

18<sup>th</sup> March 2016**Subject:** Invitation for the 2016 Annual General Meeting of Shareholders**To:** The Shareholders of Forth Corporation Public Company Limited

- Attachments:**
- Minutes of the Extraordinary General Meeting of Shareholders No.1/2015 (Attachment 1)
  - Annual Report for 2015 (Attachment 2)
  - Biography of the nominated candidates for the election of new directors (Attachment 3)
  - The Company's Articles of Association, procedures and conditions regarding the 2016 Annual General Meeting of Shareholders (Attachment 4)
  - Proxy forms and biography of independent directors (Attachment 5)
  - Map of meeting location: Yakult Tower, 21<sup>st</sup> Floor, at 1025, Phaholyothin Road, Samsennai, Phayathai, Bangkok (Attachment 6)

Notice is hereby given to our shareholders that the Annual General Meeting (AGM) for 2016 of Forth Corporation Public Company Limited ("the Company") will be held on Friday 22<sup>nd</sup> April 2016, at 01:00 p.m. The agenda are as follows:

**1<sup>st</sup> Agenda: To certify the Minutes of the Extraordinary General Meeting of Shareholders No.1/2015.**

**Facts and reasons** The Company arranged the Extraordinary General Meeting of Shareholders No.1/2015 on 21<sup>st</sup> August 2015. The minute of meeting has already submitted to the Stock Exchange of Thailand within the date specified by the relevant regulators, including disclosure on the Company's website. The minute of meeting is enclosed in the 2016 AGM invitation document package (Attachment 1).

**BOD's opinion** After due consideration, the Board found it appropriate for the meeting to certify the minute which had been accurately and completely recorded.

**2<sup>nd</sup> Agenda: To acknowledge the Company's operating results.**

**Facts and reasons** The significant changes and annual operating results demonstrated in the Company's annual report for 2015 (Attachment 2), which can be summarised as follows:

(Unit: Million Baht)	2014	2013	Increase (Decrease)	%
Total Assets	5,974	6,323	(349)	(6)
Total Liabilities	3,468	4,028	(560)	(14)
Total Shareholders' equity	2,506	2,295	211	9
Total Revenues	5,127	4,373	754	17
Net Profit	460	338	122	36
Earnings per share (Baht/Share)	0.48	0.35	0.13	37

**BOD's opinion** After due consideration, the Board found it appropriate for the meeting to acknowledge the annual operating results for 2015.



**3<sup>rd</sup> Agenda: To certify and approve the statement of financial position and the statement of comprehensive income for the year ended 31<sup>st</sup> December 2015.**

**Facts and reasons** The financial statements for the year ended 31<sup>st</sup> December 2015 were audited by the auditor and presented under the section of “Financial Statements” in the Company’s annual report for 2015, which were distributed to the shareholders in the 2016 AGM invitation document package.

**BOD’s opinion** After due consideration, the Board found it appropriate for the meeting to approve the statement of financial position and the statement of comprehensive income for the year end 31<sup>st</sup> December 2015 that have been audited by the auditor.

**4<sup>th</sup> Agenda: To allocate the net profit and approve the dividend payment for 2015.**

**Facts and reasons** Pursuant to Section 116 of the Public Limited Companies Act B.E. 2535, the Company is required to set aside to a statutory reserve at least 5% of its net profit after deducting accumulated deficit brought forward (if any), until the reserve reaches 10% of the registered capital. In addition, the Company has a policy to pay dividends to the shareholders at the rate of not less than 40% of the net profit after corporate income tax and accumulated loss brought forward (if any) in accordance with the separate financial statements. However, the Board of Directors may set the rate of dividend payout less than the one mentioned above depending on the operating performance, financial position, liquidity and the need to expand its operations as well as the working capital requirements.

