

No. LorBor. 63/ 018

June 30, 2020

Subject: Invitation to the 2020 Annual General Meeting (No. 71)

To: Shareholders  
Allianz Ayudhya Capital Public Company Limited

- Attachment:
1. Minutes of the 2019 Annual General Meeting of Shareholders (No. 70)
  2. The 2019 Annual Report (QR code), the Registration Form and QR Code Downloading procedures for the 2019 Annual Report
  3. Information of individuals nominated as directors to replace directors retired by rotation and qualifications of the Independent Directors of the Company
  4. Information of the Proposal from the Auditor for the year 2020
  5. Information of the Independent Directors and Non-executive Director proposed by the Company as proxy of shareholders
  6. The Company's Articles of Association in relation to the 2020 Annual General Meeting
  7. Explanation on the appointment of proxy, registration process, registration documents, vote casting and counting, and meeting procedure
  8. Proxy Form A. and Form B.
  9. Map of the venue of the 2020 Annual General Meeting
  10. Precautionary Measures and Guidelines for Holding the 2020 AGM under the Circumstance of Coronavirus 2019 (COVID-19) and COVID-19 screening questionnaire

The Board of Directors Meeting of Allianz Ayudhya Capital Public Company Limited (the "**Company**") resolved to convene the 2020 Annual General Meeting on Friday July 31, 2020, at 14:00 hrs., at Grand Ballroom, Grand Hyatt Erawan Bangkok, No. 494 Ratchadamri Road, Lumpini, Pathumwan, Bangkok 10330, to consider the matters under the agenda together with the opinions of the Board of Directors as follows:

**Agenda 1**      **To Consider and Adopt the Minutes of the 2019 Annual General Meeting (No. 70), held on April 26, 2019**

Facts and Rationale: The Company prepared the Minutes of the 2019 Annual General Meeting, held on April 26, 2019 and submitted them to the Stock Exchange of Thailand and published on its website [www.azaycapital.co.th](http://www.azaycapital.co.th). The Minutes delivered to the Company's shareholders together with this Invitation to the 2020 Annual General Meeting according to Attachment No. 1.

Board of Directors' Opinion: Consider it appropriate to propose that the Minutes of the 2019 Annual General Meeting (No. 70) be approved by the 2020 Annual General Meeting.

Voting: The resolution for this Agenda requires a majority vote of shareholders attending the meeting and casting their votes.

**Agenda 2**      **To Acknowledge the Board of Directors' Report on 2019 Operating Results**

Facts and Rationale: The Board of Directors has summarized the Directors' Report on the Company's performance and significant changes for the year 2019, which forms part of the Company's 2019 Annual Report delivered to the Company's shareholders together with this Invitation to the 2020 Annual General Meeting according to Attachment No. 2.

Board of Directors' Opinion: Consider it appropriate to propose to the 2020 Annual General Meeting for its acknowledgement of the 2019 operating results and other information of the Company.

Voting: This Agenda is for acknowledgement and voting is not required.

**Agenda 3**      **To Consider and Approve the Audited Financial Statements for the Year Ended December 31, 2019, together with the Auditor's Report**

Facts and Rationale: In compliance with Section 112 of the Public Limited Company Act B.E. 2535, as amended (the "PLCA") which prescribes that the Company shall prepare the annual financial statements as of the last day of accounting period of the Company which have been audited by the auditor prior to submission to the Annual General Meeting for consideration and approval. The statement of financial position as of December 31, 2019, the statement of comprehensive income, statement of changes in shareholders' equity, and statement of cash flow for the year 2019, which were approved by the Audit Committee, and audited and certified by the Company's auditor, are presented in the 2019 Annual Report delivered to all shareholders together with this Invitation to the 2020 Annual General Meeting according to Attachment No. 2.

Board of Directors' opinion: Consider it appropriate to propose that the 2020 Annual General Meeting consider and approve the financial statement for the year ended December 31, 2019, the statement of comprehensive income, statement of changes in shareholders' equity, and statement of cash flow for the year 2019, which were approved by the Audit Committee, and audited and certified by the Company's auditor.

Voting: The resolution for this Agenda requires a majority vote of shareholders attending the meeting and casting their votes.

