The Chairman proceeded with the Meeting according to the following agendas:

Agenda 1. To certify the Minutes of the Annual General Meeting of Shareholders No. 1/2007

The Chairman stated that the Minutes of the Annual General Meeting of Shareholders No. 1/2006 held on 24 April 2007, had been distributed to all shareholders together with the notice letter of this Meeting. The Meeting was requested to adopt the aforementioned Minutes.

Meeting's Resolution: Upon having thoroughly considered and deemed the Minutes of such Meeting to be correct, the Meeting voted, by more than one-half of the total votes of the shareholders who attended the Meeting and had the right to vote, and resolved to adopt the Minutes of the Annual General Meeting of Shareholders No. 1/2007 as proposed by the Chairman as per the following votes:

<u>Resolution</u>	<u>Votes</u>	<u>%</u>
Approved	1,472,793,059 shares	100%
Disapproved	-None-	0 %
Abstained	-None-	0 %

Agenda 2 To consider and approve the purchase and acceptance of the transfer of entire business, including all employees, assets and liabilities from Erawan Ploenchit Co., Ltd.

The Chairman informed to the Meeting that in consideration of this agenda ,the detail of Agenda 2 was sent to the shareholders along with the invitation letter to call this Meeting and the Chairman assigned the President & CEO to report the summarized important details of the transaction (as per the attachment of this minutes) to the shareholders.

Then, the Chairman proposed the Meeting to consider and approve the purchase and acceptance of the transfer of the entire business which are the total operating assets and liabilities of Erawan Ploenchit Co., Ltd. (“EPC”) appeared in the financial statements and details of assets and liabilities of EPC at 24.00 hr. of 30 September 2007 or other date fixed by the President & CEO, including EPC’s immovable properties, land leasehold rights, equipment, tools, machines, raw materials, any rights, such as receivables, and other assets, all employees, and liabilities of EPC. In this regard, the date on which the purchase and sale and transfer of the entire business shall be on 1 October 2007 or other date fixed by the President & CEO.

Details of important immovable properties and land leasehold rights are as follows :

- Ploenchit Center building (24-storey building with 3 underground floors) located at No. 2 Sukhumvit Road, Soi 2, Khwaeng Klongtoey, Khet Klongtoey, Bangkok
- JW Marriott Bangkok Hotel building (23-storey building with 3 underground floors), located at No. 4 Sukhumvit Road, Soi 2, Khwaeng Klongtoey, Khet Klongtoey, Bangkok
- Leasehold right of land, where Ploenchit Center building is situated, on the title deed No. 2647, 4310, 5438, 5440, 22249, 22250 and 13990, Tambol Klongton (South Bangkok), Amphoe Phra-Khanong (Bangkapi) Bangkok, with the total area of 5 rai 2 ngan and 75.6 square wah, in which the lease period will be expired on 23 January 2025.
- Leasehold right of land, where JW Marriott Bangkok Hotel building is situated, on the title deed No. 13981, 13982, 13983, 13984, 13985 and 13986 Tambol Klongton (at 11 North Bangkok), Amphoe Phra-Khanong (Bangkapi) Bangkok, with the total area of 4 rai 2 ngan and 44.3 square wah, in which the lease period will be expired on 23 January 2045.

In this regard, the Company will purchase and accept the transfer of the entire business according to the book value of EPC at 24.00 hr. of 30 September 2007 or other date fixed by the President & CEO, in which the Company and EPC will further fix the purchase price. (as at 30 June 2007, the value of the said assets is approximately Baht 3,633 million, the value of the said liabilities is approximately Baht 2,342 million and EPC’s net asset value is approximately Baht 1,291 million.)

The payment will be made according to the book value of EPC at 24.00 hr. of 30 September 2007 or other date fixed by the President & CEO. On the date of transaction, the Company will make the payment according to the book value of EPC at 24.00 hr. of 30 September 2007 or other date fixed by the President & CEO. And the purchase price will be adjusted, according to the book value of EPC at 24.00 hr. of 30 September 2007 or other date fixed by the President & CEO, when the financial statements of EPC has already been reviewed and confirmed, and the Company will make additional payment for the assets (in case the amount of the net asset value, audited and confirmed, is more than the amount paid to EPC on the date on which the transaction occurs), or the Company will be refunded the excess purchase price (in case the amount of the net asset value, audited and confirmed, is below the amount paid to EPC on the date on which the transaction occurs) as the case may be.

