



Srisawad Corporation Public Company Limited

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25 March 2019

Subject : Invitation to attend Annual General Meeting of Shareholders for the year 2019

To : Shareholders of Srisawad Corporation Public Company Limited

Enclosures

1. Copy of minutes of Extraordinary General Meeting of Shareholders No. 2/2018
2. Registration For, and Annual report of the year 2018 in QR Code
3. Capital Increase Report Form F 53-4
4. Profiles of Nominees proposed for appointment as Directors
5. Details of Issuance Debentures
6. The Company's Articles of Association in regards to Shareholders' meeting and Shareholder voting
7. Proxy form type B
8. Profile of the Company's Independent Directors to be appointed as proxy holders
9. Guidelines for meeting registration, required documents, and meeting procedures
10. Location map of the venue for Annual General Meeting of Shareholders

Whereby the Board of Directors of Srisawad Corporation Public Company Limited (the "Company") resolved to call for Annual General Meeting of Shareholders for the year 2019 (the "Meeting") to be held on 24 April 2019 at 1.30 p.m. at Ballroom 1, 3<sup>rd</sup> Floor, The Emerald Bangkok Hotel, 99/1 Ratchadapisek Rd., Din Daeng, Bangkok 10400; the Meeting will be to consider the following matters:

**Agenda 1** To consider for approval the minutes of the Extraordinary General Meeting of Shareholders No. 2/2018

Rationale The Extraordinary General Meeting of Shareholders No. 2/2018 was held on November 16<sup>th</sup>, 2018, and the minutes have been properly prepared and submitted to the Ministry of Commerce within the time limit specified by law. Copy of the minutes has been attached as Enclosure 1.

Board's opinion The Board has deemed appropriate for the Meeting to consider the minutes of the Extraordinary General Meeting of Shareholders No. 2/2018 for approval.

**Required Votes:** Majority Votes of the shareholders who attend the meeting and cast their votes.

**Agenda 2** To acknowledge the performance result of the year 2018

Rationale The operating results of the year 2018 seen in the annual report 2018 which attached with the invitation letter as Enclosure 2



(Unit : Million Baht)	2017	2018	Growth
Income from Hire Purchase and Loans	4,943.55	5,796.51	17.25%
Other Income	2,055.14	2,084.81	1.44%
Operating Expenses	3,059.62	3,434.52	12.25%
Cost of Funding	608.44	720.93	18.49%
Net Profit	2,715.15	3,000.89	10.52%
Hire Purchase and Loans Receivables	22,148.95	29,433.00	32.89%
Total Assets	33,376.88	39,217.13	17.50%
Total Liabilities	22,202.33	25,588.93	15.25%
Equity	9,426.83	11,862.86	25.84%
Branches	2,490	2,870	15.26%

Board's opinion The Board has deemed appropriate for the Meeting to acknowledge the performance of the year 2018

**Agenda 3** To consider for approval the financial statements of the Company for the year 2018 ended 31 December 2018

Rationale The financial statements for the year 2018 ended 31 December 2018 have been audited by the certified public accountant, and have reviewed by the Audit Committee. The auditor opined that the Company's financial statements present fairly in all material respects.

Board's opinion The Board of Directors has deemed appropriate for the Meeting to consider the approval of financial statements for the year 2018 ended 31 December 2018.

**Required Votes:** Majority Votes of the shareholders who attend the meeting and cast their votes.

**Agenda 4** To consider for approval the appropriation of 2018 net profit and dividend payment

Rationale According to Section 116 of the Public Company Limited Act B.E. 2535 and Article 29 of the Company's Articles of Association, the Meeting shall allocate not less than five percent of annual net profit to a reserve fund until this fund attains an amount not less than ten percent of the registered capital. From separated financial statement of 2018, the Company had net profit of Baht 339.69 million then the allocation of net profit shall be:

1. To appropriate as legal reserve an amount of Baht 11,975,851, making the legal reserve reached ten percent of registered capital. (Registered capital is Baht 1,249.71 million)



2. To appropriate to pay for dividend for performance of 2018 to shareholders amounted Baht 134.9 million or Baht 0.112 per share, shall be paid in cash and stock dividend as follows:

- Dividend payment in cash by Baht 0.012 per share totaled Baht 14,457,260.
- Stock dividend payment totaled 120,477,158 ordinary shares at par value of Baht 1, allocated to existing shareholders by 10 share received 1 stock dividend total amounted Baht 120,477,158, calculated to Baht 0.10 per share. In case of any fraction from calculation, the Company will pay dividend by cash instead at Baht 0.10 per share.

