

March 20, 2018

Subject: Invitation to the 34<sup>th</sup> Annual General Meeting of Shareholders

To: Shareholders of Thai Poly Acrylic Public Company Limited

- Attachments:
1. Copy of the Minutes of the 33<sup>rd</sup> Annual General Meeting of Shareholders held on April 27, 2017
  2. Annual Report for 2017
  3. Profiles of directors who are retiring by rotation and proposed to be re-elected, including lists of interests/positions they hold in affiliated companies.
  4. Profiles of directors who are proposed to act as proxy for shareholders
  5. Definition of Independent Directors, which is in accordance with SET definition.
  6. Company's Articles of Association regarding the Shareholders' Meeting
  7. Proxy Form A and B as specified by the Department of Business Development, Ministry of Commerce
  8. Documents and evidence showing the right to attend the Annual General Meeting of Shareholders
  9. Map of the location of the meeting

The Board of Directors of Thai Poly Acrylic Public Company Limited has resolved to hold the 34<sup>th</sup> Annual General Meeting of Shareholders on April 27, 2018 at 10:00 a.m. at the Royal City Hotel, Bangkok Noi 1 Room, 3<sup>rd</sup> Floor, Borom Rajchonni Road, Bangbunru Sub-district, Bangplad District, Bangkok Metropolis, to consider the following items on the agenda:

**Agenda Item 1: To consider and approve the Minutes of the 33<sup>rd</sup> Annual General Meeting of Shareholders held on April 27, 2017**

The 33<sup>rd</sup> Annual General Meeting of Shareholders was held at the Royal City Hotel, Bangkok Noi 1 Room, 3<sup>rd</sup> Floor, Borom Rajchonni Road, Bangbunru Sub-district, Bangplad District, Bangkok Metropolis on April 27, 2017. The Minutes of the Meeting were prepared within 14 days following the day of the Annual General Meeting, and submitted to The Stock Exchange of Thailand and the Ministry of Commerce within the period required by law.

(Details as shown in copy of the Minutes of the Meeting as per attachment No.1)

**Opinion of the Board:** Resolved to propose, for consideration and approval by the Annual General Meeting of Shareholders, the Minutes of the 33<sup>rd</sup> Annual General Meeting of Shareholders held on April 27, 2017.

**Agenda Item 2:** **To report the Company's Business Performance for the year 2017**  
The Company has summarized its Business Performance for the year 2017.  
(Details as shown in Annual Report for 2017 as per attachment No. 2)

**Opinion of the Board:** Resolved to report the Company's Business Performance for the year 2017 to the Annual General Meeting of Shareholders.

**Agenda Item 3:** **To consider and approve the Financial Statements for the fiscal year ended December 31, 2017**  
The Financial Statements for the fiscal year ended December 31, 2017 consist of the statement of financial position and the statement of comprehensive income, which have been audited by a certified auditor, as shown in the Annual Report for 2017, and distributed to the shareholders together with this Notice of Shareholders' Meeting as per attachment No. 2.

**Opinion of the Board:** Resolved to propose, for consideration and approval by the Annual General Meeting of Shareholders, the Financial Statements for the fiscal year ended December 31, 2017.

**Agenda Item 4:** **To report the payment of the interim dividend made in 2017**  
The Company has made a payment of an interim dividend on 7 December 2017  
(Details as shown in Annual Report for 2017 as per attachment No. 2).

**Opinion of the Board:** Resolved to report the payment of the interim dividend to the Annual General Meeting of Shareholders.

**Agenda Item 5: To consider and approve the appropriation of profit and the payment of dividends for the year 2017**

The Company fully allocated the legal reserve of ten percent of the registered capital in accordance with Section 116 of the Public Limited Companies Act B.E. 2535. Therefore, the Company is not required to set aside additional legal reserve.

It is the Company's policy to distribute dividends at a rate as approved by the shareholders on a case-by-case basis.

