

Minutes of 2016 Annual General Meeting of Shareholders

L.P.N. Development Public Co., Ltd.

Thursday 31 March 2016

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Annual General Meeting of Shareholders 2016 of L.P.N. Development Public Co.,Ltd. was held at a meeting room on 11<sup>th</sup> Floor at 1168/10 36<sup>th</sup> Floor, Lumpini Tower, Rama 4 Road, Tungmahamek sub-district, Sathorn, Bangkok.

The Company has specified the name list of shareholders who are entitled the right to attend the Annual General Meeting of Shareholders and to receive the dividend on 25<sup>th</sup> February 2016 and has compiled the name list in accordance with Section 225 of the Securities and Exchange Act by mean of book closing on 26<sup>th</sup> February 2016. There is the total of 13,744 (Thirteen Thousand Seven Hundred and Forty Four) shareholders of the Company from 1,475,698,768 shares (One Thousand Four Hundred Seventy Five Million Six Hundred Ninety Eight Thousand Seven Hundred and Sixty Eight Shares) of the registered capitals and paid-up capitals.

The Meeting commenced at 09.30h.

Prior to the start of the 2016 Annual General Meeting of Shareholders, the Company informed the shareholders about the voting procedures for each agenda as follows:

1. Each shareholder or proxy had one vote for each share held. One share will be equivalent to one vote.
2. Prior to casting a vote in each agenda, the registration will be temporarily closed. The registration will be opened again after the vote counting in each agenda is completed. The Chairman will propose that the shareholders are to cast a vote in each agenda and will ask whether the shareholders would like to vote for, vote against or abstain from voting. Shareholders could vote by marking the ballot cards. As for the marking of the ballot cards, the shareholders must clearly tick one of the boxes (for, against, abstention) and sign all the ballot cards. After the ballot cards are marked, the staff of the Company will only collect the cards that are marked "against" and "abstention" for vote counting in each agenda. It would be assumed that the rest of the votes are in favor of the agenda for speedy vote counting process. The voting ballots that are marked "for" in every agenda will be collected at the end of the Meeting. For shareholders who grant proxies and have already voted in the proxy form, the Company will collect and record the votes in the computer.

The Company informed the shareholders that the Company was utilizing the registration system and vote-counting processes provided by Inventech Systems (Thailand) Co., Ltd. The vote counting of each agenda was done by officers of Inventech Systems (Thailand) Co., Ltd. which is the company that used to provide system service on behalf of Thailand Securities Depository Co., Ltd. (TSD). At the moment, TSD no longer provides such service so the Company is using the system service of Inventech Systems (Thailand) Co., Ltd. instead.

3. Shareholders or proxies could exercise their right to vote on the agenda items they attended at the Meeting. The number of shareholders and votes in each agenda may thus be different.
4. In the case that any shareholders would be absent from the meeting room, in order to maintain their right to vote, the Company had asked the shareholders to cast a vote in the ballot card and submit the voting ballot to an officer of the Company. Their votes would be included in the vote counting process of such agenda item.

The Company informed the shareholders that as shareholders, the directors of the Company would exercise their rights to vote by voting for in all agenda items as according to the proposal of the Board of Directors of the Company. In the case that any shareholders entrusted the Company's directors or independent directors as their proxies, their votes would be cast according to their wishes indicated in the proxy form.

5. In all the agenda items of the Meeting, should shareholders or proxies would like to give their opinions or ask questions, they could raise their hand to seek approval from the Chairman of the Meeting. When their request was approved, they must inform the Meeting whether they were shareholders or proxies and introduce themselves before giving opinions or asking questions. If the opinions or the questions were irrelevant to the agenda item, the Chairman of the Meeting would ask them to give their opinions or ask questions again during the agenda item 8 which was to consider any other business.

2016 Annual General Meeting of Shareholders was attended by directors, executives, auditors and legal consultants of the Company as follows:

**Directors of the Company**

- |                                 |   |
|---------------------------------|---|
| 1. Mr. Amornsuk Noparumpa       | Chairman of the Board of Directors and Independent Director   |
| 2. Prof. Siri Keiwalinsrit      | Vice Chairman of the Board of Directors and Independent Director  |
| 3. Mr. Tawechai Chitasaranachai | Vice Chairman of the Board of Directors, Audit Committee Member, Nomination, Remuneration and Good Corporate Governance Committee Member and Independent Director |

4. Mr. Vudhiphol Suriyabhivadh  
Chairman of the Audit Committee,  
Chairman of the Nomination, Remuneration and Good Corporate  
Governance Committee and Independent Director
5. Mr. Weerasak Wahawisal  
Audit Committee Member,  
Nomination, Remuneration and Good Corporate Governance  
Committee Member and Independent Director
6. Mr. Kanchai Wijakkana  
Nomination, Remuneration and Good Corporate Governance  
Committee Member and Independent Director
7. Mrs. Jongjit Thapanangkun  
Director
8. Mr. Tikhamporn Plengsriskun  
Chief Executive Director,  
Chief Executive Officer,  
Nomination, Remuneration and Good Corporate Governance  
Committee Member and  
Chairman of Risk Management Committee
9. Mr. Pichet Supakijjanusan  
Executive Director,  
Nomination, Remuneration and Good Corporate Governance  
Committee Member,  
Risk Management Committee Member and  
Chairman of Corporate Environmental and Social Responsibility  
Committee
10. Mrs. Yupa Techakraisri  
Executive Director and  
Risk Management Committee Member
11. Mr. Kumpee Chongthurakit  
Executive Director and  
Risk Management Committee Member
12. Mr. Charan Kesorn  
Managing Director, Pornsanti Co., Ltd. and  
Risk Management Committee Member
13. Mr. Opas Sriyapak  
Executive Director,  
Managing Director and  
Risk Management Committee Member

**In attendance**

1. Ms. Somsri Techakraisri  
Company Secretary, Risk Management Committee Member of  
L.P.N. Development Public Co., Ltd.  
and Managing Director, Lumpini Property Management Co., Ltd.

2. Mr. Pramode Chaipoon  
Risk Management Committee Member of L.P.N. Development Public Co., Ltd. and  
Managing Director, Lumpini Project Management Service Co., Ltd.
3. Ms. Surawasadee Suewaja  
Risk Management Committee Member of L.P.N. Development Public Co., Ltd. and  
Managing Director, Lumpini Property Service and Care Co., Ltd.
4. Mr. Sombat Kittipokirat  
Deputy Managing Director,  
L.P.N. Development Public Co., Ltd.
5. Ms. Panpen Saengchanpakdee  
Deputy Managing Director,  
Lumpini Property Management Co., Ltd.
6. Mrs. Piyanuch Naveenavakun  
Director, Internal Audit Department,  
L.P.N. Development Public Co., Ltd.
7. Mrs. Noppawan Kritsanarat  
Assistant Managing Director,  
L.P.N. Development Public Co., Ltd.
8. Ms. Saowanee Angkoonpipat  
Assistant Managing Director,  
L.P.N. Development Public Co., Ltd.
9. Ms. Suwattana Sae Tang  
Assistant Managing Director,  
L.P.N. Development Public Co., Ltd.
10. Mr. Tawatchai Woradilok  
Director, Legal Department,  
L.P.N. Development Public Co., Ltd.
11. Mr. Saengchai Luangchutamas  
Assistant Managing Director,  
L.P.N. Development Public Co., Ltd.
12. Mr. Paisarn Lertbantanawong  
Assistant Managing Director,  
Lumpini Property Management Co., Ltd.
13. Mr. Tamtongpon Daengbubpa  
Assistant Managing Director,  
Lumpini Property Management Co., Ltd.
14. Ms. Tasinee Chuisawas  
Assistant Managing Director,  
Lumpini Property Management Co., Ltd.
15. Mr. Sompong Kwanampaipan  
Assistant Managing Director,  
Lumpini Project Management Co., Ltd.

Auditor

1. Ms. Suwimon Krittayakian Representative D.I.A. International Co., Ltd.

Legal Consultant and Witness in the Vote Counting Process

1. Mr. Chaiwat Waisajja Sermsak, Vej and Friends Legal Office

Representative from Thai Investors Association

Mr. Songpon Sukhontapong Shareholders' Right Protection Volunteer

Representative from the Company Providing Registration and Vote Counting Service

1. Mr. Teerachat Pansombat Inventech Systems (Thailand) Co., Ltd.

Mr. Amornsuk Noparumpa, Chairman of the Board of Directors of the Company, presided over the Meeting. The Meeting commenced at 09.30h. He informed the Meeting that 177 shareholders were present in person, representing 71,503,832 shares and 766 shareholders attended the Meeting by proxy, representing 821,774,380 shares, making the total of 943 participants, representing the total of 893,278,212 shares. This was equivalent to 06.5326% of all shares of the Company of 1,475,698,768 shares. A quorum was constituted in accordance with the Articles of Association of the Company which stated that there must be no less than 25 shareholders and proxies attending the Meeting and the combined shares must be no less than one third of all the shares sold. The 2016 Annual General Meeting of Shareholders was declared open. Should there be any issues proposed for discussion that was not related to the agenda being discussed, it would be proposed for discussion in Agenda 8: Any Other Business.

