

(Translation)

No.10/2017

May 24, 2017

President

The Stock Exchange of Thailand

Re: Notification of the Resolution of the Board of Directors' Meeting No. 5/2017

We, AEON Thana Sinsap (Thailand) Public Company Limited ("Company"), hereby report the resolutions passed at the meeting of the Board of Directors No. 5/2017, held on May 24, 2017 from 11:00 a.m. as follows:

1. Approved the appointment of the Audit Committee Members for the year ended February 28, 2018. The Audit Committee Members will consist of the following persons:
  - (1) Mr. Noppun Muangkote
  - (2) Mr. Dej Bulsuk
  - (3) Dr. Sucharit Koontanakulvong
  
2. Approved the connected transaction with the related companies. (Details as attachment)

Please be informed accordingly

Yours sincerely,

Kiyoyasu Asanuma

Managing Director

### Disclosure of Connected transactions

The Board of Director's meeting of AEON Thana Sinsap (Thailand) Plc. No. 5/2017 held on May 24, 2017 had a resolution of the connected transaction as follows:

**Date of agreement:**

Agreement with AEON Credit Service Systems (Philippines) Inc. is within May 2017.

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

Company	Business	Relationship with AEONTS
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 AEON Systems*

**AEONTS' s subsidiaries:**

Company	Business	% of shares held by AEONTS
AEON Specialized bank (Cambodia) Private Company Limited ("ASB Cambodia")	Retail Finance	80%

**General characteristics of transactions:**

AEON Systems provides outsourcing service in the system development to ASB Cambodia with cost of 31,911,900 baht

- ASB Cambodia is planning to further expand their Credit Card business in the Cambodia market, which was launched in April 2016. The new system will widen and strengthen the service line-up of credit card business of ASB Cambodia as well as the implement of the mobile application will provide more convenient payment methods to its customers.

**Value of consideration:**

Unit: Baht

Related company name	System	Amount
AEON Systems	Mobile App with mVISA Support	20,960,700
	EDC On-U's with CIP&EDC Acquiring	8,762,800
	Master Card Issuing	2,188,400
<b>Total</b>		<b>31,911,900</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>	-	-
AEON Systems	270 Million Peso/ 2,700,000 shares	Mr. Junichi Iwakami <sup>2</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. Junichi Iwakami is the Senior Executive Vice President of AEONTS and the Non-Executive Director of AEON System

The measurement of total transactions

By measurement in percentage of the Company Net Tangible Assets (NTA), total transaction is 31.91 million baht or 0.24% 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. 9/2016 held on 24<sup>th</sup> November, 2016, approved the transaction with AEON Financial Service Co., Ltd. for Business Administration Agreement in total amount of 108,824,834 baht or 0.89% of NTA of the Company and approved pay the Annual System License Fee to AEON Credit Service Systems (Philippines) Inc. with total amount of 2,760,936 baht or 0.02% of NTA of the Company.
- Board of Director's meeting No. 3/2017 held on 17<sup>th</sup> March, 2017, approved the transaction with AEON Capital Corporation Limited for supporting on the business operation including marketing research and support as well as system support in total amount of 14,400,000 baht or 0.12% of NTA of the Company and approved the transaction with AEON Credit Service Systems (Philippines) Inc. for Outsourcing Service Agreement in total amount of 33,552,000 baht or 0.27% 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 191.45 million baht or 1.54% 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.