



**MINUTES OF THE 21<sup>ST</sup> ANNUAL GENERAL MEETING OF SHAREHOLDERS (YEAR 2006)**  
**OF THE**  
**DIAMOND ROOFING TILES PUBLIC COMPANY LIMITED**

The meeting was held on Thursday, April 27, 2006 at 10:30 hrs. at the Ballroom 2, Intercontinental Bangkok Hotel, 971, 973 Ploenchit Road, Lumpini, Pathumwan, Bangkok.

Mr. Prakrit Pradipasen, presided as the Chairman of the Shareholders' Meeting by which he stated that this Shareholders' Meeting had shareholders attending in person and granting proxies to attend the meeting for a total of 138 persons, with an aggregate total amount of 160,997,660 shares or 80.50 percent of the total paid-up shares (total number of shares is 200,000,000 shares) constituting a quorum. All of the following nine Directors attended the meeting.

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|-------------------------------|--|
| 1. Mr. Prakrit Pradipasen     | Chairman of the Board  |
| 2. Mr. Phaithoon Kijssamrej   | Director and Executive Director  |
| 3. Mr. James Patrick Rooney   | Director   |
| 4. Mr. Chaiyut Srivikorn      | Director   |
| 5. Mr. Somboon Phuvoravan     | Director, Audit Committee Chairman and Independent Director                      |
| 6. Mr. Suvit Nardwangmuang    | Director, Audit Committee Member and Independent Director                        |
| 7. Mr. Anun Louharanoo        | Director, Audit Committee Member and Independent Director                        |
| 8. Mr. Sakda Maneeratchatchai | Director, Executive Director and Managing Director                               |
| 9. Mr. Satid Sudbuntad        | Director, Executive Director and Deputy Managing Director<br>Sales and Marketing |

Meeting Attendants:

- |                         |  |
|-------------------------|--|
| 1. Ms. Bongkot Umsageam | Certified Public Accountant no. 3684 of KPMG Phoomchai Audit Ltd.                                      |
| 2. Ms. Aree Asavanuparp | Representative from the Thai Investors Association supported by the Securities and Exchange Commission |

In order to properly conduct the meeting, the Chairman had assigned Ms. Piyanuch Changpueng (Marketing Officer) to clarify the rules and practices for voting for each of the meeting agendas, which could be summarized as follows:

1. Voting shall be conducted openly with one share being counted as one vote. In case of voting by proxy, the proxy holder must vote according to the remark that the proxy grantor has specified in the proxy form.
2. In order for quick vote counting process during each meeting agenda, only "disapprove" or "abstain" votes shall be counted and the remaining shall be considered as "approve" votes. Those who disapprove or abstain should use voting ballots that have different color for each of the meeting agendas and fill out the voting ballot completely and give to the coordinating staff in the meeting room for vote counting.

The Chairman officially commenced the Meeting and proceeded in accordance with the following agendas:



**AGENDA 1: APPROVAL OF THE MINUTES OF THE 20<sup>TH</sup> ANNUAL GENERAL MEETING OF SHAREHOLDERS (YEAR 2005)**

The Chairman proposed to the meeting to consider for approval the minutes of the 20<sup>th</sup> Annual General Meeting of Shareholders (Year 2005) which was held on April 12, 2005. The minutes of said meeting had been forwarded to shareholders in advance along with the meeting invitation and proposed for approval.

**Resolution:** The Shareholders' Meeting considered and unanimously resolved to approve the minutes of the 20<sup>th</sup> Annual General Meeting of Shareholders (Year 2005) as proposed by the Chairman.

**AGENDA 2: ACKNOWLEDGEMENT OF THE REPORT OF THE BOARD OF DIRECTORS ON THE OPERATING RESULTS OF YEAR 2005**

The Chairman assigned Mr. Sakda Maneeratchatchai, Director and Managing Director, to report to the meeting on the operating results of year 2005, having details published within the Annual Report Year 2005 that had been forwarded to every shareholder in advance along with the meeting invitation, of which could be summarized as follows.

