

CENTRALRETAIL

Ref. CRC CS 007/2021

Subject: Invitation to the 2021 Annual General Meeting of Shareholders

18 March 2021

**To: Shareholders,
Central Retail Corporation Public Company Limited**

- Attachments: 1) 2021 Annual General Meeting of Shareholders' Notification of Meeting with QR Code and the 2020 Annual Report (Form 56-1 One Report) which included the audited statement of financial position and statement of comprehensive income
- 2) Profiles of the nominated candidates for directors
 - 3) Profiles of the proposed auditors for the year 2021
 - 4) Guidance on electronic meeting (E-AGM) and articles of association of the Company related to shareholders' meetings
 - 5) Privacy policy regarding the general meeting of shareholders of Central Retail Corporation Public Company Limited
 - 6) Proxy B

The Board of Directors meeting of Central Retail Corporation Public Company Limited (the "**Company**") resolved to convene the 2021 Annual General Meeting of Shareholders (the "**Meeting**") on Friday, 23 April 2021 at 2 p.m. only through electronic media ("E-AGM") according to the Emergency Decree on Electronic Meetings B.E. 2563 (2020) and other related laws and regulations, to consider the following agenda:

Agenda 1: Acknowledgement of the Company's performance of 2020

Facts and Rationales: The Company has summarized the Company's performance in 2020 as provided in the 2020 Annual Report (Form 56-1 One Report) - Business and Performance (Details as shown in Attachment 1)

Board of Directors' opinion: The Board proposed the Company's performance of 2020 to the Meeting for consideration and acknowledgement.

Vote required: Voting is not required as this agenda is for shareholders' acknowledgement.

Agenda 2: Approval of the audited financial statements for the year ended 31 December 2020

Facts and Rationales: To be in compliance with the Company's Articles of Association and the Public Limited Companies Act, B.E. 2535 (as amended) (the "**PLC Act**"), the Company shall prepare a statement of financial position at the end of fiscal year ended 31 December 2020 which has been audited by an external auditor as provided in 2020 Annual Report (Form 56-1 One Report) (Details as shown in Attachment 1) which summarized as follows:

Statement of Financial Position and Profit and Loss

Unit : THB

Lists	Consolidated	The Company
Assets	239,179,945,394	126,908,066,927
Liabilities	183,464,981,363	48,415,916,030
Revenue from Sale	173,137,654,092	-
Total Revenue	194,311,434,379	5,285,531,280
Profit for the Year ¹	46,266,132	3,774,299,407
Profit per Share (THB/share) ²	0.01	0.65

Notes: ¹ Profit for the year attributable to owners of the parent

² Profit per share calculated from profit for the year attributable to owners of the parent

Board of Directors' opinion:

The Board recommends that the Meeting consider and approve the financial statements for the fiscal year ended 31 December 2020 which were reviewed by the Audit Committee and the Board of Directors and audited by the external auditor who expressed unqualified opinions as provided in the 2020 Financial Statements.

Vote required:

Simple majority of the shareholders present at the meeting and casting their votes.

Agenda 3: Approval of the profit allocation and dividend payment for 2020 performance

Facts and Rationales:

The Company has a policy to pay dividends to shareholders at the rate of not less than 40 percent of the net profit from the consolidated financial statements after tax deduction, the allocation of all various funds required by laws and the Company in each year, and the obligations under the financial contract (if any). The dividend payment must not exceed the retained earnings from the separate financial statements of the Company. However, the rate of dividends may be changed from the specified depending on the results of operations, cash flow, financial liquidity, financial status, investment plan, reserving funds to be working capital, reserving funds for future investment, reserving funds to repay loans, conditions and limitations as specified in the financial contract, economic conditions, including legal requirements and other necessities.

