

(Translation)

No.22/2018

July 11, 2018

President

The Stock Exchange of Thailand

Re: Notification of the Resolution of the Board of Directors' Meeting No. 7/2018

We, AEON Thana Sinsap (Thailand) Public Company Limited ("Company"), hereby report the resolutions passed at the meeting of the Board of Directors No. 7/2018, held on July 11, 2018 from 10.00 a.m. as follows:

1. Unanimously approved the reviewed financial statements of the Company for the first quarter ended May 31, 2018;
2. Approved the connected transaction with the related companies. (Details as attachment)

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.7/2018 held on July 11, 2018 had a resolution of the connected transaction as follows:

#### Date of agreement:

Company	Date of agreement
AEON Financial Service Co., Ltd. ("AFS")	Within March 31, 2019 Agreement period is one year from April 2018 to March 2019

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

Company	Business	Relationship with AEONTS
AFS	Finance	-Major shareholder of AEONTS, holding 35.12% of AEONTS' s shares

#### AEONTS' s subsidiaries:

Company	Business	% of shares held by AEONTS
1). AEON Specialized bank (Cambodia) Private Company Limited ("ASB Cambodia")	Retail Finance	50%
2). AEON Insurance Service (Thailand) Company Limited ("AIS")	Non-life and Life Insurance Broker	100%
3). ACS Servicing (Thailand) Company Limited ("ACSS")	Collection Service	100%
4.) AEON Microfinance (Myanmar) Company Limited ("AMF Myanmar")	Retail Finance	100%

#### General characteristics of transactions:

AFS provides the business administration and support to the oversea subsidiaries in order to grow and develop AFS subsidiaries' business. AEONTS and its subsidiaries enter into "Business Administration Agreement" and pays management fee to AFS.

Value of consideration:

Related company name	Amount (THB)
AEONTS	81,683,711.81
ACSS	3,662,732.74
AIS	3,120,510.91
ASB Cambodia	4,174,257.02
AMF Myanmar	3,041,487.55
<b>Total</b>	<b>95,682,700.03</b>

This amount was calculated based on the cost (labor cost, administration cost, equipment cost etc.) of AFS who works for subsidiaries including overseas business, and the cost is allocated to the subsidiaries of AFS group.

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>	-	-

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

The measurement of total transactions

By measurement in percentage of the Company Net Tangible Assets (NTA), total transaction is 95.68 million baht or 0.59% 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. 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 ACS Capital Corporation Limited for supporting on the business operation and system support in total amount of 12 million 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 52.2 million baht or 0.36% of the Company's NTA.
- Board of Director's meeting No. 5/2018 held on May 22, 2018, approved the transaction with AEON Credit Service Systems (Philippines) Inc, which AEON Systems provides outsourcing service in the system development to ASB Cambodia in total amount of 9.3 million baht or 0.06% 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 358.44 million baht or 2.42% 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 management fee is reasonable and be proposed to the Board of Directors for further approval.

**Opinion of the Board of Director:**

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