

(Translation)

No. CHO 009/2018

March 23<sup>rd</sup>, 2018

Subject: Invitation to the 2018 Annual shareholder's General Meeting (AGM) on April 23<sup>rd</sup>, 2018

Dear Shareholders

Enclosures:

1. A copy of the minutes of the Extraordinary General Meeting of Shareholder No. 1/2018 (EGM) held on January 9<sup>th</sup>, 2018. (For agenda 1)
2. The 2017 annual report included company and its subsidiary financial statement ended 31<sup>st</sup>, December 2017, Auditor Report and Sustainability Report in CD-ROM. (For agenda 2)
3. Detail of an amendment to the Company's Regulation. (For agenda 3)
4. Detail of Dividend payment. (For agenda 5)
5. Brief personal profiles of nominated candidates director. (For agenda 6)
6. Definition of Independent Director. (For agenda 6)
7. Information of the Board of Directors' remuneration for 2018 in comparison with 2017. (For agenda 7)
8. Detail of auditor for 2018 and audit fee. (For agenda 8)
9. A summary of Articles of Association relevant to the meeting
10. Terms, conditions and methods of practice in attending the meeting, proxy and voting.
11. Information of the Independent Directors who are the proxies in the 2018 AGM.
12. A proxy statement (A, B and C Forms).
13. The request form of 2017 Annual Report and/or 2017 Sustainability Report (Printed)
14. Location Map for Shareholder's Meeting Venue: The Emerald Hotel, Bangkok.
15. Registration form necessary for attend the meeting.

Referring to the board of director meeting of Cho Thavee Public Company Limited No. 2/2018 on 23<sup>rd</sup>, February 2018 resolved to call the 2018 AGM on Monday, 23<sup>rd</sup>, April 2018 at 2.00 pm at Ballroom 1<sup>st</sup>, floor 3, The Emerald Hotel, Ratchadapisek Road, Dindaeng Sub-District, Bangkok (Map in the enclosure 14) to consider various matters according to the agenda as follows:

**Agenda 1 Consideration on certifying the minutes of the Extraordinary General Meeting (EGM) of Shareholder's No. 1/2018 held on January 9<sup>th</sup>, 2018.**

Facts and reasons: The Company held the EGM No. 1/2018 on January 9<sup>th</sup>, 2018 and a copy of the minutes of the meeting enclosed along with this invitation letter (as per the 1 enclosure).

Opinion of the Board: The minutes are correct and complete. Therefore, the Board of Directors purposed the EGM No. 1/2018 to certify 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)

**Agenda 2 Acknowledgement of the Company's performance for the year 2017 and Consider approving the Statement of Financial. Statement of Company and its subsidiary for the year 2017 ended December 31<sup>st</sup>, 2017 and acknowledge the auditor's report.**

Facts and Reasons: The summary of the 2017, the company and its subsidiary performance statement ended on 31 December 2017 reported the total revenue at 1,595.90 million Baht, loss profit at 19.50 million Baht. The performance statement details as per the annual report and the Board of Directors have prepared the Company and its subsidiary financial statement ended December 31<sup>st</sup>, 2017 which has been audited by the certified auditor and it will be purposed to the 2018 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 2018 company and its subsidiary performance statement ended on December 31<sup>st</sup>, 2017 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 to approve the amendment to the Company's Regulation in the subject of shareholders' right to demand the board of directors to arrange a meeting and insert details in the audit category.**

Facts and reasons: According to the order no. 1/2560 of Head of the National Council for Peace dated April 4, 2017 detailing approval of amendment to the Company's Regulation in the subject of shareholders' right to call the board of directors to arrange a meeting and insert details in the audit category.

Opinion of the Board: It is considered and approved that the agenda have to be proposed to shareholders for their approval of an amendment to the Company's Regulation in the subject of shareholders' right to call the board of directors to arrange a meeting and insert details in the audit category, according to the order no. 1/2560 of Head of the National Council for Peace dated April 4, 2017 detailing approval of amendment of public limited companies Acts to comply with good governance as per the 3 enclosure.

