

# (C)

#### (Translation)

No. CHO 008/2017

March 21st, 2017

Re: Invitation to the 2017 Annual shareholder's General Meeting (AGM) on April 20th, 2017

Dear Shareholders

#### **Enclosures:**

- 1. A copy of the minutes of the 2016 annual shareholder's general meeting (AGM) held on April 21<sup>st</sup>, 2016. (For agenda 1)
- 2. A 2016 annual report included company and its subsidiary financial statement ended 31st, December 2016, Auditor Report and Sustainability Report in CD-ROM. (For agenda 2)
- 3. A detail of Dividend payment. (For agenda 6)
- 4. Brief personal profiles of nominated candidates director. (For agenda 7)
- 5. Definition of Independent Director. (For agenda 7)
- 6. Information of the Board of Directors' remuneration for 2017 in comparison with 2016. (For agenda 8)
- 7. Detail of auditor for 2017 and audit fee. (For agenda 9)
- 8. A summary of Articles of Association relevant to the meeting
- 9. Terms, conditions and method of practice in attending the meeting, proxy and voting.
- 10. Information of the Independent Directors who are the proxies in the 2017 AGM.
- 11. A proxy statement (A, B and C Forms).
- 12. The request form of 2016 Annual Report and/or 2016 Sustainability Report (Printed)
- 13. Location Map for Shareholder's Meeting Venue: Chaophya Park Hotel, Bangkok.
- 14. Registration form necessary for attend the meeting.

Referring to the board of director meeting of Cho Thavee Public Company Limited No. 2/2017 on 24<sup>th</sup>, February 2017 resolved to call the 2017 AGM on Thursday, 20<sup>th</sup>, April 2017 at 2.00 pm at Ballroom 2nd floor, Chaophya Park Hotel, Ratchadapisek Road, Dindaeng Sub-District, Khet Dindaeng, Bangkok (Map in the enclosure 13) to consider various matters according to the agenda as follows:

### Agenda 1 Consideration certifying the minutes of the 2016 AGM held on April 21st, 2016

<u>Facts and reasons:</u> The 2016 AGM on April 21st, 2016, when the Company has sent a copy of the

minutes of the meeting along with the invitation letter to this meeting (as per the 1

enclosure).

Opinion of the Board: The minutes are correct and completed. Therefore, the Board of Directors purposed

the AGM to certify the 2016 AGM as details on the 1 enclosure.

Conditions of resolution: A resolution under this agenda can be passed with a majority vote of the

shareholders who attend the meeting and have the right to vote. (Exclude Abstain)



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Agenda 2 Acknowledge of the Company's performance for the year 2016 and Consider approving the Statement of Financial Position, Statement of Comprehensive Income of Company and its subsidiary for the year 2016 ended December 31st, 2016 and acknowledge auditor's report.

Facts and Reasons:

The summary of the 2016, company and its subsidiary performance statement ended on 31 December 2016 reported the total revenue at 1,070.34 million baht, loss profit at 91.29 million baht. The performance statement details as per the annual report and the Board of Directors have prepared the 2016 Company and its subsidiary financial statement ended December 31<sup>st</sup>, 2016 which has been audited by the certified auditor and it will be purposed to the 2017 AGM for approval in according to the Section 112 of the Public Company Limited Act B.E. 2535 as per the 2 enclosure.

Opinion of the Board:

The Board of Directors recommends the AGM to acknowledge the 2016 company and its subsidiary performance statement ended on December 31<sup>st</sup>, 2016 which has been audited by the certified auditor and also approved by the Company's Audit Committee, details as per the annual report, the 2 enclosure.

Condition of Resolution:

A resolution under this agenda can be passed with a majority vote of the shareholders who attend the meeting and have the right to vote. (Exclude Abstain)

Agenda 3 Consideration approving for the Capital reduction life over for the stock dividend payment from the operation results of the year 2015 and from the exercising right to purchase the ordinary share and the balance of the support from the warrant No. 1 (CHO-W1).

