

# THAI GROUP HOLDINGS

SorGor. 30/2020

July 31, 2020

Subject: Invitation to the 2020 Annual General Meeting of Shareholders

To: Shareholders of Thai Group Holdings Public Company Limited

- Attachments:
1. The Company's Annual Report for 2019 (on QR Code format)
  2. Names and profiles of directors who are retired by rotation and nominated to be re-elected as directors for another term
  3. The Company's definition of independent director
  4. Information on directors' remuneration
  5. Names and profiles of auditors and audit fees for the Company and its subsidiaries
  6. Information of independent directors proposed as a proxy from shareholders
  7. Guidelines for registration, proxy, documents or evidence required for attending the shareholders' meeting, voting and vote counting
  8. Procedures for attending the 2020 Annual General Meeting of Shareholders
  9. The Company's Articles of Association relevant to the shareholders' meeting
  10. Map of the meeting venue
  11. Proxy Form B
  12. 2020 AGM registration form with a barcode and QR Code (to bring along for registration at the meeting)

The Board of Directors of Thai Group Holdings Public Company Limited ("the Company") has resolved in the meeting No. 7/2020 on June 25, 2020 to convene the 2020 Annual General Meeting of Shareholders on Thursday, September 3, 2020 at 14.00 hrs. at the meeting room, 13<sup>th</sup> floor Southeast Building, 315 Silom Road, Silom, Bangrak, Bangkok 10500 to consider the agendas as follows:

In order to define the agenda for the 2020 Annual General Meeting of Shareholders, the Company disclosed an announcement on its website to invite the shareholders to propose meeting agenda items in advance during October 1, 2019 to December 30, 2019. At the end of the period, no agenda items had been proposed, therefore, the Company would like to announce the meeting agendas approved by the Board of Directors as follows:

- Agenda No. 1** To acknowledge the report on Company's operating results for the year 2019.
- Purpose and Reason:** Article 36 (1) of the Company's Articles of Association stipulates that the Annual General Meeting of Shareholders shall consider the report of the Board of Directors regarding the Company's business in the previous year. The details have disclosed in the 2019 Annual Report as appeared in the Attachment 1.

Opinion of the Board: The Board of Directors proposed that the Shareholders' meeting should acknowledge the Company's operating results for the year 2019.

Voting Requirement: This agenda is for acknowledgement; therefore, there is no requirement for voting.

Agenda No. 2 To acknowledge the operational plan from the company being listed on the Stock Exchange of Thailand, Subject: Eliminating conflicts of interest with Indara Insurance Public Company Limited ("INSURE")

Purpose and Reason: As the company has to follow the operation plan after the company is listed on the Stock Exchange of Thailand Regarding the elimination of conflicts of interest with the company Indara Insurance Public Company Limited ("INSURE")

Opinion of the Board: The Board of Directors proposed that the shareholders' meeting should acknowledge the operational plan from the company being listed on the Stock Exchange of Thailand, Subject: Eliminating conflicts of interest with Indara Insurance Public Company Limited ("INSURE").

Voting Requirement: This agenda is for acknowledgement; therefore, there is no requirement for voting.

Agenda No. 3 To consider and approve the financial statements for the year ended December 31, 2019.

Purpose and Reason: Article 36 (2) of the Company's Articles of Association stipulates that the Annual General Meeting of Shareholders shall consider and approve the financial statements.

Opinion of the Board: The Board of Directors proposed that the Shareholders' meeting should approve the Company's financial statements for the year ended December 31, 2019, which are included in the Company's 2019 annual report. The Company's financial statements which was duly audited by the Company's auditor from KPMG Phoomchai Audit Ltd. and reviewed by the Company's Audit Committee can be summarized as follows:

	<u>Company Financial</u>	<u>Consolidated Financial</u>
	<u>Statements</u>	<u>Statements</u>
Total assets	9,254,812,079 Baht	90,992,672,836 Baht
Total liabilities	6,046,959,100 Baht	75,761,369,025 Baht
Total revenue	248,240,346 Baht	23,740,126,279 Baht
Net profit*	65,452,783 Baht	304,917,794 Baht
Earnings per share	0.20 Baht	0.41 Baht

*\*Attributable to the Company's shareholders*

Voting Requirement: The resolution of this agenda requires the majority votes of shareholders who attend the meeting and cast their votes.

Agenda No. 4 To consider and approve the allocation of profit and no dividend payment for the year 2019.

Purpose and Reason: Article 36 (3) of the Company's Articles of Association stipulates that the Annual General Meeting of Shareholders shall consider and allocate profit. Article 48 of the Company's Articles of Association stipulates that the Company must allocate, as the reserve, not less than 5% of the annual net profit less accumulated deficit (if any) until the reserve is not less than 10% of the registered capital.