The Company's operating results were considered satisfactory with total revenue of Baht 2,108.02 million, which was higher than the previous year by Baht 33.80 million or 1.63 percent and with net earnings of Baht 201.13 million, a decrease of 6.66 percent from the previous year and earnings per share of Baht 1.22 per share. As for the financial status of the Company as at December 31, 2005, the Company's total assets were Baht 1,767.67 million with total liabilities of Baht 499.63 million. The shareholders' equity was Baht 1,268.04 million and the book value per share was Baht 6.34 per share, an increase from the previous year by 3.44 percent. The Company's cash flows were considered satisfactory, with net cash from operating activities of Baht 115.19 million, net cash used in investing activities of Baht 256.02 million and net cash from financing activities of Baht 176.24 million, for an increase of total net cash of Baht 35.41 million, which was higher than the previous year of Baht 95.61 million. As for the liquidity, the Company had current ratio of 1.60 times, quick ratio of 0.82 times, cash flow liquidity ratio of 0.27 times, accounts receivable turnover of 6.61 times, debt collection period of 54 days, inventory turnover of 27 times, accounts payable turnover of 35 times, and cash cycle of 46 days. As for the Company's borrowing capacity and debt payment, the Company had debt to equity ratio of 0.39 times, interest coverage ratio of 18.38 times, and cash service coverage ratio of 0.23 times.

**Resolution:** The Shareholders' Meeting resolved to acknowledge the report of the Board of Directors on the Operating Results of Year 2005 as presented above.

**AGENDA 3: APPROVAL OF THE BALANCE SHEETS AND STATEMENTS OF INCOME ENDING DECEMBER 31, 2005**

The Chairman proposed to the meeting to consider for approval of the Balance Sheets and Statements of Income for year ended December 31, 2005 which had been audited by a certified public accountant, having details published within the Annual Report Year 2005 that had been forwarded to every shareholder in advance along with the meeting invitation, with details reported by Mr. Sakda Maneeratchatchai, Director and Managing Director during meeting agenda no. 2.

**Resolution:** The Shareholders' Meeting considered and unanimously approved of the audited Balance Sheets and Statement of Income for year ended December 31, 2005, which had been audited by the certified public account, as presented above.



**AGENDA 4: APPROVAL OF THE APPROPRIATION OF EARNINGS AND DIVIDEND PAYMENT FOR OPERATING YEAR ENDED DECEMBER 31, 2005**

The Chairman had informed the Meeting that according to the Public Limited Companies Act stipulating that the Company is required to set aside a statutory reserve at least 5 percent of its net earnings after deducting the retained loss brought forward (if any) until the reserve reaches 10 percent of the registered capital. For the operating year ended December 31, 2005, the Company had total net earnings of Baht 201,133,956 Baht. Accordingly, the Chairman proposed for the appropriation of earnings of 11,000,000 Baht be set aside as the statutory reserved as required by the law and that a dividend payment for the operating year ended December 31, 2005 at Baht 1.00 per share, in which the Board of Directors had earlier approved of the interim dividend payment on August 19, 2005 and paid to the shareholders on September 29, 2005 at Baht 0.60 per share (160 million shares). Therefore, the remaining dividend of Baht 0.40 per share (200 million shares) would be paid to the Company's shareholders whose names appear in the Share Registry Book as of April 10, 2006, totaling Baht 80,000,000, which was scheduled to be paid to the shareholders within May 19, 2006.

**Resolution:** The Shareholders' Meeting considered and unanimously resolved to approve of the appropriation of earnings and the dividend payment as proposed.

**AGENDA 5: APPOINTMENT OF DIRECTORS RETIRED BY ROTATION**

The Chairman had informed the Meeting that as per legal requirement by law according to Article No. 11 of the Company's Articles of Association, corresponding to Paragraph 2, Section 71 of the Public Limited Company Act B.E. 2535, stating that at every Annual General Meeting of Shareholders, one-third (1/3) of the directors shall be retired by rotation and if the number of directors are not divisible by one-third, the number of directors to be retired shall be nearest to one-third. The directors to be retired in the first and second year after the company's listing shall be done by drawing lots. For subsequent years, the directors in position the longest shall be retired. For the 21<sup>st</sup> Annual General Meeting of Shareholders (Year 2006), being the second year after listing as a public company, the following three directors who have drawn lots to be retired; namely, (1) Mr. Suvit Nardwangmuang, (2) Mr. Sakda Maneeratchatchai and (3) Mr. Chaiyut Srivikorn.

