



THORESEN THAI AGENCIES PUBLIC COMPANY LIMITED

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Agenda No. 1 To certify the minutes of the previous 1/2010 Annual General Meeting of the Shareholders held on 29 January 2010

Minutes of the Annual General Meeting of Shareholders No. 1/2010
of
Thoresen Thai Agencies Public Company Limited

Time and Place:

Held on Thursday, 29 January 2010, at 2.00 P.M., at the Arnoma Grand, Arnoma Hotel, No. 99 Rajdamri Road, Lumpini, Pathumwan, Bangkok 10330, Thailand

Directors Present:

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|--------------------------------|---|
| 1. M.R. Chandram S. Chandratat | Chairman |
| 2. M.L. Chandchutha Chandratat | President & Chief Executive Officer |
| 3. Mr. Stephen Fordham | Independent Director/Chairman of the Nomination Committee |
| 4. Mrs. Pratana Mongkolkul | Independent Director/Audit Committee Chairperson |
| 5. Mr. Sak Euarchukiati | Independent Director/Remuneration Committee/
Nomination Committee |
| 6. Dr. Siri Ganjarerndee | Independent Director/Audit Committee/Nomination
Committee/Remuneration Committee |
| 7. Mrs. Joey Horn | Independent Director |
| 8. Mr. Aswin Kongsiri | Independent Director |
| 9. Mr. Terje Schau | Independent Director |

Auditors Present:

- | | |
|---------------------------------|----------------------------------|
| 1. Mr. Kajornkiet Aroonpirodkul | PricewaterhouseCoopers ABAS Ltd. |
| 2. Mr. Chanchai Chaiprasit | PricewaterhouseCoopers ABAS Ltd. |

Executives Present:

- | | |
|-------------------------------|---|
| 1. Mr. Prithayuth Nivasabutr | Executive Vice President, Group Operations |
| 2. Mrs. Thitima Rungkwansiroj | Executive Vice President, Group Finance and
Accounting |
| 3. Mrs. Penroong Suwannakudt | Vice President, Group Human Resources |
| 4. Ms. Nuch Kalyawongsa | Director, Group Finance/Accounting |
| 5. Mrs. Charmaine Utharntharm | Stakeholder Relations Manager |
| 6. Mr. Piya Tannapipat | Stakeholder Relations (UMS) |

Other attendees:

1. Ms. Somporn Manodumrongtham Legal advisor, Allen & Overy (Thailand) Co., Ltd.
2. Ms. Manunya Thitinuntawan Legal advisor, Allen & Overy (Thailand) Co., Ltd.

Preliminary Proceedings:

M.R. Chandram S. Chandratat was the Chairman of the Meeting. Before the Meeting started, the Company Secretary reported that all nine (9) directors were present at the Meeting, and there were 931 shareholders present in person and by proxy with an aggregate of 241,678,408 shares, which was equal to 34.14% of the Company's total issued shares. The number of shares being present was more than one-third (1/3) of the Company's total issued shares, and therefore a quorum (the Company has a total of 708,004,413 issued shares) was achieved in accordance with the Company's Articles of Association. The Company also invited legal advisors from Allen & Overy (Thailand) Co., Ltd. to advise any legal issues which might be raised in the Meeting and auditors from Pricewaterhouse Coopers ABAS Ltd. to review the voting results. The Chairman then declared the Meeting opened and assigned Mrs. Manunya Thitinuntawan, a legal adviser from Allen & Overy (Thailand) Co., Ltd., to read the agenda and details of each agenda to the shareholders.

Before the Meeting started, the Chairman explained the Meeting procedures and voting process in respect of each agenda item as follows:

1. The shareholders who are personally attending the Meeting and proxy holders who have been given proxy to vote at this Meeting will have each been given a ballot paper when they registered for the Meeting. If you have not been given a ballot paper, please raise your hand and the staff will distribute it to you.
2. The Meeting will consider each agenda item in the order set out in the invitation letter to this Meeting. The information relating to each agenda item will be presented to the Meeting and the shareholders will be given an opportunity to ask questions before voting on each agenda item. If a shareholder or a proxy holder wishes to ask a question or questions, please raise your hand and state your full name and, in the case of a proxy holder, the full name of the shareholder that has given you proxy.
3. After you have been given the information related to each agenda item, please indicate your voting choices on the ballot paper given before the Meeting. We will only collect the ballot paper from the shareholders who disagree and abstain from voting on an agenda item. As for agenda 5 about appointment of directors, we will collect all ballot paper from all shareholders attended in the meeting. In order to save time, while the votes are being counted, the Meeting will consider the next agenda item.
4. Each shareholder has one vote per share owned.
5. The shareholders who are personally attending the Meeting and proxy holders who have been given proxy to vote at this Meeting (except foreign investors who have appointed a custodian in Thailand to keep and safeguard the shares) may not divide their vote for each agenda item. In other words, you must vote with all your voting rights whether you approve, disapprove or abstain.

6. Custodians appointed by foreign investors may vote with all their voting rights or divide them up for each agenda item. In other words, they may divide their votes into the votes of approval, disapproval and abstention.
7. In counting the votes, the Company will deduct the votes of disapproval and abstention from the total votes of the Meeting. The rest of the votes will be deemed votes of approval. Where no-one has stated an opposing or differing opinion, the Meeting will be deemed to have unanimously agreed or given a unanimous approval.
8. For shareholders who attended the Meeting in a small meeting room, the shareholders can raise questions and votes by sending questions and ballots to the Company's officers.

