

**Minutes of the 2022 Annual General Meeting of Shareholders  
of  
Polyplex (Thailand) Public Company Limited**

**Date, time and place:**

The Meeting was held electronically through video conferencing platform provided by Quidlab Co. Ltd, on July 27<sup>th</sup> 2022 at 2.00 p.m:

**Directors present on the call:**

1. Mr. Manu Leopairote, Chairman of the Board of Directors and Independent Director
2. Mr. Shiraz Erach Poonevala, Independent Director
3. Mr. Sanjiv Saraf, Vice-Chairman
4. Mr. Amit Prakash, Managing Director
5. Mr. Praphad Phodhivorakhun, Independent Director
6. Mrs. Sakhi Saraf, Executive Director
7. Mr. Ranjit Singh, Non-Executive Director

**Company executives present on the call:**

Mr. Ashutosh Kumar Agarwal, Chief Financial Officer for Thailand and Indonesia.

Mr. Manish Gupta – Polyplex Group CFO

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

Mrs. Kittima Gadani, Manager – Finance & Accounts

**External advisors present on the call:**

Mr. Chayapol Suppasedtanon (Signing Partner), Ms. Kirdsiri Kanjanaprakasit (new signing partner) and Mr. Bandit Phusattayathanaphon (Audit Manager) from EY Office Limited

Mr. Chanuntorn Katasaenee – Translator and Moderator for the meeting.

**Preliminary proceedings:**

Mr. Manu Leopairote was the Chairman of the Meeting. The Chairman announced that there were a total 768 shareholders at the commencement of the meeting, 10 in person and 758 by proxy, representing 506,004,356 shares equal to 56.2227 percent of the total issued shares. The Chairman then declared the Meeting duly convened to consider the agenda.

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

To vote at the meeting, every shareholder will have votes equal to the number of shares they hold. by counting one share per one vote.

- For shareholders attending the meeting in person through electronic media and proxies according to Proxy Form B., they must vote for only one vote, i.e. agree, disagree or abstain. without being able to split the votes in each agenda

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- The proxies from the Shareholders whose names appear in the register book as Foreign Investors and appoint a Custodian in Thailand to be a Depository and Oversee shares and using Proxy Form C. can divide votes in each agenda.

In voting each agenda, the Chairman of the meeting will ask if there is anyone who disagrees. or abstain from voting? Those who wish to vote against or abstain from voting, please check the box  Disagree or  Abstain through your screen. Based on total number of votes participating in the meeting, the remainder will be deemed to be approved votes.

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

### **Agenda 1 To certify the minutes of the 2021 Annual General Meeting of shareholders**

The Chairman proposed that the Meeting certify the minutes of the 2021 Annual General Meeting of shareholders which was held on 30 July 2021. 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 2021 Annual General Meeting of shareholders are correct and complete and recommended that the minutes be certified.

**Shareholders Votes:** Approved with: 506,004,054 votes (99.9999%), Disapproved with: 0 votes (0%), Abstain with: 302 votes (0.0001 %).

**Resolved:** The Meeting resolved that the 2021 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 Mr. Amit Prakash, Managing Director, 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 Mr. Chanuntorn Katsaenee, the interpreter, to translate into Thai for the shareholders.

Mr. Amit Prakash gave the presentation on the Company's operating results and business outlook to the Meeting.

The Chairman asked the Shareholders to type in the chat box, for any queries or any comments on the performance of the Company.

The Chairman informed that this Agenda is only for acknowledgement of the Company's Operating results and there is no voting required.

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

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Company Regd. No.: 0107547000729

**Agenda 3 To consider and approve the Company's audited Statement of financial position and Statement of Income for the year ending 31 March 2022**

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 2022 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 2022 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 2022 be approved.

**Mr.Sunchai Udomratchatavanich :**

Any issues with our new BOPP line in Indonesia?

**Mr. Amit Prakash:**

The line start-up has been very smooth and since then, we have not faced any major issues with the line in terms of the machine. We are ramping up the machine as per guidelines of the machine supplier and expect to achieve 100% CUF in the next 5-6 months with the given product mix that we will have from the market.

**Shareholders Votes:** Shareholders Votes: Approved with: 506,005,154 votes (99.9999%), Disapproved with: 0 votes (0%), Abstain with: 302 votes (0.0001 %).

**Resolved:** The Meeting resolved that the audited statement of financial position and Statement of Income for the year ending 31 March 2022 as proposed by the Board of Directors be approved.

