



บริษัท เสริมสุข จำกัด (มหาชน)

No. SorNorYor. 1001/ 609 /2561

17 December 2018

Subject: Invitation to the 2019 Annual General Meeting of Shareholders

Attention: Shareholders
Sermsook Public Company Limited

- Enclosures:
1. A copy of the Minutes of the 2018 Annual General Meeting of Shareholders convened on 30 January 2018
 2. The 2018 Annual Report that stated to Financial Statements of Sermsook Public Company Limited for the year ending 30 September 2018 (in CD-ROM format)
 3. Profiles of the persons nominated to hold office as directors
 4. Proxy Form A, B and C
 5. Documentation or evidence of shareholding or proxies of the shareholders entitled to attend the shareholders meeting.
 6. Profiles of the independent directors available to be appointed as proxies
 7. A copy of the Articles of Association of Sermsook Public Company Limited in relation to shareholders meetings
 8. A map of the meeting venue at The Athenee Hotel Bangkok, a Luxury Collection Hotel.

By this letter, Sermsook Public Company Limited (the “**Company**”), hereby informs you that the Board of Directors of the Company has resolved to convene the 2019 Annual General Meeting of Shareholders on Tuesday, 8 January 2019 at 9.30 hrs., at “Grand Hall”, The Athenee Hotel Bangkok, the Luxury Collection Hotel (2nd Floor Hotel Building), 61 Wireless Road, Lumpini, Pathumwan, Bangkok, to consider the following agenda items:

Agenda Item 1: To consider and adopt the Minutes of the 2018 Annual General Meeting of Shareholders convened on 30 January 2018

Facts and Rationale: The Company Secretary has prepared the Minutes of the 2018 Annual General Meeting of Shareholders which was convened on 30 January 2018, and that the Company has delivered the copy of such Minutes to the Stock Exchange of Thailand within the period of 14 days from the date of the meeting and Department of Business Development as required by law as detailed in the Minutes of the 2018 Annual General Meeting of Shareholders as set out in Enclosure 1.

Opinion of the Board of Directors: The Minutes were correctly and accurately recorded in accordance with the resolutions of the 2018 Annual General Meeting of Shareholders, thus, the Board of Directors deemed it appropriate to propose that



the 2019 Annual General Meeting of Shareholders adopts the Minutes of the 2018 Annual General Meeting of Shareholders.

Remark: The resolution on this agenda item shall be passed by a majority vote of the shareholders attending the meeting and entitled to vote.

Agenda Item 2: To consider and acknowledge the business operation for the year ended 30 September 2018

Facts and Rationale: The Board of Directors has prepared the report in relation to the business operation for the year ended 30 September 2018 presenting the business operation of the Company during the year 2018 as detailed in the 2018 Annual Report as set out in Enclosure 2.

Opinion of the Board of Directors: The Board of Directors was of the view that such business operation report is correct and sufficient, and deemed it appropriate to propose that the 2019 Annual General Meeting of Shareholders acknowledge the Company's business operation for the year ended 30 September 2018.

Remark: This agenda item is only for acknowledgement; therefore, no voting is required.

Agenda Item 3: To consider and approve the Financial Statements for the year ended 30 September 2018

Facts and Rationale: The Company has prepared the Financial Statements for the year ended 30 September 2018 which have been audited by the certified public accountant of KPMG Phoomchai Audit Ltd., reviewed by the Audit Committee which deemed that such Financial Statements are correct, and approved by the Board of Directors, as detailed in the 2018 Annual Report as set out in Enclosure 2.

Opinion of the Board of Directors: The Board of Directors deemed it appropriate to propose that the 2019 Annual General Meeting of Shareholders approves the Financial Statements for the year ended 30 September 2018 which have been audited by the certified public accountant, reviewed by the Audit Committee, and approved by the Board of Directors.

Remark: The resolution on this agenda item shall be passed by a majority vote of the shareholders attending the meeting and entitled to vote.

Agenda Item 4: To consider and approve the appointment of the auditor and determine the audit fee for the year 2019

Facts and Rationale: In order to comply with the Public Limited Companies Act B.E. 2535 (1992) (including any amendment thereto) which provides that, the Annual General Meeting of Shareholders is required to appoint an auditor and determine the audit fee of the company every year.