After explaining the voting procedures, the Chairman read the Notice calling the Meeting.

1. To certify the minutes of the previous 1/2009 Annual General Meeting of the Shareholders held on 30 January 2009.

The Chairman presented the Minutes of the 1/2009 Annual General Meeting of the Shareholders of the Company (the "1/2009 AGM") held on 30 January 2009 to the Meeting for shareholders' approval.

Upon a motion duly made and carried, it was resolved by majority votes of the shareholders who attended the Meeting and cast their votes, that the Minutes of the 1/2009 AGM held on 30 January 2009, which was previously circulated the shareholders, be hereby certified.

The number of votes by shareholders was as follows:

<u>Approved</u>	<u>Against</u>	<u>Abstain</u>	<u>Total</u>
242,922,298	0	77,820	243,000,118
99.97%	0.00%	0.03%	100.00%

Note: During this agenda, an additional thirty-four (34) shareholders attended the Meeting, both in person and by proxy, who represented 1,321,710 shares. The total number of shareholders who attended the Meeting, both in person and by proxy, then increased to 965 shareholders, totalling 243,000,118 shares, representing 34.32% of the total issued shares of the Company.

2. To acknowledge the Company's performance for the financial year that ended on 30 September 2009 and to certify the 2009 Annual Report.

The Chairman informed the Meeting that the Directors' Report was circulated to all shareholders in its annual report and asked the shareholders to consider and certify those documents. He then asked M.L. Chandchutha Chandratat, the President & Chief Executive Officer of the Company, to brief the financial results to the shareholders.

The President & Chief Executive Officer reported that the economic recession in 2009 negatively affected the Company's core businesses, either dry bulk shipping business or offshore services business. The global economic downturn also resulted in a decline in international trade which resulted in a significant drop in dry bulk shipping demand.

Moreover, in 2009, new build delivery was more than 35 million deadweight tons. The imbalance in supply and demand resulted in a 56.6% decrease in the average TC rates for the Company's fleet to USD 10,973 per day as well as a 15.9% drop in total dry bulk vessel days to 19,331. Due to a 31.9% fall in cargo volume to 11.72 million revenue tonnes, the dry bulk shipping's net profit deteriorated by 92.5% to Baht 623.7 million. Moreover, due to the significant volatility in oil prices, many offshore service projects were either cancelled or delayed as a result of the economic recession. Mermaid experienced a lower fleet utilisation of subsea engineering vessels at 52.6% and a 38.8% fall in subsea revenue rates to USD 31,361 per calendar-ship-day. However, the drilling business showed highly positive results. In fact, it had an exceptionally strong utilisation rate of drilling rigs at 94.9 and a 69.5% surge in drilling revenue rates to USD 87,315 per calendar-rig-day. Last year, Mermaid contributed Baht 400.90 million to the Company's consolidated net profit.

As for shipping services business, some companies in this group followed the overall trends of the dry bulk shipping market. Fearnleys (Thailand) Ltd.'s net profit dropped 46.81% due to due to weakened freight rate environment. Likewise, Thoresen Shipping FZE faced a 37.08% plunge in net profits due to the lower cargo volumes into the Middle East. However, ISS Thoresen Agencies Ltd. enjoyed a 287.91% surge of its net profits as clients opted for safety. Shipping services businesses contributed Baht 221.71 million to the Company's consolidated net profit.

In the 2009 Financial Year, there were two extraordinary items being the gain from repurchase of the Company's convertible bonds of Baht 676.3 million and a negative goodwill of Baht 287.2 million from acquiring Baconco Co., Ltd. in Vietnam (through EMC Gestion S.A.S. which is the sole shareholder of Baconco Co., Ltd.)

In the 2009 Financial Year, the Company's net profit was Baht 1,813.71 million, a 79.4% decrease from that of last year. Despite falling earnings, TTA still had a very strong balance sheet. Indeed, the Company started the 2009 Financial Year with equity capital of Baht 29,215 million (69% of total assets) and ended at Baht 31,091 million (75% of total assets)

The Company created balanced and diversified business portfolio across Transport, Energy and Infrastructure Groups. Last year, the Company had significant investments being a) acquisition of 100% of Nemo Subsea IS (the major owner of M.V. Mermaid Asiana) b) acquisition of EMC Gestion S.A.S (the sole shareholder of Baconco Co., Ltd.), c) acquisition of 21.18% of Merton Groups (Cyprus) Ltd. and d) acquisition of 89.55% of Unique Mining Services Public Company Limited. The total investments in the above mentioned businesses were Baht 4,127.93 million.

The Company also repurchased USD 56.4 million of the Company's convertible bonds at an average of 65.87% of their par value. In November 2009, the Company secured a three-year USD 200 million credit facility and Mermaid completed a 9 for 20 rights offering to existing shareholders and raised SGD 156 million. Furthermore, the Company scrapped and sold a total of eight vessels and sold Thai P&I Services International Ltd., a local correspondent for protection and indemnity clubs, of Baht 10.40 million as it is considered a non-core business of the Company.

