

(Translation)

No.3/2018

February 6, 2018

President

The Stock Exchange of Thailand

Re: Notification of the Resolution of the Board of Directors' Meeting No. 2/2018

We, AEON Thana Sinsap (Thailand) Public Company Limited ("Company"), hereby report the resolutions passed the related transactions with the related companies (Details as attachment) at the meeting of the Board of Directors No.2/2018 held on February 6, 2018 from 10:00 a.m. as follows:

Please be informed accordingly

Yours sincerely,

Kiyoyasu Asanuma

Managing Director

Connected Transaction

The Board of Director's meeting of AEON Thana Sinsap (Thailand) Plc (AEONTS) No. 2/2018 held on February 6, 2018 had a resolution of the connected transaction as follows:

Date of transaction:

Within March 2018

Contractual parties with AEONTS and its subsidiaries companies:

Company	Business	Relationship with AEONTS
AEON Financial Service Co., Ltd. ("AFS")	Finance	- Major Shareholder of AEONTS, holding 35.12% of AEONTS's shares - Shareholder of ASB Cambodia, holding of 20% of shares
AEON Specialize Bank (Cambodia) PLC. ("ASB Cambodia")	Finance	- ASB Cambodia is 80% owned by AEONTS - ASB Cambodia is 20% owned by AFS

General characteristics of transactions:

- The National Bank of Cambodia (NBC) issued the new circulars regarding increase the minimum capital requirement of financial institutions and capital injection will be used for system investment and business expansion. ASB Cambodia would like to increase capital registered in the amount of USD 7.5 million or approximately 236.5 million baht to meet the minimum requirement.
- Additional shares can be subscribed by existing shareholders including AEONTS have pre-emptive rights to subscribe the additional issuance of new common shares in proportion of 80% which is an existing shares in ASB Cambodia.
- The Board of Director's meeting of AEONTS held on February 6, 2018, had resolution to waived the right to subscribe the increasing shares of ASB Cambodia totally amount to USD 6 million or approximately 189.2 million baht as ASB Cambodia is planning to utilize the increased capital in developing Riel-based e-Money in its finance business such as mobile payment, E-money, QR code and etc. AFS has more expertise in such technologies and systems in Japan and thus AFS could provide the full support on new technologies to ASB Cambodia in the long run.

Note: Exchange rate as of January 31, 2018 = 31.5393 baht/ 1 USD

Value of consideration:

- Shares subscription rights for 6,000,000 shares, amounting to total value of USD 6 million or approximately 189.2 million baht. (Book value of ASB will be USD1 per share after payout dividend)
- The new shareholder structure will be changed as follow;

Shareholders	Current			Proposed Capital Injection			After Injection		
	No. of Shares	Amount (USD)	%	No. of Shares	Amount (USD)	%	No. of Shares	Amount (USD)	%
AEONTS	10,000,000	10,000,000	80%	-	-	0%	10,000,000	10,000,000	50%
AFS	2,500,000	2,500,000	20%	7,500,000	7,500,000	100%	10,000,000	10,000,000	50%
Total	12,500,000	12,500,000	100%	7,500,000	7,500,000	100%	20,000,000	20,000,000	100%

Name, position and shareholding proportion of the connected persons:

Related Company Name	Paid Up Capital / No. of Shares	Name of Connected Persons	Share (s) in related company	% of share in AEONTS
AFS	45,698,196,100 JPY / 225,510,128 shares	Mr. Hideki Wakabayashi*	-	-
ASB Cambodia	12,500,000 USD / 12,500,000 shares	Mr. Kiyoyasu Asanuma**	-	0.08%

* Mr. Hideki Wakabayashi is the Chairman of Board of Directors of AEONTS, and the Director of AFS.

**Mr. Kiyoyasu Asanuma is the Managing Director of AEONTS and the Chairman of the Board of ASB Cambodia.

The measurement of total transactions:

By measurement in percentage of the Company Net Tangible Assets (NTA), total transaction is 189.2 million baht or 1.32% which more than 0.03% but less than 3.00% of NTA of the Company. So this transaction is the connected transaction pursuant to the Notifications which shall be approved by Audit Committee and Board of Director as well as disclose to the Stock Exchange of Thailand. Such transaction is a disposal of assets. However, the size of transaction is not required to disclose information in accordance with the Notification of the Capital Market Supervisory Board No. TorChor. 20/2551 Re: Rules on Entering into Material Transactions Deemed as Acquisition or Disposal of Assets and the Notification of the Board of Governors of the Stock Exchange of Thailand Re: Disclosure of information and other acts of listed companies concerning the acquisition or disposal of asset B.E. 2547 (as amended).

In addition, the Company approved the connected transaction within the last six months as follows:

- Board of Director's meeting No. 10/2017 held on October 6, 2017, approved Annual System License Fee for ACE Plus System to AEON Systems in amounting to 2,406,372 baht (excluded relevant tax), which is 0.02% of the Company NTA.
- Board of Director's meeting No. 1/2018 held on January 12, 2018, approved the transaction with AEON Financial Service Co., Ltd. for Outsourcing Service Agreement in total amount of

37.8 million baht or 0.26% of NTA of the Company and approved Contracted System Development Agreement between ASB Cambodia with AFS in total amount of 17.9 million baht or 0.12% of NTA of the Company and also approved Software Licensing Agreement between ASB Cambodia with ACSM in total amount of 737,226 baht or 0.01% of NTA of the Company

Therefore, the total connected transaction approved by the Board of Directors' meeting in the last six months period including this time was 248.1 million baht or 1.73% which more than 0.03% of the Company NTA but less than 3% of NTA of the Company.

Opinion of the Audit Committee:

The Audit Committee has considered the transaction and has opinion that the transaction is necessary and reasonable because the return on their investment is not satisfied and technology is very important in financial market to complete with new competitors in Cambodia. Besides, AFS is the shareholder, who have an expertise and experience related to E-Money and Mobile Payment as well as strong financial position. The Audit Committee has agreed with the Executive Committee to waive of pre-emptive rights of new shares of ASB Cambodia and provide opportunity for AFS to enhance ASB Cambodia's operation and performance for business growth in the future.

Opinion of the Board of Director:

The Board of Director's opinion is not different from the Audit Committee's opinion