

**Minutes of the 2019 Annual General Meeting of Shareholders  
of  
Polyplex (Thailand) Public Company Limited**

**Date, time and place:**

The Meeting was held on July 26th 2019 at 2.00 p.m at the Ballroom BC, Centara Grand Mirage Beach Resort Pattaya, 277 Moo 5, Naklua, Banglamung, Chonburi 20150, Thailand.

**Directors present:**

1. Mr. Manu Leopairote, Chairman of the Board of Directors and Independent Director
2. Mr. Sanjiv Saraf, Managing Director
3. Dr. Virabongsa Ramangkura, Independent Director
4. Mr. Shiraz Erach Poonevala, Independent Director
5. Mr. Praphad Phodhivorakhun, Independent Director
6. Mr. Ashish Kumar Ghosh, Executive Director
7. Mrs. Sakhi Saraf, Executive Director

**Director Absent:**

1. Mr. Ranjit Singh, Non-Executive Director

**Company executives present:**

Mr. Ashutosh Kumar Agarwal – Chief Financial Officer

Mrs. Supritha Pai Kasturi, Senior Manager - Finance and Accounts & Company Secretary

Mr. Haashir Ahmed Khan, Senior Manager - Finance and Accounts

**External advisors present:**

Mr. Chayapol Suppasertanon (Signing Partner), Mrs. Teeraporn Jarukornpreecha ( Audit Manager) and Ms. Suiithinun Boonsawang (Audit Manager) from EY Office Limited

Dr. Chanuntorn Katasaenee and Miss Ananjira Sangsuk , Translators from Unique Translation Co., Ltd.

**Preliminary proceedings:**

Mr. Manu Leopairote was the Chairman of the Meeting. The Chairman announced that there were a total of 61 shareholders at the commencement of the meeting, 23 in person and 38 by proxy, representing 609,009,229 shares equal to 67.6677 percent of the total issued shares. The Chairman then declared the Meeting duly convened to consider the agenda.

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บริษัท โพลีเพล็กซ์ (ประเทศไทย) จำกัด(มหาชน)

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Company Regd. No.: 0107547000729

The Chairman clarified the vote counting method to the Shareholders before the start of the meeting as under:

The vote counting for all the agenda items will be done based on the principle of 1 share: 1 vote. For each agenda item, shareholder has a choice to vote as approve, disapprove or can abstain from voting. Agenda for acknowledgement do not require voting. For agenda which require votes, the vote counting would be done as one vote per one share. After voting for each agenda item, the Chairman will ask the shareholders who have voted disapprove or abstained from voting, to raise their hands and their ballot papers would be collected, to read the bar code and mark the negative votes and tabulate the result of voting for each agenda item.

The Chairman invited anyone from the shareholders to volunteer to supervise the vote counting procedure. Miss Sudarat Dilokkomol from the shareholders came forward to monitor vote counting on behalf of shareholders.

The Chairman proposed to the Meeting to consider the following agenda.

### **Agenda 1 To certify the minutes of the 2018 Annual General Meeting of shareholders**

The Chairman proposed that the Meeting certify the minutes of the 2018 Annual General Meeting of shareholders which was held on 27 July 2018. The minutes were submitted to the Stock Exchange of Thailand within 14 days after the date of the meeting and posted on the company's website.

The Board of Directors is of the opinion that minutes of the 2018 Annual General Meeting of shareholders are correct and complete and recommended that the minutes be certified.

**Shareholders Votes:** Approved with: 690,908,629 votes (100.00%), Disapproved with: 0 votes (0.00%), Abstain with: 0 votes (0.00%).

**Resolved:** The Meeting resolved that the 2018 Annual General Meeting of shareholders, as proposed by the Board of Directors, be certified.