In 2009, the average BDI Index dropped to 2,616, a decrease from 6,390 in 2009. In 2009, the average TC rate for Handysize vessels was USD 10,019 per day, compared with USD 26,234 in 2008. The average TC rate of Handymax/Supramax vessels in 2009 increased to USD 14,007 per day compared with USD 36,072 per day in 2008. In 2009, there were 452 million deadweight tons or approximately 7,246 vessels delivered into world fleet. The total order book in December 2009 which would be delivered in the next 3 years (2010-2012) is approximately 264 million deadweight tons or 2,931 new build vessels, an increase of 58.29%. This will result in negative factor to TC rate in the future because the imbalance between demand and supply.

The oil and gas exploration and production spending have been rising every year until 2008 and dropped in 2009. From the budget survey report, the oil and gas exploration and production spending is expected to increase 5% from the previous year. Since the oil price is quite steady at the moment, the Company is expected that the projects of oil and gas survey would become active again in this few years.

The Chairman opened a question and answer session for shareholders.

A Shareholder (Mr. Boonprasit Rojchanapruek, proxy holder for Ms. Praiwan Kempila)

Was the purchase of UMS shares at Baht 23 per share overpriced? In asking this question, TTA would have purchased UMS because of expected high return on equity. Will the return on equity of UMS be affected by any exercise of UMS warrants? Will the purchase of the UMS cost us other investment opportunities as we have purchased UMS at 3.5 times bookvalue? We should have used the funds to buy back our shares at below book value.

President & Chief Executive Officer

The purchase price of Baht 23 per share is reasonable given our consideration of the accelerated growth in the coal industry worldwide and the expected growth in UMS' coal importation and local sales of 7% per annum. The import of coal into Thailand for industrial usage over 2003-2008 increased approximately 20% per annum with a slight drop in 2009, when the percentage of coal importation dropped slightly but was almost on par with 2008. Within these figures the demand for industrial use coal, especially for use in boilers, has seen positive growth.

UMS is a logistic business having few fixed assets with current import capabilities of over 2 million tons per year. As such, UMS can expand its business without additional investment in assets because it has its own warehouses and barges. The consideration of UMS value based on book value might not be the most appropriate approach because book valuations alone make more sense an asset rich company such as the Company or Mermaid.

As for exercise of UMS warrants, the Company currently owns 97% of the UMS warrants. If the Company does not exercise UMS warrants, the warrants will expire with no resulting dilution of holdings.

UMS has very few free floats, if the Company purchased UMS shares in MAI without purchasing from UMS major shareholders, the UMS share price would increase. Therefore,

the Company purchased UMS shares from its two major shareholders to get the required amount of shares.

The acquisition of UMS will create synergies to the Company's existing business.

A shareholder (Mr. Wason Pongputthamon)

How did the Company calculate the purchase price for UMS and when will the investment breakeven?

President & Chief Executive Officer

The Company used the discounted cash flow to compute the purchase price. It is expected to break-even within 3-5 years.

A shareholder (Unidentified Name)

What is the Company's plan to develop UMS? Will the Company undertake coal mining?

President & Chief Executive Officer

UMS is in Infrastructure Group. For the moment, UMS will not be investing in the coal mining business. Any such investment will be made by the Company or the Company's subsidiaries in Energy Group as coal mining falls under the purview of the Energy Group. In developing this new market, the Company plans to persuade UMS' current consumers to convert their fuel oil or natural gas boilers to coal thereby lowering their cost. If successful, the Company will have higher returns without any additional investment. As the Company has a wide network, the Company can provide UMS with logistic support in providing potential two way supply of cargo.

A shareholder (Unidentified Name)

Will the Company be able to increase its shareholding in Merton above 21%? Is there any possibility for it to grow like BANPU?

President & Chief Executive Officer

It depends on how fast Merton's business grows. Given the opportunity, the Company would like to increase the investment in Merton. BANPU has been in the mining business for a long time now, and we will probably not get there quite yet as to do so will require heavy capital investments.

A shareholder (Mr. Metha Wanadilok)

UMS has a well developed supply chain with core competencies in supply chain management. However, the logistics business is a cost sensitive business and if UMS can control costs throughout the chain, capital requirements will reduce.

Separately, why has the insurance premium for the dry bulk vessels increased? What is the Company's policy to reduce fleet age?

President & Chief Executive Officer

The increase in insurance premium is due to the increased number of vessels together with a higher level of dry docking and accidents worldwide. While we may not have suffered any accidents ourselves, the increase in claims has resulted in higher premiums for us.

The scrapping plans will take into account the economic viability of keeping the individual vessels afloat; where it proves economically unviable after maintenance, we will scrap that vessel. We will be scrapping more vessels this year.

A shareholder (Mr. Boonprasit Rojchanapruek, proxy holder of Ms. Praiswan Kempila)

How much debt and equity did we use in our investment in UMS? With the fall in the BDI, the prices of second hand dry bulk vessels have also come down. What is the Company's appetite for second hand vessels? Will the fleet ever go back to the 48 vessels? What is the Company's fleet renewal and refurbishment plan?

Mrs. Thitima Rungkwansiroj (Executive Vice President, Group Finance and Accounting)

Debt to Equity ratio is 60:40 for acquisition in UMS by the Company.