The Company has considered final dividend payment and proposed that the final dividends for the year 2017 be paid at **Baht 0.30** per share, for the 121,500,000 shares, totaling **Baht 36,450,000**. This dividend proposal is in accordance with Company policy. The dividend for the year 2017 will be paid from retained earnings which are subject to corporate income tax of 20%. Individual shareholders shall be entitled to a tax credit in accordance with Section 47 bis of the Revenue Code. Details of dividend payment for the year 2017 can be summarized as follows:

Retained Earnings	Corporate Income Tax Rate	Amount (THB per Share)	Total (THB)
Year 2017	20%	0.50	60,750,000.00
<i>*Already paid as interim dividend in December 2017</i>			
Year 2017	20%	0.30	36,450,000.00
<i>*To be proposed for approval at the Annual General Meeting of Shareholders</i>			
<b>Total</b>		<b>0.80</b>	<b>97,200,000.00</b>

The Board has fixed the record date on May 11, 2018 for the right to receive dividend and will close the share register book for collecting shareholders names in accordance with Section 225 of the Securities and Exchange Act on May 14, 2018 and fixed the date of dividend payment on May 23, 2018.

(Details of dividend payment as shown in the Financial Statements as part of the Annual Report for 2017, as per attachment No. 2)

Below is the comparison with dividend payment of the previous year:

Dividend Distribution	2017(Final) (proposed)	2017 (Total)	2016 (previous year)
1. Net profit (Baht)	62,836,821	62,836,821	69,356,993
2. Number of shares (share)	121,500,000	121,500,000	121,500,000
3. Dividend per share (Baht/share)	0.30	0.80	0.50
4. Total paid dividends (Baht)	36,450,000	97,200,000	60,750,000
5. Dividend payout ratio (%)	58.01	154.69	87.59

**Opinion of the Board:** Resolved to propose, for consideration and approval by the Annual General Meeting of Shareholders, the appropriation of profit and the payment of final dividend for the year 2017 of **Baht 0.30** per share for 121,500,000 shares, totaling **Baht 36,450,000**. The dividend for the year 2017 will be paid from retained earnings which are subject to corporate income tax of 20%. Individual shareholders shall be entitled to a tax credit in accordance with Section 47 bis of the Revenue Code. Details of dividend payment for the year 2016 can be summarized as follows:

Retained Earnings	Corporate Income Tax Rate	Amount (THB per Share)	Total (THB)
Year 2017	20%	0.50	60,750,000.00
<i>*Already paid as interim dividend in December 2017</i>			
Year 2017	20%	0.30	36,450,000.00
<i>*To be proposed for approval at the Annual General Meeting of Shareholders</i>			
<b>Total</b>		<b>0.80</b>	<b>97,200,000.00</b>

And to fix the record date on May 11, 2018 for the right to receive dividend and to close the share register book for collecting shareholders names in accordance with Section 225 of the Securities and Exchange Act on May 14, 2018 and to fix the date of dividend payment on May 23, 2018.

**Agenda Item 6:** To consider and approve the appointment of the auditor and the auditor's remuneration for the year 2018

The Audit Committee has considered and selected EY Office Limited, the former auditor, as the Company's auditor for the year 2018 as EY Office Limited has professional standards, independence and has performed effectively with the Company's staff. EY Office Limited has assigned any one of the following persons to act as the Company's auditor:

1. Miss Supanee Triyanantakul Certified Public Accountant (Thailand) No. 4498, or
2. Mr. Preecha Arunnara Certified Public Accountant (Thailand) No. 5800, or
3. Miss Watoo Kayankannavee Certified Public Accountant (Thailand) No. 5423

Miss Watoo Kayankannavee, who has served as the Company's auditor for 3 years (since 2015), had been assigned to be in charge of the audit and to express an opinion on the Company's Financial Statements. In the event Miss Watoo Kayankannavee is unable to perform her duties, Miss Supanee Triyanantakul or Mr. Preecha Arunnara will perform the audit and express an opinion on the Company's Financial Statements in her place.

The auditor's remuneration for the year 2018 would be fixed at Baht 1,290,000 which remains unchanged from the year 2017. Out-of-pocket expenses such as travelling expenses, fax and photocopying charges will be charged to the Company at actual cost. None of other expenses will be additionally charged.