### **Agenda 2 To acknowledge the report on the Company's operating results and the directors' report**

The Chairman invited Mrs. Sakhi Saraf, Director and Head – Investor Relations & Corporate Communications, to make the presentation to the shareholders and summarize key highlights of the last financial year and the business outlook for the future and requested Dr. Chanuntorn Katasaenee, the interpreter, to translate the presentation into Thai for the shareholders.

Mrs. Sakhi Saraf gave the presentation on the Company's operating results and business outlook to the Meeting.

**Acknowledged:** The Meeting acknowledged the Company's operating results and the Directors Report as proposed by the Board of Directors.

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**Agenda 3 To consider and approve the Company's audited Statement of financial position and Statement of Income for the year ending 31 March 2019**

The Chairman proposed that the Meeting consider and approve the Company's audited Statement of financial position and Statement of Income for the year ending 31 March 2019 in order to comply with Section 112 of the Public Limited Company Act and Article 54 of the Company's Articles of Association, the details of which were set out in the audited statement of financial position and Statement of Income sent to the shareholders together with the Notice convening the 2019 Annual General Meeting of Shareholders.

The Board of Directors recommended that the Company's Statement of financial position and Statement of Income for the year ending 31 March 2019 be approved.

**Mr. Basant Kumar Duggar:**

I would like to congratulate the management for the good turnaround in this year and the growth in all operating performance ratios and market capitalisation.

I would like to suggest to the Company to get include in ESG100 (Environment Social Governance) Listing by the Thaipat Institute.

I would like to suggest to participate in non-deal road shows in this region as this will help to elevate the market cap further.

I note that you have current portion of term loan and your Gross margin, EBITDA margin and Net profit margin are much higher than your cost of borrowing. So you can reborrow money back. This is because, Bank of Thailand is enjoying one of the lowest policy interest rates in the ASEAN countries in the last decade, so you can lock in low interest rates for medium to long term and this will help you eliminate any current portion of term loan and further improve current ratio, which is already very good.

**Shareholders Votes:** Approved with: 690,908,829 votes (100.00%), Disapproved with: 0 votes (0.00%), Abstain with: 0 votes (0.00%).

**Resolved:** The Meeting resolved that the audited statement of financial position and Statement of Income for the year ending 31 March 2019 as proposed by the Board of Directors be approved.

**Agenda 4 To consider and approve distribution of dividend for the FY 2018-19.**

The Chairman informed the meeting that according to the Company's policy on dividend payment, dividend may be paid out at the rate of about 40% of the annual consolidated net profit after tax, after taking into account economic conditions, growth plans, future deployment opportunities, the Company's financial position and liquidity, subject to the approval by the shareholders.

The Chairman informed the Meeting that the Board of Directors proposed that the Meeting approve the payment of an annual dividend of Baht 0.64 per share or total of Baht 576 million for the financial year 2018-2019. The Company had already paid an interim dividend of Baht 0.31 per share or total of Baht 279 million in December 2018. Therefore, the Board of Directors proposed to the Meeting to consider and approve the following:

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- (a) the Company pays the final dividend of Baht 0.33 per share or Baht 297 million in total to those shareholders entitled to receive the dividend available on 8 August 2019 (Record Date) and
- (b) the dividend payment date will be 23 August 2019.

The payment of dividend will be subject to 10% WHT due to non-availability of BOI tax exempt profits/accumulated reserves.

**Mr. Basant Kumar Duggar:**

I would like to suggest that the Company's specifies in the Agenda whether the dividend is entitled to any tax credit in the hands of the individual recipients. The individuals can gross up and get tax credit at the corporate tax rate and not just the WHT rate of 10%. Can the company disclose what is the effective tax rate for the Company on the current profits and the past retained earnings, out of which dividend is distributed, as the recipients of dividend may be able to enjoy higher credit as per applicable tax rate, even if WHT deducted is only 10%.

**Mrs. Supritha Pai Kasturi:**

The company has sufficient tax losses and is currently not paying any Corporate taxes. The Company has enjoyed tax exemption in past several years. Going forward, as and when Company starts to pay Corporate taxes, we would be able to disclose the specific tax rate to the shareholders.

