

(Translation)

No. 05/2018

March 20, 2018

President

The Stock Exchange of Thailand

Re: Notification of the Resolution of the Board of Directors' Meeting No. 3/2018

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.3/2018 held on March 20, 2018 from 10:00 a.m. as follows:

Please be informed accordingly

Yours sincerely,

Kiyoyasu Asanuma

Managing Director

### Connected transactions

The Board of Director's meeting of AEON Thana Sinsap (Thailand) Plc. No. 3/2018 held on March 20, 2018 had a resolution of the connected transaction as follows:

**Date of agreement:**

Company	Date of agreement
ACS Capital Corporation Limited ("ACS Capital")	Agreement period is one year from March 2018 to February 2019.
SIGMAXYZ Inc.(Under system developments agreement partially with AEON Systems)	Agreement period is fourteen months from April 2018 to May 2019.

**Contractual parties with AEONTS and its subsidiaries companies:**

Company	Business	Relationship with AEONTS
ACS Capital	Leasing Business	- Shareholders of AEONTS, holding 19.20% of AEONTS's shares - Subsidiary company of AFS*
AEON Credit Service Systems ( Philippines) Inc. (AEON Systems)	System Development	- AEON Systems is 90% owned by AFS - AEON Systems is 3.3% owned by AEONTS

\*AEON Financial Service Co., Ltd. ("AFS") - Major shareholder of AEONTS, holding 35.12% of AEONTS's shares  
 - Major shareholder of ACS Capital  
 - Major shareholder of AEON Systems

**General characteristics of transactions:**

1. AEONTS provides the support on the business operation including marketing research and support as well as system support to ACS Capital and receives support fee for the amount of totally not more than 12,000,000 baht.
2. AEONTS engage service agreement with SIGMAXYZ Inc. (which is not related person of the company) in the New Collection system development for improving the systems to be more efficient and reducing future collection costs. Since AEON systems develop the New Collection system successfully in phase 1, SIGMAXYZ Inc. will co-ordinate with AEON Systems to improve the previous collection system, and pay Project management fee to AEON Systems at the amount of not more than 52,212,424 baht.

**Value of consideration:**

Unit: Baht

Related company name	Amount
ACS Capital	12,000,000
AEON Systems (Project management)	52,212,424
<b>Total</b>	<b>64,212,424</b>

**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 <sup>1</sup>	-	-
ACS Capital	30,437,500 Baht/ 3,043,750 shares	Mr. Kunio Kawamura <sup>2</sup> Ms. Kannika Kursirikul <sup>3</sup> Mr. Kazumasa Oshima <sup>4</sup>	- - 1 share	- 0.0008% -
AEON Systems	300,000,000 Peso/ 3,000,000 shares	Mr. Junichi Iwakami <sup>5</sup>	1 share	-

Note: <sup>1</sup>Mr. Hideki Wakabayashi is the Chairman of the Board of Directors of AEONTS and the Director of AFS

<sup>2</sup>Mr. Kunio Kawamura is the Executive Director of AEONTS and the Chairman of the Board and Managing Director of ACS Capital

<sup>3</sup>Ms. Kannika Kursirikul is the Non-Executive Director of AEONTS and ACS Capital

<sup>4</sup>Mr. Kazumasa Oshima is the Senior Executive Vice President of AEONTS and the Non- Executive Director of ACS Capital

<sup>5</sup>Mr. Junichi Iwakami is the Senior Executive Vice President of AEONTS and the Non-Executive Director of AEON Systems

**The measurement of total transactions**

By measurement in percentage of the Company Net Tangible Assets (NTA), total transaction is 64.21 million baht or 0.45% which more than 0.03% but less than 3% 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.

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 JPY 8,040,000 or 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.
- Board of Director's meeting No. 2/2018 held on February 6, 2018, approved to waived the right to subscribe the increasing shares of ASB Cambodia totally amount to USD 6 million or approximately 189.2 million baht or 1.32% of the Company's NTA.

Therefore, the total connected transaction approved by the Board of Directors' meeting in the last six months period including this time was 312.3 million baht or 2.18% 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 purpose of transactions is supporting normal business transaction of the Company with fair and reasonable transactions.

**Opinion of the Board of Director:**

The Board of Directors has considered the agreement and has opinion that the transaction is necessary and reasonable.