**BOD’s opinion** After due consideration, the Board found it appropriate for the meeting to approve the allocation of the profit and the dividend payments as follows:

- 1) The Company has already fully set aside the statutory reserve of Baht 48,000,000.
- 2) To approve the dividend payment for 2015 at the rate of Baht 0.32 per share, a total of Baht 307.2 million. The dividend will be paid from the profit exempted from paying corporate income tax (BOI) at the rate of Baht 0.20 per share, which individual shareholders are not entitled to a tax credit and will be paid from the profit under non-BOI at the rate of Baht 0.12 per share. When including with an interim dividend payment for the first six-month period of 2015 at the rate of Baht 0.15 per share, totaling Baht 144 million, the balance of dividend payment in this period will be paid at the rate of Baht 0.17 per share amounting to Baht 163.2 million.

The record date to determine shareholders’ name for the right to receive the dividend is scheduled on 3<sup>rd</sup> May 2016 in respect to Clause 225 of the Securities and Exchange Act. The closing date of shareholders register book will be on 4<sup>th</sup> May 2016. The dividend shall be paid on 18<sup>th</sup> May 2016.



The comparison of dividend payment over the past 3 years was as follows.

	<u>Operating results</u>		
	<u>2015 (Proposed)</u>	<u>2014</u>	<u>2013</u>
Common stock (Million Shares)	960	960	960
Net profit (Million Baht)	568	489	174
Net profit per share (Baht/Share)	0.59	0.51	0.18
Total dividend per share (Baht/Share)	0.32	0.30	0.27
Interim dividend (Baht/Share)	0.15	0.15	0.12
Dividend payment's date	10 <sup>th</sup> September 2015	12 <sup>th</sup> December 2014	6 <sup>th</sup> September 2013
Annual dividend (Baht/Share)	0.17	0.15	0.15
Dividend payment's date	18 <sup>th</sup> May 2016	8 <sup>th</sup> May 2015	9 <sup>th</sup> May 2014
Total dividend payment (Million Baht)	307.2	288.0	259.2
Dividend payment rate (%)	54 <sup>(1)</sup>	59 <sup>(1)</sup>	150 <sup>(1)</sup>

Remark (1) The dividend payment rate shall be paid in accordance to the Company's dividend policy at the rate of not less than 40% of the net profit after corporate income tax and accumulated loss brought forward (if any) in accordance with the separate financial statements.

#### **5<sup>th</sup> Agenda: To consider and elect new directors who are due to retire by rotation.**

##### **Facts and reasons**

According to the Article 18 of the Company's Articles of Association stipulates that at the Annual General Meeting of Shareholders in every year, one-third of the directors must retire from the position. In 2015, three directors who shall retire are as follows:

1. Mr. Pongchai Amatanon                      Position: Director/Chairman of Executive Committee/Risk Management Committee
2. Mrs. Rangsee Lertripinyo                      Position: Director/Executive Committee/Risk Management Committee/Nomination and Remuneration Committee
3. Ms. Cholticha Siripongpreeda                      Position: Director

The Company announced the proposal of nomination and agenda through the website of the Company at [www.forth.co.th](http://www.forth.co.th) in order to propose the candidates for the election of directors as well as agenda issues for AGM but there are no any proposals of candidates and agenda issues to the Company. Nomination of the Board of Directors executes through the Nomination and Remuneration Committee. The committee thoroughly considered these candidates on the nomination procedure and found that their qualifications meet the fundamental requirements regarding to the directors' position. The committee determined that all candidates possess knowledge, capabilities and experience useful to the Company's business.

##### **BOD's opinion**

The Board of Directors, without 3 retired directors who have conflicts of interest in this agenda, found it appropriate for the meeting to approve the reappointment of 3 directors which are Mr. Pongchai Amatanon, Mrs. Rangsee Lertripinyo and Ms. Cholticha Siripongpreeda to prior position on the Board of Directors. Please see the biography of the nominated candidates for the election of the new directors in Attachment 3.



**6<sup>th</sup> Agenda: To approve the remuneration of the directors for 2016.****Facts and reasons**

The determination of remuneration for directors is executed and considered through the Nomination and Remuneration Committee, ensuring that the amount is in line with industry benchmark and appropriate to the duty and responsibility. The consideration of business enhancement and profitability of the Company are included. The Nomination and Remuneration Committee considered the remuneration and propose for consideration of the Board of Directors prior to further approval from the shareholders. The remuneration of directors for 2016 will be the same rate as the remuneration of 2015, as detailed below.