Opinion of the Board: The Board of Directors proposed that the Shareholders' meeting should approve the allocation of profit and no dividend payment for the year 2019.

For the year ended 31 December 2019, the company has net profit of 65,452,783 Baht, as presented in the Company's financial report for the year 2019, as proposed to the meeting for acknowledgment. In this regard, the Company has allocated legal reserve as a percentage of 5 of the net profit 3,272,639 Baht. In addition, the company has a plan to expand the business for the group company thus has to reserve funds to support the business expansion for the subsidiaries and also for the company business expansion to create sustainable growth for the Group. Therefore, no dividend payment for the year 2019.

Voting Requirement: The resolution of this agenda requires the majority votes of shareholders who attend the meeting and cast their votes.

Agenda No. 5 To consider and approve an election of directors in replacement of those who are retired by rotation.

Purpose and Reason: Article 36 (4) of the Company's Articles of Association stipulates that the Annual General Meeting of Shareholders shall elect the directors replacing those retired by rotation while Article 18 of the Company's Articles of Association stipulates that at every Annual Ordinary Shareholders' Meeting, there will be at least one-third of the said rate of directors to be retired from the positions. If the number of directors cannot be divided into three equal parts, a number of directors closest to one-third will retire from their posts. The directors, who shall retire from the posts in the first year and the second year after registration of the Company, can be made by lot. As for the year after that the directors, who have been in the office for the longest period of time, are to retire from the posts. Retired directors may be re-elected to the posts. This is in accordance with the Public Limited Company Act B.E. 2535 (1992).

Opinion of the Board: At present, the Company has twelve directors. In the 2020 Annual General Meeting of Shareholders, four directors, who shall be retired by rotation, are as follows:

- |                   |               |                      |
|-------------------|---------------|----------------------|
| 1. Mrs. Kulpatra  | Sirodom       | Independent Director |
| 2. Pol. Gen. Jate | Mongkolhutthi | Independent Director |
| 3. Mr. Chotiphat  | Bijananda     | Executive Director   |
| 4. Mrs. Atinant   | Bijananda     | Executive Director   |

The Company has disclosed on the Company's website to invite the shareholders to propose the names of qualified persons to be elected as directors during October 1, 2019 to December 30, 2019. At the end of the period, there was no director nominee from any shareholder.

The Board of Directors, excluding the directors who have interest in this matter, has agreed with the suggestion of the Nomination and Remuneration Committee, which has carefully considered the qualifications beneficial to the Company's operation and the board skill matrix. The Nomination and Remuneration Committee is of the opinion that all retiring directors possess complete qualifications with no prohibited attribute as defined in the legal provisions currently applied for the Company. They have knowledge, competencies and experiences in the Company's related business operations; have performed their duties with accountability and integrity; and have contributed greatly to the operations of the Company throughout their term. The Nomination and Remuneration Committee has also considered and has not yet found any substitute. Thus, the shareholders' meeting should re-elect the retiring directors for another term. The details of directors' profile, number of shareholdings and positions held in other companies as appeared in the [Attachment 2](#).

Moreover, the Nomination and Remuneration Committee has considered and opined that Mrs. Kulpatra Sirodom and Pol.Gen. Jate Mongkolhutthi, the independent directors, have full qualifications in accordance with the definition of independent directors of the Company as required by the Office of the Securities and Exchange Commission. The said directors are able to provide the opinions independently. In this regard, the Company has enclosed the profile of the said directors as well as their shareholdings in the Company, their acting in the position of a director or an executive in other businesses including the definition of the independent director.

**Voting Requirement:**

The resolution of this agenda requires the majority votes of shareholders who attend the meeting and cast their votes.

**Agenda No. 6**

To consider and approve the directors' remuneration for the years 2020.

**Purpose and Reason:**

Article 22 of the Company's Articles of Association stipulates that the Board of Directors is entitled to receive remuneration from the Company in the form of rewards, meeting allowances, gratuities, bonuses or other forms of remuneration and Article 36(5) of the

Company's Articles of Association stipulates that pension and remuneration shall be awarded to the directors depending on resolution of the shareholders' meeting.

Opinion of the Board: The shareholders' meeting should approve the directors' remuneration as proposed by the Nomination and Remuneration Committee, which has thoroughly considered various factors and comparison of directors' remuneration of other Company with equivalent business size and structure. Additionally, the Committee has considered that the rates and components of directors' remuneration should reflect the value of knowledge and competency of the directors, which help the Company Subsidiaries to achieve a sustainable business operation. Thus, the Board of Directors proposes to the shareholders should approve the remuneration for directors for the year 2020 (excluding directors' bonus) in the total of not exceeding 8 million Baht. The details of the directors' remuneration as appear in the Attachment 4.