President & Chief Executive Officer

In purchasing the second hand dry bulk vessels, the Company will only invest when the time is right. Although the BDI Index has dropped significantly, prices of second hand vessels have not come down to the same degree. The fleet expansion will be based on vessel prices.

It was resolved, by majority votes of the shareholders who attended the Meeting and cast their votes, that the Company's performance for the 2009 Financial Year be acknowledged and the 2009 Annual Report be certified.

The number of votes by shareholders was as follows:

<u>Approved</u>	<u>Against</u>	<u>Abstain</u>	<u>Total</u>
245,625,961	0	72,820	245,698,781
99.97%	0.00%	0.03%	100.00%

Note: During this agenda, an additional fifty-three (53) shareholders attended the Meeting, both in person and by proxy, who represented 2,698,663 shares. The total number of shareholders who attended the Meeting, both in person and by proxy, then increased to 1,018 shareholders, totalling 245,698,781 shares, representing 34.70% of the total issued shares of the Company.

3. To consider and approve the audited balance sheet and the profit and loss statement for the financial year that ended on 30 September 2009 together with the Auditor's report thereon.

The Chairman asked the shareholders to consider and approve the audited financial statements for the financial year that ended on 30 September 2009, which had been circulated to all shareholders in the annual report.

Having considered the matter, the Meeting resolved to approve the Company's audited financial statements together with the Auditor's report therein for the financial year that ended on 30 September 2009 by majority votes of the shareholders who attended the Meeting and cast their votes as follows:

<u>Approved</u>	<u>Against</u>	<u>Abstain</u>	<u>Total</u>
245,063,368	0	635,413	245,698,781
99.74%	0.00%	0.26%	100.00%

4. To consider and approve the payment of cash dividends for the fiscal year that ended on 30 September 2009 and the appropriation of a legal reserve.

As per the Company's articles of association and by law, the Company shall allocate some of its annual net profit to a reserve fund until this fund attains an amount not less than ten per cent of the registered capital. This year, the Company had a net profit of Baht 1,813,706,088 as the Company had set aside a reserve fund up to the ten per cent of the registered capital. However, in the 2009 calendar year, the Company increased its registered capital to Baht 933,052,865, therefore, the Company shall set aside an additional legal reserve of Baht 6,500,000 which will result in the full legal reserve of 10% of the registered capital.

Regarding the dividend payment, the Company requested for shareholders' approval of dividend payment at Baht 0.54 per share.

The above dividend payment will be paid to shareholders whose names appear on TTA's share register book on 8 February 2010. This date is considered the "Record Date" to receive dividend payments. The share register book closing date for collecting shareholders names under Section 225 of the Securities and Exchange Act is scheduled to be 9 February 2010. The final dividend payment shall be made on 23 February 2010.

The Chairman opened a question and answer session for shareholders

A shareholder (Mr. Boonprasit Rojchanapruek, proxy holder of Ms. Praiswan Kempila)

Has the Company determined a minimum cash reserve? In the 2009 Financial Statements, the Company's cash at bank was approximately 11 billion.

President & Chief Executive Officer

As per the 2009 Financial Statements, cash and cash equivalent was Baht 11.822 billion. As of 31 December 2009, cash decreased to Baht 94 billion, comprising Company's cash of approximately Baht 5 billion and Mermaid's cash of approximately Baht 4 billion. A minimum cash reserve of at least 5% of total assets of the Company is required as per financial obligations. As of 30 September 2009, total assets of the Company was Baht 41.650 billion, therefore, approximately Baht 2.082 billion is required to be set aside. The Company has also reserved cash for other investments and expenditures, for example, vessel charter, new build vessel installments, and for future business expansion.

It was resolved, by majority votes of the shareholders who attended the Meeting and casting their votes, that the annual dividend payment in cash dividends be paid in an amount of Baht 0.54 per share. The dividend payment would be paid to shareholders whose names appear on the Company's share register as at Monday, 8 February 2010 (Record Date). The share register closing date would be 9 February 2010 in accordance with Section 225 of the Securities and Exchange Act. The final dividend payment shall be made on 23 February 2010. It was also approved, by majority votes of the shareholders who attended the Meeting and casting their votes, to set aside 5% of net profit of the Company or Baht 6,500,000 in legal reserve.

The number of votes by shareholders was as follows:

<u>Approved</u>	<u>Against</u>	<u>Abstain</u>	<u>Total</u>
185,737,175	59,972,106	0	245,709,281
75.59%	24.41%	0%	100.00%

Note: During this agenda, an additional two (2) shareholders attended the Meeting, both in person and by proxy, who represented 10,500 shares. The total number of shareholders who attended the Meeting, both in person and by proxy, then increased to 1,020 shareholders, totalling 245,709,281 shares, representing 34.70% of the total issued shares of the Company.

5. To consider and approve the appointment of directors to replace those who are retiring by rotation.

The Chairman reported that pursuant to Section 71 of the Public Limited Company Act B.E. 2535 and Article 14 of the Articles of Association of the Company, one-third, or the nearest number, of the Board of Directors, shall retire from office each year. The retired directors may be re-elected.