	<u>2016 (Proposed year)</u>	<u>2015</u>	
<b>- Meeting attendance fee</b>			
Chairman of the Board of Directors	33,000	33,000	Baht per each attendance
Member of the Board of Directors	22,000	22,000	Baht per each attendance
Chairman of Audit Committee	49,500	49,500	Baht per each attendance
Member of Audit Committee	46,200	46,200	Baht per each attendance
Chairman of Risk Management Committee	15,000	-	Baht per each attendance
Member of Risk Management Committee	10,000	-	Baht per each attendance
Chairman of Nomination and Remuneration Committee <sup>(1)</sup>	15,000	-	Baht per each attendance
Member of Nomination and Remuneration Committee <sup>(1)</sup>	10,000	-	Baht per each attendance

Remark (1) On 14 May 2015, a meeting of the Company's Board of Directors No.2/2015 approved the appointment of these 2 sub-committees.

**- Annual gratuity fee**

The amount of gratuity is not exceeding Baht 1.5 million (2015: Baht 1.5 million) and shall be allocated to the non-executive directors and/or independent directors.

**BOD's opinion**

After due consideration, the Board found it appropriate for the meeting to approve the directors' remuneration for 2016.

**7<sup>th</sup> Agenda: To consider the appointment of the Company's auditors for 2016 and determination of their remunerations.****Facts and reasons**

The audit committee has selected auditors for 2016 in accordance with the selection process defined and proposed to the Board of Directors to propose the meeting to appoint auditors from EY Office Limited to be the Company's auditors for 2016. EY Office Limited has been recognised both locally and internationally and has sufficient personnel with the knowledge and appropriate audit fee. In addition, there is no relationship or conflict of interest in the Company/the subsidiaries/the executives/major shareholders or related persons. Any one of the individuals below will be responsible to review or audit and provide the opinion on the Company's financial statements.

1. Ms. Waraporn Prapasirikul Auditor License 4579 and/or  
(An auditor who signed off the Company's financial statements for 2014-2015)
2. Mr. Narong Puntawong Auditor License 3315  
(Never signed off the Company's financial statements)
3. Ms. Sirirat Sricharoensup Auditor License 5419  
(Never signed off the Company's financial statements)

In case that the above-mentioned auditors could not be on duty, EY Office Limited will provide new auditors list of its office replacing them. Additionally, the auditors of EY Office Limited are still auditing our subsidiaries and associates in total of 9 companies (2015: 9 companies).

The audit committee also fixed the remuneration of the Company's auditors for 2016 at Baht 1,159,500 excluding miscellaneous expenses such as copying charges and travelling expenses that to be charged at actual cost. The remuneration of auditors for 2016 shall be increased by Baht 15,000 or 1.3%, comparing with the remuneration for 2015. Fee for other non-audit service from EY Office Limited were paid for the observation of inventory and asset destruction of the subsidiaries and the associates with the total amount of Baht 30,000.

The comparison of the auditors' remuneration is shown below:

	<u>2016 (Proposed year)</u>	Unit: Baht <u>2015</u>
Audit fee of the Company	1,159,500	1,144,500
Audit fee of subsidiaries and associates	2,725,500	2,490,000
Audit fee of subsidiaries and associates	-	30,000

**BOD's opinion**

After due consideration, the Board found it appropriate for the meeting to consider the appointment of the auditors from EY Office Limited which are Ms. Waraporn Prapasirikul and/or Mr. Narong Puntawong and/or Ms. Sirirat Sricharoensup to be the auditors of the Company for 2016 and also fix their remunerations for 2016 in accordance to the appropriate consideration by audit committee.

**8<sup>th</sup> Agenda: To consider other business (if any).**

Please be informed accordingly, as well as inviting all shareholders to attend the 2016 Annual General Meeting of the Shareholders on Friday 22<sup>nd</sup> April 2016, at 01:00 p.m., at Yakult Tower, 21<sup>st</sup> Floor, 1025 Phaholyothin Road, Samsennai, Phayathai, Bangkok .

Yours sincerely,



(Ms. Kressaraporn Wattanakasemsakul)

Secretary of the Board of Directors

On behalf of the Board of Directors