Facts and reasons:

Regarding the firm has the Allocation of Newly Issued Ordinary Shares in order to support stocks divided in 2015 and warrants to Purchase New Ordinary Shares (CHO-W1). After the Allocation of Newly Issued Ordinary Shares and the due date of CHO-W1 which was 27<sup>th</sup> October 2016, the firm has total 4,948,205 Newly Issued Ordinary shares left as following;

- 1) Ordinary shares left from stocks divided is equivalent to 191,265 shares at par value 0.25 Bath per share
- 2) Ordinary shares left from warrants to Purchase New Ordinary Shares (CHO-W1) is equivalent to 4,756,940 shares at par value 0.25 Bath per share

Opinion of the Board:

The Board of Directors recommends the AGM to approve for the capital reduction from 296,972,494.50 baht to 295,735,443.25 baht. The ordinary shares were sold amount of 4,948,205 shares for the value of 0.25 baht per share. Which was the left over from the Balance exercise of warrant No.1 (CHO-W1)

Conditions on resolution:

A resolution under this agenda can be passed with the vote of not less than three-fourths (3/4) of the total votes of the shareholders who attend the meeting and have the right to vote.







# Agenda 4 Consideration approving for the amendment of the Company's Memorandum of Association in order to be in line with the reduction of the Company's capital.

<u>Facts and reasons:</u> The Company proposed to amend the memorandum of association, the Article 4, to

be consistent with the recapitalization with the details as follows:

Article 4 Registered Capital : 295,735,443.25 Baht (Two hundred ninety-five million

seven hundred thirty-five thousand four hundred forty-three baht

twenty-five satang)

It is divided into : 1,182,941,773 Shares (One thousand one hundred eighty-

two million nine hundred forty-one thousand seven hundred and

seventy-three shares)

Par value : 0.25 Baht (Twenty-Five Satang)

Categorized into

Common shares : 1,182,941,773 Shares (One thousand one hundred eighty-

two million nine hundred forty-one thousand seven hundred and

seventy-three shares)

Preferred shares : -None-

Opinion of the Board: The Board of Directors recommends the AGM to consider approving the amendment

of the Memorandum of Association, the Article 4, in order to be in line with the reduction according to the details above. Also the assigned persons for the registration of the amendment of the Company's Memorandum of Association at the Department of Business Development, Ministry of Commerce, have the authority to

amend and add a statement to comply with the order of the registrar.

<u>Conditions on resolution:</u> A resolution under this agenda can be passed with the vote of not less than three-

fourths (3/4) of the total votes of the shareholders who attend the meeting and

have the right to vote.

# Agenda 5 Consideration approving for the allocation of the net profit for the year 2016 to be the legal reserved.

<u>Facts and reasons</u>: As the Company reported the net profit, the Company has to allocate the legal

reserved at the rate of not less than 5% of the net profit for each year.

<u>Opinion of the Board</u>: The Board of Directors recommends the AGM to approve not to proceed the

appropriation of net income of 2016 to be the regal reserve due to the loss of operation results 2016 as the separated financial statement reporting the loss.

Condition of Resolution: A resolution under this agenda can be passed with a majority vote of the

shareholders who attend the meeting and have the right to vote. (Exclude Abstain)







# Agenda 6 Consideration approving for the no dividend payment from the operating results of the year 2016

<u>Facts and reasons</u>: According to the Section 71 of the Public Company Limited Act B.E. 2535 and

company article. The Company has the policy to pay dividend each year at the rate of not less than 40% of the net profit before expenses deduction according to International Financial Reporting Standard No.2 (amendment 2557) "Share-based Payment" after deduction of all reserved fund as required in the Company's Articles of Association and as required by law. If unnecessary, the payment of such dividend

shall not significantly affect the Company's normal business operation.

Opinion of the Board: The Board of Directors recommends the AGM to approve the no dividend payment

2017. The Board of Directors has considered and agreed with the Ordinary General Meeting of Shareholders that dividend payments are prohibited in 2016 regarding

to the loss in performance in 2016.

<u>Condition of Resolution</u>: A resolution under this agenda can be passed with a majority vote of the

shareholders who attend the meeting and have the right to vote. (Exclude Abstain)

## Agenda 7 Consideration approving for the re-election of Directors to replace those retirements by rotation.

Facts and reasons:

According to the Section 71 of the Public Company Limited Act B.E. 2535 and company article no. 19, at each Annual shareholder's General Meeting, 1/3 of the directors shall be retired. If the number is undividable, then the number closest to 1/3 shall be accounted for. In the 1<sup>st</sup> and 2<sup>nd</sup> year after the Company's registration, the directors shall be retired by lot. In subsequent years, the longest serving directors shall retire. The directors retiring by rotation shall be re-elected again.

