

Minutes of the Extra-Ordinary Shareholders Meeting 1/2008
of
Demco Public Company Limited

Held on Thursday 10 January 2008 at 2.00 pm, at Meeting Room 2 at the office of the company, no. 59 Moo 1, Tambol Suan Pricktai, Amphur Muang, Pathumthani Province 12000

Mrs.Praphee Puipunthavong, the Chairman of the Board Director, the Chairman of the meeting, declared that there were 53 shareholders present either by himself and by proxy, holding altogether 191,963,804 shares, representing 72.72 % of the total issued shares. Therefore, the quorum was constituted pursuant to the company's Articles of Association. The Chairman declared the meeting duly convened.

Directors and management attended this meeting are as follows:

1 Gen. Thian Chonmaitree	Chairman of the Audit Committee
2. Mr. Sanguan Tungdejahirun	Member of the Audit Committee
3. Mrs. Suntriga Kaotera	Member of the Audit Committee
4. Mr. Pradej Kitti-itsaranon	Managing Director
5. Mr. Suwat Joradon	Deputy Managing Director
6. Mr. Phongsak Siricupta	Director
7. Mr. Phumchai Hirunchai	Director
8. Mr. Arkhom Manakeaw	Director
9. Mr. Paitoon Gumchai	Secretary to the Board of Director

Advisors Representatives

1. Mrs. Sutaporn Padungsuntorn	Legal Advisor
2. Mr. Nuntawat Nopparatanawong	Financial Advisor
3. Mr. Surakarn Sirimort	Financial Advisor
4. Mr. sompol Preecharwuttinan	Financial Advisor

The Chairman asked the secretary of the Board of Director to explain the voting method and vote counting to meeting as follows:

- (1) Voting for each agenda will be done using voting cards. One share will count as one vote. Shareholder or proxy shall vote for only one choice, either agree, disagree or abstain and cannot divide his/her vote, the exception of foreign shareholders appointing Custodian in Thailand using Proxy Form C.
- (2) In case of Proxy Form, if the grantor did not specify the authorization or the authorization is unclear for any of the agenda, the Proxy shall have the right to consider and vote on such matter on behalf of the Shareholder as appropriate.
- (3) The Chairman will propose the Meeting to cast the vote for each agenda by asking whether any shareholders agree, disagree or abstain.
- (4) Shareholders and proxy of Proxy Form A, Form B or Form C which the shareholders authorize the proxy to cast votes at its own discretion, shall vote in the voting card provided during registration, by marking in only one of the boxes agree disagree or abstain.

- (5) For proxy of Proxy Form B and Form C, where the proxy must cast the votes in accordance with the shareholders' instruction, the Company shall count the votes as specified by the Shareholder.

Mr. Hungchai Ukkawutkul Right Protector Volunteer the Proxy of Thai Investor Association protested that The Chairman did not declare the number of shareholders present only declared the number of shows. The secretary to the Board of Director apologized and correctly declared the quorum. The meeting acknowledged. The Chairman, therefore, proceeded the meeting in order of the agenda.

Agenda 1 Adoption of the minutes of the Extra-Ordinary Shareholders Meeting no.1/2007.

The Chairman informed the meeting that the minutes of the Extra-Ordinary Shareholders Meeting no.1/2007 was sent to the shareholders as attachment to the notice for this meeting. Therefore, she requested the meeting to adopt the minutes.

The meeting duly considered and unanimously resolved to adopt such minutes.

Agenda 2 Consideration on the reduction of the registered capital from Baht 328,923,150 to Bath 268,923,150 by canceling 60,000,000 unissued ordinary shares at the par value of Baht 1 per share.

The Chairman asked the secretary to the Board of Director to explain the purpose of capital reduction to the meeting. The secretary to the Board of Director explained that, according to resolution of the Extra-Ordinary Shareholders Meeting 1/2007 which approved the company to raise fund by issuing the ordinary shares offered by private placement. The Financial Advisor suggested the offered price at Bath 4.54 which was lower than the expected price. Moreover, in the first Quarter the company has good liquidity so it's not necessary to raise fund by issuing ordinary share for private placement. The Board deemed appropriate to raise fund by issue of ordinary share warrants to existing shareholder instead. The Board, therefore propose the meeting to resolve to reduce the registered capital from Bath 328,923,150 to Bath 268,923,150 by canceling 60,000,000 unissued ordinary shares at the par value of Bath 1 per share which were the shares to be issued pursuant to the reduction of the EGM1/2007 to be offered by private placement. The Chairman informed the meeting that this agenda requires affirmative vote of not less than three quarters of the total votes of the shareholders attending the meeting and have the right to vote. The Chairman then asked the meeting to consider.

Mr. Marnit Chareunchevin asked, why the numbers of warrants are not sufficient for all issued shares, when calculated by ratio, 3 ordinary shares per 1 warrant, from 357,923,150 ordinary shares. The secretary to the Board of Director explained that the calculation should be made on 265,559,257 issued ordinary shares not registered shares of 357,923,150. However The Board will propose the detail of the warrants and the number of the shares to be increased to the meeting in agenda 4 and 5. For this agenda, the meeting should first consider only the reduction of capital. No other shareholder asked any question so the Chairman asked the meeting to vote.