**Resolution:** The Shareholders' Meeting resolved to approve for the appointment of directors as proposed by the Board of Directors, with the following resolution for each of the directors.

1. Appointment of Mr. Suvit Nardwangmuang for another term of directorship with 160,477,660 "approval" votes (99.68 percent of the number of votes attending the meeting) and 520,000 "abstain" votes (0.32 percent of the number of votes attending the meeting).
2. Appointment of Mr. Sakda Maneeratchatchai for another term of directorship with 159,877,660 "approval" votes (99.30 percent of the number of votes attending the meeting) and 1,120,000 "abstain" votes (0.70 percent of the number of votes attending the meeting).
3. Appointment of Mr. Chaiyut Srivikorn for another term of directorship with 160,947,640 "approval" votes (99.97 percent of the number of votes attending the meeting) and 50,020 "abstain" votes (0.03 percent of the number of votes attending the meeting).



#### **AGENDA 6: CONSIDERATION FOR THE REMUNERATION OF THE DIRECTORS**

The Chairman proposed to the meeting to consider for approval of the remuneration of the Directors for year 2006, with details as follows:

##### **1. Fixed Remuneration**

###### **Board of Directors and Secretary**

The remunerations are set at Baht 50,000 per month for the Chairman of the Board, Baht 20,000 per month per person for the other 8 Directors, and Baht 10,000 per month for the Secretary to the Board, based on the same basis as the previous year.

###### **Board of Executive Directors**

The remunerations are set at Baht 30,000 per month for the Chairman of the Board of Executive Directors with the other two Executive Directors receiving no monthly remuneration, based on the same basis as the previous year.

###### **Audit Committee**

The remuneration for the Audit Committee Chairman is set at Baht 30,000 per month based on the same basis earlier. The remuneration for the other two Audit Committee Members is adjusted to be from Baht 10,000 per month per person (adjusted from previous Baht 5,000 per month per person)

##### **2. Annual Remuneration**

The annual remunerations are set for the Directors and Secretary, totaling 10 persons, for a total of Baht 1,050,000, using the same basis as the previous year by which 2 parts were allotted for the Chairman at Baht 200,000, 1 part each for the remaining 8 Directors, at Baht 100,000 each, and 0.5 parts for the Secretary at Baht 50,000

**Resolution:** The Shareholders' Meeting considered and unanimously resolved to approve of the remuneration and annual remuneration of the Directors, as proposed.

#### **AGENDA 7: APPOINTMENT OF THE AUDITOR AND DETERMINATION OF THE AUDIT FEE**

The Chairman proposed to the meeting to consider for approval of the appointment of Mr. Winid Silamongkol, certified public accountant no. 3378 or Mr. Thiradthong Thepmongkorn, certified public accountant no. 3787 or Ms. Bongkot Umsageam, certified public accountant no. 3684 of KPMG Phoomchai Audit Limited to be the auditor for the Company in year 2006 with the yearly audit fee of not more than Baht 940,000 per year, excluding other expenses, which had already been endorsed by the Audit Committee.

**Resolution:** The Shareholders' Meeting considered and unanimously resolved to approve the appointment of the proposed auditor and the proposed audit fee.

#### **AGENDA 8: CONSIDERATION OF OTHER MATTERS**

The Chairman provided opportunity for the shareholders to inquire additional information concerning with the business management of the Company as follows:

Shareholder The shareholder inquired about the marketing strategy of the Company on how to penetrate the project sector if competitive or lower pricing strategy is not used, which would lead to reduced earnings of the Company.