The auditors whose names are proposed have no relationship and/or interest with the Company/ the executives/ the major shareholders, or any of their related parties whatsoever.

**Opinion of the Board:** Resolved to propose, for consideration and approval by the Annual General Meeting of Shareholders, the appointment of any one of the following persons of EY Office Limited as the Company's auditor for the year 2018:

1. Miss Supanee Triyanantakul Certified Public Accountant (Thailand) No. 4498, or
2. Mr. Preecha Arunnara Certified Public Accountant (Thailand) No. 5800, or
3. Miss Watoo Kayankannavee Certified Public Accountant (Thailand) No. 5423

Miss Watoo Kayankannavee had been assigned to be in charge of the audit and to express an opinion on the Company's Financial Statements. In the event Miss Watoo Kayankannavee is unable to perform her duties, Miss Supanee Triyanantakul or Mr. Preecha Arunnara will perform the audit and express an opinion on the Company's Financial Statements in her place.

And resolved to propose, for consideration and approval by the Annual General Meeting of Shareholders, the auditor's remuneration for the year 2018 of Baht 1,290,000.

**Agenda Item 7:**

**To consider and elect directors in place of those who are retiring by rotation**

At the Annual General Meeting of Shareholders in 2018, one-third of directors must retire by rotation according to the Company's Articles of Association, Section 4 Article 22 reading as follows:

"At every Annual General Meeting of Shareholders, the directors shall retire from office at the rate of one-third. If the number of directors is not divisible by three, the number closest to one-third shall retire.

Directors to retire from office in the first year and second year after the registration of the Company are determined by a draw. For the following years, directors having been in office for the longest time shall be the persons to retire from office.

Directors who retire by rotation according to this Article may be re-elected."

The directors who retire by rotation at this Annual General Meeting of Shareholders are:

1. Mr. Jan Dam Pedersen Independent Director, a member of the Audit Committee
2. Mr. Hans Henrik Melchior Executive Director
3. Mr. Tamotsu Tamaki Non-Executive Director, a member of Nomination and Remuneration Committee

Mr. Hans Henrik Melchior had expressed his intention not to stand for re-election as Director with effect from 27 April 2018.

In order to comply with good corporate governance principles, the Company disclosed an announcement on the Company's website inviting the shareholders to nominate qualified persons to serve as the Company's directors from 13 December 2017 to 10 February 2018. However, there was no director candidate nominated by any shareholder.

The Board of Directors by suggestion of the Company's Nomination and Remuneration Committee has nominated and selected qualified candidates in accordance with the criteria and the nomination process disclosed in the Annual Report for 2017, under the section of Management, item No. 2 re: Directors and Management Selection and the section of Corporate Governance, item No. 5.3 re: Qualifications of Directors.

Based on the mentioned criteria and process as well as past performance as Director, the Board of Directors by suggestion of the Company's Nomination and Remuneration Committee found that Mr. Christian Moller Laursen who was nominated for consideration of appointment of a director of the Company was highly qualified, with experiences valuable to the Company's business operations as well as to the shareholders. Therefore, it would be appropriate to propose to the 34<sup>th</sup> Annual General Meeting of Shareholders to appoint Mr. Christian Moller Laursen as a director to replace Mr. Hans Henrik Melchior to be effective as of 27 April 2018.

The following directors were willing to accept re-election for another term:

1. Mr. Jan Dam Pedersen Independent Director, a member of the Audit Committee
2. Mr. Tamotsu Tamaki Non-Executive Director, a member of Nomination and Remuneration Committee

The Board of Directors by suggestion of the Company's Nomination and Remuneration Committee found that the above two directors were highly qualified, with experiences valuable to the Company's business operations as well as to the shareholders.

Therefore, it would be appropriate to propose to the 34<sup>th</sup> Annual General Meeting of Shareholders to re-elect the above three directors for another term.