I would like to direct this query to the Company's auditors to confirm that the Company has been enjoying tax exemption privileges.

**Mr. Chayapol Suppasedtanon:**

In the past few years the Company has not been paying any Corporate taxes due to the BOI exemption privileges and also tax losses carry forward

**Mr. Basant Kumar Duggar:**

In the case of investments in other countries, I note that you have 2 investments in Indonesia. I would like to suggest that the Company must consider the DTAA between Thailand and other countries and try to take advantage of countries with which Thailand has friendly DTAA, Indonesia is not one of them. So you can route the investment through any other country which has better tax exemption benefits under DTAA and then invest into Indonesia.

**Mr. Ashutosh Kumar Agarwal:**

I would like to add that the Company does take into consideration the DTAA between Thailand and other countries, while evaluating new investment decisions.

**Shareholders Votes:** Approved with: 690,908,829 votes (100.00%), Disapproved with: 0 votes (0.00%), Abstain with: 0 votes (0.00%).

**Resolved:** The Meeting resolved that the dividend payment as per above details as proposed by the Chairman be approved.

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## **Agenda 5 To consider and approve the appointment of directors in place of those retiring by rotation**

The Chairman informed the Meeting that according to the Public Limited Companies Act BE. 2535, at every annual general meeting of shareholders, 1/3 of the directors or if it is not a multiple of three, then the number nearest to 1/3, must retire from office. At this 2019 Annual General Meeting of Shareholders, the following directors who have occupied the longest period would retire:

1. Mr. Manu Leopairote
2. Mr. Praphad Phodhivorakhun

The two retiring directors were out of the meeting room during this Agenda.

The Board of Directors recommended that the re-appointment of directors retiring by rotation for another term be approved.

Dr. Virabongsa Ramangkura took over as Chairman for this Agenda. The Chairman proposed to the Meeting to consider and approve the following matters:

### **Mr. Basant Kumar Duggar:**

The Board has 8 members and 1/3 retiring should be at least 3 Directors and not just two. I request to the Company Secretary to consider that 3 persons should retire by rotation every year.

#### **5.1 Re-appointing Mr. Manu Leopairote as a director for another term.**

**Shareholders Votes:** Approved with: 690,583,429 votes (99.9529%), Disapproved with: 325,400 votes (0.0471%), Abstain with: 0 votes (0.00%).

#### **5.2 Re-appointing Mr. Praphad Phodhivorakhun as a director for another term.**

**Shareholders Votes:** Approved with: 690,908,829 votes (100.00%), Disapproved with: 0 votes (0.00%), Abstain with: 0 votes (0.00%).

**Resolved:** The Meeting resolved that the re-appointment of Mr. Manu Leopairote and Mr. Praphad Phodhivorakhun as the directors as proposed by the Board of Directors be approved

## **Agenda 6 To consider and approve the remuneration of Directors for the FY 2019-20.**

The Chairman informed the meeting that according to the Public Companies Act, the annual remuneration of Directors is required to be approved by the shareholders at the Annual General Meeting of Shareholders and requested the Shareholders to consider and approve the following remuneration package to independent directors:

(i) a remuneration of Baht 100,000 per month per person to the following independent directors:

1. Mr. Manu Leopairote
2. Dr. Virabongsa Ramangkura
3. Mr. Praphad Phodhivorakhun

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4. Mr. Shiraz Erach Poonevala

Mr. Manu Leopaite, in his capacity as the Chairman of the Board of Directors and the Chairman of the Audit Committee, will be paid an additional remuneration of Baht 25,000 per month, for each role.

(ii) a meeting fee of Baht 10,000 per member, per meeting attended be paid to the Audit Committee members.

**Mr. Basant Kumar Duggar:**

I would like to suggest that apart from fixed remuneration, the Company should also consider an additional component of variable remuneration linked to the net profit or the free positive operating cashflows of the company.