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 to approve of not to allocate the net profit of the overall performance 2017 to be the legal reserved.**

Facts and reasons: According to the Public Company Limited Act B.E. 2535 and company Regulation, the board of directors has to propose the agenda to the AGM for allocation (or no allocation) of the net profit of the overall performance to be the legal reserved.

Opinion of the Board: It is considered and approved that the agenda have to be proposed to shareholders for approval of not to allocate the appropriation of net profit 2017 to be legal reserves, due to the overall performance 2017 detailing in the separated financial statement reported deficit.

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 5 Consideration to approve of no annual dividend payment 2017**

<u>Facts and reasons:</u>	According to the Public Company Limited Act B.E. 2535 and company Regulation 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 funds as required in the Company's Regulation and as required by law. If unnecessary, the payment of such dividend shall not significantly affect the Company's normal business operation.
<u>Opinion of the Board:</u>	It is considered and approved that to propose the agenda to shareholders for approval of no dividend payments, as the overall performance 2017 shown in the separate financial statement ended December 31, 2017 reported deficit with accumulated deficit.
<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 6 Consideration to approve of the re-election of Directors to replace those retirements by rotation.**

<u>Facts and reasons:</u>	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.
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There are 2 retiring directors by rotation as follows:

- |                                     |                                                                                                                        |
|-------------------------------------|------------------------------------------------------------------------------------------------------------------------|
| 1. Mr. Suradech Taweesaengsakulthai | Board of Director, Secretary of Board of Director, Executive Committee Chairman, President and Chief Executive Officer |
| 2. Mr. Anusorn Tamajai              | Independent Director and Chairman of Audit Committee                                                                   |

The criteria for selection of persons to be appointed as a director was considered together by the Corporate Governance, Risk Management, Nomination and Remuneration Committee, No. 1/2018, held on January 18<sup>th</sup>, 2018, 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 the company website [www.cho.co.th](http://www.cho.co.th) from October 11<sup>th</sup>, 2017 to December 29<sup>th</sup>, 2017, 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 retired director can be re-electing to replace director again. The Board of Directors is agreed purposing the AGM to approve the re-election to replace those retirements by rotation as follows:

- |                                     |                             |
|-------------------------------------|-----------------------------|
| 1. Mr. Suradech Taweesaengsakulthai | be elected for another term |
| 2. Mr. Anusorn Tamajai              | be elected for another term |

The details of age, year of director, proportion of shares, graduation, experience and work at other company as director or management, the number of attending of the BOD as the 5 enclosure and definition of independent director according to Capital Market Commission act as the 6 enclosure.

Opinion of the Board:

The Board of Directors not included the related director, comments the retired 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. Mr. Suradech Taweesaengsakulthai | Board of Director, Secretary of Board of Director, Executive Committee Chairman, President and Chief Executive Officer |
| 2. Mr. Anusorn Tamajai              | Independent Director and Chairman of Audit 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 7 Consideration to approve of the remuneration of Directors for the year 2018.**

Facts and reasons:

According to the meeting resolutions of the Corporate Governance, Risk Management, Nomination and Remuneration Committee, No. 1/2018, held on January 18<sup>th</sup>, 2018. The company's Board of Directors reached a consensus on proposing the meeting to consider approving the 2018 remuneration to the company's directors, members of the Audit Committee and Corporate Governance, Risk Management, Nomination and Remuneration Committee for the appropriate roles and responsibilities, as the same rate as year 2017. 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 2018 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 2016 and 2017, the total amount of not exceeding 1,700,000 baht per year, and annually remuneration (bonus) for the Board of Directors amount of not exceeding 4,000,000 bath (in case of the overall performance reported profit). The remuneration allocation for the committee will be authorized by the chairman as appropriate. Details as per the 7 enclosure.