Voting Requirement: The resolution of this agenda requires the votes of not less than two-thirds (2/3) of the total votes of shareholders who attend the meeting.

Agenda No. 7 To consider and appoint auditors and fix their remuneration for the year 2020.

Purpose and Reason: Article 36 (6) of the Company's Articles of Association specifies that the Annual General Meeting of Shareholders shall annually appoint the company auditor and fix the auditors remuneration. As stipulated by the shareholders' meeting Article 42 of the Company's Articles of Association, the Board of Directors has to propose balance sheet and profit and loss statements at the end of the fiscal year to the Shareholders' meeting at the annual general meeting for approval.

Opinion of the Board: The Board of Directors proposed that the Shareholders' meeting should approve the appointment of company's auditor as recommended by the Company Audit Committee. Mr. Chokechai Ngamwuitikul, CPA License no. 9728, or Mr. Chanchai Sakulkoedsin, CPA License no. 6827, or Miss Pantip Gulsantithamrong, CPA License no.4208 from KPMG Phoomchai Audit Ltd. are to be proposed as the Company's auditor for the year 2020 and to fix auditors' remuneration for the year 2020 at 3,520,000 Baht which increases 21% from the previous year of 2,905,000 Baht. The Board of Directors and the Audit Committee are of the opinion that such remuneration rate is appropriate to the Company's businesses and the incremental number of transactions.

The proposed auditors from KPMG are the approved auditors from the Securities and Exchange Commission and are the auditor who has audited Southeast Group for many years, independent, have knowledge and understanding of the business of the group company, have no conflict of interest with the Company, subsidiaries, the executives, major shareholders or any related person of those persons and provide useful advice

by having the audit work in accordance with the auditing standards and able to perform tasks within the time frame specified by the company.

Voting Requirement:

The resolution of this agenda requires the majority votes of shareholders who attend the meeting and cast their votes.

Agenda No. 8

To consider and approve the Capital decrease of the registered capital of the company and amendment of the memorandum of the Company's Article 4. Subject registered capital in order to be in line with the company's capital decrease.

Purpose and Reason:

According to the Public Company Limited Act B.E. 2535 (1992), the company is able to increase its capital from the registered capital when all shares have been sold and all shares have been paid.

Opinion of the Board:

At present the company have registered capital 7,536,401,860 Baht and paid-up capital in the amount of 7,520,978,320 Baht, so if there is a need to increase capital the company therefore has to decrease the registered capital in the amount of 15,423,540 Baht by eliminating 1,542,354 ordinary shares which have not been sold, with a par value of 10 Baht per share, to have the remaining par value. 7,520,978,320 Baht before the capital increase which has the following details:

	Share(s)	Baht
<b>Present</b>		
Registered capital	753,640,186	7,536,401,860
Paid-up capital	752,097,832	7,520,978,320
Reduction of the registered capital	1,542,354	15,423,540
<b>After Reduction of the registered capital</b>		
Registered capital	752,097,832	7,520,978,320
Paid-up capital	752,097,832	7,520,978,320

And authorize the Board of Directors or the Board of Directors or the authorized director acting on behalf of the company has the power to take any action as necessary and in relation to the Capital decrease of the registered capital and the amendment of the memorandum of association of the company 4. Registered capital.

Voting Requirement:

The resolution of this agenda requires the votes of not less than three-fourths (3/4) of the total votes of shareholders who attend the meeting and have the right to vote.

Agenda No. 9

To consider and approve the increase capital of the registered capital of the company and amendment of the memorandum of the Company's Article 4. Subject registered capital in order to be in line with the company's capital increase.

Purpose and Reason: Currently, the Company has a shareholding ratio of minor shareholders approximately 7.35 percent of the paid-up capital of the company in accordance with the status of being a listed company in the stock market. Must have a shareholding proportion of minor shareholders not less than 15.00 % ("Free Float") in order to comply with the distribution of shares in the proportion of 15% can be done by

- 1) The sale of existing shares of major shareholders
- 2) Increasing the registered capital of the company by selling to investors in general

At present, the management has considered both guidelines in order to enable the company to comply with the criteria for maintaining the status as set by the Stock Exchange of Thailand. It also increases the flexibility in management if the company needs to use additional funds to expand and support the business in the future.

Opinion of the Board: The shareholders' meeting should approve the increase of the company's registered capital by general mandate and the amendment of Article 4 of the Memorandum of Association of the Company to comply with the increase of the registered capital of the company to be in line with the increase of the company's registered capital of 4,512,586,980 Baht from the original registered capital of 7,520,978,320 Baht is a new registered capital in the amount of 12,033,565,300 Baht by issuing 451,258,698 new ordinary shares with a par value of 10 Baht per share and amendment of the company's memorandum of association no. 4 regarding registered capital to be in line with the capital increase of the company by allocating the additional ordinary shares of the company under general mandate as follows:

**Method 1:** Allocation of not more than 225,629,349 new ordinary shares, equal to 30 % of the paid-up capital for sale to existing shareholders in proportion to their shareholding.