**Agenda 4**      **To Consider and Approve the Appropriation of Profit from the Company's Performance in 2019 and Acknowledge the Interim Dividend Payment**

Facts and Rationale: The Company has a policy to pay dividend of not less than 60% of net profit after tax each year based on the operating results and the resolution at the shareholders' meeting by considering from the consolidated financial statements. Therefore, the Company can pay dividends to shareholders by Section 115 and Section 116 of the Public Limited Companies Act, B.E. 2535 (1992) (as amended) (the "PLCA") and Article 44 of the Company's Articles of Association, which prohibit payment of dividends out of funds other than profit, and require the Company to allocate part of its annual net profit as reserve fund until this reserve is not less than the rate specified by law.

According to the Company's consolidated financial statements for the year ended December 31, 2019, the Company had net profit after tax in the amount of Baht 189,628,226 (One hundred eighty nine million, six hundred twenty eight thousand, two hundred and twenty six Baht) or 0.53 Baht/share and in the separated financial statements of the company's net profit amounted to Baht 457,192,291 (Four hundred fifty-seven million one hundred and ninety two thousand two hundred and ninety one Baht), or 1.28 Baht/share. The Company's financial statement ended December 31, 2019 are presented in the 2019 Annual Report delivered to all shareholders together with this Invitation to the 2020 Annual General Meeting according to Attachment No 2.

The first interim dividend has been allocated for the first six-month period (January-June) of the year 2019 on September 6, 2019 at Baht 0.75 per share, equal to Baht 288,682,545.75 (Two hundred eighty-eight million six hundred eighty-two thousand five hundred and forty-five Baht and seventy-five satang).

The second interim dividend payment has been allocated from the Company's unappropriated retain earnings of the year 2019 on May 7, 2020 at the rate of Baht 0.75 per share, equal to 288,723,720.75 (Two hundred eighty-eight million seven hundred twenty-three thousand seven hundred twenty baht and seventy-five satang).

Board of Directors' opinion: Consider it appropriate to propose to the 2020 Annual General Meeting to consider and approve the allocation of appropriation of profit and acknowledge the interim dividend payment from the Company's performance in 2019 at the rate of 1.50 Baht/share, equivalent to 304.49% of the consolidated net profit. In August 2019, the Board of Directors' Meeting resolved to pay a first interim dividend of Baht 288,682,545.75 (Two hundred eighty-eight million six hundred eighty-two thousand five hundred forty-five Baht and seventy-five satang) or Baht 0.75 per share from the operating result of the first half of 2019. Such dividend was paid on September 6, 2019. The Company paid the second interim dividend from the 2019 unappropriated retained earnings at the rate of Baht 0.75 per share totaling amount of Baht 288,723,720.75 on May 7, 2020.

Comparison of divided distribution in the year 2019 with the previous year is summarized as follows:

<b>Details of Dividend Payment</b>	<b>2019</b>	<b>2018</b>	<b>2017</b>
1. Net profit from consolidated financial statements (Baht)	189,628,226	750,248,303	462,910,145
2. Number of ordinary shares			
2.1 Number of ordinary shares paid for interim dividend	384,910,061	293,905,225	250,000,000
2.2 Number of ordinary shares paid for Annual dividend	384,964,961	-	-
3. Total dividend payment for the performance of the year (Baht/share)	1.50	0.75	0.75
3.1 First Interim Dividend	0.75	0.75	0.75
3.2 Second Interim Dividend	0.75	-	-
4. Total Dividend Payment	577,406,266.50	220,428,918.75	187,500,000
5. Proportion of dividend on consolidated net profit (Percent)	304.49	29.38	40.50

There is no dividend payment for the year 2019 to be proposed to this Shareholders' Meeting for approval.

Voting: The resolution for this Agenda requires a majority vote of shareholders attending the meeting and casting their votes.

## **Agenda 5**      **To Consider and Elect the Directors to Replace those Retiring by Rotation**

**Fact and Rationale:** Pursuant to Section 71 of the Public Limited Company Act B.E. 2535 (1992) (as amended) (the “PLCA”) and Article 19 of the Company’s Articles of Association, at every annual general meeting, one-third (1/3) of the directors, or, if their number is not a multiple of three, then the number nearest to one-third (1/3), shall retire from office. A retiring director may be re-elected by the meeting of the shareholders.

The following five (5) directors are due to retire this year:

1. Mr. Sorasit Soontornkes      Independent Director and Chairman of Audit Committee
2. Mr. Suwat Laicharoensup      Independent Director and Member of Audit Committee
3. Mr. Laksna Thongthai      Director
4. Mrs. Wanna Thamsirisup      Director
5. Mr. Jan-Christian Rosemeyer      Director

However, Mr. Sorasit Soontornkes does not wish to serve as the Company’s Independent Director and Chairman of the Audit Committee, due to engagement in other businesses.