The following directors will retire by rotation with effect from the date of the 1/2010 AGM:

- (1) Mr. Stephen Fordham
- (2) Mrs. Pratana Mongkolkul
- (3) Mrs. Joey Horn
- (4) Mr. Terje Schau

The Nomination Committee considered the following four persons as suitable candidates to replace those who would retire by rotation:

- (1) Mr. Stephen Fordham
- (2) Mrs. Pratana Mongkolkul
- (3) Mrs. Joey Horn
- (4) Mr. Terje Schau

Brief resumes for the three nominees are as follows:

Mr. Stephen Fordham was firstly appointed by the Company's shareholders in 2007 as director. He was also appointed by Board of Directors as Chairman of the Nomination Committee in 2007. He has played an active and positive role, particularly, as Chairman of the Nomination Committee. He has actively worked with Nomination Committee members to complete assignments by the Board, such as drafting the Nomination Committee Charter, issuing and analyzing Board Assessment Forms, and setting Directors Candidates. His working experience is also valuable to the Board and continues to serve the interests of the Company.

Mrs. Pratana Mongkolkul was first appointed by the Company's shareholders in 2007 as director. She was also appointed by Board of Directors as Audit Committee Chair in March 2009. She has shown her talents as a financial and accounting expert. She always updates financial and accounting information to the Board. She is also strong and clear in her business thinking and vision and always plays an active role as Audit Committee Chair.

Mrs. Joey Horn was first appointed by the Company's shareholders in 2008 as director and was appointed a director of Mermaid Maritime Public Company Limited in 2009. She is an active director of both companies. Her financial and merger and acquisition background and offshore business experiences have contributed to both the Company's and Mermaid's Board of Directors.

Mr. Terje Schau was first appointed by the Company's Board of Directors in March 2009 to replace Mr. Bjorn Ostrom, who resigned in 2009, to serve for the remainder of Mr. Ostrom's term. He has contributed his shipping experience and advice to the Board, which is valuable amidst the volatile shipping market. His experience continues to serve the interests of the Company.

The Board of Directors therefore proposed that the following persons be elected as the Company's directors for another term:

- (1) Mr. Stephen Fordham
- (2) Mrs. Pratana Mongkolkul
- (3) Mrs. Joey Horn
- (4) Mr. Terje Schau

It was resolved by majority votes of the shareholders who attended the Meeting and cast their votes that Mr. Stephen Fordham, Mrs. Pratana Mongkolkul, Mrs. Joey Horn and Mr. Terja Schau shall resume their position as Board of Directors.

The number of votes by the shareholders was as follows:

- Mr. Stephen Fordham

<u>Approved</u>	<u>Against</u>	<u>Abstain</u>	<u>Total</u>
237,031,378	5,330,500	3,347,403	245,709,281
96.47%	2.17%	1.36%	100.00%

- Mrs. Pratana Mongkolkul

<u>Approved</u>	<u>Against</u>	<u>Abstain</u>	<u>Total</u>
241,465,378	901,200	3,342,703	245,709,281
98.27%	0.37%	1.36%	100.00%

- Mrs. Joey Horn

<u>Approved</u>	<u>Against</u>	<u>Abstain</u>	<u>Total</u>
237,025,928	5,331,500	3,351,853	245,709,281
96.47%	2.17%	1.36%	100.00%

- Mr. Terje Schau

<u>Approved</u>	<u>Against</u>	<u>Abstain</u>	<u>Total</u>
241,307,778	1,054,600	3,346,903	245,709,281
98.21%	0.43%	1.36%	100.00%

6. To consider and approve the appointment of auditors for the financial year that will end on 30 September 2010 and fix the auditors' fees.

The Chairman asked the shareholders to consider and approve the appointment of auditors and their fees for the financial year that will end on 30 September 2010 in accordance with Section 120 of the Public Limited Company Act B.E. 2535 and Article 37 of the Articles of Association of the Company. By recommendation of the Audit Committee, the Board of Directors is of an opinion that the shareholders should approve the appointment of auditors from PricewaterhouseCoopers ABAS Limited as follows:

1. Mr. Kajornkiet Aroonpirodkul CPA No. 3445
2. Mr. Chanchai Chaiprasit CPA No. 3760
3. Mrs. Nattaporn Phan-Udom CPA No. 3430

Any one of them will be authorised to conduct the audit and render an opinion on the financial statements of the Company, both on a consolidated and non-consolidated basis. The proposed auditors have no relationship or have benefits with the Company, subsidiary companies, management, and major shareholders, or other related persons. The shareholders should consider approving the auditors' fees to the shareholders to approve in an amount not exceeding Baht 3,160,000 (Baht Three Million One Hundred and Sixty Thousand) for audits of the Company's consolidated financial statement and non-consolidated financial statement for the financial year 2010, which is a 6.58 % increase from the previous year. The increased audit fee is in line with the increased business activities of the Company.

The Chairman opened a question and answer session for shareholders

A shareholder (Ms. Maliwan Jittriyattham)

The increase in the audit fee is too high because the Company's net profit and dividend declaration has been reduced. The audit fee should not increase.

President & Chief Executive Officer

As the Company has acquired more business domestically and overseas, the auditors have had to put on more personnel to audit financial figures. As for dividend payments, the Company has adhered to the dividend payout ratio of 25% of net profit, which excludes non-operational earnings such as gains from foreign exchange and negative goodwill (from investment in Baconco Co., Ltd. in Vietnam through EMC Gestion S.A.S).

Chairman

It is to the benefit of shareholders for the auditors to review and audit financial figures in details.