The Company should also consider longevity insurance and medical insurance as a package to its Directors, few good companies have already adopted this practise and the Company can also consider.

**Shareholders Vote:** Approved with: 690,857,229 votes (99.9925%), Disapproved with: 51,600 votes (0.0075%), Abstain with: 0 votes (0.00%).

**Resolved:** The Meeting resolved that the remuneration of Directors for the FY 2019-20 as proposed by the Board of Directors be approved.

**Agenda 7 To consider and approve the appointment of auditors and their remuneration**

The Chairman informed the Meeting that in order to comply with the Public Limited Company Act and Articles 57 and 58 of the Company's Articles of Association, the appointment of auditors and audit fees of auditors are required to be approved by the shareholders at the AGM. The Chairman therefore proposed that the Meeting to appoint Mr. Chayapol Suppasedtanon (CPA No. 3972) and/or Ms. Pimjai Manitkajohnkit (CPA No. 4521) and/or Ms. Sumana Punpongsanon (CPA No. 5872) and /or Ms. Rosaporn Decharkom (CPA No. 5659) and/or Ms. Rungnapa Lertsuwankul (CPA No. 3516) of EY Office Limited as the Company's auditors for the accounting period ending 31 March 2020 with the remuneration of up to Baht 3,665,000 as shown in Enclosure 9. The Chairman proposed to the Meeting to vote on this agenda.

**Shareholders Vote:** Approved with: 690,908,829 votes (100.0000%), Disapproved with: 0 votes (0.00%), Abstain with: 0 votes (0.00%).

**Resolved:** The Meeting resolved that the appointment of Mr. Chayapol Suppasedtanon (CPA No. 3972) and/or Ms. Pimjai Manitkajohnkit (CPA No. 4521) and/or Ms. Sumana Punpongsanon (CPA No. 5872) and /or Ms. Rosaporn Decharkom (CPA No. 5659) and/or Ms. Rungnapa Lertsuwankul (CPA No. 3516) of EY Office Limited as the Company's auditors for the accounting period ending 31 March 2020 with the remuneration of up to Baht 3,665,000 as proposed by the Board of Directors be approved.

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**Mr. Basant Kumar Duggar:**

Since you have invested in Indonesia, I would like to give some suggestion for the auditor – E&Y. After AEC came in 2015, there is an agreement signed among the 10 countries that auditors in one country can get a qualification or certification called ASEAN CPA and can carry out an audit in the other 9 countries in ASEAN region. I would like to suggest to the Company to check if any of the proposed 6 auditors of E&Y have any such qualification, so that the Company can consider appointing them as auditor for the Indonesia subsidiary and can save some audit cost as well as audit time.

**Agenda 8** To consider any other business (if any)

The Chairman informed the Meeting that the Meeting had considered all the agenda and asked whether any of the shareholders had any queries or suggestions.

**Mr.Sunchai Udomratchatavanich**

In one of the slides in the presentation, the figure of supply of PET film in future wasn't clear, was it 300 KTPA /600 KTPA or 900 KTPA, could you please clarify as the font size wasn't very clear.

**Mrs. Supritha Pai Kasturi:**

If your question is with respect to Slide 16 of our presentation, then I would like to clarify that the Capacity additions expected over the next 2 years is about 900 KTPA. Thank you for the feedback about the font size, we will increase it a bit for the next presentation.

**Mr.Sunchai Udomratchatavanich**

In one of the recent presentations at another forum, the capacity additions was lower than figure of 900 KTPA, is there any increase in this figure?

**Mr. Ashutosh Kumar Agarwal:**

Yes, some new capacities coming up in China and India has come to our knowledge and have been updated in the capacity additions estimate.

The Chairman declared the Meeting adjourned at 4.00 p.m.



Signed Manu Leopaïrote Chairman of the Meeting  
(Mr. Manu Leopaïrote)

Minutes recorded by Mrs. Supritha Pai Kasturi, Company Secretary

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