Opinion of the Audit Committee: The Audit Committee has considered the qualification, history, performance of the auditors, audit continuity and efficiency,

as well as appropriateness of the audit fee for the year 2019, and proposed to the Board of Directors to consider and approve the appointment the auditor and the determination of the audit fee for the year 2019, in order that the Board of Directors propose that the 2019 Annual General Meeting of Shareholders consider and approves the appointment of the auditor for auditing the Company's Financial Statements for the year ended 30 September 2019. The details of which are as follows:

- (1) Miss Nittaya Chetchotiros, Certified Public Accountant No. 4439 (affixed her signature in the Financial Statements from 2007 to 2011 and 2017-2018); or
- (2) Miss Sureerat Thongarunsang, Certified Public Accountant No. 4409 (affixed her signature in the Financial Statements in 2017-2018); or
- (3) Mr. Ekkasit Chuthamsatid, Certified Public Accountant No. 4195 (affixed his signature in the Financial Statements in 2017-2018); or
- (4) Miss Kanokorn Phooriphanyawanit, Certified Public Accountant No. 10512 (has never affixed her signature in the Financial Statements).

Anyone amongst the said auditors from KPMG Poomchai Audit Ltd. shall be appointed to perform an audit and provide an opinion on the Company's Financial Statements. In addition, it is proposed that the 2019 Annual General Meeting of Shareholders approves the determination of the audit fee for the year 2019, ended 30 September 2019 in connection with the preparation of the Separated Financial Statements and the Consolidated Financial Statements, at THB 1,638,000.

Details of the comparison between the audit fee for the year 2019 (year ended 30 September 2019) and 2018 (year ended 30 September 2018):

(Unit: THB)

Description	2019 (Proposed year)	2018	Increase (Decrease) by
Auditing of the annual Financial Statements	1,050,000	994,000	56,000
Reviewing the quarterly Financial Statements	588,000	588,000	-
Other service fees (Non-audit fee)	Nil	700,000	(700,000)
Total	1,638,000	2,282,000	(644,000)

In this regard, the four auditors have neither a relationship with nor interests in the Company, its subsidiaries, executives, major shareholders, or its connected persons. As such, in auditing and providing an opinion on the Financial

Statements, the auditors have demonstrated their independence. Furthermore, the above-named certified public accountants have not audited the accounts of the Company over the period as prescribed by principles under relevant notifications.

In addition, it is proposed that KPMG Poomchai Audit Ltd., including its related persons or businesses, be appointed as the auditor of the subsidiaries of the Company for the year 2019.

Opinion of the Board of Directors: As proposed by the Audit Committee, the Board of Directors deemed it appropriate to propose that the 2019 Annual General Meeting of Shareholders approves the appointment of: Miss Nittaya Chetchotiros, Certified Public Accountant No. 4439; or Miss Sureerat Thongarunsang, Certified Public Accountant No. 4409; or Mr. Ekkasit Chuthamsatid, Certified Public Accountant No. 4195; or Miss Kanokorn Phooriphanyawanit, Certified Public Accountant No. 10512 of KPMG Poomchai Audit Ltd. as the Company's auditor for the year 2019 by having any one of the four persons audit and provide an opinion on the Financial Statements of the Company. In addition, the Board of Directors deemed it appropriate to propose that the 2019 Annual General Meeting of Shareholders approves the determination of the audit fee for the year 2019 at THB 1,638,000.

Remark: The resolution on this agenda item shall be passed by a majority vote of the shareholders attending the meeting and entitled to vote.

Agenda Item 5: To consider and approve no allocation of profits and no dividend payments for the year 2018

Facts and Rationale: Section 115 of the Public Limited Companies Act B.E. 2535 (1992) (including any amendment thereto), and Article 38 of the Company's Articles of Association, provide that no dividends shall be paid other than out of profits. The dividends shall be paid equally according to the number of shares. In addition, subject to Section 116 of the Public Limited Companies Act B.E. 2535 (1992) (including any amendment thereto), the Company has to allocate no less than five percent of the annual net profits, less the accumulated losses brought forward (if any), as reserve funds, until the statutory reserve reaches an amount of not less than ten percent of the registered capital. The Company is not required to allocate its net profits as a legal reserve, as the reserve has reached the amount required by law.

The Company's policy is to distribute dividends at the rate of no less than 40 percent of the net profits of each fiscal year of Separated Financial Statements after deducting the legal reserves and accumulated losses carried forward (if any). The dividend payment of the Company will be subject to the Company's cash flow, investment plan, conditions and terms of agreements to which the Company is committed, as well as the necessity and appropriateness in the future.