Agenda 1 To adopt the minutes of 2015 Annual General Meeting of Shareholders held on 2<sup>nd</sup> April 2015

Mr. Amornsuk Noparumpa, Chairman of the Meeting asked the Meeting to consider and adopt the minutes of 2015 Annual General Meeting of Shareholders held on 2<sup>nd</sup> April 2015. The details were presented in the copy of the Meeting minutes which was sent to the shareholders together with the Meeting invitation letter and published on the website of the Company. The Board of Directors of the Company agreed that the Meeting minutes was recorded correctly and thus proposed that the Meeting adopt the minutes of 2015 Annual General Meeting of Shareholders.

Mr. Amornsuk Noparumpa, Chairman, asked whether any shareholders or proxies would like to express their opinions or ask the Management any questions.

None of the shareholders or proxies would like to express their opinions or ask questions, Mr. Amornsuk Noparumpa, Chairman of the Meeting, proposed that the Meeting pass a resolution to adopt the minutes of 2015 Annual General Meeting of Shareholders.

**Resolution**

The Meeting resolved to adopt the minutes of 2015 Annual General Meeting of Shareholders held on 2<sup>nd</sup> April 2015 with the following votes:

Resolution	Votes (1 share = 1 vote)	Percentage of the number of shares represented and exercised the right to vote
(1) For	893,732,463	99.9904
(2) Against	0	0.000
(3) Abstentions	85,000	0.0095
(4) Voided ballots	0	0.0000
<b>Total Number of Voters (991 persons)</b>	<b>893,817,463</b>	<b>-</b>

**Agenda 2** To acknowledge the report of the Board of Directors on the result of the performance in 2015

Mr. Amornsuk Noparumpa, Chairman, informed the Meeting that the details of the performance of the Company in 2015 were published in the Annual Report 2015 which was sent to the shareholders in advance together with the Meeting invitation letter.

On this agenda, Mr. Amornsuk Noparumpa, Chairman, asked Mr. Tikhamporn Plengsrisk, Chief Executive Director and Chief Executive Officer and Mr. Opas Sripayak, Executive Director and Managing Director to report on the summary of the overall performance of the Company in 2015.

**2.1 Summary of the performance in 2015**

Mr. Opas Sripayak, Managing Director, informed the Meeting of the performance of the Company in 2015 as follows:

**2.1.1 Overall performance in 2015 in comparison with 2014**

- Sales Volume	14,518	million THB
decreased 15% from 2014 (17,069 million THB)		
- Income from Sale	15,981	million THB
increased 30% from 2013 (12,321 million THB)		
- Net Profit	2,413	million THB
increased 19% from 2013 (2,021 million THB)		
- Profit per Share	1.64	THB
increased 20% from 2013 (1.37 THB)		

### 2.1.2 Project Development

- 1) Four new projects were launched in 2015 with the combined value of 6,000 million THB
  - Lumpini Park Beach Cha-am
  - Lumpini Ville Nakornin-Riverview
  - Lumpini Mix Teparak-Srinakarin
  - Lumpini Ville Sukhumvit 76-Bearing Station
- 2) Seven projects completed in 2015 with the combined value of 15,900 million THB
  - Lumpini Place Suksawasdi-Rama 2
  - Lumpini Place Srinakarin-Huamark Station
  - Lumpini Park Rattanathibes-Ngarmwongwarn
  - Lumpini Park Rama 9-Ratchada
  - Lumpini Ville Onnut-Ladkrabang 2
  - Lumpini Township Rangsit-Klong 1
  - Lumpini Place Boromrajchonnanee-Pinklao

### 2.1.3 Awards in 2015

The Company has received the following awards for its sustainability, corporate governance and environmental responsibility:

- 1) The Company was awarded SET Social Enterprise Investment Awards from the Stock Exchange of Thailand.
- 2) The Company was one of the 51 listed companies selected for Thailand Sustainability Investment (THSI) by the Stock Exchange of Thailand.
- 3) The Company was ranked by the Thai Institute of Directors as a Company with Level 5 performance in good corporate governance.
- 4) The Company received ESG 100 Certificate (Environment, Social and Governance) from Thaipat Institute as one of a hundred outstanding companies in terms of environment, society and governance.
- 5) The Company was awarded Recognition Award from Sustainability Report Awards 2015 from Thai Listed Companies Association.
- 6) The Company received the full score of 100 and was rated "Excellent" for the assessment of the quality of the organization of the Annual General Meeting of Shareholders 2015 from the Thai Investors Association.

## 2.2 Operational plan in 2016

Mr. Tikhamporn Plengsrisuk presented the operational plan in 2016 as follows:

### 1) Vision 2014-2016

To maintain the leadership position in the development of residential condominium targeting middle to lower-middle income group under the “Vibrant Community” and “Value Organization” concept for sustainable development and growth.

### 2) Definition of Vibrant Community For All and Value Organization

#### “Vibrant Community For All”

Lumpini Community in which the residents of all age groups live happily together with appropriate components, great quality of life, society, environment and awareness of togetherness ,care and share culture.

#### “Value Organization”

The organization that has been developed in an integrated fashion in the operation of all departments in order to deliver the value to stakeholders, society and environment.

### 3) Mission 2016

- **Shareholders:** Achieve proper growth to provide sustainable return under risk management and good governance principle.
- **Customers/Residents:** Create and deliver “vibrant community” to customers that will lead to the real pleasure of living for all.
- **Environment and Society:** Promote and take part in corporate social and environmental responsibilities with out, in and as process activities to achieve sustainable development.
- **Business Alliances:** Create unity under care and share culture and achieve mutual growth with appropriate returns.
- **Staff:** Enhance quality of life, knowledge, competency, integrity and relationship for happiness, career growth and stability through L.P.N Way and L.P.N Academy under the care and share culture of “Value Organization”
- **Internal Operation:** Focus on the efficiency of the operation, come up with innovations and operate the business in accordance with the business plan and KPIs along the path of L.P.N. Way.



4) Goal of subsidiary companies in 2016

Lumpini Project Management Service Co., Ltd.	Manage and develop projects in collaboration with LPN in order to deliver the “product value” to customers in an integrated manner.
Lumpini Property Management Co., Ltd.	Manage and develop “service value” of Lumpini community in order to bring about “sustainable vibrant community.
Pornsanti Co., Ltd.	Develop non-condominium projects while ensuring the “product and service values” of the LPN standard.
Lumpini Property Service and Care Co., Ltd.	Develop, train and create jobs for underprivileged women in order to upgrade their quality of life. The aim is to become a social enterprise.
L.P.N. Academy	Train and develop LPN staff in all departments in an integrated manner with the concept of “value organization.”

5) SWOT analysis and business situation in 2016

Strength and Weakness Analysis

Aspect	Strength	Weakness
Marketing	- Value of Lumpini Brand	- Establishment of marketing strategy in severe competitive situations
Internal Process	- Efficiency in cost and quality management - Community management standard - Strong business alliance - 6 Green LPN	- Product standard development - Integration of information system - Continuous and standardized operation
Finance	- Stable financial status - Financial credibility	- Non-diversified financial tools - Lack of credit-rating
Personnel	- LPN Way - LPN Academy - Relationship with and loyalty to organization is excellent	- Management of succession plan of important positions - Project management capacity in an integrated manner - Work-life balance - Planning of succession plan and developing personnel to respond to the project development

