

TK.009/2563

March 5, 2020

Re: Invitation to Annual General Meeting (AGM) for the year 2020

Attn: All Shareholders

- Attachment:
1. Minute of AGM for the year 2019
  2. Annual Report 2019
  3. Clarification on the Attendance by Proxy Form at the Annual General meeting
  4. Proxy Form (An English versions) can be download from Thitikorn website:  
[http://tkw03.thespi.com/tkweb/tk/ir/en/shareholder\\_meeting.html](http://tkw03.thespi.com/tkweb/tk/ir/en/shareholder_meeting.html)
  5. Appendix for agenda 5
  6. Appendix for agenda 8
  7. Profiles of the Independent Directors who serves as proxy for Shareholders
  8. Documents required attending the meeting with supporting attendance right
  9. The Company rules and regulations related to shareholders meeting
  10. Map of meeting venue

According to Board of Directors meeting resolution the AGM for year 2020 was set on Thursday, April 23, 2020 at 14.00 hrs. at Meeting Room 5<sup>th</sup> floor SP Arcade, located on 69 Ramkhamhaeng road, Huamark, Bangkok, Bangkok to review all aspects according to the following agendas;

**Agenda 1: To certify the Minutes of the Annual General Meeting of Shareholders for the year 2019 dated April 25, 2019**

*Objective and Reason:* The Annual General Shareholders' Meeting for the year 2019 was held on April 25, 2019, of which the meeting minutes were prepared within 14 days after the AGM and submitted to the Stock Exchange of Thailand and the Ministry of Commerce according to the requirement of the laws as well as posted on the Company's website.

[http://tkw03.thespi.com/tkweb/tk/ir/report\\_meeting.html](http://tkw03.thespi.com/tkweb/tk/ir/report_meeting.html)

*Directors comment:* To approve the aforementioned meeting resolution.

**Agenda 2: To acknowledge and approve the company's annual report and the Company's operating results 2019**

*Objective and Reason:* The Company summarizes operating performance for year 2019, as shown in the 2019 Annual Report.

*Directors comment:* To approve the acknowledgement of annual report and directors report on the 2019 operating performance.

**Agenda 3: To verify and approve the audited balance sheet and profit and loss statements for the year ended December 31, 2019**

*Objective and Reason:* The Company's balance sheet and profit and loss statements for the year ended December 31, 2019 was reviewed and endorsed by the Company's Audit Committee and audited by the Company's auditor. The documents mentioned can be summarized as follows:

Consolidated	Year 2019	Year 2018
Total Assets	9,163.3 Million Baht	10,578.4 Million Baht
Total Liabilities	3,839.7 Million Baht	5,500.7 Million Baht
Total Revenues	3,719.1 Million Baht	3,871.8 Million Baht
Net Income	504.5 Million Baht	401.1 Million Baht
Earning per share	1.01 Baht per Share	0.81 Baht per Share

*Detail of above information are as shown in the Company's Annual Report for the year 2019 which is delivered to the Shareholders together with Invitation to Annual General Meeting.*

*Directors comment:* To approve the annual balance sheet and income statement ended December 31, 2019, reviewed by Board of Directors and audited by Auditor.

**Agenda 4: To consider and approve the distribution of dividends and appropriation of the profit for the operating results for the financial year 2019**

*Objective and Reason:* Thitikorn has fully set aside a legal reserve. The Company's net profit after tax (Consolidated FS) was 504.5 Million Baht and according to dividend policy of the Company, dividend payout should not exceed 60% of Company's net profit after tax (Consolidated FS).

*However, the right to receive the dividend is subject to shareholders' approval at AGM.*

The Company/Board of Directors proposed to pay dividend with respect to the operation from January 1, 2019 to December 31, 2019 at 0.55 Baht per share or 54.5% of Net profit totaling of 275.0 Million Baht.

The Record date for the right to attend the 2020 TK AGM and the right to receive the dividend will be March 12, 2020, the payment will be made on May 12, 2020. Dividend Payout Table for 2019 and 2018 are as follows:

Detail of Dividend Payment	Year 2019	Year 2018
1. Net Profit (Consolidate)	504.5 Million Baht	401.1 Million Baht
2. Number of Shares	500,000,000 shares	500,000,000 shares
3. Dividend per share	0.55 Baht	0.45 Baht
4. Total payment	275.0 Million Baht	225.0 Million Baht
5. Dividend Payout Ratio	54.5%	55.2%

*Directors comment:* Board of Directors has reviewed and would like to seek dividend payment approval from AGM for operating performance year 2019 to 500,000,000 shares of Thitikorn shareholders at 0.55 Baht per share, totaling of 275.0 Million Baht or 54.5% of net profit after tax (Consolidated FS) in accordance with the Company policy, the payment will be made on May 12, 2020.