The Company had provided an opportunity for shareholders to nominate qualified candidates for election as the Company’s director during December 1, 2019 to January 31, 2020 pursuant to the criteria disclosed on the Company’s website. However, no shareholder proposed any agenda for the Annual General Meeting nor was a candidate nominated for the Company’s directorship.

Nomination and Remuneration Committee further considered the qualifications of the directors according to the PLCA and the Notifications of the Office of Securities and Exchange Commission (the “SEC”) to serve as the Company’s Board of Directors. Therefore, the NRC hereby proposes to the Board as follows:

- 1) To consider and approve the re-election of the 4 retiring directors to serve as the Company’s directors for another term; and
- 2) To consider and approve the appointment of Mr. Pasu Loharjun as a new Independent Director, to replace Mr. Sorasit Soontornkes who retires by rotation and wishes to not serve as the directorship for another term.

Information of individuals nominated as the directors to replace directors retired by rotation as well as the qualifications of the Independent Director of the Company was delivered to the Company’s shareholders together with this invitation to the 2020 Annual General Meeting according to Attachment No. 3.

**Board of Directors’ Opinion:** The Board of Directors, excluding directors with conflict of interest in the agenda has deliberately, considered qualifications of each candidate and approved, as proposed by the Nomination and Remuneration Committee to propose to the 2020 Annual General Meeting to consider and approve the re-election of four (4) retiring directors to serve as the Company’s directors for another term as follows:

1. Mr. Suwat Laicharoensup      Independent Director and Member of Audit Committee
2. Mr. Laksna Thongthai      Director
3. Mrs. Wanna Thamsirisup      Director
4. Mr. Jan-Christian Rosemeyer      Director

and to consider the election of Mr. Pasu Loharjun as an Independent Director of the Company in replacement of Mr. Sorasit Soontornkes.

As for Mr. Suwat Laicharoensup and Mr. Pasu Loharjun, the Board of Directors, excluding directors with conflict of interest in the agenda, has jointly considered and is of the view

that they has possessed all the required qualifications to be Independent Director in accordance with the prescribed qualification of the Independent Director of the Company and pursuant the relevant rules and has full capacity to express his opinion independently.

Voting: The resolution for this Agenda requires that each of the individuals nominated as director to replace the directors who retire by rotation receives the approval of the meeting by a majority vote of shareholders attending the meeting and casting their votes.

## **Agenda 6**      **To Consider and Approve the Directors' Remuneration for the Year 2020**

Fact and Rationale: In the 2019 Annual General Meeting held on April 26, 2019 approved the Directors and Committee Members' Remuneration and Bonus as follows:

### **1. Director's Remuneration**

- (1) Chairman of the Board at Baht 40,000.00 per month
- (2) Chairman of Audit Committee, Chairman of Nomination and Remuneration Committee and Chairman of Corporate Governance Committee at Baht 38,000.00 per person each month
- (3) Chairman of Executive Committee at Baht 35,000.00 per month
- (4) Member of Audit Committee, Nomination and Remuneration Committee at Baht 35,000.00 per month
- (5) Other Directors at Baht 30,000.00 per person each month

### **2. Director's Bonus**

From the year 2019 onward, the bonus for the Company's directors stipulated to be in amount of Baht 6,800,000 (six million eight hundred thousand baht) per year that would be the Company's expenses and this amount should be allocated to each director as appropriated.

The remuneration specified under 1. and 2. should be applied thoroughly until the Board of Directors proposed the changed and received the approval from the Shareholders' meeting.

In 2019, the Company paid remuneration to the Board of Directors and other sub-committee's members for total amount of Baht 6,178,950 which was in accordance with the criteria approved by the 2019 Annual General Meeting (No. 70). The details of which are shown in the 2019 Annual Report of the Company under section Management Structure which was delivered to the Company's shareholders together with this invitation to the 2020 Annual General Meeting according to Attachment No. 2.