Finally, Ms. Annie Sophia Veerman has resigned from directorship of the Company and Chairman of the Board. The Board elected Mr. Benjamin James Harris as a new Chairman of the Board to be effective as of 9 November 2017. Also, due to retirement of Mr. Hans Henrik Melchior, the Board proposed to appoint Mr. Tamotsu Tamaki as an Executive Director to be effective as of 27 April 2018. Therefore, it is appropriate to report to the 34<sup>th</sup> Annual General Meeting of Shareholders election of Mr. Benjamin James Harris as the Chairman of the Board and to propose to appoint Mr. Tamotsu Tamaki as an Executive Director of the Company.

The nominated Directors' interests/positions held in affiliated companies are stated in attachment 3.

**Opinion of the Board:** Resolved to propose for consideration and approval by the Annual General Meeting of Shareholders the followings:

1. Re-election of the following directors who are retiring by rotation for another term:
  1. Mr. Jan Dam Pedersen Independent Director, a member of the Audit Committee
  2. Mr. Tamotsu Tamaki Non-Executive Director, a member of Nomination and Remuneration Committee



2. Acknowledgement of resignation of Ms. Annie Sophia Veerman from the Chairman of the Board and election of Mr. Benjamin James Harris as the Chairman of the Board with effect on 9 November 2017.
3. Appointment of Mr. Tamotsu Tamaki as an Executive Director.
4. Acknowledgement of retirement by rotation and decision not to stand for re-election of Mr. Hans Henrik Melchior with effect on 27 April 2018.
5. Appointment of Mr. Christian Moller Laursen as a director replacing Mr. Hans Henrik Melchior with effect on 27 April 2018.

(Profiles of directors who are retiring by rotation and proposed to be re-elected and appointed are enclosed as attachment No. 3)

**Agenda Item 8:** To consider and approve the amendments of the names and number of Directors who are authorized to sign on behalf of the Company

In order to be consistent with the change of the Directors in agenda item 7 above, it was necessary for the Company to amend the names and number of Directors who are authorized to sign on behalf of the Company to read as follows:

“Mr. Benjamin James Harris, Mr. Suchitr Srivetbodee, Mr. Tamotsu Tamaki and Mr. Rakchai Sakulteera, any two of these four Directors can jointly sign together with the Company’s seal affixed.”

**Opinion of the Board:** Resolved to propose, for consideration and approval by the Annual General Meeting of Shareholders, the amendments of the name and number of Directors who are authorized to sign on behalf of the Company as mentioned above which will take effect from 27 April 2018.

**Agenda Item 9: To consider and approve the remuneration of Directors for the year 2018**

The Board of Directors by suggestion of the Nomination and Remuneration Committee has considered and found appropriate that the remuneration of Directors for the year 2018 be fixed at the rate as set forth in the table below. The proposed new remuneration of Independent Directors will be the same rate as the rate in 2017. The Meeting Allowances were proposed to increase in accordance with the table below.

Remuneration	2018	2017
1. Remuneration	(per person/ year)	(per person/ year)
- Independent Directors	Baht 437,000	Baht 437,000
2. Meeting Allowance	(per person/meeting)	(per person/meeting)
- Chairman of Sub-Committees	Baht 10,000	Baht 7,000
- Members of Audit Committees	Baht 8,000	Baht 6,000

*\* The Meeting Allowance for the Chairman of the Sub-Committees and the Independent Directors were not increased last year and were proposed to increase this year 30% and 33.33% from last year respectively.*

The Board of Directors has set the guidelines and procedures for the determination of remuneration as disclosed in the Annual Report for 2017, under the section of Management, item No. 3 re: Remuneration of Directors and Management and the section of Corporate Governance, item No. 5.8 re: Remuneration of Directors.

**Opinion of the Board:** Resolved to propose, for consideration and approval by the Annual General Meeting of Shareholders, that the remuneration of Directors for the year 2018 be fixed at the rate as set forth in the table above.

**Agenda Item 10: To consider and approve amendment of the Articles of Association of the Company.**

The Board has concluded the Company should amend some of its Articles of Association in order to provide the Company greater flexibility and to update them to conform with provisions of the Public Companies Act and relevant regulations, and business common practice. Therefore, and although there is no current intention to do so, the Articles of Association should be amended to allow the Company to buy-back shares. This is to conform with the Section 66/1 of the Public Companies Act. And the Articles of Association should be further amended to allow Board meetings to be held, in accordance with relevant regulations, via electronic devices in accordance with

recent Announcement of the National Council for Peace and Order No. 74/2557 regarding meeting via electronic media.