In 2018, the Company incurred net loss under the Separated Financial Statements of THB 294.97 million thus the Company could not make dividend payment.

Opinion of the Board of Directors: The Board of Directors deemed it appropriate to propose that the 2019 Annual General Meeting of Shareholders approves not to allocate the profits derived from the 2018 business operation as the Company's legal reserve has reached the amount required by law, and not to make dividend payments for the year 2018 as the Company has incurred loss in the Separated Financial Statements.

Remark: The resolution on this agenda item shall be passed by a majority vote of the shareholders attending the meeting and entitled to vote.

Agenda Item 6:

To consider and approve the remuneration of the directors for the year 2019

Facts and Rationale: In this regard, the Compensation Committee has conducted a survey on the remuneration of the Board of Directors and subcommittees for the year 2019 by taking into account the responsibilities and performance of the Board of Directors and each subcommittee, business expansion, and business operation of the Company in comparison with the rate applicable to other companies in the same industry which are similar in size and with a similar nature of business, as well as the survey results of the directors' remuneration provided by the Thai Institute of Directors (IOD). Consequently, the Compensation Committee was of the view that it is appropriate that the Board of Directors propose the 2019 Annual General Meeting of Shareholders to approve that there will be no bonus payment for the directors from the 2018 business operation as the Company has incurred net loss in accordance with the Separated Financial Statements, as well as approve the remuneration of the Board of Directors and subcommittees for the year 2019 at the same rate as approved by the 2018 Annual General Meeting of Shareholders which was convened on 30 January 2018.

Opinion of the Board of Directors: The Board of Directors deemed it appropriate to propose that the 2019 Annual General Meeting of Shareholders for approval as follows:

- To approve that there will be no bonus payment for the directors from the 2018 business operation as the Company has incurred net loss in accordance with the Separated Financial Statements;
- To approve the remuneration of the Board of Directors and subcommittees for the year 2019 at the same rate as approved by the 2018 Annual General Meeting of Shareholders which was held on 30 January 2018, as follows:

Directors and director in the Subcommittees	2019 (Proposed Year)		2018 (Preceding Year)	
	Annual	Meeting Allowance per meeting	Annual	Meeting Allowance per meeting
1. Board of Directors				
• Chairman	240,000	40,000	240,000	40,000
• Vice Chairman	180,000	30,000	180,000	30,000
• Other directors	120,000	20,000	120,000	20,000
2. Executive Committee				
• Chairman	80,000	25,000	80,000	25,000
• Vice Chairman	60,000	20,000	60,000	20,000
• Other members	40,000	15,000	40,000	15,000
3. Subcommittees				
3.1 Audit Committee				
• Chairman	160,000	50,000	160,000	50,000
• Other members	80,000	25,000	80,000	25,000
3.2 Nomination and Corporate Governance Committee				
• Chairman	80,000	25,000	80,000	25,000
• Other members	40,000	15,000	40,000	15,000
3.3 Sustainability and Risk Management Committee				
• Chairman	80,000	25,000	80,000	25,000
• Vice Chairman	60,000	20,000	60,000	20,000
• Other members	40,000	15,000	40,000	15,000
3.4 Remuneration Committee				
• Chairman	80,000	25,000	80,000	25,000
• Other members	40,000	15,000	40,000	15,000
4. Bonus	-		-	
5. Other remunerations and benefits in addition to the annual remuneration and meeting allowance	Nil		Nil	

Remark: The resolution on this agenda item shall be passed by votes of no less than two-thirds of the total votes cast by the shareholders attending the meeting.

Agenda Item 7: To consider and approve the appointment of directors in replacement of those who are due to retire by rotation

Facts and Rationale: Article 14 of the Company's Articles of Association provides that, at every annual general meeting of shareholders, one-third of the total number of directors who hold the office longest shall vacate in proportion. If the number of directors is not a multiple of three, directors in a number closest to one-third shall vacate, whereby the directors retiring by rotation may be reelected.