Board of Directors' Opinion: Considered as proposed by the Nomination and Remuneration Committee to amend the scheme of the Directors' Remuneration and Bonus to align with Allianz Fit & Proper Policy that applies to all Allianz Global and Allianz's operating entities. Therefore, the proposed remuneration for members of Board and other sub-Committees for the year 2020 at amount not more than Baht 10,000,000, effective on August 1, 2020, of which details are as follows:

### **Directors' Remuneration**

- 1) A monthly retainer fee:
  - Chairman of the Board at Baht 40,000
  - Director of the Board at Baht 35,000
- 2) Attendance fee: paid on actual attendance; including conference call or video conference:
  - All Directors at Baht 20,000
- 3) In addition to monthly retainer fee, remuneration for sub-committee's members would be paid for all positions of sub-committee's members including the Audit

Committee, Nomination and Remuneration Committee and Corporate Governance Committee:

- Chairman of Sub-committee at Baht 22,500 per month
  - Member of Sub-committee at Baht 12,500 per month
- 4) Annual Bonus (to be calculated in proportion to the period of each director's service):
- Chairman of the Board at Baht 912,000
  - Director of the Board at Baht 433,000
- 5) Other benefits
- None -

Members of Board of Directors who are also members of the Board of Management of the Company or under Management under Allianz Fit & Proper Policy are not compensated to avoid a conflict of interest.

Voting: The resolution for this Agenda requires a vote of not less than two-thirds (2/3) of the total number of votes of shareholders attending the meeting.

## **Agenda 7**      **To Consider and Appoint the Company's Auditors and Approve their Remuneration**

Facts and Rationale: In compliance with Section 120 of the PLCA which prescribes that the annual general meeting of shareholders shall appoint an auditor and determine the remuneration of the auditor of the Company every year; and in appointing the auditor, the former auditor may be re-appointed. The 2019 Annual General Meeting held on April 26, 2019 approved Ms. Nisakorn Songmanee and/or Mr. Chavala Tienpasertkij and/or Mr. Nantawat Samruanhant of Deloitte Touche Tohmatsu Jaiyos Audit Co., Ltd. as the Company's auditors for the year 2019 and the 2019 auditing fee be fixed at Baht 1,720,000 (one million, seven hundred and twenty thousand Baht).

Board of Directors' Opinion: Consider as proposed by Audit Committee to propose to the 2020 Annual General Meeting to consider and approve the appointment of auditors from PricewaterhouseCoopers ABS Ltd. (PwC) as the auditor of the Company for the 2020 accounting and fiscal period and the audit fee for the year 2020 with the details as follow:

1. Appointment of the following auditors from PwC to be the auditors of the Company for the fiscal year 2020:  
Mrs. Anothai Leekitwattana Certified Public Accountant (Thailand) No. 3442 or Ms. Sakuna Yamsakul Certified Public Accountant (Thailand) No. 4906 or Mr. Paiboon Tunkoon Certified Public Accountant (Thailand) No. 4298;

Any one of them being authorized to conduct the audit and express an opinion on the financial statements of the Branch. In the absence of the above-named auditors, PricewaterhouseCoopers ABAS Ltd. is authorized to identify one other Certified Public Accountant within PricewaterhouseCoopers ABAS Ltd. to carry out the work.

It is noted that PwC and the auditors named above are the auditors approved by the Office of the Securities and Exchange Commission, and have no relationship with, or any interest in, the Company, its subsidiaries, management, major shareholders or their respective related persons in the manner which may have affected their independent performance of auditing duties. Information of the proposed auditors for the year 2020 are delivered to the Company's shareholders together with this invitation to the 2020 Annual General Meeting according to Attachment No. 4.

The auditor of the Company and the auditor of its subsidiary and its affiliate are of the same auditing firm. However, the Board of Directors will ensure that the consolidated financial statements will be completed on a timely basis.

2. Approval of the Company's audit fee at amount of not more than Baht 2,190,000. The details of audit fee are as follows:

	2020 proposed (PWC)	2019 (Deloitte)
1. Annual Audit Fee	Baht 530,000	Baht 530,000
2. Quarterly Financial Statements Audit Fee (3 quarters)	Baht 390,000	Baht 390,000
3. Consolidated Financial Statement Audit Fee	Baht 320,000	Baht 320,000
4. Consolidated Financial Statement (3 quarters)	Baht 480,000	Baht 480,000
<b>Total</b>	<b>Baht 1,720,000</b>	<b>Baht 1,720,000</b>

Note: There is additional fee from auditing and reviewing the financial information of the Company's associate at the amount of Baht 470,000

Voting: The resolution for this Agenda requires a majority vote of shareholders attending the meeting and casting their votes.