In addition, the Chairman proposed the Meeting to approve the authorization of the Board of Directors and/or the President & CEO and/or any person entrusted by such person to have the power to negotiate, amend, add, agree, execute and deliver documents and agreements relating to the sale and purchase of the entire business, including but not limited to determine the precise purchase price, contact, negotiate, agree, execute, deliver documents and/or agreements relating thereto to the counter parties and/or other persons related to the assets to be sold and transferred, including to seek consent from such counter parties and/or such persons, including to take any action necessary and relevant to the transaction until completion of the transaction, and to amend the information memorandum, to disclose relevant information, to make statement and information to relevant authorities and to negotiate, amend, agree, execute and deliver documents in relation to the registration of rights and juristic acts of the immovable properties and land leasehold rights with the Land Department or related authorities, including to take any action necessary and relevant to such action in all respects, and to appoint and/or remove substitute to take the foregoing actions.

Thereafter, a shareholder asked about EPC's performance during the past year as well as the structure of its debts.

The Chief Finance Officer reported that EPC's performance was based on JW Marriot Hotel and Ploenchit Center's performances, which in 2006 earned Baht 1.440 billion worth of incomes and Baht 323 million net profits, respectively. Most EPC's liabilities were currently loans from financial institutions worth approximately Baht 1.65 billion.

Another shareholder made a comment to the following statement: "The date on which the purchase and sale and transfer of the entire business occurs on 1 October 2007 or other date fixed by the President & CEO." where he stated that the President & CEO should not be the only authorized person to do so. Instead, he suggested the Board or Chairman of the Board be empowered to act accordingly as well.

The President & CEO explained that the condition was stipulated that way was probably because of some external factors that may postpone the deadline, which however would have no effect to the business, and that's why the Board had authorized the President & CEO to determine the date. Yet, the President & CEO asked the Chairman to submit the matter for the Meeting to consider adding what the shareholder had suggested to the statement as follows:

"The date on which the purchase and sale and transfer of the entire business occurs on 1 October 2007 or other date fixed by the President & CEO and/or the Chairman of the Board"

Then, the Company Secretary informed the Meeting that 55 shareholders had additionally joined the Meeting in this Agenda and 53,934,704 more shares were entitled to vote in this Agenda. As a result, the total 187 shareholders were entitled to vote in the Agenda and onward, totaling 1,526,727,763 shares.

Meeting's Resolution: Upon having thoroughly considered the matter, the Meeting voted, by more than three quarters of the total votes of the shareholders who attended the meeting and had the right to vote, and resolved to approve the purchase and acceptance of the transfer of the entire business which are the total operating assets and liabilities of EPC, including EPC's immovable properties, land leasehold rights, equipment, tools, machines, raw materials, any rights, such as receivables, and other assets, all employees, and liabilities of EPC according to the book value of EPC at 24.00 hr. of 30 September 2007 or other date fixed by the President & CEO and **approve the authorization and the adding the statement** as proposed above in all respects, as per the following votes:

<u>Resolution</u>	<u>Votes</u>	<u>%</u>
Approved	1,526,727,263 shares	99.999 %
Disapproved	-None-	0 %
Abstained	500 shares	0.001 %

Agenda 3 To consider and approve the amendment to the Memorandum of Association Clause 3. (Objectives)

The Chairman informed the Meeting that as the Meeting has passed the resolution to approve the purchase and acceptance of the transfer of the entire business from Erawan Ploenchit Co., Ltd. ("EPC") as per the details in the previous agenda. EPC, the seller and the transferor of the entire business, carries on the hotel business. In this regard, in order to cover all hotel business operation of the Company, it is appropriate to propose the Meeting to consider and approve the amendment to the Memorandum of Association Clause 3. (Objectives) by adding another objective from 48 clauses to be 49 clauses in accordance with the hotel business as follows :

"(49) To carry on the business of projection or services in relation to tape cassette and television material"

Then, the Company Secretary informed the Meeting that 3 shareholders had additionally joined the Meeting in this Agenda and 609 more shares were entitled to vote in this Agenda. As a result, the total 190 shareholders were entitled to vote in the Agenda and onward, totaling 1,526,728,372 shares.