The meeting duly considered and unanimously resolved to increase the registered capital, as proposed by the Chairman.

Agenda 3 Consideration on the amendment to Clause 4 of the Memorandum of Association of the company to reflect the capital increase.

The Chairman asked The secretary to the Board of Director to explain detail of the amendment to the meeting. The secretary to the Board of Director explained that since there is a capital increase, it is necessary to amend Clause 4 of the Memorandum of Association accordingly. The Board proposed that Clause 4 of the Memorandum of Association be amended to read

“Clause 4.	Registered Capital	:	268,923,150	Baht	(Two hundred sixty eight million nine hundred twenty three thousand one hundred and fifty Baht)
	Divided into	:	268,923,150	shares	(Two hundred sixty eight million nine hundred twenty three thousand one hundred and fifty shares)
	Par value	:	1	Baht	(One Baht)
	Categorized into				
	Ordinary shares	:	268,923,150	shares	(Two hundred sixty eight million nine hundred twenty three thousand one hundred and fifty shares)
	Preferred shares	:	0	share	-None-“

He further informed the meeting that this agenda requires affirmative vote of not less than three quarters of the total votes of the shareholders attending the meeting and have the right to vote. The Chairman then asked the meeting to consider.

The meeting duly considered and resolved to amend Clause 4 of the Memorandum of Association, as proposed by the Chairman, provided that the person designated by the Board to proceed the registration of the amendment to the Memorandum of Association with the Ministry of Commerce shall be authorized to make and change of wording and to take any action in order to comply with the instruction of the registrar. The meeting duly considered and unanimously resolved to amend Clause 4 of the Memorandum of Association on proposed by the Chairman.

Agenda 4 Consideration on the issue of 88,600,000 ordinary share warrants for offering to existing shareholders.

The Chairman asked The secretary to the Board of Director to explain the issuing of 88,600,000 ordinary share warrants The secretary to the Board of Director explain that although the company has a good liquidity in first Quarter, fund raising is still necessary to support the growth of business. So the Board deemed appropriate to raise fund by issue of ordinary share warrants for offering to existing shareholders. The secretary to the Board of Director informed the meeting about the details of the issue 88,600,000 as follows registered and transferable ordinary share warrants for offering to existing shareholders .

Type of securities	: Warrant to purchase newly-issued shares of Demco Public Company Limited Number 1 for the existing shareholders (“DEMCO-W1”)
Type of warrant	: Registered and transferable
Number of warrant	: 88,600,000 units
Offering price	: Baht 0 per unit (Zero Baht)
Maturity of warrant	: 2 (two) years from the issued date
Number of shares reserved	: 88,600,000 shares (Par value of Baht 1 per share).
Allocation method	: Offering to the existing shareholder at the ratio of three (3) existing shares for one (1) unit of warrant, any fraction from the calculation higher than 0.5 unit will be counted as one (1) unit while any fraction lower than 0.5 unit will be disregarded.
Exercise ratio	: 1 (one) unit of warrant will be entitled to purchase 1 (one) newly-issued share.
Exercise price	: Baht 4.50 per share (four point five Baht per share).
Secondary market of warrant	: The warrants shall be listed on the Market for Alternative Investment (“mai”).
Offering period	: After the approval from SEC.
Exercise date	: Warrant’s holders may exercise the warrants on the last working days of every quarter until the maturity of warrants.

Other detail are appear on the enclosure 2 which sent to the shareholders as attachment to the notice for this meeting. Warrant issuing shall benefit the shareholders and be corresponding to the company’s capital requirement.

The meeting duly considered and unanimously resolved to declare interim dividend, as proposed by the Chairman.

Agenda 5 Consideration on the increase of the registered capital from Bath 268,923,150 to Bath 357,923,150, by issuing new 89,000,000 ordinary shares at the par value of Bath 1 per share.

The Chairman asked The secretary of the Board to Director to explain the objectivities of the capital increase. The Secretary explained that there are 2 purposes to increase the registered capital (1) to allot as reserve for exercise of the warrants as proposed in Agenda 2; and (2) to allot as due reserve for the exercise of warrant issued to directors, management and staff since there will be an adjustment to conversion ratio due to the issue of warrants by this meeting.

The Chairman asked the meeting to consider and informed the meeting that this agenda requires affirmative vote of not less than three quarters of the total votes of the shareholders attending the meeting and have the right to vote.

Mr. Hungchai Ukkawutkul Right Protector Volunteer, the Proxy of Thai Investor Association asked, whether the registered non-transferable ordinary share warrants, issue to directors, management and staff are subject to, any silent period, what is the *Exercise Ratio*, *Exercise Price*, *Exercise Date* and how many warrant remains.