It was resolved by majority votes of the shareholders who attended the Meeting and cast their votes that Mr. Kajornkiet Aroonpirodkul, a Certified Public Accountant (Thailand) No. 3445, Mr. Chanchai Chairpravit, a Certified Public Accountant (Thailand) No. 3760, and Mrs. Nattaporn Phan-Udom, a Certified Public Accountant (Thailand) No. 3430 of PricewaterhouseCoopers ABAS Limited, be appointed as the Company's auditors, any one of them being authorised to conduct the audit and to render an opinion on the financial statements of the Company, both on a consolidated and non-consolidated basis, for the financial year that will end on 30 September 2010. It was further resolved that the auditors' fee be Baht 3,160,000 being the auditors' fees for the audits of consolidated financial statements and non-consolidated financial statements.

The number of votes by shareholders was as follows:

<u>Approved</u>	<u>Against</u>	<u>Abstain</u>	<u>Total</u>
215,912,056	29,891,325	36,000	245,839,381
87.83%	12.16%	0.01%	100.00%

Note: During this agenda, an additional two (2) shareholders attended the Meeting, both in person and by proxy, who represented 130,100 shares. The total number of shareholders who attended the Meeting, both in person and by proxy, then increased to 1,022 shareholders, totalling 245,839,381 shares, representing 34.72% of the total issued shares of the Company.

7. To consider and approve the reduction of share capital and an amendment to Clause 4 of the Memorandum of Association.

The Chairman reported that under Section 136 of the Public Companies Act B.E. 2535, a public limited company is required to cancel the authorised but un-issued share capital before any capital increase except for those shares which are reserved for convertible bonds or warrants.

The current registered share capital of the Company is Baht 933,052,865, divided into 933,052,865 ordinary shares with the par value of Baht 1 per share and the current paid up share capital is Baht 708,004,413, divided into 708,004,413 ordinary shares with the par value of Baht 1 per share. There are 50,000,000 unissued shares reserved for private placement and 48,452 unissued shares from the unallotted stock dividends from the dividend declaration of the 2008 financial year and 175,000,000 unissued shares reserved for the exercise of convertible bonds.

Therefore, the Chairman proposed to the Meeting to consider and approve the share capital reduction by cancelling 50,048,452 authorised but un-issued shares at the par value of Baht 1 each from the existing registered capital of Baht 933,052,865 to be the new registered capital of Baht 883,004,413 divided into 883,004,413 shares at the par value of Baht 1 each, and that an amendment to Clause 4 of the Memorandum of Association be approved so as to reflect the reduction of the registered capital, to be read as follows:

Clause 4. The registered capital	Baht 883,004,413	(Baht Eight Hundred and Eighty Three Million Four Thousand Four Hundred and Thirteen)
Divided into	883,004,413 shares	(Eight Hundred and Eighty Three Million Four Thousand Four Hundred and Thirteen shares)
At the par value of Being	Baht 1	(Baht one) each
Ordinary shares	883,004,413 shares	(Eight Hundred and Eighty Three Million Four Thousand Four Hundred and Thirteen shares)
Preferred shares	- shares	(-)

The Meeting approved, by more than three-quarters cast by all shareholders present and eligible to vote, the reduction of the registered share capital by cancelling 50,048,452 authorised but un-issued shares at the par value of Baht 1 each from the existing registered capital of Baht 933,052,865 to be the new registered share capital of Baht 883,004,413 and the amendment to Clause 4. of the Memorandum of Association so as to reflect the reduction of the registered share capital in accordance with the above details.

The number of votes by shareholders was as follows:

<u>Approved</u>	<u>Against</u>	<u>Abstain</u>	<u>Total</u>
241,413,521	853,100	3,572,760	245,839,381
98.20%	0.35%	1.45%	100.00%

8. To consider and approve the increase of share capital and an amendment to Clause 4 of the Memorandum of Association.

The Chairman proposed the Meeting to consider and approve the increase of the registered share capital of another Baht 50,000,000 by an issue of 50,000,000 new ordinary shares at the par value of Baht 1 each from the existing registered capital of Baht 883,004,413 to be the new registered capital of Baht 933,004,413 divided into 933,004,413 ordinary shares at the par value of Baht 1 each, and that an amendment to Clause 4 of the Memorandum of Association be approved so as to reflect the increase of the registered capital, to be read as follows:

Clause 4. The registered capital	Baht 933,004,413	(Baht Nine Hundred and Thirty Three Million Four Thousand Four Hundred and Thirteen)
Divided into	933,004,413 shares	(Nine Hundred and Thirty Three Million Four Thousand Four Hundred and Thirteen shares)
At the par value of Being	Baht 1	(Baht one) each
Ordinary shares	933,004,413 shares	(Nine Hundred and Thirty Three Million Four Thousand Four Hundred and Thirteen shares)
Preferred shares	- shares	(-)

The Meeting approved, by more than three-quarters cast by all shareholders present and eligible to vote, the increase of the registered share capital from the registered share capital of Baht 883,004,413 to be the new registered share capital of Baht 933,004,413 and the amendment to Clause 4. of the Memorandum of Association so as to reflect the increase of the registered share capital in accordance with the above details.