Meeting's Resolution: Upon having thoroughly considered the matter, the Meeting voted, by more than three quarters of the total votes of the shareholders who attended the meeting and had the right to vote, and resolved to approve the amendment to the Memorandum of Association of the Company as proposed by the Chairman as per the following votes:

<u>Resolution</u>	<u>Votes</u>	<u>%</u>
Approved	1,526,727,372 shares shares	100 %
Disapproved	-None-	0 %
Abstained	-None-	0 %

Agenda 4 To consider other matters (if any)

There was no further business proposed by any shareholders. The Chairman, therefore, declared the meeting closed.

The Meeting was adjourned at 15.00 hours.

Signed _____ Chairman of the Meeting

(Mr. Luen Krisnakri)

Signed _____ Company Secretary/Recorder

(Mr. Viboon Chaisutyakorn)

Attachment to the Minutes of the Extraordinary General Meeting of Shareholders No. 1/2007

Important details of the transaction regarding the purchase and acceptance of the transfer of the entire business, including all employees, assets and liabilities from Erawan Ploenchit Co., Ltd., are as follows:

1. **The date on which the purchase and sale and transfer of the entire business occurs:**

1 October 2007 or other date fixed by the President & CEO

2. **The parties to the transaction:**

Name	Relationship
Purchaser: The Erawan Group Public Company Limited ("ERAWAN")	A parent company of Erawan Ploenchit Company Limited
Seller: Erawan Ploenchit Company Limited ("EPC")	A subsidiary, in which ERAWAN holds 99.99% of the total outstanding shares

3. **Details of the assets to be purchased**

3.1) EPC's total operating assets, including immovable properties, land leasehold rights (according to the details in the following paragraph), equipment, tools, machines, raw materials, any rights, such as receivables, and other assets according to the book value (excluding appraisal surplus of fixed assets) of EPC at 24.00 hr. of 30 September 2007 or other date fixed by the President & CEO (as at 30 June 2007, the value of the said assets is approximately Baht 3,633 million).

Details of important immovable properties and land leasehold rights are as follows :

- Ploenchit Center building (24-storey building with 3 underground floors) located at No. 2 Sukhumvit Road, Soi 2, Khwaeng Klongtoey, Khet Klongtoey, Bangkok
- JW Marriott Bangkok Hotel building (23-storey building with 3 underground floors), located at No. 4 Sukhumvit Road, Soi 2, Khwaeng Klongtoey, Khet Klongtoey, Bangkok
- Leasehold right of land, where Ploenchit Center building is situated, on the title deed No. 2647, 4310, 5438, 5440, 22249, 22250 and 13990, Tambol Klongton (South Bangkok), Amphoe Phra-Khanong (Bangkapi) Bangkok, with the total area of 5 rai 2 ngan and 75.6 square wah, in which the lease period will be expired on 23 January 2025.
- Leasehold right of land, where JW Marriott Bangkok Hotel building is situated, on the title deed No. 13981, 13982, 13983, 13984, 13985 and 13986 Tambol Klongton (at 11 North Bangkok), Amphoe Phra-Khanong (Bangkapi) Bangkok, with the total area of 4 rai 2 ngan and 44.3 square wah, in which the lease period will be expired on 23 January 2045.

3.2) EPC's total liabilities according the book value of EPC at 24.00 hr. of 30 September 2007 or other date fixed by the President & CEO (as at 30 June 2007, the value of the said liabilities is approximately Baht 2,342 million.)

In addition, ERAWAN must accept the transfer of all of the employees of EPC, at 24.00 hr. of 30 September 2007 or other date fixed by the President & CEO (as at 31 June 2007, EPC has a permanent and temporary employees in the total number of 817 employees.)

After EPC has transferred its entire business to ERAWAN, EPC will commence the process of registration of dissolution and liquidation within the same fiscal year of the year of the transfer of entire business. In this regard, if the registration of the dissolution of EPC and the liquidation of EPC with the Ministry of Commerce have been completed, ERAWAN will further inform the details.

4. Transaction value and payment method

Purchase price : equaling to net asset value (The value of assets according to item No. 3.1 minus the value of liabilities according to item No. 3.2) of EPC, at 24.00 hr. of 30 September 2007 or other date fixed by the President & CEO. In this regard, the Company and EPC will adjust the purchase price of the assets when EPC has already verified and confirmed the net asset value of EPC, and the Company will make additional payment for the assets (in case the amount of the net asset value, verified and confirmed, is more than the amount paid to EPC on the date on which the transaction occurs), or the Company will be refunded the excess purchase price (in case the amount of the net asset value, verified and confirmed, is below the amount paid to EPC on the date on which the transaction occurs) as the case may be. (In this regard, as at 30 June 2007, EPC's net asset value is approximately Baht 1,291 million.)