Opportunity and Threat Analysis

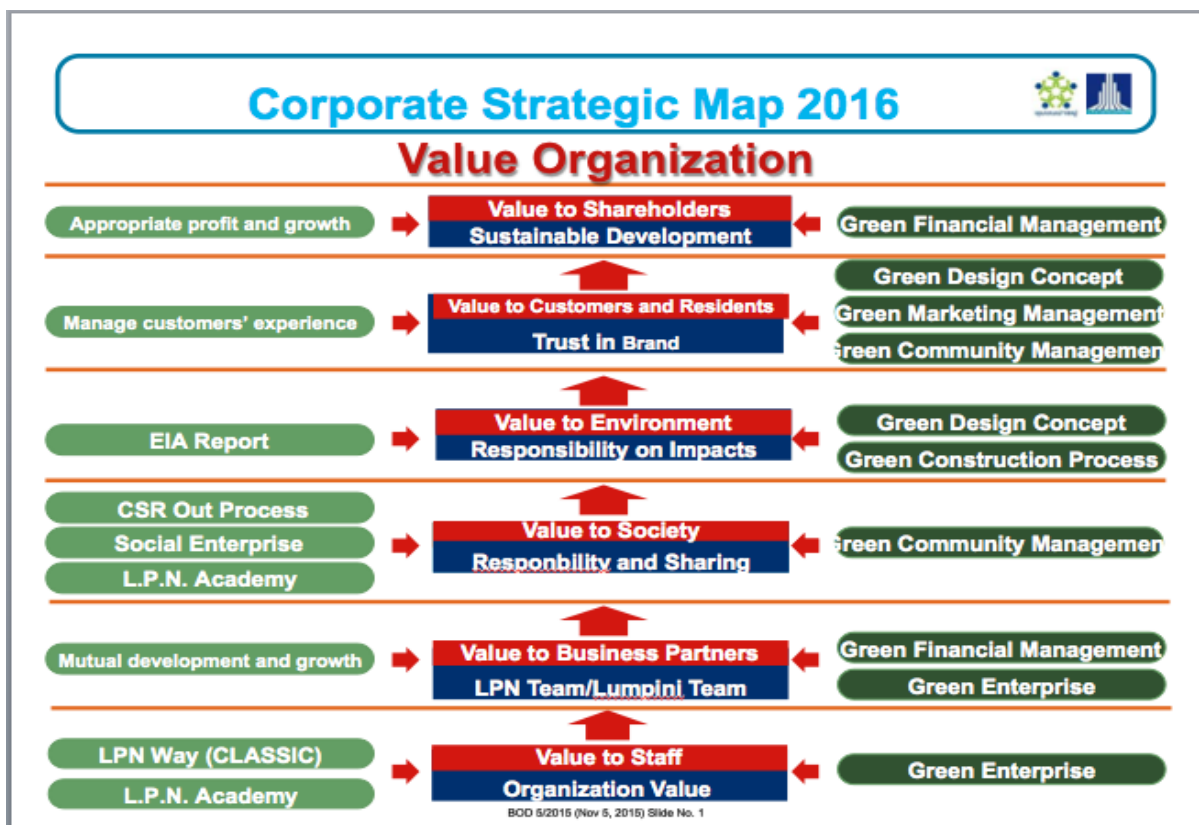
Aspect	Opportunity	Threat
Economy	<ul style="list-style-type: none"> <li>- Stable domestic interest rate</li> <li>- Short-term measures to stimulate the real estate sector</li> </ul>	<ul style="list-style-type: none"> <li>- Competition in selling products in an inventory</li> <li>- Short-term measures to stimulate the real estate sector</li> </ul>
Society	<ul style="list-style-type: none"> <li>- More elderly people in the society</li> <li>- Rapid expansion of online social media which is accessible</li> <li>- Role of social media</li> </ul>	<ul style="list-style-type: none"> <li>- Awareness on consumers' right and right of neighboring communities</li> <li>- Sensitivity towards online information</li> </ul>
Law and Regulations	<ul style="list-style-type: none"> <li>- "Home for Low Income Earners" policy</li> </ul>	<ul style="list-style-type: none"> <li>- Adjustment of appraised land price</li> <li>- "Home for Low Income Earners" policy</li> </ul>
Environment	<ul style="list-style-type: none"> <li>- Environmental conservation trend</li> </ul>	<ul style="list-style-type: none"> <li>- Greater environmental awareness</li> </ul>
Technology	<ul style="list-style-type: none"> <li>- Easier and cheaper access to technology</li> </ul>	<ul style="list-style-type: none"> <li>- Inability to make full use of technology</li> </ul>

6) Risks in 2016

Risk	Risk Factor	Risk Management
Financial Risk	<ul style="list-style-type: none"> <li>- Retail loan rejection rate is high as a result of household debt</li> </ul>	<ul style="list-style-type: none"> <li>- Manage financial institution</li> <li>- Establish customers' credit management team</li> </ul>
Strategic Risk	<ul style="list-style-type: none"> <li>- Focus on the middle-lower target group</li> </ul>	<ul style="list-style-type: none"> <li>- Adjust sales strategy to be in accordance with increasing costs on land price</li> </ul>
	<ul style="list-style-type: none"> <li>- Expand the business by earning more income from retail business</li> </ul>	<ul style="list-style-type: none"> <li>- Recruit experts to manage retail business</li> <li>- Sign MOU with business group that is an expert in managing retail business</li> </ul>
	<ul style="list-style-type: none"> <li>- Costs on land price is higher, it is more difficult to find a piece of land and the pieces of land are larger.</li> </ul>	<ul style="list-style-type: none"> <li>- Find more channels for land purchase</li> <li>- Develop projects in phases</li> <li>- Adjust sales price to be in accordance with costs</li> </ul>
	<ul style="list-style-type: none"> <li>- Continuous income growth rate in 2017 (20 Mile March)</li> </ul>	<ul style="list-style-type: none"> <li>- Develop projects in phases</li> <li>- Find smaller pieces of land or the pieces of land in a location suitable for low-rise project development</li> <li>- Develop non-condominium projects</li> </ul>
Operational Risk	<ul style="list-style-type: none"> <li>- Downward trend of business cycle</li> </ul>	<ul style="list-style-type: none"> <li>- Add an elderly group of people as another target group</li> <li>- Control fixed expenses</li> <li>- Reduce project size</li> <li>- Develop staff's operational skills via LPN Academy</li> </ul>

Risk	Risk Factor	Risk Management
Operational Risk	- Awareness on the impact of the business on the society and environment	- Strengthen CSER strategy - Manage relationship with surrounding communities during construction and after handover - Look for project site that with less risks and impacts on neighboring communities
	- Competitiveness in selling products in the inventory in order to gain benefit from the government's policy to stimulate the real estate sector	- Deliver product and service value under "vibrant community" concept
Compliance Risk	- Damages from the operation that violates the law	- Strictly comply with the law and regulations
	- Increased appraised land price	- Utilize BIM to control costs
Political Risk	- Status of the government	- Control growth - Reduce the project size - Control costs

7) Strategic Map 2016



### 8) Operational Guideline in 2016

- Develop projects with appropriate size in various locations.
- Strengthen the management of inventory (participate in “Ban Pracharat Housing Project”).
- Launch new projects at an appropriate time and in accordance with both short-term and long-term income plan of the Company.
- Come up with a strategy to manage the credibility of the customers whose loan application is rejected by financial institutions.
- Strengthen human resources capacity development through L.P.N. Academy to prepare for future growth.
- Develop “Vibrant Community” concept into “Vibrant Community For All” as a guideline for the development of unique product and service of the Company.
- Identify a guideline for sustainable development in a concrete manner to include all aspects of the operation.
- Request for Level 4 Certification of the Anti-Corruption action

Mr. Opas Sripayak added about the request for Level 4 Certification from the Collective Action Coalition of the Private Sector Against Corruption. At present, the Company is certified at Level 3 (Established). The Company has identified the anti-corruption policy, assessed risks from corruption, organized training for and communicated to staff, implemented the anti-corruption policy and revised the suitability of the policy in order to prepare for Level 4 Certification within 2016.

### 2.3 Operational Goal in 2016

Mr. Opas Sripayak, Managing Director, presented the operational target in 2016 in comparison to that in 2015 as follows:

	Target 2016	Performance 2015	Growth
Sales Volume (Million THB)	17,600	14,518	21%
Income from Sale (Million THB)	17,600	15,981	10%
New Projects Launched (Million THB)	17,600	6,000	193%
Projects Completed (Million THB)	17,750	15,900	12%

1) New projects to be launched in 2016: 12 projects with the combined value of 17,600 million THB

1. Lumpini Ville Ratchapruek-Bangwaek: 1,085 units, valuing 1,300 million THB
2. Lumpini Ville Rattanathibes-Saima: 900 units, valuing 1,000 million THB
3. Lumpini Park Petchakasem 98 (Phase2): 1,355 units, valuing 1,850 million THB
4. Lumpini Township Rangsit-Klong 1 (Phase 2): 3,674 units, valuing 2,600 million THB

5. Lumpini Seaview Cha-am: 1,134 units, valuing 1,450 million THB
6. Lumpini Park Beach Cha-am 2: 200 units, valuing 500 million THB
7. Lumpini Place Hua Hin Soi 7: 339 units, valuing 500 million THB
8. Lumpini Township Rangsit-Klong 1 (Phase 3): 2,928 units, valuing 2,000 million THB

Other four projects are during the process of land purchase with the combined value of 6,400 million THB.