The number of votes by shareholders was as follows:

<u>Approved</u>	<u>Against</u>	<u>Abstain</u>	<u>Total</u>
226,895,561	15,474,880	3,468,940	245,839,381
92.29%	6.30%	1.41%	100.00%

Remark: The increase of share capital is for private placement which was approved by the Company's shareholders on 10 August 1999 and reconfirmed by the Company's shareholders on 30 January 2009. As per the notification of the Capital Market Supervisory Board No. Thor Jor. 28/2551, any unissued shares that are reserved for private placement shall be issued within one year from the date of shareholders approval. Since the Company did not offer private placement shares in the past year, the Company must seek shareholders approval again to maintain any unissued amounts. The Company has no plans to place the private placement shares in the near future, but would like to maintain them for future financial flexibility.

9. To consider and approve the allotment of new ordinary shares

Pursuant to an increase of share capital in the amount of 50,000,000 new ordinary shares of par value of Baht 1 (one) to be reserved for private placement, the Company shall comply with the notification of the Capital Market Supervisory Board No. Thor Jor. 28/2551 regarding the application and permission for offer of new shares. The Board of Directors shall be authorised to determine the offering price, the subscription period, conditions, and other details of the allocation, including the determination of the "market price" as required by the relevant notifications of the Capital Market Supervisory Board.

If the Company offers the new ordinary shares to investors who fall within the definition of a connected party as prescribed by the relevant notifications of the Capital Market Supervisory Board and the Stock Exchange of Thailand, the Company will disclose such information in order to comply with the relevant notifications.

The Chairman proposed to the Meeting to consider and approve the allotment of 50,000,000 new ordinary shares, divided into the followings:

The number of votes by shareholders was as follows:

<u>Approved</u>	<u>Against</u>	<u>Abstain</u>	<u>Total</u>
211,694,691	24,255,100	9,889,590	245,839,381
86.11%	9.87%	4.02%	100.00%

10. To consider and approve the issue of up to 4,000,000 warrants to the directors and employees (including any employee who is a director) of Mermaid Maritime Public Company Limited and its subsidiaries under ESOP Scheme.

The Chairman asked the shareholders to consider about the issue of up to 4,000,000 warrants to its directors and employees (including any employee(s) who is also a director) and its subsidiaries thereof, under an employee stock option plan (the "ESOP Scheme"). The ESOP Scheme has the objective of increasing the personal stake of such directors and employees in the continued success and growth of Mermaid and encouraging them to remain in the service of Mermaid.

List of directors and employees (who are also director(s)) of Mermaid and its subsidiaries who may be allotted the Warrants and the number of Warrants to be allotted are as follows:

Names of directors	Job title	Number of allotted Warrants (units)*	% of total number of Warrants
M.L. Chandchutha Chandratat	Executive Chairman of Mermaid Maritime Public Company Limited	Up to 200,000	5
Mr. Lim How Teck	Independent Non-Executive Director of Mermaid Maritime Public Company Limited	Up to 200,000	5

Names of directors	Job title	Number of allotted Warrants (units)*	% of total number of Warrants
Mr. Ng Chee Keong	Independent Non-Executive Director of Mermaid Maritime Public Company Limited	Up to 200,000	5
Mr. Pichet Sithi-Amnuai	Independent Non-Executive Director of Mermaid Maritime Public Company Limited	Up to 200,000	5
Mr. Leslie George Merszei	Independent Non-Executive Director of Mermaid Maritime Public Company Limited	Up to 200,000	5
Ms. Joey Horn	Non-Independent Non-Executive Director of Mermaid Maritime Public Company Limited	Up to 200,000	5
Mr. Surasak Khaoroptham	Non-Independent Non-Executive Director of Mermaid Maritime Public Company Limited	Up to 200,000	5
Mr. Tom Springall	Non-Independent Non-Executive Director of Mermaid Maritime Public Company Limited	Up to 200,000	5
Mr. David Stewart Simpson	Executive Director and Managing Director of Mermaid Maritime Public Company Limited	Up to 200,000	5
Mr. Mark Shepherd	Director of Mermaid Offshore Services Ltd.	Up to 200,000	5
Ms. Oraporn Lerdthuwanon	Director and Financial Controller of Mermaid Offshore Services Ltd.	Up to 200,000	5
Mr. Sataporn Amornvorapak	Chief Financial Officer of Mermaid Maritime Public Company Limited and Director of Mermaid Offshore Services Ltd.	Up to 200,000	5
Mr. Stephen Gregor Lenz	Director and Drilling Manager of Mermaid Drilling Ltd.	Up to 200,000	5

Names of directors	Job title	Number of allotted Warrants (units)*	% of total number of Warrants
Mr. Simon Matthew Turner	Director of Seascap Surveys (Thailand) Ltd. and General Manager of Mermaid Offshore Services Ltd.	Up to 200,000	5
Mr. James McGhee Nicoll	Director of Mermaid Drilling (Malaysia) Sdn. Bhd. and General Manager of Mermaid Drilling (Malaysia) Sdn. Bhd.	Up to 200,000	5
Mr. Claus Bent Jorgensen	Director of Nemo Subsea IS and Business Development Manager of Mermaid Offshore Services Ltd.	Up to 200,000	5
Mr. Shaun William China	Director of Seascap Surveys (Thailand) Ltd. and Seascap Surveys Pte. Ltd.	Up to 200,000	5
Mr. Peter Reichlmeier	Director of PT Seascap Surveys Indonesia	Up to 200,000	5

Note: * This is the maximum number of Warrants to which each employee who is a director is entitled.