Director	<p>Mr. Satid Sudbuntad, Director and Deputy Managing Director Sales and Marketing clarified as follows:</p> <ol style="list-style-type: none"><li>1. The Company was not keen on the project sector market in the past due to limited production capacity; however, with current production capacity expansion the project sector market could now be entered.</li><li>2. The products must have the standards according to the industrial standards by which every product of the Company had received the Thai Industrial Standards (TIS), in order to be accepted by the property projects and architects.</li><li>3. Colorful products had been emphasized to stand out against the competitors.</li><li>4. After-sales service had been emphasized.</li><li>5. Building marketing network and marketing to obtain product name branding</li></ol>
Shareholder	<p>The shareholder inquired about the increased merchandise inventory over the past year.</p>
Director	<p>Mr. Sakda Maneeratchatchai, Director and Managing Director, clarified that due to the rainy season during 3<sup>rd</sup> quarter to 4<sup>th</sup> quarter, the consumers would delay the Company's products of which in the past the Company would reduce the production to reduce the merchandise inventory during the period. However, when the 1<sup>st</sup> and 2<sup>nd</sup> quarter arrived, there were shortfalls of products and therefore, the production plan had been adjusted to be at the same rate for every month in order to have sufficient products for sales during the 1<sup>st</sup> and 2<sup>nd</sup> quarter of the year, accomplishing economy of scale for cost reduction as desired by the Company. Furthermore, the even though the production was at full capacity during the 1<sup>st</sup> and 2<sup>nd</sup> quarter, the products were not in adequate quantity for the sales; therefore, the production was increased during this period, thereby increasing the merchandise inventory.</p>
Shareholder	<p>The shareholder inquired about what the Company worried most and what risks the Company would face in year 2006.</p>
Director	<p>Mr. Prakrit Pradipasen, Chairman, clarified that from the operating results of the 1<sup>st</sup> quarter year 2006, the overall figures were slightly better than the previous year. The marketing risk should not be fierce due to considerable demand by the consumers. The currency exchange risk should be beneficial to the Company due to the fact that the Company did not export much and mostly in Thai currency but the imported raw materials had become less costly.</p>
Shareholder	<p>The shareholder inquired about the other revenues which were specified to be from the Company's land property in Surat Thani Province being reverted and whether the office was part of this also.</p>
Director	<p>Mr. Sakda Maneeratchatchai, Director and Managing Director, clarified that the Company had planned to expand production plant to the Southern region due to long transportation distance and very high transportation cost. However, due to the economic crisis, the investment had been delayed and subsequently the Highway Department revert the Company's land property of over 10 rai area for highway construction, reducing the land area to approximately 23 rai. The land had become more developed as it was adjacent to the road. The Company received land compensation at the appraised value but had appealed for additional compensation. As for the remaining land area, the Company might construct a warehouse for product distribution purpose to the Southern area.</p>



- Shareholder The shareholder inquired about the bank overdraft and increase of short term investment.
- Director Mr. Prakit Pradipasen, Chairman, clarified that before the listing of the Company with the Stock Exchange of Thailand, the Company had invested in the CT5 and NT8 Projects which required investment capital, of which both projects did not use long term loan but resort to overdraft and short term loan instead and in 2006, the Company would consider using long term financing if the cost of fund would be reduced.
- Shareholder The shareholder inquired about the increase of audit fee even though the Company had not expanded the production plant and the work scope was not increased.
- Director Mr. Anun Louharanoo, Director and Audit Committee Member, clarified that currently the Company was working on the expansion of two projects; namely, CT5 and NT8, which would increase the tasks and duties.
- Shareholder The shareholder inquired about the reason for the increase in production cost.
- Director Mr. Sakda Maneeratchatchai, Director and Managing Director, clarified that the increase in production cost was due to the fact that the increased price of fuel causing higher transportation cost and the cost of cement and sand had also been increased.

The Chairman moved to close the meeting at 11:45 hrs.

Mr. Prakit Pradipasen  
Chairman of the Meeting

Ms. Thanakarn Phanthapirat  
Secretary to the Meeting