

(Translation)

No.15/2018

May 22, 2018

President

The Stock Exchange of Thailand

Re: Notification of the Resolution of the Board of Directors' Meeting No. 5/2018

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.5/2018 held on May 22, 2018 from 11:00 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. 5/2018 held on May 22, 2018 had a resolution of the connected transaction as follows:

### Date of transaction:

Within January 2019

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

Company	Business	Relationship with AEONTS
AEON Credit Service Systems (Philippines) Inc. ("AEON Systems")	System Development	- AEON System is 90% owned by AFS - AEON System is 3.33% owned by AEONTS

### AEONTS' s subsidiaries:

Company	Business	% of shares held by AEONTS
AEON Specialized bank (Cambodia) Private Company Limited ("ASB Cambodia")	Retail Finance	- AEON System is 50% owned by AFS - AEON System is 50% owned by AEONTS

### General characteristics of transactions:

- According to the National Bank of Cambodia's requirement, the commercial banks and microfinance institutions including AEON Specialized bank (Cambodia) Private Company Limited ("ASB Cambodia") should hold at least 10% of their loan portfolio in the national currency (Riel).
- AEON Credit Service Systems (Philippines) Inc. ("AEON Systems") provides the system development to the AEON Financial Service Group and has been successful in implementing the Hire Purchase and Credit Card system as well as USD Based Loan System to ASB Cambodia. In order to comply with the requirement of The National Bank of Cambodia, ASB Cambodia appointed AEON Systems to develop addition functions in the previous USD Based Loan system and will pay system development fee to AEON Systems at the amount of not more than 9,309,760 baht.

**Value of consideration:**

- The consideration method based on market value by comparing price and service with other service providers.

Related company name	Amount (Baht)
AEON Systems (Development and Implementation Cost)	9,309,760
<b>Total</b>	<b>9,309,760</b>

Note: Exchange rate as of May 7, 2018 = 1PHP/0.6249 THB

**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*	-	-
AEON Systems	300,000,000 Peso/ 3,000,000 shares	Mr. Junichi Iwakami**	1 share	-
ASB Cambodia	20,000,000 USD / 20,000,000 shares	Mr. Kiyoyasu Asanuma***	-	0.08%

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

\*\*Mr. Junichi Iwakami is the Senior Executive Vice President of AEONTS and the Non-Executive Director of AEON Systems<sup>1</sup>

\*\*\*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 9.31 million baht or 0.06% which more than 0.03% but less than 3.00% of NTA of the Company. So this transaction is the related 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 related transaction within the last six months as follows:

- 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 waiving 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.

- Board of Director's meeting No. 3/2018 held on March 20, 2018, approved the transaction with AEON Capital Corporation Limited for supporting on the business operation and system support in total amount of 12,000,000 baht or 0.09% of NTA of the Company and approved engage service agreement with SIGMAXYZ Inc. (which is not related person of the company) in the New Collection system development, which SIGMAXYZ shall co-ordinate with AEON Systems in the amount of 52,212,424 baht or 0.36% of the Company's NTA.

Therefore, the total related transaction approved by the Board of Directors' meeting in the last six months period including this time was 319.2 million baht or 2.22% 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 approved that the transaction are reasonable and shall be proposed to the Board of Directors.

**Opinion of the Board of Director:**

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