There are 2 retiring directors by rotation as follows:

1. Ms. Phenphimol Vejvarut Board of Director /Chairman

2. Mr. Asa Prateepasen Independent director / Audit Committee

/Corporate Governance, Risk Management,

Nomination and Compensation Committee

The criteria for selection of persons to be appointed as a director was considered together by the Corporate Governance, Risk Management, Nomination and

together by the Corporate Governance, Risk Management, Nomination and Remuneration Committee, No. 1/2017, held on January 20<sup>th</sup>, 2017, through the Company's Board of Directors. The selected individuals are eligible according to Public Company Limited Act B.E. 2535 and the announcement of Securities and Exchange Commission and Capital Market commission and the Stock Exchange of Thailand related. And the company announced a shareholders' invitation to nominate qualified candidates for a directorship at company website as <a href="https://www.cho.co.th">www.cho.co.th</a> from October 5<sup>th</sup>, 2016 – December 30<sup>th</sup>, 2016, subject shareholders' invitation to propose items for the AGM agenda, and nominate qualified candidates for a directorship for the board consideration, and despite the invitation, neither candidates nor agenda items were proposed. And according to company act, the retried director can be reelecting to replace director again. The Board of Directors is agreed purposing the AGM to approve the re-electing to replace those retirements by rotation as follows:

Ms. Phenphimol Vejvarut be elected for another term
 Mr. Asa Prateepasen be elected for another term

บริษัท ช ทวี จำกัด (มหาชน)

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265 หมู่ที่ 4 ถนนกลางเมือง ตำบลเมืองเก่า อำเภอเมืองขอนแก่น จังหวัดขอนแก่น 40000
โทรศัพท์ : 043341412-16โทรสาร : 043341410
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The details of age, year of director, proportion of shares, graduation, experience and work at other company as director or management, number of attending of the BOD as the 4 enclosure and definition of independent director according to Capital Market Commission act as the 4 enclosure.

### Opinion of the Board:

The Board of Directors not included the related director, comments the retried directors are qualified according to the Section 68 of Public Company Limited Act B.E. 2535 who expertise, and experience for company benefits. The Board recommends shareholders to approve 2 retiring directors by rotation in replacement as follows:

1. Ms. Phenphimol Vejvarut Board of Director /Chairman

2. Mr. Asa Prateepasen Independent director / Audit Committee

/Corporate Governance, Risk Management,

Nomination and Compensation Committee

**Condition of Resolution:** 

A resolution under this agenda can be passed with a majority vote of the shareholders who attend the meeting and have the right to vote. (Exclude Abstain)

### Agenda 8 Consideration approving for the Board of Directors' remuneration for 2017

Facts and reasons:

According to the meeting resolutions of the Corporate Governance, Risk Management, Nomination and Remuneration Committee, No. 1/2017, held on January 20<sup>th</sup>, 2017. The company's Board of Directors reached a consensus on proposing the meeting to consider approving the remuneration to the company's directors, members of Audit Committee and Corporate Governance, Risk Management, Nomination and Remuneration Committee for the appropriately roles and responsibilities, as the same rate as year 2016. This agreement will be proposed to the Shareholders' Meeting for approval accordingly.

Opinion of the board:

The Board of Directors recommends the AGM to approve the remuneration of 2017 for the Board of Directors remuneration, the Audit Committee remuneration, Corporate Governance, Risk Management, Nomination and Remuneration Committee remuneration and monthly remuneration for the audit committee only, the rates are same as 2015 and 2016, the total amount of not exceeding 1.7 million baht per year, and annually remuneration (bonus) for the Board of Directors amount of not exceeding 4 million bath, and the chairman of the Board could allocate the Board of Directors' bonus to each member. Details as per the 6 enclosure.

**Condition of Resolution:** 

A resolution under this agenda can be passed with the vote of not less than twothird (2/3) of the total votes of the shareholders who attend the meeting and have the right to vote.

### Agenda 9 Consideration appointing an auditor and considering the 2017 audit fees

Facts and reasons:

According to the Section 120 of the Public Company Limited Act B.E. 2535 required the AGM to appoint an auditor and consider the audit fees every year, and the announcement of Securities and Exchange Commission no. gorjor. 39/2548 subject criteria condition and disclosure report of financial statement and listed company performance report (no. 20) assigned to the rotation auditor when audit for the 5 consecutive years. Then, this year the company should appoint the same Auditors.