Condition of Resolution:

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

**Agenda 8 Consideration to approve appointments of auditors and set auditor fees for the year 2018.**

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 of 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 2018 audit fees of not exceeding 3,050,000 baht per year. Details as per the 8 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 9 Consideration to approve of the extension of the period for the allocation of the newly issued ordinary shares of the Company under the General Mandate basis as approved by the Extraordinary General Meeting of Shareholders No. 1/2018 on January 9, 2018.**

Facts and Reasons:

According to the Extraordinary General Meeting of Shareholders' No.1/2018 on January 9, 2018 approval of the allocation of the newly issued ordinary shares not exceed 354,882,531 shares at the par value of Baht 0.25 per share, which not exceeding 30 percent of the paid-up registered capital of the Company as at the date of the Board of Directors approving the increase of the registered capital under the General Mandate basis to be allocated to the existing shareholders (Rights Offering) and not exceed 118,294,177 shares, which not exceeding 10 percent of the paid-up registered capital of the Company as at the date of the Board of Directors approving the increase of the registered capital under the General Mandate basis to be allocated to Specific Investors under the Private Placement basis.

However, the period to complete the allocation of the newly issued ordinary shares of the Company under the General Mandate basis is about to end on the date which the Company holds the Annual General Meeting of Shareholders 2018, The Board considered and agreed to propose the agenda to the Annual General Meeting of Shareholders 2018 to approve of the extension of the period for the allocation of the newly issued ordinary shares of the Company under the General Mandate basis as approved by the Extraordinary General Meeting of Shareholders No. 1/2018 on January 9, 2018. Both the allocation conditions and the authorization are the same as approved by the Extraordinary General Meeting of Shareholders No. 1/2018 on January 9, 2018. The details are as follows

- (1) the allocation of the newly issued ordinary shares of not exceeding 354,882,531 shares at the par value of Baht 0.25 per share, equivalent to 30 percent of the paid-up capital of the Company to the existing shareholders (Rights Offering) and the allocation of the newly issued ordinary shares of not exceeding 118,294,177 shares, equivalent to 10 percent of the paid-up capital of the Company to the Specific Investor under the Private Placement basis under the General Mandate basis.

The Company may either entirely or partially allocates the newly issued ordinary shares, whether in single or sequential allocation. In any case, the aggregate number of newly issued ordinary shares to be allocated to the existing shareholders (Rights Offering) and to Specific Investors under the Private Placement basis under the General Mandate basis shall not exceed 354,882,531 shares or 30 percent of the paid-up registered capital of the Company as at the date the Board of Directors approving the increase of the registered capital under the General Mandate basis.

The Specific Investors under the Private Placement basis, who shall receive the allocation of the newly issued ordinary shares under the General Mandate

basis, must at least have one of the following qualifications and shall not be the related persons of the Company as specified in the Notification of the Capital Market Supervisory Board No. TorChor. 21/2551 Re: Rules on Connected Transactions and the Notification of the Board of Governors of the Stock Exchange of Thailand Re: Disclosure of Information and Other Acts of Listed Companies Concerning the Connected Transactions B.E. 2546:

- (a) being institutional investors in accordance with the definition prescribed in the Notification of the Securities and Exchange Commission No. KorChor. 17/2551 Re: Determination of Definitions in Notifications relating to Issuance and Offer for Sale of Securities; or
- (b) being individual investors or juristic persons that have a stable financial status and a potential to an actual investment as well as have knowledge, skills, experience or potential in a manner that benefits or supports the Company's operation.

The offering price of the newly issued ordinary shares to be allocated to the Specific Investors under the Private Placement basis under the General Mandate basis shall be "Market Price" which means the weighted average price of the Company's shares trading on the stock exchange of not fewer seven consecutive business days but not more than 15 consecutive business days prior to the date for determination of such the offering price. The weighted average price using in the calculation must be the daily average price for trading. In this regard, the date for determination of the offering price shall not be earlier than three business days prior to the first subscription date where the shares shall be offered to the investors. In the case that the Board of Directors of the Company deems that there is an appropriate cause by taking into account of the best interests of the Company, the Board of Directors may determine the offering price with a discount of not more than 10 percent of the market price, provided that the Board of Directors has taken into consideration of the market status at that time in determining such discount, pursuant to the Notification of the Capital Market Supervisory Board No. TorChor. 72/2558, Re: Approval of Offering for Sale of Newly-Issued Shares by Listed Companies to Specific Investors.