**Agenda 4 To consider and approve distribution of dividend for the FY 2021-22.**

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 1.31 per share or total of Baht 1,179 million for the financial year 2021-2022. The Company had already paid an interim dividend of Baht 0.55 per share or total of Baht 495 million in December 2021 and Baht 0.42 per share or total of Baht 378 million in March 2022. Therefore, the Board of Directors proposed to the Meeting to consider and approve the following:

- (a) the Company pays the final dividend of Baht 0.34 per share or Baht 306 million in total to those shareholders entitled to receive the dividend available on 8 August 2022 (Record Date) and
- (b) the dividend payment date will be 25 August 2022.

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

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The details of the Dividend allocation for Tax credit:

- First Interim Dividend of Baht 495,000,000 be appropriated as under:
  - Baht 304,740,000 (or THB 0.3386/ share) allocated to Retained Earnings with Zero Tax rate
  - Baht 4,140,000 (or THB 0.0046/ share) allocated to Current Year Profits with 10% Tax rate
  - Baht 186,120,000 (or THB 0.2068/ share) allocated to Current Year Profits with 20% Tax rate
- Second Interim Dividend of Baht 378,000,000 be appropriated as under:
  - Baht 184,950,000 (or THB 0.2055/ share) allocated to Retained Earnings with Zero Tax rate
  - Baht 117,000,000 (or THB 0.1300/ share) allocated to Current Year Profits with 10% Tax rate
  - Baht 76,050,000 (or THB 0.0845/ share) allocated to Current Year Profits with 20% Tax rate
- Final Dividend of Baht 306,000,000 be appropriated as under:
  - Baht 116,460,000 (or THB 0.1294/ share) allocated to Retained Earnings with Zero Tax rate
  - Baht 130,230,000 (or THB 0.1447/ share) allocated to Current Year Profits with 10% Tax rate
  - Baht 59,310,000 (or THB 0.0659/ share) allocated to Current Year Profits with 20% Tax rate

**Mr. Muangtong Sathiensakpong:**

I would like to ask for any specific reason for a special interim Dividend payment in this year and is it possible that next year also PTL will pay dividends every quarter?

**Mrs. Supritha Pai Kasturi:**

Since there is a substantial increase in the profits of the Company, the Board considered it more prudent to consider a quarterly Dividend payout to distribute evenly the payout. In the future also, depending on the trend of the Company's profits, Board may make suitable considerations of a quarterly payout.

**Mr. Kritsada Arunwilairut:**

Because this year, the company has changed the dividend payment, am not sure if the company will have any change in its Dividend policy or not, to pay quarterly, semi-annually or annually?

**Mrs. Supritha Pai Kasturi:**

As of now, there are no changes to the Company's Dividend Payment Policy under consideration.

**Shareholders Votes:** Approved with: 506,005,154 votes (99.9999%), Disapproved with: 302 votes (0.0001%), Abstain with: 0 vote (0.0000%).

**Resolved:**

The Meeting resolved that the dividend payment and the allocation for Tax credit 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 2022 Annual General Meeting of Shareholders, the following directors who have occupied the longest period would retire:

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

Since the Chairman Mr. Manu Leopairote is an interested party to this Agenda, he called upon the Vice Chairman Mr. Sanjiv Saraf to be the Chairman for this Agenda.

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

The Chairman proposed to the Meeting to consider and approve the following matters:

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

**Shareholders Votes:** Approved with: 503,738,154 votes (99.5519%), Disapproved with 2,267,302 votes (0.4481%), Abstain with: 0 votes (0%).

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

**Shareholders Votes:** Approved with: 503,840,354 votes (99.5721%), Disapproved with: 2,165,102 votes (0.4279%), Abstain with: 0 votes (0%).

**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 2022-23.**

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. Mr. Praphad Phodhivorakhun
  3. Mr. Shiraz Erach Poonevala

Mr. Manu Leopairote, 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.

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**Shareholders Vote:** Approved with: 506,005,154 votes (99.9999%), Disapproved with: 302 vote (0.0001%), Abstain with: 0 votes (0%).

**Resolved:** The Meeting resolved that the remuneration of Directors for the FY 2022-23 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 Ms. Kirdsiri Kanjanaprakasit (CPA No. 6014) and/or Ms. Orawan Techawatanasirikul (CPA No. 4807) and/or Ms. Sumana Pungpongsanon (CPA No. 5872) and/or Ms. Rosaporn Dejarkom (CPA No. 5659) of EY Office Limited as the auditors of the Company for the accounting period ending 31 March 2023 with the remuneration of up to Baht 3,140,000 as shown in Enclosure 9. The Chairman proposed to the Meeting to vote on this agenda.

If there are no other questions, I would like to request the shareholders to vote.

**Shareholders Vote:** Approved with: 505,957,254 votes (99.9905%), Disapproved with: 48,202 votes (0.0095%), Abstain with: 0 votes (0%).