#### Opinion of the board:

The Board of Directors recommends the AGM to appoint Mr. Sudwin Panyawongkhanti Certified Public Accountant (Thailand) No. 3534, Mrs. Anutai Poomsurakul Certified Public Accountant (Thailand) No. 3873 and Mr. Vichien Khingmontri Certified Public Accountant (Thailand) No. 3977 PricewaterhouseCoopers ABAS Ltd. as the Group's auditors, any one of them being authorized to conduct the audit and express an opinion on the financial statements of the Group. In the absence of the above-named auditors, PricewaterhouseCoopers ABAS Ltd. is authorized to identify one other Certified Public Accountant and qualified by SEC. Act within PricewaterhouseCoopers ABAS Ltd. to carry out the work and the 2017 audit fees of not exceeding 2.95 million baht per year. Details as per the 7 enclosure

**Condition of Resolution:** 

A resolution under this agenda can be passed with a majority vote of the shareholders who attend the meeting and have the right to vote. (Exclude Abstain)

### Agenda 10 Consideration of other matters (if any)

#### Opinion of the Board:

The company didn't had any other matters to consider, and announced a shareholders' invitation to propose items for the AGM agenda at company website as <a href="https://www.cho.co.th">www.cho.co.th</a> from October 5<sup>th</sup>, 2016 to December 30<sup>th</sup>, 2016, despite the invitation, any agenda items were not proposed.

However, according to the Section 105 column 2 of the Public Company Limited Act B.E. 2535 (amendment B.E. 2544) as the 1/3 of Issued shareholder will ask the meeting to consider the other matters exclude the invitation letter agenda. The Board of Directors commented to add this agenda for the shareholders who want to consider other matters in this meeting.

Furthermore, the Company designated the names of the shareholders eligible to attend the 2017 AGM (Record date) on March 13<sup>th</sup>, 2017 and collect the names according to the Securities and Exchange Act BE 2535 (amendment B.E.2551), Section 225, by closing the registry on March 14<sup>th</sup>, 2017.

The Company would like to invite the shareholders to attend the meeting according to the day, time and venue. The Company will open for shareholder to register from 12:00 pm shareholder who attend the meeting in person, please bring your register documents as per the 14 enclosure for your attend the meeting right.

In the case you cannot attend the meeting in person you can appoint a proxy to attend it according to either proxy statement type A, B or C as per the 11 enclosure.

However, the Company recommends using the proxy statement in Form B that specifies the various items to give authorization clearly. You may appoint an independent director, or other people as specified in the B Form to attend the meeting and voting on your behalf. Nevertheless, the Company shall send details on the independent directors according to the 10 enclosure. In the case of appointing an independent director as a proxy, please send the proxy statement to Ms. Yinghathai Ponphangnga by Facsimile number 0 4334 1410, 0 2973 4385 or e-mail address: <a href="mailto:yinghathai@cho.co.th">yinghathai@cho.co.th</a> or mail to the address of the Company, a minimum of 3 days before the meeting. In the case of sending by fax or e-mail, please deliver the original of proxy statement by mail to the Company address (inquire additional information to Ms. Yinghathai Ponphangnga, Tel. 0 4334 1412-8 Ext. 116, mobile phone 08 1670 1913).







For your benefit and to fully protect the shareholders' rights, please send us your inquiries regarding the meeting and agenda items prior to the meeting date at <a href="mailto:yinghathai@cho.co.th">yinghathai@cho.co.th</a> or Tel. at 0 4334 1412-8 Ext. 116 or Fax. 0 4334 1410, 0 2973 4382, please provide your contact name and address, the Company would collect the queries for explanation accordingly.

Please be informed accordingly and highly appreciate for your attendance of the Meeting on the date, time and place as prior stated

Sincerely yours,

(Ms. Phenphimol Vejvarut) Chairman

Priariongos,

Cho Thavee Public Company Limited

#### Remarks

- 1. The Company has posted this Invitation to Attend the Annual General Meeting of Shareholders for the year 2017, including all attachments and proxy forms on the Company's website (<a href="www.cho.co.th">www.cho.co.th</a>).
- 2. The 2016 Annual Report and Sustainability Report in CD-ROM was enclosed with the Invitation of the Meeting as per the 2 enclosure If any Shareholders require a printed copy, please fill in the Requisition Form as per the 12 enclosure, and return it to Ms. Yinghathai Ponphangnga by Fax number 0 4334 1410, 0 2973 4385 or e-mail address: <a href="mailto:yinghathai@cho.co.th">yinghathai@cho.co.th</a> or mail to the address of the Company.