**Agenda 5: To consider and approve the appointment of directors to replace those retired by rotation.**

*Objective and Reason:* According to the listed Companies Act and Article 18 of the Company's Articles of Association, one-third of the directors must retire from office at the Annual General Meeting of Shareholders. If the number of directors is not multiple of three, the number of directors closest to one-third vacate their offices which this year, there are 3 directors who will have to retire by rotation :

- |                               |   |
|-------------------------------|---|
| 1. Dr. Chumpol Phornprapha    | Chairman  |
| 2. Mr. Kanich Punyashthiti    | Independent Director/ Audit Committee and<br>President of Nomination and Remuneration Committee |
| 3. Mr. Satitphong Phornprapha | Director  |

The Company has announced on its website

[http://tkw03.thespi.com/tkweb/tk/ir/en/addperson\\_agenda.html](http://tkw03.thespi.com/tkweb/tk/ir/en/addperson_agenda.html)

and invited all shareholders to nominate the qualified person to be elected as TK director as well as to propose the meeting agenda on the Company. However, there was neither proposal of director nominee or meeting agenda submitted to the Company. The Nomination Committee has proposed to reelect 3 retiring directors who are suitable persons with qualifications to TK Board of Directors as follows:

- |                               |   |
|-------------------------------|---|
| 1. Dr. Chumpol Phornprapha    | Chairman  |
| 2. Mr. Kanich Punyashthiti    | Independent Director/ Audit Committee and<br>President of Nomination and Remuneration Committee |
| 3. Mr. Satitphong Phornprapha | Director  |

(Profiles of the Directors are shown in Attachment 5)

*Directors comment:* Individuals proposed were screened or consider carefully by the Board of Directors and were accepted as suitable persons for the company's business.

Board of Directors has considered that the proposed Independent Director has no constraints that would affect the performance of giving independent judgment and met with the related criteria.

Approved to propose to AGM for shareholders reappointment of 3 retired directors as proposed by Nomination and Remuneration Committee without any voting from the re-elected directors.

**Agenda 6: To consider and approve the remuneration of Board of Directors for the year 2020.**

*Objective and Reason:* Approve of directors remuneration for year 2020 as proposed by Nomination and Remuneration Committee with appropriateness and comparable to the industry benchmark as well as the business and profitable expansion of the Company, the Committee seek approval of budget no more than 3,000,000 Baht as follows;

Directors Remuneration	Year 2020 (Current Year)	Year 2019
Proposed Budget	3,000,000 Baht	3,000,000 Baht
1. Remuneration of Directors Attendance fee (as number of attended) - Director	40,000 Baht/Director/Time	40,000 Baht/Director/Time
2. Remuneration of Sub-committees : Attendance fee to be paid per each attendance (There are 2 Sub-committees as follows: Audit Committee and Nomination and Remuneration Committee)		
- Chairman of Sub-committee	45,000 Baht/Director/Time	45,000 Baht/Director/Time
- Director of Sub-committee	40,000 Baht/Director/Time	40,000 Baht/Director/Time
3. Other benefits	-None-	-None-

*Directors comment:* Based on the nomination and Remuneration Committee's opinion, the Board of Director agreed to propose to the shareholders to approve the determination of Directors' Remuneration for 2020 according to the Nomination and Remuneration Committee's proposal.

**Agenda 7: To consider and approve the appointment of auditors and their remuneration for year 2020**

*Objective and Reason:* Audit Committee has nominated 3 auditors according to their performance, independent, audit fee and proposed to Board of Directors for the approval consist of Mr. Akadet Pliensakul or Mr. Methee Ratanasrimetha or Mr. Pisit Chiwaruangroch from M.R. & Associates Co., Ltd. Which were the Company current auditor to be Auditor of the Company and its subsidiaries for 2020 and to seek an approval for the 2020 audit fee (current year) of 3,340,000 Baht which more than audit fee in 2019 of 3,240,000 Baht.

*Directors comment:* Audit committee and Board of Directors has reviewed and approved to propose for AGM review, M.R. & Associates Co., Ltd. has been nominated one of the following auditors to perform an audit and sign the audit report for Thitikorn and its subsidiaries for year 2020:

1. Mr. Akadet Pliensakul Auditor license no. 5389 or  
(Signer of the Company audited financial statement for a period of six fiscal years from 2014-2019)
2. Mr. Methee Ratanasrimetha Auditor license no. 3425 or  
(Signer of the Company audited financial statement for 2007 and for a period of five fiscal years from 2009-2013)
3. Mr. Pisit Chiwaruangroch Auditor license no. 2803  
(Has not sign the Company audited financial statement)

The proposed auditor is not related to the company or subsidiaries/ managements/ major shareholders or related person enable to perform an audit and express an audit opinion independently.