The Company has a policy to offer dividend payout ratio at not below 40% of the after tax and after legal reserve net profit, based on the separated financial statement. According to expand the Company's business, the Company need to reserve cash for business expansion, therefore the Company proposed to pay stock dividend.

Board's opinion The Board of Directors deems appropriate for the Meeting to consider the appropriation of 2017 net profit to legal reserve and dividend payment by cash and stock. Determined to establish the list of shareholders who are entitled to receive dividend on May 7, 2019. Dividend payment date is May 22, 2019

**Required Votes:** Majority Votes of the shareholders who attend the meeting and cast their votes.

**Agenda 5** To consider for approval the increase of registered capital from Baht 1,249,710,379 to Baht 1,374,661,443 and the allotment of new shares.

Rationale The Board proposed the increasing of registered capital from Baht 1,249,710,379 to Baht 1,374,661,443 by issuing 124,951,064 ordinary shares at par value of Baht 1 (one Baht) and the allotment of new shares shall be:

1. Allocate 120,477,158 ordinary shares at par value of Baht 1 for stock dividend.
2. Allocate 4,473,906 ordinary shares at par value of Baht 1 reserving for adjusted exercising ratio of Warrant No. 1 (SAWAD-W1).

The details of the capital increase has been attached as Enclosure 3.

Board's opinion The Board of Directors deems appropriate for the Meeting to consider the increasing of registered capital from Baht 1,249,710,379 to Baht 1,374,661,443 by issuing 124,951,064 ordinary shares and allotment of new shares.

**Required Votes:** Not less than three-fourth of total votes of the shareholders who attend the meeting and cast their votes.



**Agenda 6 To consider for approval the amendment of Memorandum of Association Clause 4 in compliance with the increase of registered capital**

Rationale The Board proposed the amendment of Memorandum of Association Clause 4 in compliance with the increase of registered capital as follows:

Clause 4: Registered Capital	1,374,661,443	Baht
Divided into	1,374,661,443	shares
Par Value	1.00	Baht
Divided into		
Ordinary share	1,374,661,443	shares
Preferred share	--	shares

In this regard, 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 alter or add other related wordings as instructed by the registrar.

Board's opinion The Board of Directors deems appropriate for the Meeting to consider the amendment of Memorandum of Association Clause 4 in compliance with the increase of the registered capital.

**Required Votes:** Not less than three-fourth of total votes of the shareholders who attend the meeting and cast their votes.

**Agenda 7 To consider for approval the re-appointment of directors who retired by rotation**

Rationale According to Section 70,71 of the Public Company Limited Act B.E. 2535 and Article 14 of the Company's Articles of Association, in annual meeting, one-third of the directors shall vacate and the directors who retired can be re-elected. The directors who retired this year are as follows:

1. Mr. Vinai Vittavasgarnevej
2. Mr. Sumate Maneewattana
3. Mr. Veera Veerakool
4. Mr. Prayong Saennual

The Company had announced on its website and provided the opportunity for shareholders to nominate candidate with required qualifications to be elected as directors. However, there was no nomination for Director candidate. Upon considering the qualification and experiences of the Directors who retired by rotation, The Nomination and Remuneration Committee is proposing to re-appoint those individuals who retired by rotation for one more term. The profiles of the candidates are stated in Enclosure 4.



Board's opinion The Board of Directors deems appropriate for the Meeting to consider the re-appointment of the directors who retired by rotation.

**Required Votes:** Majority Votes of the shareholders who attend the meeting and cast their votes.

**Agenda 8 To consider for approval the director remuneration for the year 2019**

Rationale According to Article 15 of the Company's Articles of Association, directors are eligible for remuneration in forms of reward, meeting fee, pension, bonus or other remunerations according to the resolution of the Shareholders Meeting by not less than two-third of the shareholders presented at the meeting and entitled to vote. The Nomination and Remuneration Committee has considered the remuneration compare to other companies within the same industry of similar size. The details of proposed director remuneration as follows:

Remuneration	2018	2019
<b>Monthly Fee</b>		
Chairman	135,000	135,000
Vice Chairman	90,000	90,000
Director	65,000	65,000
Directors who act as management	None	None
<b>Sub-committee</b>		
Chairman of Audit Committee	25,000	25,000
Chairman of Nomination and Remuneration Committee	25,000	25,000
Chairman of Risk Management Committee	25,000	25,000
<b>Attendance Fee</b>	None	None
<b>Other remuneration</b>	None	None

At the same time, bonus payment for the Directors for the year 2019 shall be not more than 1 percent of the cash dividend paid to shareholders or 15 percent of stock dividend paid to shareholders. The bonus amount shall be not more than Baht 5,000,000, and will only be paid upon the payment of dividend to shareholders.