2) Projects to be completed in 2016: 9 projects with 16,170 units and the combined value of 17,750 million THB

**Three projects to be completed in Q1/2016**

1. Lumpini Condotown Romklao-Suvarnabhumi:  
1,961 units, valuing 1,500 million THB, sales volume 70%
2. Lumpini Park Nawamin-Sriburapa  
1,831 units, valuing 2000 million THB, sales volume 70%
3. Lumpini Township Rangsit-Klong 1 (Phase 2)  
3,674 units, valuing 2,600 million THB, sales volume 50%

**Three projects to be completed in Q2/2016**

1. The Lumpini 24  
426 units, valuing 3,100 million THB, sales volume 95%
2. Lumpini Park Beach Cha-am  
413 units, valuing 1,000 million THB, sales volume 100%
3. Lumpini Park Beach Petchakasem 98 (Phase 1)  
1,352 units, valuing 1,750 million THB, sales volume 75%

**Three projects to be completed in Q3/2016**

1. Lumpini Ville Nakornin-Riverview  
1,544 units, valuing 2,000 million THB, sales volume 50%
2. Lumpini Mix Teparak-Srinakarin  
2,041 units, valuing 1,800 million THB, sales volume 60%
3. Lumpini Township Rangsit-Klong 1 (Phase 3)  
2,928 units, valuing 2,000 million THB

Note: Lumpini Township Rangsit-Klong 1 Phase 3 will be launched in Q2/2016.

3) Ban Pracharat Housing Project in Vibrant Community

The government has announced that Ban Pracharat Housing Project will be invested by the private sector. The financial institutions of the government would also provide financial support to both investors and buyers. The objective of the project is to provide the opportunity for low income earners to own a house at the price of no more than 1.5 million THB (as indicated in the terms and conditions of the government). Since the business operation policy of the Company is to develop an affordable housing for all, the Company has participated in Ban Pracharat Housing Project in Vibrant Community to support the policy of the government. Additional special offers are offered to the customers in terms of installment payment to ease the burden of the buyers. Being experienced in residential development for middle- to low-income earners, the Company is aware that the main problem of this group of customers is the rejection of loan application from financial institutions. Therefore, the Company has come up with a special offer to help solve this problem. The offer is for staff of the Company such as maids, security officers, maintenance workers, staff of business alliances as well as for general customers. It is the direct sale that does not focus on income or sales volume but on providing the opportunity of owning a house in a great environment and quality of life to low income earners.

On this agenda, shareholders and proxies had expressed their comments and asked questions as follows:

Mr. Ritichai Yibcharoenporn, Shareholder

**Question 1:** Regarding the government's measures to stimulate the real estate sector by reducing the registration fee of ownership transfer and real estate mortgage fee which will come to an end on 28 April 2016, I would like to ask about LPN's development strategy and operational direction in 2016-2017. I would also like to ask whether the Company is focusing on any group of customers in particular.

Answer

Mr. Tikhamporn Plengsrisk Ban Pracharat Housing Project is the government's policy to stimulate the real estate market in place of the short-term measures which will come an end on 28 April 2016. It is the policy that is in favor of LPN as almost all LPN's products meet the criteria of Ban Pracharat Housing Project. Therefore, the end of the measures to reduce the registration fee of ownership transfer and real estate mortgage fee will not have any impacts on the Company.

**Question 2:** What is the price growth of the project developed by LPN each year and is it higher than the market price?

Answer

**Mr. Tikhamporn Plengsrisk:** During the current economic situation, the competition in the market would be about marking the price down to boost the market. The focus of the real estate business sector at the moment is on liquidity and inventory, not profit or price growth.

**Mr. Pichet Supakijjanusan:** During the past years, the price of real estate in urban areas has always been increased. But LPN decides to keep the price low in order for the young professionals to be able to afford a condominium unit even though the land, construction material and labor costs have increased. The Company has been able to achieve the gross profit as planned. It is one of the strategies of LPN to create a balance among the profit, operational efficiency and responsibility of the business operator.

Mr. Songpol Sukhontapong, Representative from Thai Investors Association

**Question:** I would like to praise the executives of LPN for the business operation guideline of the Company as well as for identifying the anti-corruption policy of the Company. I would like to ask when the Company is planning to achieve Level 4 Certification from the Collection Action Coalition of the Private Sector Against Corruption (CAC).

Answer

**Mr. Charan Kesorn:** The Company has implemented anti-corruption policy during the past year. This year, the Company is preparing for the request to be certified in Level 4. An operational manual with a complete set of documents is produced. In April 2016, the Company will ensure that all departments fully understand the anti-corruption operational system indicated in the manual. It is expected that the request for certification could be submitted to CAC within September 2016.

Mr. Basant Kumar Dugar, Shareholder has asked questions in English.

Answer

**Mr. Amornsuk Noparumpa:** Since the meeting is conducted in Thai, the answer provided in English would not be appropriate. Therefore, he will discuss with Mr. Basant Kumar Dugar in person after the meeting is closed.

There were no other shareholders or proxies who would like to comment or ask further questions. Mr. Amornsuk Noparumpa, Chairman, informed the Meeting that voting would not be necessary on this agenda because it was only for acknowledgement. The resolution was that the Meeting acknowledged and adopted the performance of the Company in 2015.

**Agenda 3** To approve the financial statements 2015 comprising statement of financial position, profit/loss statement, statement of changes in equity and cash flow statement as of 31 December 2015

Mr. Amornsuk Noparumpa, Chairman, assigned Mr. Opas Sripayak, Managing Director, to present the report to the Meeting.

Mr. Opas Sripayak presented the summary of the financial statements 2015 comprising statement of financial position, profit/loss statement, statement of changes in equity and cash flow statement as of 31 December 2015 which were prepared according to the generally accepted accounting standard audited and approved by certified public accountant as well as reviewed by the Audit Committee and the Board of Directors of the Company. The Company had published the financial statements 2015 in the Annual Report 2015 which was sent to the shareholders for consideration in advance together with the meeting invitation letter. The details were as follows:

**3.1 Financial Performance 2002-2015 from Consolidated Financial Statements**

Item	2015	2014	2013	2012	2011	2010	2009
Gross income (million THB)	16,674	12,960	14,401	13,483	12,445	10,047	8,592
Income from sale (million THB)	15,981	12,321	13,871	12,950	12,014	9,676	8,268
Gross profit (million THB)	4,971	4,006	4,558	4,209	4,003	3,319	2,590
Net profit (million THB)	2,413	2,021	2,329	2,217	1,917	1,637	1,359
Profit per share (THB)	1.64	1.37	1.58	1.50	1.30	1.11	0.95
Dividend (THB)	0.90	0.80	0.84	0.76	0.65	0.56	0.50
Total assets (million THB)	19,625	19,784	17,420	13,904	9,593	10,381	8,088
Total liabilities (million THB)	8,044	9,375	7,794	5,539	2,465	4,300	2,819
Shareholders' equity (million THB)	11,581	10,408	9,626	8,364	7,129	6,082	5,269
Book Value (THB)	7.85	7.05	6.52	5.67	4.83	4.12	3.59
Return on Equity (%)	22%	20%	24%	29%	29%	29%	28%



Item	2008	2007	2006	2005	2004	2003	2002
Gross income (million THB)	7,304	6,824	5,020	3,583	2,478	1,944	1,070
Income from sale (million THB)	7,019	6,574	4,748	3,346	2,309	1,754	912
Gross profit (million THB)	2,193	2,279	1,534	1,187	810	548	162
Net profit (million THB)	1,205	928	765	588	448	465	163
Profit per share (THB)	0.82	0.62	0.52	0.43	0.41	0.50	0.20
Dividend (THB)	0.41	0.32	0.26	0.22	0.20	0.25	0.10
Total assets (million THB)	8,846	7,176	5,970	4,524	4,415	2,897	2,059
Total liabilities (million THB)	4,362	3,349	2,657	1,532	2,091	1,297	847
Shareholders' equity (million THB)	4,484	3,827	3,312	2,991	2,324	1,599	1,212
Book Value (THB)	3.04	2.59	2.24	2.20	2.12	1.70	1.31
Return on Equity (%)	29%	26%	24%	22%	23%	33%	18%

### 3.2 Financial Performance 2014-2015 from Consolidated Financial Statements

Item	2015	2014	Growth (%)
Gross income (million THB)	16,674	12,960	29%
Income from sale (million THB)	15,981	12,321	30%
Gross profit (million THB)	4,971	4,006	31.1%
Net profit (million THB)	2,413	2,021	19%
Profit per share (THB)	1.64	1.37	20%
Dividend (THB)	0.90	0.80	13%
Total assets (million THB)	19,625	19,784	(1%)
Total liabilities (million THB)	8,044	9,375	(14%)
Shareholders' equity (million THB)	11,581	10,408	11%
Book Value (THB)	7.85	7.05	11%
Return on Equity (%)	22%	20%	2%

#### Note:

1. Gross income: The main income is from the sales of real estate which account for 96% of the gross income.
2. Income from sale: The income from the sales of condominium projects is 15,511 million THB and that of horizontal projects is 470 million THB. The income of around 12,420 million THB is from the project completed in 2015.
3. Gross profit: The Company is able to maintain the gross profit to be at the rate of higher than 30% in spite of the downturn of the real estate business.