The secretary to the Board of Director explained that registered non-transferable ordinary share warrants issued to directors, management and staff at the ratio of 1 Warrant entitled to 1.444 Ordinary Share, at Bath 1 per share. Exercise date: every 6 month after public offering . There were twice exercise on 15 June 2007 and 15 December 2007. Now, there are 2,604,700 un-exercise warrants which can be exercised on 15 June 2008 and 14 December 2008.

No further question from shareholder. The chairman then asked the meeting to consider.

The meeting duly considered and unanimously resolved to approve the capital increase as proposed by the Chairman.

Agenda 6 Consideration on the amendment to Clause 4 of the Memorandum of Association of the company to reflect to capital increase, as follows.

“Clause 4.	Registered Capital	:	357,923,150	Baht	(Three hundred fifty seven million nine hundred twenty three thousand one hundred and fifty Baht)
	Divided into	:	357,923,150	shares	(Three hundred fifty seven million nine hundred twenty three thousand one hundred and fifty shares)
	Par value	:	1	Baht	(One Baht)
	Categorized into Ordinary shares	:	357,923,150	shares	(Three hundred fifty seven million nine hundred twenty three thousand one hundred and fifty shares)
	Preferred shares	:	0	share	-None-”

He further informed the meeting that this agenda requires affirmative vote of not less than three quarters of the total votes of the shareholders attending the meeting and have the right to vote. The Chairman then asked the meeting to consider.

The meeting duly considered and resolved to amend Clause 4 of the Memorandum of Association, as proposed by the Chairman, provided that the person designated by the Board to proceed the registration of the amendment to the Memorandum of Association with the Ministry of Commerce shall be authorized to make and change of wording and to take any action in order to comply with the instruction of the registrar. The meeting duly considered and unanimously resolved to amend Clause 4 of the Memorandum of Association as proposed by the Chairman.

Agenda 7 Consideration of the allotment of shares issued in capital increase

The Chairman informed the meeting that since the meeting approved the of capital increase as proposed the allotment of shares issued in capital increase as proposed;

- To allot 88,600,000 shares as reserve for the exercise of registered and transferable ordinary share warrant.
- To allot 400,000 shares as additional reserve for the exercise of warrant issued to directors, management and staff in accordance with the adjustment of conversion ratio due to the issue of warrants by this meeting.

She then asked the meeting to consider.

The meeting duly considered and unanimously resolved the allotment of shares issued in capital increase.

Agenda 8 Other matter (if any)

The Chairman invited the meeting to ask any question

Ms. Jarrurat Yangkratoke, shareholder, suggested that the company should sent shareholder a company report so the shareholder be aware the company's performance and be able to promote the company. The secretary to the Board of Director explained that the company has made the annual report and sent to shareholder every year.

Ms. Jarrurat Yangkratoke, shareholder, asked for the utilization of proceeds fund capital increase.

The secretary to the Board of Director explained that the electrical power system and mechanical system for petrol chemical business, the target of the company, is widely growth so the company has to raising fund to reserve for the expansion.

Mr. Marnit Chareunchevin, shareholder, asked if the warrant holder doesn't exercise the right what's source of fund shall be selected.

Mr. Pradej Kitti-itsaranon, Managing Director, explained that it depend on the consideration of the shareholder in the future. If the company run at a profit he expect that the shareholder will exercise the right.

Mr. Marnit Chareunchevin, shareholder, asked that when the warrant shall be registered in MAI Market.

Mr. Pradej Kitti-itsaranon, Managing Director, said that the company should be permitted by Securities and Exchange Commission. It is expect that will complete in 45 – 60 days that mean the warrant can be sold on March to April.

Mr. Hungchai Ukkawutkul Right Protector Voluntary, the Proxy of Thai Investor Association asked that when XW will occur.

The secretary of the Board of Director answered that it should wait for permission from Securities and Exchange Commission, then the company will hold the Board meeting to fix the closing date of meeting to determine right to receive the warrant and the company will notify to Stock Exchange of Thailand and Shareholder. Ms. Saracha Udomjaturporn, shareholder, suggested the company to hold the factory tour and hold the shareholder meeting in Bangkok for the comfort of shareholder

The Chairman replied that if any shareholder interest in factory tour please give name and telephone number to company officer, company will manage it later. For the meeting place the company hope that shareholder should visit the company working place, however the company will consider shareholder suggestion.

Ms. Saracha Udomjaturporn, shareholder, suggested the company to hold the shareholder meeting at the Stock Exchange of Thailand. Moreover in April many company hold the annual meeting at the Stock Exchange of Thailand so it's make convenience for shareholder to join the meeting.

Mr. Marnit Chareunchevin, shareholder, asked whether company perform the lamppost project. And what is the target of company business.

Mr. Pradej Kitti-itsaranon, Managing Director, answered that lamppost project is not company business. And company has completed the business target by the 50% of revenue growth, in this year the company settle the target at 10-20 %.

There being no other agenda.

The meeting adjourned at 2.55 pm

Signed



Chairman of the Meeting

Mrs. Praphee Puipunthavong

Signed



Secretary to the Meeting

(Mr. Paitoon Gumchai)