At the 2019 Annual General Meeting of Shareholders of the Company, there will be five directors who are due to retire by rotation, namely, as follows:

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|----|---------------|-------------------|---|
| 1) | Mr. Somchai | Bulsook | Chairman of the board |
| 2) | Mr. Suchin | Wanglee | 1 st Vice Chairman and
Independent Director |
| 3) | Mr. Chotipat | Bijananda | 2 nd Vice Chairman |
| 4) | Mr. Thapana | Sirivadhanabhakdi | 3 rd Vice Chairman |
| 5) | Mr. Dhitivute | Bulsook | Director |

In this regard, the Nominating and Corporate Governance Committee and the Board of Directors (by a majority vote, excluding the directors who retire by rotation) have considered and screened qualifications, experience and expertise of the directors who are due to retire by rotation, and was of the view that these five directors are equipped with knowledge, expertise and experience for the Company's business operation, thus, it is appropriate to propose that the 2019 Annual General Meeting of Shareholders consider and approve the reelection of these five directors. Mr. Suchin Wanglee, an independent director whose term of independent director are five years and five months. The Board of Directors deemed that the nominated directors are able to give opinions independently and in accordance with the relevant criteria.

The details on the profiles, education, working experience of the directors who are due to retire by rotation and have been proposed for reelection as directors for another term are set out in Enclosure 3.

In this regard, the Company had given the opportunity to the shareholders to propose the list of persons for consideration to be elected as directors of the Company at the 2019 Annual General Meeting of Shareholders via the Company's website during 16 November 2018 – 14 December 2018 according to the principle of good corporate governance for listed companies; however, there was no shareholder proposing the list of persons for consideration to be elected as directors of the Company.

Opinion of the Board of Directors: The Board of Directors (by a majority vote, excluding the directors who retire by rotation) deemed it appropriate to propose that the 2019 Annual General Meeting of Shareholders considers and appoints the five directors who are due to retire by rotation to be reelected as directors for another term, namely as follows:

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|----|---------------|-------------------|---|
| 1) | Mr. Somchai | Bulsook | Chairman of the board |
| 2) | Mr. Suchin | Wanglee | 1 st Vice Chairman and
Independent Director |
| 3) | Mr. Chotipat | Bijananda | 2 nd Vice Chairman |
| 4) | Mr. Thapana | Sirivadhanabhakdi | 3 rd Vice Chairman |
| 5) | Mr. Dhitivute | Bulsook | Director |

In this regard, the appointed directors under this Agenda Item shall receive the remuneration at the rate which has been approved by the 2019 Annual General Meeting of Shareholders in the aforementioned Agenda Item 6 of this Meeting.

Remark: The resolution on this agenda item shall be passed by a majority vote of the shareholders attending the meeting and entitled to vote.

Agenda Item 8:

To consider and approve the amendment of Article 29 of the Articles of Association of Sermasuk Public Company Limited regarding calling for EGM by Shareholders

Facts and Rationale: By virtue of the Order of the Head of the National Council for Peace and Order No. 21/2560 Re: Amendments of Laws to Facilitate the Ease of Doing Business, effective from 4 April 2017, which provides the amendment to Section 100 of the Public Limited Companies Act B.E. 2535 (1992) (including any amendment thereto) regarding the convening of shareholders' meetings by the shareholders, in the case where the board of directors fails to arrange for the meeting as requested by the shareholders.

In this regard, in order to comply with the amended Section 100 of the Public Limited Companies Act B.E. 2535 (1992), the Company would like to propose that Article 29 of the Company's Articles of Association be amended by repealing the existing Article 29, and replacing them with the amended terms below. In addition, the Company proposes that the person delegated by the authorized directors of the Company be authorized to register the amendment to the Company's Articles of Association, as well as to change and/or add the terms therein, to be in accordance with the registrar's order as necessary and expedient, whereby such changes and additions must not affect the essence of the amendment.

Existing term:

Article 29. The Board of Directors shall hold an annual general meeting of shareholders within four months after the end of the Company's accounting period.

General meetings of shareholders other than that as specified in the first paragraph shall be called extraordinary general meetings. The Board of Directors may call extraordinary general meetings whenever they deem appropriate.

Shareholders holding shares in aggregate of no less than one-fifth of the total number of shares sold, or shareholders of no less than 25 persons holding shares in aggregate of no less than one-tenth of the total number of shares sold may, at any time, subscribe their names and clearly state reasons in a letter requesting the Board of Directors to call an extraordinary general meeting. In this case, the Board of Directors shall call the shareholders meeting within one month from the date of receipt of such letter from the shareholders.

Amended term:

Article 29. The Board of Directors shall hold an annual general meeting of shareholders within four months after the end of the Company's accounting period.

General meetings of shareholders other than that specified under the first paragraph shall be called extraordinary general meetings.

The Board of Directors may call extraordinary general meetings whenever they think appropriate, or one or more shareholders holding shares in aggregate of no less than 10 percent of the total number of shares sold, may at any time subscribe their names and clearly state the subjects and reasons in a letter requesting the Board of Directors to call an extraordinary general meeting. In this case, the Board of Directors shall convene the shareholders meeting within the period of 45 days from the date of receipt of such letter from the shareholders.