The proposed amendments of the Company's articles of association are therefore as follows:

**Former Article 10**

"The Company may not own its own shares or take them in pledge."

**New Article 10**

"The Company may not own its own shares or take them in pledge, *except for the following circumstances:*

- (1) The Company may buy back shares from the shareholders who voted against the resolution of the shareholders meeting to amend the Articles of Association of the Company in relation to the right to vote and the right to receive dividend, where the shareholders consider that they are not fairly treated; and
- (2) The Company may buy back shares for financial management purposes when the Company has retained earnings and surplus liquidity, and such shares buy back does not cause the Company to encounter financial problems.

The shares held by the Company as a result of the shares buy back shall not be counted in forming a quorum of a shareholders meeting, nor do they convey the right to vote and the right to receive dividend.

The Company shall sell the buy back shares in this case within the period of time as specified in the relevant Ministerial Regulations issued by virtue of the Public Companies Act. If the Company fails to sell such shares or is unable to sell all of such shares within the described time, the Company shall reduce the paid-up capital by way of canceling the registered shares so bought back and still unsold.

The shares buy back by the Company, the sale of buy-back shares and the cancellation of the buy back shares shall be in accordance with the rules and procedures prescribed by the relevant Ministerial Regulations and by relevant laws.”

**Former Article 31**

“At a meeting of the board of directors, no less than half of all directors must be present to constitute a quorum. In the event that the chairman of the board is not present at the meeting or is unable to perform the duty, the vice-chairman, if any, shall preside over the meeting; if there is no vice-chairman or the vice-chairman is unable to perform the duty, the directors present at the meeting shall elect one director to be the chairman of the meeting. The decision of the meeting shall be made by a majority of votes.

Each director shall have one vote, except that any director who has an interest in any matter shall not be entitled to vote on that matter. In case of a tied vote, the chairman of the meeting shall have an extra vote as the casting vote.”

**New Article 31**

“At a meeting of the board of directors, no less than half of all directors must be present to constitute a quorum. In the event that the chairman of the board is not present at the meeting or is unable to perform the duty, the vice-chairman, if any, shall preside over the meeting; if there is no vice-chairman or the vice-chairman is unable to perform the duty, the directors present at the meeting shall elect one director to be the chairman of the meeting. The decision of the meeting shall be made by a majority of votes.

Each director shall have one vote, except that any director who has an interest in any matter shall not be entitled to vote on that matter. In case of a tied vote, the chairman of the meeting shall have an extra vote as the casting vote.

In case where the board of directors considered that it is appropriate, the board of directors may hold a meeting via electronic devices provided that such conference complies with relevant laws and regulations.”

Agenda Item 11: Consideration of other business (if any)

Respectfully yours

(Mr. Suchitr Srivetbodee)

Managing Director

The Board of Directors has fixed the record date on March 14, 2018 for the right to attend the 34<sup>th</sup> Annual General Meeting of Shareholders and closed the share register book for collecting shareholders names in accordance with Section 225 of the Securities and Exchange Act on March 15, 2018 and fixed the record date on May 11, 2018 for the right to receive dividend and will close the share register book for collecting shareholders names in accordance with Section 225 of the Securities and Exchange Act on May 14, 2018 and fixed the date of dividend payment on May 23, 2018.

You are cordially invited to attend the Meeting on the specified date, time and place. Registration to attend the 34<sup>th</sup> Annual General Meeting of Shareholders will begin at 9:00 a.m. For shareholders who are not able to attend the Meeting and wish to appoint a proxy, please do so by submitting the enclosed Proxy form as per attachment No. 7.

Shareholders not able to attend the Meeting and wishing to appoint the Managing Director or Independent Directors of the Company as their proxy to cast votes on their behalf can consult the list of names and profiles of Directors, as shown in attachment No. 4, for their consideration.