**Agenda 8**

**To Consider and Approve the Amendment to Clause 3 (Objectives) of the Company's Objectives in Memorandum of Association**

Facts and Rationale: The purpose of this amendment and additional is to further allow and cover the Company's Objectives to allow and cover the Company's various investment activities. It is necessary to amend Clause 3 of Memorandum of Association (Objectives) of the Company as the amended clauses. After the amendment approved by the shareholders, there will be 17 Articles in total.

The Company's Objective to be amended:

The existing Company's Objective	The proposed amended Company's Objective
Article 1: To invest by holding shares, stocks or other securities in any limited company public limited company or limited partnership	Article 1: To invest for profits by holding shares, stocks or other securities in any limited company public limited company or limited partnership <b><u>by buying, taking ownership by transfer, providing or receiving ownership by any methods, and to sell, distribute, transfer shares, stocks or other financial instruments and any instruments</u></b>

The Company's Objective to be added:

Article 17: To purchase, sell, sell with discount or disposing of by any means in connection with bonds, subordinated bonds, financial bills, letter of credits, warrants, financial instruments, debt instruments, or any other financial instruments including stocks, debentures, convertible bonds, funds, all kinds and types of securities that companies or other companies issue, buy or provide by any methods, accept Avals or endorse bills as normal business

Board of Directors' Opinion: Consider it appropriate to propose that the Annual General Meeting to consider and approve the amendment to Article 1 and the adding of Article 17 of the Company's Objectives in Memorandum of Association in order to allow and cover the Company's activities and to approve the authorization to the Board of Directors to make any amendment according to the order, recommendation or opinion of the Registrar of the Department of Business Development, Ministry of Commerce.

Voting: The resolution for this Agenda requires a vote of not less than three-fourths (3/4) of total number of votes of shareholders attending the meeting.

**Agenda 9**      **To Consider any Other Business**

All shareholders are cordially invited to attend the 2020 Annual General Meeting on Friday, July 31, 2020 at 14.00 hours. at Grand Ballroom, Grand Hyatt Erawan Bangkok, No. 494 Ratchadamri Road, Lumpini, Pathumwan, Bangkok 10330. Registration will open at 12.00 hours.

Any shareholder who is unable to attend the meeting and wishes to appoint other person as his/her proxy and vote at the meeting on his/her behalf must either fill in and sign as appropriate Proxy Form A. or Form B. as enclosed herewith Attachment No. 8 or download Proxy Form A. or Form B. or Form C. (Form C. is applicable only to foreign shareholders as registered in the registration book who have custodian in Thailand) from the Company's website at [www.azaycapital.co.th](http://www.azaycapital.co.th). Alternatively, shareholder may authorize one of the Company's Independent directors or Non-executive director to attend and vote on his/her behalf. Details of the Independent Directors and non-executive director proposed by the Company as proxy of shareholders can be found in Attachment No. 5 as enclosed herewith.

In this regard, any shareholder wishing to appoint another person or directors proposed by the Company as his/her proxy to attend and vote at the meeting on his/her behalf is asked to fill in and sign the proxy form and deliver it, together with the required documents to the Company by Friday, July 24, 2020 with attention to the Company Secretary of Allianz Ayudhya Capital Public Company Limited, No 898 Ploenchit Tower, 14th floor, Ploenchit Road, Lumpini, Pathumwan, Bangkok 10330 or to present the form and accompanying documents to designated person of the Company prior to the commencement of the meeting.

The record date is scheduled on Tuesday, June 30, 2020 (Record Date) for determining the shareholders who are entitled to attend the 2020 Annual General Meeting (No. 71).

Please be informed to attend the meeting of shareholders at the venue on the date and time mentioned above accordingly.

Yours sincerely,

(Mr. Bryan James Smith)  
President & CEO  
On behalf of the Board of Director  
Allianz Ayudhya Capital Public Company Limited

Note: All shareholders can access the Invitation to the 2020 Annual General Meeting and all related documents at the Company's website ([www.azaycapital.co.th](http://www.azaycapital.co.th)) from June 30, 2020. If any shareholders has a query regarding the agenda of the 2020 Annual General Meeting, please send the query in advance via email at [cs@azay.co.th](mailto:cs@azay.co.th) or via post to the Company Secretary of Allianz Ayudhya Capital Public Company Limited at No 898 Ploenchit Tower, 14th floor, Ploenchit Road, Lumpini, Pathumwan, Bangkok 10330.