The Board of Directors, proposed by the Audit Committee, would like to seek an approval by AGM for 2020 audit fee (current year) of 3,340,000 Baht which more than audit fee in 2019 of 3,240,000 Baht for Thitikorn and its subsidiaries are as follows:

Auditor's remuneration	Year 2020 (Current Year)		Year 2019 (Paid)	
	M.R.& Associates Co., Ltd		M.R.& Associates Co., Ltd	
	Audit fee	Non-audit service fee	Audit fee	Non-audit service fee
Thitikorn Public Company Limited	1,550,000	-	1,470,000	-
Subsidiaries	1,790,000	-	1,770,000	-
<b>Total</b>	<b>3,340,000</b>	<b>-</b>	<b>3,240,000</b>	<b>-</b>

**Agenda 8: To consider to invest in a microfinance company in Myanmar**

Objective and Reason: The acquisition of MFIL allows the company to access to Myanmar market quicker and convenience. Myanmar population of 53 million has an average age of 28.2 years of age, which is considered a young and working age. In addition, the company would be benefited from the customer database, branch network connection and well relationship to Myanmar government officials at all levels. This also includes the understanding of local culture and traditions that would create more opportunities for future business expansion of the company covering the Motorcycle Hire Purchase business, in which the company can apply business expertise to increase its competitiveness in Myanmar.

MFIL is one of the famous microfinance companies in Myanmar with a management team that has many years of experience in microfinance business. In addition, MFIL is well recognized by government regulators. MFIL currently has branches in key States/Regions in Myanmar comprising of Yangon, Bago, Mon and will expand to Ayeyarwady and Mandalay in the near future. Therefore, this acquisition will allow TK to create new opportunities and establish its strong platform in attractive and growing market through the efficient company with a proper size scale.

The company expected that after the acquisition of MFIL, the company will promptly increase its earnings per share (EPS) and the return on equity (ROE). This also would cause an increase in the proportion of foreign portfolios of the company which forecasted at the end of 2020 from 26% to 33% approximately. This is consistent with the company's goal to have the foreign portfolio proportion of 50% as well as stepping up into a leading financial services company in ASEAN. Details of which are shown in (Appendix for agenda 8)

Directors comment : The Board of Directors has considered with the opinion that the investment in the ordinary shares in Myanmar Finance International Limited is appropriate and would benefit to the Company and the Company's shareholders since Myanmar Finance International Limited is one of the reputed microfinance companies in Myanmar which is the country with rapid economic growth and has a population of 53 million that is considered a young and working age.

MFIL is well recognized by government regulators and currently, MFIL has branches in key States/Regions in Myanmar comprising of Yangon, Bago, Mon and will expand to Ayeyarwady and

Mandalay in the near future. In addition, MFIL has a management team that has many years of experience in microfinance business.

The company would be benefited from the customer database, branch network connection and well relationship to Myanmar government officials at all levels. This also includes the understanding of local culture and traditions that would create more opportunities for future business expansion of the company.

Therefore, the acquisition of shares in MFIL not only promptly increases its earnings per share (EPS) and the return on equity (ROE) but also allows an increase in the proportion of foreign portfolios of the company rapidly which driving the company to achieve its goals as well as stepping up to be a leading financial service company in ASEAN region. Thus, the Board of Directors agreed to propose to the Shareholders General Meeting Year 2020 for considering to approve the said transaction.

**Agenda 9: To consider and approve other agendas (if any)**

*Directors comment:* The Board of Director has agreed to the above agendas, in case any shareholders would like to proposed other issues.

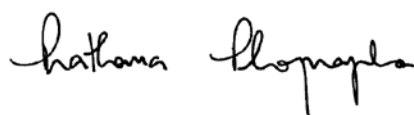
The Record date for the right to attend the 2020 TK AGM and the right to receive the dividend will be on March 12, 2020, However, the right to receive the dividend is subject to shareholders approval at AGM.

Therefore, Thitikorn would like to invite all shareholders to attend the AGM on the aforementioned date and if shareholder needs to transfer voting right by proxy, please complete the attached Proxy Form with signature and send back with a certify copy of Identification Card. If the transfer party is a legal entity, the copy of the Affidavit or Certificate of Incorporate with certified true and correct. For shareholders convenience and speedy process on the AGM please send all required documents to the Company by April 20, 2020 or present all required documents to the Company staffs prior to the AGM. The registration of the AGM will commence from 12:00 am.

In order for shareholders to make the best use of AGM and shareholders' rights please submit your questions in advance with regard to any agendas to the Company website [http://tkw03.thespi.com/tkweb/tk/ir/en/contact\\_ir.html](http://tkw03.thespi.com/tkweb/tk/ir/en/contact_ir.html) or by fax at 02-318-3339.

Please be informed accordingly.

Sincerely yours,



(Ms. Prathama Phornprapha)  
Managing Director