**Method 2:** Allocation of not more than 150,419,566 new ordinary shares, equal to 20 % of the paid-up capital for sale to the general public.

**Method 3:** Allocation of not more than 75,209,783 new ordinary shares, equivalent to 10 % of the paid-up capital and for offering to private placement.

And authorize the Board of Directors to take any action as necessary and in relation to the increase of the registered capital and the amendment of the company's memorandum of association, Clause 4. Subject, as follows:

1. Has the power to consider the offering of newly issued ordinary shares at one time or many times. However, the allocation of the newly issued ordinary shares under Method 1, Method 2 and Method 3 as mentioned above by any method or many ways the additional paid up capital will not be more than 30 % of the paid up capital

or 225,629,349 shares as of the date the board of directors resolves to increase the capital. However, if allocated according to method 2 and method 3, the additional paid up capital will not exceed 20 % of the paid-up capital or 150,419,566 shares as of the date the board of directors resolves to increase the capital.

2. Has the power to specify the objectives, number of days and times of offering, offering price, including details and conditions related to the allocation of newly issued ordinary shares. The allocation of the newly issued ordinary shares under methods 2 and 3 above must not be allotted to the connected persons. (According to the Notification of the Capital Market Supervisory Board No. ThorChor. 21/2551 regarding the criteria for making connected transactions and the announcement of the Stock Exchange of Thailand regarding the disclosure of information and the operations of listed companies in related transactions 2546 (2003)). In relation to the offering of shares to private placement and must not be a low-price public offering (according to the SEC announcement regarding permission and permission to offer shares to the public) or to the specific investors and in determining the offering price of newly issued shares to the specific investors must be in order to maintain the best interests of the company and the shareholders as a whole and must not be lower than one of the following prices.

(A) Weighted average price of shares in the Stock Exchange Not less than 7 consecutive business days but not more than 15 consecutive business days prior to the date on which the share offering price is determined and may set a discount of not more than 10 % of the said price or

(B) The specified price through a process that allows investors to show their intention to buy the newly issued shares of the company at the desired price level (Book Building) which has been surveyed by securities companies (in accordance with the rules prescribed in the notification of the Capital Market Supervisory Board No. ThorChor. 72/2558 regarding the approval of listed companies to offer newly issued shares to specific investors).

3. Has the power to negotiate, agree, sign documents and related agreements and undertake any other actions necessary and appropriate in connection with the issuance and offering of the newly issued ordinary shares.

In this regard, the aforementioned allocation of capital increase shares must be completed within the day that the Company arranges the next annual general meeting of the company or within the date specified by law to have the next annual general meeting of shareholders whichever comes first.

Voting Requirement: The resolution of this agenda requires the votes of not less than three-fourths (3/4) of the total votes of shareholders who attend the meeting and have the right to vote.



Agenda No. 10

To consider other matters (if any)

The Company has fixed the record date for the list of shareholders who are entitled to attend the 2020 Annual General Meeting of Shareholders on Monday, July 13, 2020. All shareholders are invited to attend the meeting on the date, time and place indicated above. For shareholders who would like to appoint anyone or the Company's independent director of which name and details shown in the attachment 6 to attend the meeting and vote in their place, please fill in the proxy form attached herewith (Attachment 11) and deliver the said proxy form and the supporting documents to the Company by the following methods:

1. Deliver the proxy form including the supporting documents to the Company via mail by specifying on the envelope "The proxy form of the 2020 AGM" within Friday, August 28, 2020 to the name and address as below:

Corporate Secretary Department  
Thai Group Holdings Public Company Limited  
6<sup>th</sup> floor Southeast Building, 315 Silom Road, Silom, Bangrak, Bangkok 10500  
  
(The proxy form of the 2020 AGM)

2. For proxies attending the meeting, please bring the proxy form including the supporting documents to the registration officer in front of the meeting room.

Those shareholders, who would like to appoint a general proxy, can use proxy form A, which has been posted on the Company's website <http://www.segroup.co.th/TGH/index.php> and the shareholders can view the notice of this meeting and supporting documents on the Company's website from July 31, 2020 onwards. For any questions on the meeting agendas, you can send your questions in advance to the Company via e-mail address: [comsec@segroup.co.th](mailto:comsec@segroup.co.th) or by sending to the Company's address as stated in the above within Friday, August 28, 2020.

Please be informed accordingly.

Yours sincerely,



(Mr. Chotiphat Bijananda)

Chief Executive Officer

By the Resolutions of the Board of Directors

Corporate Secretary Department

Telephone 0 2631 1311 Ext. 5550