4. Net profit: The core factor is the increase of the income from sale and the ability to efficiently manage costs and control sales and management expenses.
5. Total assets: The total assets have decreased since there are a number of projects completed in 2015. The total assets, land and costs of project under construction have thus decreased.
6. Total liabilities: The total liabilities have decreased because of the case flow from ownership transfer which is used to repay debt and reduce the interest burden.
7. Shareholders' equity and book value have increased as a result of the increased net profit from the operation of the Company.
8. The average Return on Equity (ROE) of the industry is 14%. The ROE of the Company is 22% which is ranked in the top three of the real estate development business.

#### Consolidated Statement of Financial Position in 2015

Assets (Million THB)			Consolidated Liabilities and Shareholders' Equity (THB Million)		
<u>Consolidated assets</u> 19,625.30			<u>Consolidated liabilities</u> 8,044.05 (40.99%)		<u>Shareholders' Equity</u>
<u>Current Assets</u> 16,432.52	<u>Non-Current Assets</u> 2,434.55	<u>Cash</u> 758.24	<u>Liabilities with interests</u> 5,142.75 (63.93%)	<u>Liabilities without interests</u> 2,901.29 (36.07%)	11,581.25 (59.01%)

#### Note:

1. Debt to Equity Ratio is 0.444: 1.
2. Interest Bearing Debt to Equity Ratio is 0.695: 1.

After the presentation of Mr. Opas Sripayak, Mr. Amornsuk Noparumpa, Chairman, asked the Meeting whether any shareholders or proxies would like to express their comments or ask any questions to the Management.

On this agenda, shareholders and proxies had expressed their comments and asked questions as follows:

#### Mr. Rittichai Yibcharoenporn, Shareholder:

**Question:** Referring to the financial statements published in the Annual Report, I would like to ask why the profit per share in the separate financial statement is more than that in the consolidated financial statement. The profit per share in the consolidated financial statement is 1.64 THB but that in the separate financial statement is 1.80 THB.

Answer

Mr. Opas Sripayak: LPN receives the dividend from four subsidiary companies. Therefore, the profit per share in the separate financial statement of LPN is higher than that in the consolidated financial statement.

Mr. Songpon Sukhontapong, Representative from the Thai Investors Association

Question 1: Referring to the information in Form 56-1, it is found that the net profit per gross income in 2013-2015 has continuously decreased. What are the solutions or management approach for the next year?

Answer

Mr. Opas Sripayak: The net profit is at the rate of around 14-16% of income and is dependent on various factors as follows:

1. In case of the increase of corporate income tax, the net profit will be less.
2. When a large-scale project is launched during the upward trend in the market i.e. Lumpini Place Srinakarin-Huamark, the net profit will be higher as well as the gross profit. However, the Company has tried to control the net profit to be at the rate of 14-16%.

Question 2: Referring to the statement of financial position of the last year, the reserve cash is around one billion THB. The reserve cash this year is 758 million THB. What will be the trend of the reserve cash next year?

Answer

Mr. Opas Sripayak: The policy on the liquidity of the cash flow will be revised in accordance with the situation and interest rate. If there is a concern over the liquidity, the amount of reserve cash will be increased.

Question 3: As for profit and loss statement, it is found that the remuneration for executives has increased more than 100%. Could you please provide the details on this?

Answer

Mr. Tikhamporn Plengsrisk: It is because a special bonus is paid to the management team this year i.e. the Managing Directors and around 20 level 10 managers as a reward for their hard work and commitment all through the past ten years. They have gone through a lot of pressure from the executive directors during such difficult times and have never received any special rewards. But they have generated income for the Company

from 3,000 million THB to 16,000 million THB. The profit has grown from 500 million THB to 2,400 million THB at present. The dividend paid from shareholders has also increased from 0.22 satang to 0.90 satang. These are the reasons behind the special bonus.

**Question 4:** From the cash flow statement, the amount of 850 million THB is earned from the sale of debentures. How will the Company use this money for the benefit of the shareholders?

**Answer**

**Mr. Tikhamporn Plengsrisk:** The Company has issued both short-term and long-term debentures with low interest rate at the amount of 850 million THB for risk dispersion. The objective is to enhance the management flexibility, reduce risks and reduce interest rate.

There was no shareholder or proxy who would like to comment or ask questions. Mr. Amornsuk Noparumpa, Chairman, asked the Meeting to pass a resolution on the agenda.

**Resolution**

The Meeting resolved to adopt and approve the financial statements 2015 comprising the statement of financial position, profit/loss statement, statement of changes in equity and cash flow statement as of 31 December 2015 with the following votes:

Resolution	Votes (1 share = 1 vote)	Percentage of the number of shares represented and exercised the right to vote
(1) For	901,707,480	99.9256
(2) Against	0	0.0000
(3) Abstentions	671,200	0.0744
(4) Voided ballots	0	-
<b>Total Number of Voters (1,218persons)</b>	<b>902,378,680</b>	<b>-</b>

**Agenda 4 To approve the allocation of profit and dividend payment**

Mr. Amornsuk Noparumpa, Chairman, assigned Mr. Tikhamporn Plengsrisk, Chief Executive Director and Chief Executive Officer to present the information to the Meeting.

Item		2015	2014	Growth Rate (%)
1. Net profit	(Million THB)	2,413	2,021	19%
2. Profit per share	(THB/Share)	1.64	1.370	20%
<b>3. Dividend</b>	<b>(THB/Share)</b>	<b>0.90</b>	<b>0.80</b>	13%
3.1 Interim dividend	(THB/Share)	0.30	0.26	0.0%
3.2 Final dividend	(THB/Share)	0.60	0.58	13%
<b>4. Total dividend paid</b>	<b>(Million THB)</b>	<b>1,328.12</b>	<b>1,180.56</b>	4.8%
4.1 Total interim dividend	(Million THB)	443	384	0.0%
4.2 Total final dividend	(Million THB)	885	797	6.8%
4.3 Rate of dividend paid per net profit	(%)	55.05	58.39	(3%)

Mr. Tikhamporn Plengsrisk informed the Meeting that as the shareholders approved the financial statements 2015 as of 31 December 2015, the net profit in the consolidated financial statements of the Company was 2,413,398,212.24 THB (Two Billion Four Hundred Thirteen million Three Hundred Ninety Eight Thousand Two Hundred Twelve Baht and Twenty Four Satang). As stated in the meeting invitation letter sent to the shareholders, the Board of Directors of the Company proposed that the dividend in 2015 for the performance from 1 January 2015 to 31 December 2015 was to be paid at the rate of 0.90 THB (Ninety Satang) or equivalent to 55.03% of the net profit of the Company with the total amount of 1,328,128,891.20 THB (One Billion Three Hundred Twenty Eight Million One Hundred Twenty Eight Thousand Eight Hundred Ninety One Baht and Twenty Satang). The details are as follows:

- 1) The Company had paid the interim dividend for the performance during the first six months as of the end of Q2/2015 at the rate of 0.30 THB (Thirty Satang) for the total of 1,475,698,768 ordinary shares of the Company. The total amount paid was 442,709,630.40 (Four Hundred Forty Two Million Seven Hundred Nine Thousand Six Hundred Thirty Baht and Forty Satang) which was paid on 3 September 2015.
- 2) The remaining dividend will be paid to shareholders entitled to receive the dividend in 2015 as per the list of shareholders on the record date for the right to receive the dividend on 25 February 2016.

The Company has compiled the name list in accordance with Section 225 of the Securities and Exchange Act by mean of book closing on 26 February 2016. The remaining dividend will be paid at the rate of 0.60 THB (Sixty Satang) for 1,475,698,768 ordinary shares of the Company, totaling 885,419,260.80 THB (Eight Hundred Eighty Five Million Four Hundred Nineteen Thousand Two Hundred Sixty Baht and Eighty Satang). The dividend will be paid on 11 April 2016.

As for the legal reserve requirement, the Company had allocated the profit which was accounted for 10% of the registered capital. Therefore, it was not necessary to allocate any profit as the legal reserve requirement.

After the presentation by Mr. Tikhamporn Plengsrisk, Mr. Amornsuk Noparumpa, Chairman, asked whether any shareholders or proxies would like to express their opinions or ask questions to the Management.

On this agenda, shareholders and proxies had expressed their comments and asked questions as follows:

Mr. Pramuk Wanasbordeekul, Shareholder:

**Question 1:** The strength of LPN is the efficient management of juristic person. Is there a policy to generate more income from this?