Board's opinion The Board of Directors deems appropriate for the Meeting to consider the director remuneration for the year 2019 and directors' bonus not more than one percent of cash dividend paid to shareholders or 15 percent of stock dividend paid to shareholders.

**Required Votes:** Not less than two-third of total Votes of the shareholders who attend the meeting and cast their votes.

**Agenda 9 To consider for approval the appointment of the Company's auditor and determination of audit fee for the year 2019**



Rationale According to Article 29 of the Company's Articles of Association, the Meeting shall consider to appoint auditor and determine the audit fee. The Audit Committee has evaluated the performance and independence of the current auditor, which has been the Company's auditor for the past seven years, and has determined that the auditor would still be able to maintain their independence. The Audit Committee therefore, proposed the auditors from PricewaterhouseCoopers ABAS Co., Ltd. for the Meeting's consideration as follows:

Mrs. Anothai	Leekijwattana	CPA No. 3442 and/or
Mr. Paiboon	Tankoon	CPA No. 4298 and/or
Ms. Sinsiri	Thangsombat	CPA No. 7352

The Audit Committee also proposed the Meeting to determine the audit fee for the financial statements of the Company and its' subsidiaries for the year 2019 amounting to Baht 6,262,500 or increased 7 percent from the year 2018 according to the increasing scale of business and its subsidiaries.

Board's opinion The Board of Directors deems appropriate for the Meeting to consider the appointment of auditor from PricewaterhouseCoopers ABAS Co., Ltd. with audit fee for the year 2019 amounting Baht 6,262,500.

**Required Votes:** Majority Votes of the shareholders who attend the meeting and cast their votes.

**Agenda 10 To consider for approval the issuance and offering of debentures**

Rationale The Board of Directors has evaluated plans to expand the Company's business in consideration of the sources of funds available to the Company. These include lines of credit from financial institutions, Bills of Exchange, and debentures. It has been noted that the majority of credit lines from financial institutions are limited credit lines with higher borrowing rates. In addition, even though Bills of Exchange have lower borrowing rates, they are also limited to short-term period. Therefore, the Company has issued long-term debentures as the alternative with both lower cost of fund and longer repayment period. At the end of the year 2018 the Company had outstanding balance of 8.94 billion Baht of debentures from the total approved 15 billion Baht amount. To support the Company's continuing expansion, the Company would like to request for an increase in the issuance and offering of debentures to 30 billion Baht which shall be revolving under 30 billion. The details of this debenture issuance and offering are included in Enclosure 5.

Board's opinion The Board of Directors deems appropriate for the Meeting to consider the issuance and offering of debentures for approval; whereby the debentures issued and offered cannot exceed 30 billion Baht at any point in time.

In any case, the Board of Directors would like to further propose that the Meeting consider for approval to empower the Board or the person(s) entrusted by the Board to establish or modify the



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terms and conditions of the debenture issuance and offering. This empowerment would also entail the Board or the appointed proceeding with necessary actions in regard to the debenture issuance and offering in order to complete the transactions, in accordance with laws and regulations; including appointment of the underwriter, entering into the underwriting and placement agreements, and preparation and submission of required documentation to the SEC, SET, other applicable government bodies, and/or any applicable individuals.

**Agenda 11 To consider other matters (if any)**

The established date for the Company to determine the name of shareholders entitled to attend the Annual General Meeting of Shareholders for the year 2019 is March 13, 2019.

The Company would like to invite all shareholders to attend the meeting on the date, time, and place as mentioned above. Shareholders shall register for the meeting at the location from 12.30 p.m. onward. Shareholders who are unable to attend the meeting but wish to grant proxy to an individual or to an audit committee member (profiles are included in Enclosure 8) to vote on their behalf, please kindly complete and sign a proxy form attached to this notice as well as providing supporting documents for registration.

The Company has announced this invitation notice to attend the Annual General Meeting of Shareholders for the year 2019, along with the Enclosure documents and proxy form, on the Company's website [www.meebaanmeerod.com](http://www.meebaanmeerod.com)

Yours sincerely,

(Mr. Sukont Kanjana-huttakit)

Chairman of the Board

Company Secretary

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