The Chairman opened a question and answer session for shareholders.

A shareholder (Ms. Thaneeya Techawipoo)

What is the term of the warrants under the ESOP scheme and what is the exercise price? If the directors and employees of Mermaid exercise their rights, will it affect the Company's share price?

A legal advisor (Ms. Manunya Thitinuntawan)

The term of Mermaid ESOP scheme is up to five years from the issue date of warrants. The exercise price is calculated based on the weighted average closing price of the Mermaid's shares traded on the SGX-ST for 15 consecutive trading days immediately prior to the issue date of warrants. If any director or employee of Mermaid exercise their rights, thereby increasing the number of paid-up shares, it will not affect the Company's share price because the Company's does not need to issue new shares for the warrant exercise of Mermaid.

Having considered the matter, the Meeting approved the issue of up to 4,000,000 warrants under the ESOP Scheme of Mermaid as detailed above. The approval was not less than three-quarters of the total votes cast by all shareholders present and eligible to vote, and no

objection from more than 10 per cent of the total votes of all shareholders present at the Meeting.

The number of votes was as follows:

<u>Approved</u>	<u>Against</u>	<u>Abstain</u>	<u>Total</u>
239,101,931	49,400	6,688,050	245,839,381
97.26%	0.02%	2.72%	100.00%

11. To transact any other business (if any)

There were no other businesses to transact. The Chairman opened the floor to shareholders.

A shareholder (Ms. Maliwan Jittriyattham)

Please advise on director's remuneration

A legal advisor (Ms. Somporn Manodumrongtham)

At the Annual General Meeting of Shareholders held in 2009, the shareholders approved the directors' remuneration policy which became effective from the 2009 calendar year onwards. The director's remuneration of each director for the 2010 calendar year remains the same as for the 2009 calendar year; therefore, the Company did not bring this agenda to the shareholders to approve again.

President & Chief Executive Officer

The total directors' remuneration for the 2009 financial year was Baht 10,156,000 (Ten Million One Hundred and Fifty Six Thousand), a decrease of 65% from the previous year as there was no bonus paid to directors given that the net profit of the Company did not reach the approved threshold.

A shareholder (unidentified name)

What is the trend of business growth next year from the business that we have invested in?

President & Chief Executive Officer

The dry bulk freight rate remains stable. Although the Asian economy has recovered, a large number of dry bulk vessels is expected to enter into market whereas the demand has not increased to the same degree as supply. Offshore business is expected to be better than the previous year because additional four sub-sea vessels will be delivered to Mermaid this year resulting in more revenues and earnings. Besides, oil and gas exploration and production spending is increasing, taken together with an increase in oil price and economic recovery, the offshore business outlook should improve. Likewise, UMS should show better financial results due to the rising price of coal and an increase in the importation of coal into Thailand for industrial purpose.

A shareholder (Ms. Maliwan Jittriyattham)

Why don't Thailand export coal to China? Surely Thailand uses less coal than China.

President & Chief Executive Officer

Thailand imports a large volume of coal because domestic coal is of poor quality. Most of the imported coal is used in industrial purpose, i.e. for boiler.

Mr. Piya Tannapipat (Stakeholder Relations of UMS)

Coal in Thailand is mostly lignite, a type of coal with low heat content, generally used for electricity generation. The annual consumption is approximately 16 million tons. Thailand also imports approximately 18 million tons of medium heat content coal annually. China produces coal for domestic consumption, and imports medium and high heat content coal from Australia or Indonesia.

A shareholder (Mr. Wasan Pongputthamon)

Please consider bi-annual payments of dividend.

President & Chief Executive Officer

The Company used to pay dividends to shareholders twice a year but last year the Company paid dividends once a year only. We expect to adhere to annual dividend payments.

A shareholder (Mr. Suriya suppaasa)

The Company should close its books earlier to enable earlier dividend payment.

A shareholder (Ms. Thaneeya Techawipoo)

Please clarify tax credits applicable on dividends received as prior to the acquisition in UMS, shareholders do not have any tax credits on the Company's dividends. If the Company receives dividends from UMS in the future, will we benefit from any tax credits?

Ms. Nuch Kalyawongsa (Director of Group Finance and Accounting)


The Company is a holding company. The Company's profits paid as dividends to shareholders are divided into two types being a) profits from business that has BOI exemption and b) profits from businesses that have no BOI exemption. When the Company declares dividends, the Company would specify in the withholding tax certificates whether the dividends received are derived from BOI exempted businesses or not. If the dividends are derived from BOI exempted businesses, the shareholders will not be able to claim a tax credit.

There was no additional question from shareholders. The Chairman said thank you to all shareholders attended the meeting and for the affirmative votes in every agenda item.

The meeting adjourned at 4.30 P.M.



M.R. Chandram S. Chandratat
Chairman of the Board of Directors
Chairman of the Meeting



M.L. Chandchutha Chandratat
President & Chief Executive Officer

Note: After the Meeting started at 2.00 P.M., additional shareholders attended the Meeting, both in person and by proxy. The total number of shareholders who attended the Meeting, both in person and by proxy, then increased to 1,022 shareholders, totalling 245,839,381 shares, representing 34.72% of the total issued shares of the Company.