If the Board of Directors fails to convene the meeting within the period specified under the third paragraph, the shareholders who have subscribed their names or other shareholders with the shareholdings in the required aggregate amount may convene the meeting by themselves within the period of 45 days from the expiration of the period under the third paragraph. In this case, such meeting shall be deemed to be convened by the Board of Directors, provided that the Company shall be responsible for any necessary expenses incurred from the convening of such meeting and for reasonable facilitation.

In the case where the number of shareholders present at the meeting convened by the shareholders under the fourth paragraph is not sufficient to constitute a quorum, the shareholders under the fourth paragraph shall be jointly responsible to the Company for the expenses incurred from the convening of such meeting.

Opinions of the Board: The Board of Directors deemed it appropriate to propose that the 2019 Annual General Meeting of Shareholders considers and approves the amendment to Article 29 of the Company's Articles of Association, as proposed.

Remark: The resolution on this agenda item shall be passed by votes of no less than three-quarters of the total votes of the shareholders attending the meeting and entitled to vote.

Agenda Item 9:**Other businesses (if any)**

Opinion of the Board of Directors: The Board of Directors deemed it appropriate to give the shareholders the opportunity to propose matters to the meeting apart from those which the Board of Directors specified in the invitation letter, provided that such proposal on the other matters must be made under the procedure of and in compliance with the law.

In this regard, the Company had given the opportunity to the shareholders to propose an agenda in advance for the 2019 Annual General Meeting of Shareholders via the Company's website during 16 November 2018 – 14 December 2018 according to the principle of good corporate governance for listed companies; however, there was no shareholder proposing an agenda to be considered at the 2019 Annual General Meeting of Shareholders.

In this regard, 3 December 2018 is scheduled as the date to record the names of shareholders entitled to attend the 2019 Annual General Meeting of Shareholders (Record Date).

In order to ensure a smooth and orderly registration process for the 2019 Annual General Meeting of Shareholders, the shareholders and proxies can register for the Meeting from 8.00 hrs. on the date of the Meeting. Given that the Company will use a barcode system for the registration and vote counting process of the Meeting, the shareholders and proxies are requested to bring the registration form as set out in Enclosure 4 and other supporting documents as required as set out in Enclosure 5 on the date of the Meeting.

In the event that a shareholder is unable to attend the Meeting in person and wishes to appoint a proxy to attend the Meeting and cast votes on his or her behalf, such shareholder is requested to execute either Proxy Form A or Proxy Form B in order to protect the rights and interests of the shareholders in the event that a shareholder is unable to attend the Meeting and wishes to appoint one of the Company's independent directors as his or her proxy to attend the Meeting and cast votes on his or her behalf as set out in Enclosure 6. Foreign shareholders who have appointed a custodian are requested to execute Proxy Form C, as set out in Enclosure 4. The completed and executed proxy form must be submitted to the Company Secretary before the Meeting at registration point or submit the Proxy Form and supporting documents via mail addressed to the Company Secretary Office, Sermsuk Public Company Limited, 90 CW Tower, 31st Floor, Ratchadapisek Road, Huai Khwang Sub-district, Huai Khwang District, Bangkok 10310, by 4 January 2019.

The Company has posted the Notice calling the Meeting and Enclosures on the Company's website (www.sermsukplc.com). Therefore, the shareholders of Sermsuk Public Company Limited are cordially invited to attend the Meeting on the abovementioned date, and at the specified time and venue. In order to facilitate the shareholders' travel to the venue of the Meeting, the Company has prepared a map of the venue and methods of transportation together with the Notice calling this Meeting as set out in Enclosure 8.

In addition, the Company has prepared the 2018 Annual Report presenting the Financial Statements of the Company for the year ended 30 September 2018 in CD-ROM format and delivered it to the shareholders. Nevertheless, in the case that any shareholder wishes to obtain a hard copy of the 2018 Annual Report presenting the Financial Statements of the Company for the year ended 30 September 2018, he/she can contact the office of the Company Secretary, Sermasuk Public Company Limited, 90 CW Tower, 31st Floor, Ratchadapisek Road, Huai Khwang Sub-district, Huai Khwang District, Bangkok, Tel. 02-783-9000.

Sincerely yours,



(Mr. Somchai Bulsook)

Chairman