Answer

**Mr. Tikhamporn Plengsrisk:** Thank you very much for complimenting the Company on the efficient management of juristic person. The vision of the organization states that vibrant community will bring about business sustainability. It has always been the approach to the operation of the Company. We are committed in delivering values to the community and do not focus solely on generating profits. Management of condominium is a hard work that involves a large number of people. At present, L.P.N. Academy must develop 40-50 staff as Community Managers, many of whom leave the organization after being trained. It is because the Company is unable to offer a higher salary to staff. The Company does not have a policy to provide condominium management service to external parties as we emphasize the quality of service over financial return. Management of condominium juristic person must be done by heart and the executives must be involved. Taking care of the residents is not an easy job. However, there are a few business operators asking the Company to provide condominium juristic person management service to their company.

**Question 2:** LPN develops projects for sale. The income may not be stable. But the payout ratio of the dividend of the Company is 50% of the net profit. Is there a policy to pay more dividend when the net profit decreases or does it depend on the net profit each year?

Answer

**Mr. Tikhamporn Plengsrisk:** The dividend payment policy at the moment is at the rate of 50% of the net profit. However, it could be changed in the future as appropriate based on the utmost benefit for the shareholders.

**Mr. Rittichai Yibcharoenporn, Shareholder:**

**Question:** What is the Cash Conversion Ratio of the Company?

**Answer**

**Mr. Sombat Kittipokirat:** Cash Conversion Cycle comprises three variables as follows:

1. Debt collection will be done in cash.
2. Debt payment will be done sooner, from 22 days to 19 days.
3. Management of inventory is improved, from 190 days to 170 days.

Overall, the liquidity of cash has improved and the management of cash is in accordance with the plan.

**Mr. Nantana Puvadakorn, Shareholder:**

**Question:** LPN is famous for its strength in condominium juristic person management. But the Company has also developed projects outside Bangkok. I bought a condominium unit in a project in Pattaya. The unit wall was flooded and I had informed the maintenance staff of the condominium but the problem had not been solved in a professional manner. The Company should provide training to staff stationed in projects outside Bangkok too.

**Answer**

**Mr. Tikhamporn Plengsrisk:** We are aware that the management in Pattaya project needs to be improved. The personnel must be developed. Thank you very much for the recommendation.

**Ms. Suriya Saparsa, Shareholder:**

**Question:** I would like to praise the Company for answering the questions very clearly as well as for accepting the criticism. I have a question about the dividend payment to shareholders. After the Annual General Meeting of Shareholders approves the dividend payment, why the Company must wait 30 days before making the payment while it can be made on the very next day.

**Answer**

**Mr. Tikhamporn Plengsrisk:** The dividend will be paid on 11 April 2016 or seven working days after the Meeting. Thailand Securities Depository Co., Ltd. (TSD), as a registrar of the Company, would be making the payment in accordance with the principles. It can be said that the dividend payment of the Company is done soonest. As for the payment of other companies, the Company cannot speak for them.

None of the shareholders or proxies expressed their opinions or asked any questions. Mr. Amornsuk Noparumpa, Chairman, asked the Meeting to pass a resolution on the agenda.

### Resolution

The Meeting resolved to allocation of profit and the dividend payment and acknowledged the interim dividend payment with the following votes:

Resolution	Votes (1 share = 1 vote)	Percentage of the number of shares represented and exercised the right to vote
(1) For	902,332,280	99.9925
(2) Against	47,100	0.0052
(3) Abstentions	20,500	0.0023
(4) Voided ballots	0	-
<b>Total Number of Voters (1,221 persons)</b>	<b>902,399,880</b>	<b>-</b>

### Agenda 5 To consider the election of the directors in replacement of those who were to retire by rotation

Mr. Amornsuk Noparumpa, Chairman, informed the Meeting that the Public Companies Act and Article 11 of the Article of Association stated that "in every Annual General Meeting, one-third of directors are to retire. If the number of the directors is not divisibly, the number of retiring directors is to be closest to the one-third ratio. The retiring directors may be re-elected again." In the 2016 Annual General Meeting of Shareholders, five directors were to retire by rotation as follows:

1. Mr. Vudhiphol Suriyabhivadh                      Chairman of the Audit Committee,  
Chairman of the Nomination, Remuneration and Good Corporate  
Governance Committee and Independent Director
2. Mr. Tikhamporn Plengsrisk                      Chief Executive Director  
Chief Executive Officer  
Nomination, Remuneration and Good Corporate Governance  
Committee Member and  
Chairman of Risk Management Committee
3. Mr. Kumpee Chongthurakit                      Executive Director and  
Risk Management Committee Member
4. Mrs. Jongjit Thapanangkun                      Director
5. Mr. Charan Kesorn                                  Managing Director, Pornsanti Co., Ltd. and  
Risk Management Committee Member



Mr. Amornsuk Noparumpa informed the Meeting further that the above five directors, namely, Mr. Vudhiphol Suriyabhivadh, Mr. Tikhamporn Plengsrisk, Mr. Kumpee Chongthurakit, Mrs. Jongjit Thapanangkun and Mr. Charan Kesorn were stakeholders on this agenda and thus would leave the meeting room and would not take part in the consideration and voting on this agenda. However, they would still exercise their right as shareholders to vote as according to the proposal of the Board of Directors of the Company.

After all the five directors had left the meeting room, Mr. Amornsuk Noparumpa said that the Nomination, Remuneration and Good Corporate Governance Committee had considered the qualifications and professional experiences of all the five directors who were to retire by rotation. It was opined that all the above five directors were knowledgeable and equipped with the qualifications, vision, integrity and ethics, had excellent professional record and had performed their duties independently. Therefore, it was proposed that all the five directors who were to retire by rotation were to be reappointed as directors of the Company for another term. The details regarding the profile, shareholding in the Company, education, professional experiences and record of the Board of Directors' Meeting attended of all the five directors who were to retire by rotation and were proposed to be reappointed again were sent to shareholders together with the meeting invitation letter. The Nomination, Remuneration and Good Corporate Governance Committee and the Board of Directors of the Company proposed that the Meeting reappointed all the five directors as directors of the Company.

Mr. Vudhiphol Suriyabhivadh, the director who was to retire on rotation and proposed to be reappointed for another term, was fully qualified to take up the position of independent director of the Company even though he has already been an independent director for more than nine years. His qualifications were fully in accordance with the criteria of the Company, which were stricter than those of the Capital Market Supervisory Board.

Mr. Amornsuk Noparumpa asked whether any shareholders or proxies would like to express their opinions or ask questions to the Management.

None of the shareholders would like to express their opinions or ask questions. Mr. Amornsuk Noparumpa asked the Meeting to consider and vote to reappoint the director of the Company on an individual basis.

#### **Resolution**

The Meeting resolved to reappoint all the five directors who were to retire by rotation for another term of office with the following votes:

## 1. The votes to reappoint Mr. Vudhiphol Suriyabhivadh

Resolution	Votes (1 share = 1 vote)	Percentage of the number of shares represented and exercised the right to vote
(1) For	829,304,094	91.8968
(2) Against	73,047,386	8.0945
(3) Abstentions	78,400	0.0087
(4) Voided ballots	0	-
<b>Total Number of Voters (1,226 persons)</b>	<b>902,429,880</b>	<b>-</b>

## 2. The votes to reappoint Mr. Tikhamporn Plengsrusuk

Resolution	Votes (1 share = 1 vote)	Percentage of the number of shares represented and exercised the right to vote
(1) For	885,091,580	98.0787
(2) Against	17,251,400	1.9117
(3) Abstentions	86,900	0.0096
(4) Voided ballots	0	-
<b>Total Number of Voters (1,226 persons)</b>	<b>902,429,880</b>	<b>-</b>

## 3. The votes to repapoint Mr. Kumpee Chongthurakit

Resolution	Votes (1 share = 1 vote)	Percentage of the number of shares represented and exercised the right to vote
(1) For	888,143,980	98.4170
(2) Against	14,207,500	1.5743
(3) Abstentions	78,400	0.0086
(4) Voided ballots	0	-
<b>Total Number of Voters (1,226 persons)</b>	<b>902,429,880</b>	<b>-</b>

## 4. The votes to reappoint Mrs. Jontjit Thapanangkun

Resolution	Votes (1 share = 1 vote)	Percentage of the number of shares represented and exercised the right to vote
(1) For	888,915,880	98.5025
(2) Against	13,422,100	1.4873
(3) Abstentions	91,900	0.0102
(4) Voided ballots	0	-
<b>Total Number of Voters (1,226 persons)</b>	<b>902,429,880</b>	<b>-</b>