- (2) to approve the authorization to the Board of Directors to take any action relating to the allocation of the newly issued ordinary shares under the General Mandate basis as follows:
  - (1) to consider and determine details of the allocation of newly issued ordinary shares, such as, the offering price of newly issued ordinary shares, number of allocations the newly issued ordinary shares, whether single or sequential allocation, period of the offering, payment of share subscription price, name of specific investors under the Private Placement basis, other conditions and details in connection with the allocation of such newly issued ordinary shares;
  - (2) to enter into negotiation, agreement and execution of relevant documents and agreements, as well as taking any actions in connection with the allocation of such newly issued ordinary shares; and
  - (3) to execute applications for permission and waiver, and necessary evidence in connection with the allocation of such newly issued ordinary shares, including the arrangement and submission of applications for such permission or waiver, documents and evidence to the relevant authorities or agencies, listing of such newly issued ordinary shares on the Market for Alternative Investment (mai) and being empowered to take any other action which is required and appropriate for the allocation of such newly issued ordinary shares.



Opinion of the Board:

As the period to complete the allocation of the newly issued ordinary shares of the Company under the General Mandate basis is about to end on the date which the Company holds the Annual General Meeting of Shareholders 2018. The Board considered and agreed to propose the agenda to the Annual General Meeting of Shareholders 2018 to approve of the extension of the period for the allocation of the newly issued ordinary shares of the Company under the General Mandate basis as approved by the Extraordinary General Meeting of Shareholders No. 1/2018 on January 9, 2018. Both the allocation conditions and the authorization are the same as approved by the Extraordinary General Meeting of Shareholders No. 1/2018 on January 9, 2018.

Resolution:

A resolution under this agenda item must 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 10 Consideration of other matters (if any)**

Opinion of the Board:

The Company didn't have any other matters to consider, and announced a shareholders' invitation to propose items for the AGM agenda at company website at [www.cho.co.th](http://www.cho.co.th) from October 11<sup>th</sup>, 2017 to December 29<sup>th</sup>, 2017, 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 2018 AGM (Record date) on March 12<sup>th</sup>, 2018.

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 registration documents as per the 15 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 12 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 of the independent directors according to the 11 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 4304 3899, 0 2973 4385 or e-mail address: [yinghathai@cho.co.th](mailto:yinghathai@cho.co.th) 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 the proxy statement by mail to the Company address (inquire additional information to Ms. Yinghathai Ponphangnga, Tel. 0 4304 3880-90 Ext. 1112, 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 [yinghathai@cho.co.th](mailto:yinghathai@cho.co.th) or Tel. at 0 4304 3880-90 Ext. 1112 or Fax. 0 4304 3899 or 0 2973 4385, please provide your contact name and address, the Company would collect the queries for explanation in 2018 AGM. 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,

A handwritten signature in blue ink, appearing to read 'Phenphimol Vejvarut'.

(Ms. Phenphimol Vejvarut)  
Chairman  
Cho Thavee Public Company Limited

Remarks

1. The Company has posted this Invitation to Attend the Annual General Meeting of Shareholders for the year 2018, including all attachments and proxy forms on the Company's website ([www.cho.co.th](http://www.cho.co.th)).
2. The 2017 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 13 enclosure, and return it to Ms. Yinghathai Ponphangnga by Fax number 0 4304 3899 or 0 2973 4385 or e-mail address: [yinghathai@cho.co.th](mailto:yinghathai@cho.co.th) or mail to the address of the Company.