Payment : The Company will make the payment according to the book value of EPC at 24.00 hr. of 30 September 2007 or other date fixed by the President & CEO. And the purchase price will be adjusted again in accordance with the book value of EPC at 24.00 hr. of 30 September 2007 audited by the auditor.

5. Basis used to determine the value of consideration

Determined the transaction value according to value of assets and liabilities in the financial statements of EPC at 24.00 hr. of 30 September 2007 or other date fixed by the President & CEO as per the details in item Nos. 3.1 and 3.2.

6. Pros and cons expected from the purchase and acceptance of the transfer of entire business

Pros :

- 1). Dividend Payment : After this transaction, ERAWAN will be able to recognize profits from JW Marriott's and Ploenchit Center's directly instead of through "Share of income from investments accounted for under equity method". Consequently, the profit base for dividend payout will not be changed after application of new accounting standard that no longer allows a parent company to recognize income from its subsidiary companies under equity method.

- a2). Deduction of the expenses incurred from the operation of business : Currently, ERAWAN is a holding company which its main income have been generated by its subsidiary companies, e.g. EPC. As a result of this, ERAWAN will not be able to efficiently utilize the incurred expenses for the purpose of its tax deductibility. Therefore, as ERAWAN will accept the transfer of the entire business from EPC, ERAWAN will generate its income from operation allowing for the utilization of its operating expenses' tax deductibility.
- 3). Reduce inter-company transactions : Currently, it is necessary for EPC to have the inter-company loan from ERAWAN for the operation of business. Therefore, as ERAWAN will accept the transfer of the entire business from EPC, there will not be any inter-company loan between the Company and EPC which may result in the reduction of tax issues in relation to the interest with an affiliate in the future.

Cons :

- 1). If, in the future, the Company decides to dispose any of these assets received from the business transfer from EPC without tax privilege, such as that from the transfer of entire business, the Company has to sell assets related to the business rather than sell shares of EPC held by which will increase the tax burden. This is because the transfer of certain assets, such as immovable properties, there will be transfer fee and Specific Business Tax, including the burden in relation to the registration of the transfer.
- 2). The Company may have to write-off all remaining goodwill from the investment in EPC in the 2007 consolidated financial statements of the Company.

7. Benefits expected to be generated as the result of the transaction

To re-structure ERAWAN group to be more appropriate.

8. Sources of funds to purchase assets

ERAWAN will use working capital and short term loan to purchase the assets from EPC. In addition, after the registration of dissolution of EPC, EPC will distribute the proceeds from the sale of its assets to ERAWAN as capital refund.

9. Reasons for dissolution of EPC

- 1). To maintain profit base for dividend payment after change in accounting policy.
- 2). To deduct the expenses in relation to the operation of business.
- 3). To reduce the volume of inter-company transactions.

10. Opinion of Independent Directors

Approved such transaction in order to re-structure ERAWAN group.

In addition, the Board of Directors' Meeting No. 5/2007, held on 27 July 2007, also approved the authorization of the Board of Directors and/or the President & CEO and/or any person entrusted by such person to have power to negotiate, amend, add, agree, execute and deliver documents and agreements relating to the sale and purchase of the entire business, including but not limited to determine the precise purchase price, contact, negotiate, agree, execute, deliver documents and/or agreements relating thereto to the counter parties and/or other persons related to the assets to be sold and transferred, including to seek consent from such counter parties and/or such persons, including to take any action necessary and relevant to the transaction until completion of the transaction and to amend the information memorandum, to disclose relevant information, to make statement, information to relevant authorities and to negotiate, amend, agree, execute and deliver documents in relation to the registration of rights and juristic acts of the immovable properties and land leasehold rights with the Land Department or related authorities, including to take any action necessary and relevant to such action in all respects, and to appoint and/or remove substitute to take the foregoing actions.

In this regard, this matter shall be proposed to the Extraordinary General Meeting of the Shareholders No. 1/2007 for consideration and approval as the purchase and acceptance of transfer of the business is considered as the purchase and acceptance of the transfer of business of a private company by the Company pursuant to Section 107 of the Public Limited Companies Act B.E. 2535 (1992) (as amended) whereby the Company is required to obtain approval from the shareholders' meeting with a vote of not less than three-fourths of the total number of votes of shareholders who attend the meeting and have the right to vote.