## 5. The votes to reappoint Mr. Charan Kesorn

Resolution	Votes (1 share = 1 vote)	Percentage of the number of shares represented and exercised the right to vote
(1) For	888,915,880	98.5025
(2) Against	13,422,100	1.4873
(3) Abstentions	91,900	0.0102
(4) Voided ballots	0	-
<b>Total Number of Voters (1,226 persons)</b>	<b>902,429,880</b>	<b>-</b>

The Board of Directors of the Company comprises 13 directors as follows:

1. Mr. Amornsuk Noparumpa
2. Prof. Siri Keiwalinsrit
3. Mr. Tawechai Chitasaranachai
4. Mr. Vudhiphol Suriyabhivadh
5. Mr. Weerasak Wahawisal
6. Mr. Kanchai Vijakkana
7. Mrs. Jongjit Thapanangkun
8. Mr. Tikhamporn Plengsrisk
9. Mr. Pichet Supakijjanusan
10. Mrs. Yupa Techakraisri
11. Mr. Kumpee Chongthurakit
12. Mr. Charan Kesorn
13. Mr. Opas Sriyapak

The total of six directors, namely, Mr. Amornsuk Noparumpa, Prof. Siri Kewalinsrit, Mr. Tawechai Chitsaranachai, Mr. Vudhiphol Suriyabhivadh, Mr. Weerasak Wahawisal and Mr. Kanchai Vijakkana was independent directors following the regulations of the Securities and Exchange Commission and the Stock Exchange of Thailand.

Mr. Amornsuk Noparumpa invited all the five directors who were reappointed as directors of the Company to join the Meeting again.

**Agenda 6 To identify the remuneration for the Board of Directors of the Company and subcommittees**

Mr. Amornsuk Noparumpa, Chairman, assigned Mr. Vudhiphol Suriyabhivadh, Chairman of the Nomination, Remuneration and Good Corporate Governance Committee presented the information to the Meeting on this agenda.

Mr. Vudhiphol Suriyabhivadh informed the Meeting that Article 90 of the Public Companies Act B.E. 2535 stated that a director must not be paid cash or given other properties except being paid remuneration as a director of the Company. Section 18 and 19 of the Article of Association stated that directors of the Company were entitled to remuneration for their performance as identified by the Annual General Meeting of Shareholders as well as annual remuneration which would be decided by the Annual General Meeting of Shareholders and allocated by the Board of Directors of the Company.

In 2016, the Nomination, Remuneration and Good Corporate Governance Committee and the Board of Directors of the Company proposed that the Annual General Meeting of Shareholders was to approve the remuneration and rewards as follows:

- 1) The reward for directors for the performance in 2015 calculated from the business growth rate of the Company was at the amount of 10,217,347 THB (Ten Million Two Hundred Seventeen Thousand Three Hundred and Forty Seven Baht Only), increasing 12.50% of the total remuneration for directors in 2014. The amount will be allocated by the Board of Directors.
- 2) The remuneration for directors and subcommittee in 2016 was at the amount of 6,510,000 THB (Six Million Five Hundred and Ten Thousand Baht Only).

The remuneration for directors of the Company was for the 13 directors. The shareholders would be able to learn the details of the remuneration from the meeting documents sent to the shareholders together with the meeting invitation letter for consideration.

- 3) Non-financial remunerations include medical insurance and annual medical check-up. It was the group insurance provided for all staff in the organization.

All the above would be effective from 31 March 2016 until further notice.

Mr. Amornsuk Noparumpa, Chairman, asked whether any shareholders or proxies would like to express their opinions or ask questions to the Management.

None of the shareholders would like to express their opinions or ask any questions. Mr. Amornsuk Noparumpa asked the Meeting to pass resolution on the agenda.

**Resolution**

The Meeting resolved to approve the remuneration for the Board of Directors and sub-committee of the Company with the following votes:

Resolution	Votes (1 share = 1 vote)	Percentage of the number of shares represented and exercised the right to vote
(1) For	888,216,080	98.4191
(2) Against	14,194,000	1.5727
(3) Abstentions	73,200	0.0081
(4) Voided ballots	0	-
<b>Total Number of Voters (1,229 persons)</b>	<b>902,483,280</b>	<b>-</b>

**Agenda 7 To appoint an auditor of the Company in the year 2016 and the remuneration for auditors**

Mr. Amornsuk Noparumpa, Chairman, informed the Meeting that the Audit Committee as well as the Board of Directors of the Company agreed to appoint one of the auditors from D.I.A. International Auditing Co., Ltd. (“D.I.A. International Auditing”) as an auditor of the Company and subsidiary companies in 2016 to audit and comment on the financial statements of the Company and subsidiary companies. It was because they had expertise in audit work and had always performed their duty in a professional manner. The remuneration for auditors and the workload was appropriate. The auditors were, namely,

1. Mrs. Suwimon Krittayakian                      Certified Public Accountant No. 2982
2. Ms. Somjintana Pohniranrat                      Certified Public Accountant No. 5599
3. Ms. Suporn Mungchit                              Certified Public Accountant No. 8125

The above auditors would audit and comment on the financial statements of the Company. The remuneration for auditor in 2016 was at the amount of 1,136,000 THB (One Million One Hundred and Thirty Six Thousand Baht Only), increasing 6.97% from that of 2015. In case that the above auditors were unable to perform their duty, the Board of Directors proposes that D.I.A. International Auditing was to provide other auditors from their office to audit the account and comment on the financial statements of the Company and subsidiary companies. D.I.A. International was also the auditor of the subsidiary companies of the Company i.e. Lumpini Property Management Co., Ltd., Lumpini Project Management Service Co., Ltd., Pornsanti Co., Ltd. and Lumpini Property Service and Care Co., Ltd.

Before the vote was being casted, Mr. Amornsuk Noparumpa, Chairman, informed the Meeting of the followings:

1. Section 121 of the Public Companies Act B.E. 2535 stated that the auditors must not be a director, employee or hold any positions in the Company. Mrs. Suwimon Krittayakian, Ms. Somjintana Pohniranrat and Ms. Suporn Mungchit were not directors, employees nor hold any positions in the Company and the Company did not buy any other professional services from the above auditors or their office. They did not have relationship or conflict of interest with the Company, executives, new shareholders or related persons of the above parties.

2. Mrs. Suwimon Krittayakian had been appointed as the auditor of the Company from 2012-2015 and has been signing the financial statements of the Company for four years. Ms. Somjintana Polhiranrat had been appointed as the auditor of the Company from 2013-2015 and Ms. Supaporn Mungchit was appointed as the auditor of the Company in 2015. Neither of the last two auditors had signed the financial statements of the Company.

The details regarding the auditors and remuneration for auditors were sent to shareholders together with the meeting invitation letter for their consideration.

Mr. Amornsuk Noparumpa, Chairman, asked whether any shareholders or proxies would like to express their opinions or ask questions to the Management.

On this agenda, shareholders and proxies had expressed their comments and asked questions as follows:

**Mr. Songpon Sukhontapong, Representative from Thai Investors Association:**

**Question 1:** The audit expense in 2014-2015 had increased at the rate of 0.76% but that in 2015-2016 increases at the rate of 6.97%. Could the executives explain why?

**Answer**

**Ms. Yupa Techakraisri:** Normally, the remuneration for auditors would be increased in accordance with the living expenses and increased workload and transactions of the Company and subsidiary companies. In 2015, the Company had negotiated with the auditors not to increase the remuneration as a result of the economic downturn. This year, it has thus been increased to compensate the auditors. The Company has done a survey of the audit fee of other companies and it is agreed that the remuneration paid is appropriate.

**Mr. Somchai Rangseesakonsawas: Shareholder:**

**Question:** Are there any criteria for deciding the remuneration for auditors? The shareholders might want to know how much was appropriate.

**Answer**

**Mrs. Yupa Techakraisri:** It is required by the Stock Exchange of Thailand that listed companies must use auditors who registered with the Stock Exchange of Thailand. However, there is no criteria regarding the audit fee. The Company has compared the remuneration for auditors of the Company with that of other companies. It could be seen that remuneration for auditors of the Company is at the market price and is not too high.

Mrs. Suwimon Krittayakian, CPA: In fact, the audit fee does not depend on the registered capital, transactions and sales volume but on the internal control system. The auditors must assess risks on internal control and corruption. For a company with great internal control system, the audit fee would be cheaper. It could be said that the audit fee of LPN was very cheap because the internal control system of the Company was excellent.

None of the shareholders would like to express their opinions or ask any questions. Mr. Amornsuk Noparumpa asked the Meeting to pass resolution on the agenda.