**Resolved:** The Meeting resolved that the appointment of Ms. Kirdsiri Kanjanaprakasit (CPA No. 6014) and/or Ms. Orawan Techawatanasirikul (CPA No. 4807) and/or Ms. Sumana Pungpongsanon (CPA No. 5872) and/or Ms. Rosaporn Dejarkom (CPA No. 5659) of EY Office Limited as the auditors of the Company for the accounting period ending 31 March 2023 with the remuneration of up to Baht 3,140,000 be approved.

### **Mr.Sunchai Udomratchatavanich :**

It is my understanding that lead-time for machinery delivery is very long. Both suppliers of machinery are now at full capacity. Will this lead to oversupply in both BOPET and BOPP in the next few years? And, as far as you know, do the machinery suppliers have plan to increase their capacity? Will there be the third supplier of film-making machines?

### **Mr. Amit Prakash:**

As far as the machinery delivery timeline is concerned, normally for a PET film or BOPP line it would be anywhere between 14-15 months. Currently, the timelines are anywhere between 20-24 months, so that's the increase in lead time and suppliers are running at full capacity. The second part of the question is whether the Suppliers can increase their capacity. The suppliers have marginally increased their capacity, however the potential is limited given that one of the suppliers sources components from China and there are serious supply chain disruptions from China. So there is a limitation to the capacity they can increase. Secondly, the same assembly lines of the Supplier are producing other kinds of machinery as well, other than BOPET and BOPP film machinery, so not all the capacity is dedicated to BOPET or BOPP. Another related question is whether there would be a third machine supplier given the capacity limitations. We do have other producers of these machinery, one in Europe and few others in Japan. However, for BOPET and BOPP film manufacturing, the efficiency and productivity of the lines is very important. And though these other

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manufacturers have been there for several years, we don't expect many orders to be placed with these other suppliers. On the question about over capacity, historically the growth rates of BOPET in demand have been in the range of 5-7% p.a. If we look at the expected capacity additions, they are also in a similar range of 7-8% p.a, so we think this is in line with demand growth. However, as we have been stating in the past as well, if there are 2-3 line start-ups at the same time, this can create some temporary pressure on margins until markets absorb the new capacity. Most of the capacities which were supposed to come up outside China and India are already in place and producing. These additional capacities have already been absorbed into the market. Most of the new capacities are actually coming up in China and some in India. In China, while some of the new capacities are meant for Flexible packaging, lot of capacities are focused on newer applications for which the demand is growing significantly. One is the electric vehicle Lithium ion battery segment where BOPP film is used for capacitors. For polyester film, there is a large and growing demand for flexible films for flexible electronics and solar photo voltaic demand is growing quite rapidly both in China and India. So in China, quite a few of the lines are coming up for these specific applications and not for the flexible packaging application. For flexible electronics, in fact Polyplex has also repurposed one of its older lines in Thailand to cater to this new segment and we have hired a consultant to assist us in producing this film.

**Mr. Kritsada Arunwilairut:**

From the weak global economic situation and the war between Russia and Ukraine, I would like to inquire about the views of the executives and is it a challenge and a risk for the company this year?

**Mr. Amit Prakash:**

With reference to the question on the global economic slowdown and impact on our business, I think we have been stating in the past as well that our industry is catering mainly to consumer staple and demand is usually considered to be recession proof. This has been proven in the last recession of 2008. There are industrial applications as well which may get impacted. But there are several industries and many applications within each industry and we can switch between the applications in case of any slowdown in any specific industry. There are also many new applications with high growth potential. So we don't expect to have any major adverse impact of the global economic recession on our capacity utilisation. On the Russia – Ukraine war impact, it has definitely impacted the Crude Oil prices which have gone up and keep fluctuating. However, whatever was the increase which is mainly in energy, due to the higher crude oil prices has been passed on to the customers. On the demand front, we have not seen any change and we don't expect to see any impact on the demand in Europe. On the sales front, we had hardly any sales to Ukraine and Russia. Whatever sales we had, about 150-200MT per month, have already been placed in Turkish and other European markets.

As an overarching response to both the questions, I would like to highlight that Polyplex has been investing over the last 3-4 years in building capability for producing both downstream and side stream films and for repurposing some old lines to expand the speciality product portfolio. So we believe that there would be a rapid increase in the demand as well as sales volumes for the speciality films which should help compensate for any effect on margins from any new capacity start up.

**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.

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As no other shareholder had any questions or suggestion, the Chairman thanked the shareholders and declared the meeting to be closed at 3.45 PM.



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

Minutes recorded by Mrs. Supriha Pai Kasturi, Company Secretary

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