### Resolution

The Meeting resolved to appoint one of the following auditors from D.I.A. International Auditing as auditors of the Company in 2016:

1. Mrs. Suwimon Krittayakian                      Certified Public Accountant No. 2982
2. Ms. Somjintana Ponhiranrat                      Certified Public Accountant No. 5599
3. Ms. Suporn Mungchit                              Certified Public Accountant No. 8125

and approved the remuneration for auditor in 2016 at the amount of 1,136,000 THB (One Million One Hundred and Thirty Six Thousand Baht Only). In case that the above auditors are unable to perform their duty, D.I.A. International Auditing is to provide other auditors from their office to audit the account and comment on the financial statements of the Company and subsidiary companies with the following votes:

Resolution	Votes (1 share = 1 vote)	Percentage of the number of shares represented and exercised the right to vote
(1) For	894,558,620	99.1192
(2) Against	7,877,210	0.8728
(3) Abstentions	71,900	0.0080
(4) Voided ballots	0	-
<b>Total Number of Voters (1,233 persons)</b>	<b>902,507,730</b>	<b>-</b>

### Agenda 8 To consider any other business

Mr. Amornsuk Noparumpa asked the Meeting whether any shareholders or proxies would like to express their opinions or ask further questions to the Management.

The comments and questions from the shareholders and proxies were as follows:

Mr. Teerapat Nikawanon, Proxy:

Question 1: LPN is a great company for long-term investment. I would like to ask about the five-year plan of the Company. What do you think about operating the real estate business during the downward cycle? The share price of the Company has been fallen so I would like to know if the Company plans to buy back shares.

Answer

Mr. Tikhamporn Plengsrisk: There is no such plan.

Question 2: Is there a plan to request for loan for investment in the next five years?

Answer

Mr. Tikhamporn Plengsrisk: It depends on whether there is a plan to invest in an important project at the time.

Question 3: In the future, is there a plan for capital increase?

Answer

Mr. Tikhamporn Plengsrisk: There is no need for capital increase.

Question 4: Does the Company have any plans to invest in real estate projects or other businesses?

Answer

Mr. Tikhamporn Plengsrisk: Yes. The Company has been trying to generate income from other sources than condominium development. The income would be from rental and service businesses to reduce risk and generate regular earning for the organization.

Question 5: In the future, is there a plan for mergers and acquisition?

Answer

Mr. Tikhamporn Plengsrisk: No.

Mr. Pramuk Wanasbordeekun, Shareholder:

Question: With reference to your answer on regular earning, could you please clarify?

Answer

Mr. Tikhamporn Plengsrisk: When the Company develops a project, the front area of the project is considered a prime area. Lately, the Company is unable to find a small piece of land at a reasonable price so we must buy a larger piece of land. In order to effectively manage land costs, the front area is turned into commercial buildings and retail shops. It develops the management capacity of the organization as well as responds to the needs of the community. In the past, the Company initiated a total solution



policy to provide convenient facilities to the residents e.g. convenient stores, restaurants and laundries which must be separated from the main building. But at present, many community malls have been developed. It affects the number of retail shops that are going to rent the space in the project developed by the Company. After the Company established a team of staff to manage the community mall, many retail shop owners have requested to rent the space in the project of the Company. Apart from 7-11, many other companies in the market such as wellness and spa operators have shown their interest in renting the space.

**Mr. Pichet Supakijjanusan:**

Regarding income, many people think that the Company only focuses on generating income from sale. The strength of the Company lies in cost leadership and differentiation strategies. The result of the survey shows that the products of the Company respond to the needs of many groups of customers from those in the middle- to lower-middle-income group to upper to upper-middle-income group. There are many business operators targeting the customers in the upper- to upper-middle-income group but not many of them use the cost leadership strategy. The Company thus focuses on the lower-middle group of customers and looks for ways to expand the income base. The front area of large-scale projects is developed for long-term rent to generate income from rental from retail shops. Moreover, the Company is looking into a service business. Most of the staff are trained to provide services to the customers e.g. construction service and community management service. In the future, the Company may become a service provider. Not many companies can run the service business like this. The advantage of LPN is that we have experiences in managing all the processes involved in the real estate business. At the moment, the number of staff of the Company does not support the growth of the business, therefore, L.P.N. Academy is established to prepare our personnel to be ready for the business diversification in the future, especially service business which is the long-term plan. In the short term, the Company will develop both high-rise condominium and horizontal projects for sale. In the medium term, the focus will be on the development of projects for long-term rent.

Shareholder:

Question:

In terms of business diversification, I have an opportunity of visiting Lumpini Township Rangsit-Klong 1. At the front of the project is a community mall. Is it for rent or is it a revenue sharing?

Answer

Mr. Pichet Supakijjanusan:

It is a rental business. But since the Company does not have expertise in retail business, we must work with a partner who has experience in this area. At first, the profit will be shared. But the Company will make an attempt to develop our own staff to run the business on our own. For example, the Company has managed the community mall in Lumpini Mill Place Posri in Udonrthani by ourselves but still seek assistance from those who know the retail business to oversee the management of the community mall. Starting the retail business is the medium-term plan of the Company since we already have a customer base and a large number of projects.

Shareholder:

Question:

When you mention about expanding the business to include retail business, it is found from the financial statements that the retail business accounts for only 1% of the gross income. What do you think the ratio of the income from retail business will be in the future?

Answer

Mr. Tikhamporn Plengsrisk:

We are still at the learning stage so we have not set a target yet. However, not all the pieces of land would be appropriate for the development of commercial building. The Company has never meant to buy a piece of land to develop a commercial building. It is more about adding value to the residential project.

Mr. Pichet Supakijjanusan:

The development of horizontal project is different. The target of the turnover of horizontal projects is 10% of the overall turnover. The number will continuously be increased as well.

Mr. Wasan Pongputtamon, Shareholder:

Question:

What is the situation at the present time? In the past, it was the booming period of the real estate business. But the situation has changed. What is the situation in the first quarter of this year in comparison to that of last year?

On this matter, Mr. Amornsuk Noparumpa, Chairman, said that the information had been presented in Agenda 3. Mr. Wasan Pongputtamon was invited to discuss this matter directly with the executives who would be happy to answer all the questions he might have.

**Mr. Songpon Sukhontapong, Representative from the Thai Investors Association**

**Question:** Referring to the information of the last few years, the executives used to inform the shareholders that the Company will try to control the ratio of the income from the development of horizontal projects to be at the rate of 10%. But as you mentioned earlier, the executives seem to want to expand the development of horizontal projects.

**Answer**

**Mr. Pichet Supakijjanusan:** In terms of the development of horizontal project, the Company developed Baan Lumpini which is a horizontal project. During the past ten years, we have experienced a condominium boom because of the changes in the lifestyle of urban residents. However, at the moment, the income ratio of horizontal projects is maintained at 10% of the total income. This is in accordance with the business plan of the Company.

**Comment from a Shareholder:** As a shareholder, I would like to thank the executives for providing the business information from your perspective which is different from other real estate developers. The standpoint of the Company is also very clear. The Meeting has been conducted in a professional manner and all the agendas are discussed.

**Mr. Tikhamporn Plengsrisk:** LPN is different from other real estate developers because we have a very clear vision to develop a vibrant community and to become a value organization to achieve sustainability. The Company has kept the balance between profit and quality and takes responsibility towards all parties involved. The growth of the Company is continuous and stable for long-term sustainable growth. In spite of the economic downturn, the Management is not too worried since we have been going through a more severe situation. The approach of the business operation is specific to LPN. The most important thing is that the Company does not only focus on profit generation but also takes responsibility in managing the communities. The growth may be slow and the operation is more complicated but it is the responsibility we have to take. The high-ranking executives have cascaded this concept to all staff in the organization in order to drive the organization forward in the same direction.

No other shareholders express their opinions or ask questions. Before declaring the Meeting closed, Mr. Amornsuk Noparumpa, Chairman of the Board of Directors who presided over the Meeting informed the Meeting that as of the closing time of 2016 Annual General Meeting of Shareholders, 378 shareholders were present in person, representing the total of 74,596,431 shares and 855 shareholders attended the Meeting by proxy, representing the total of 827,911,299 shares, making the total number of 1,233 shareholders representing 902,507,730 shares. This is equivalent of 61.1580 % of the total of 1,475,698,768 shares of the Company.

Mr. Amornsuk Noparumpa, Chairman, thanked all the shareholders and proxies for having always been supportive of the operation of the Company. On behalf of the shareholders, proxies and Board of Directors of the Company, Mr. Amornsuk thanked the Management and staff who have been committed to the operation enabling the Company to achieve satisfactory returns continuously. The business alliances, trade partners and customers were also thanked for their support, allowing the Company to be the leader in the real estate business. Mr. Amornsuk thanked the shareholders and proxies for their time and declared the Meeting closed.

The Meeting was closed at 12.10h.

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Mr. Amornsuk Noparumpa

Chairman

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Mrs. Pattama Ovatnupat

Manager, Directors' Office/ Minutes Taker