Comparison of the rate of dividends from the results of operations in the year 2020 to the preceding year is as follows:

Details of dividend payment	Year 2020	Year 2019 ¹
1. Consolidated Net Profit ² (THB million)	46	10,633
2. Paid-up Capital (million shares)	6,031	4,700
3. Annual dividend (THB/share)	0.40	6.86 Comprising (1) First interim dividend 5.96 THB/share (2) Second interim dividend 0.90 THB/share

Details of dividend payment	Year 2020	Year 2019 ¹
4. Total Dividends Amount (THB million)	2,412	32,242
5. Dividend Payout Ratio (percent)	5,214	303

Notes: ¹ Dividend payment was a part of restructuring before IPO.

² Profit for the year attributable to owners of the parent

Board of Directors' opinion:

The Board recommends the Meeting to consider and approve as follows:

1. Acknowledge that as at 31 December 2020, the Company has already set aside legal reserve at the amount required by law of THB 632,000,000.
2. Approval of the dividend payment for 2020 performance at THB 0.40 per share, totalling to THB 2,412,400,000, which is in-line with the Company's dividend payment policy. The record date for the right to receive dividend would fall on 30 April 2021, and the dividend would be paid on 21 May 2021. However, the right to receive dividend is not confirmed until being approved by the 2021 E-AGM.

Vote required:

Simple majority of the shareholders present at the meeting and casting their votes.

Agenda 4: Approval of the appointment of director in place of those retired by rotation

Facts and Rationales:

According to the Company's Articles of Association, at every annual general meeting of shareholders, one-third of the directors shall retire. If the number of directors cannot be divided into three parts, the number of directors closest to one-third shall retire. The directors retiring from office in the first and second year after registration of the Company shall be determined by drawing lots. For subsequent years, the directors who have held office longest shall retire and the directors retiring may be re-elected. In 2021, there are 5 directors to be retired by rotation in this meeting as follows:

1. Mr. Suthikiati Chirathivat Director
2. Dr. Atchaka Sibunruang Independent Director
3. Mrs. Patareeya Benjapolchai Independent Director
4. Mrs. Yuwadee Chirathivat Director
5. Mr. Prin Chirathivat Director

The Nomination and Remuneration Committee had undertaken the nomination process by considering persons who have qualifications as stipulated in the Charter of the Company's Directors in accordance with the law and the Skill Matrix set by the Company in alignment with the Company's business strategy in various fields. The Nomination and Remuneration Committee also considered the directors listed in the IOD Director Pool, along with the qualifications that nominating directors must not hold directorship positions in listed companies for more than 5 companies and for the case of nominating same independent directors back to terms, the nominating directors must not hold an independent director position for more than 9 years unless the Board of Directors approve by the necessity. Mrs. Atchaka Siboonrueng and Mrs. Patareeya

Benchapolchai are independent directors, having the qualifications which meet all the requirements of Company's independent director definition and the qualifications under the relevant law. They are able to give opinion independently.

The Nomination and Remuneration Committee had undertaken the nomination process thoroughly as mentioned, thus, had nominated the extension of five directors for another term. (Details as shown in Attachment 2)

Board of Directors' opinion:

The Board (excluding those retired by rotation at 2021 E-AGM) considered the qualifications of each aforementioned director thoroughly and agreed with the proposal made by the Nomination and Remuneration Committee to recommend that the Shareholder's Meeting re-appoint all 5 retiring directors to retain office for another term as follows:

- | | |
|--------------------------------|----------------------|
| 1. Mr. Suthikiati Chirathivat | Director |
| 2. Dr. Atchaka Sibunruang | Independent Director |
| 3. Mrs. Patareeya Benjapolchai | Independent Director |
| 4. Mrs. Yuwadee Chirathivat | Director |
| 5. Mr. Prin Chirathivat | Director |

Vote required:

Simple majority of the shareholders present at the meeting and casting their votes. The directors will be considered and appointed individually.

Agenda 5: Approval of the remuneration for the Board of Directors for the year 2021

Facts and Rationales:

According to the Company's Articles of Association, directors are eligible to receive remuneration in the forms of monetary, meeting allowance, gratuity, bonus or any other forms of remuneration as the shareholders' meeting considers to be appropriate for the duty of the Board of Directors.

In this regard, the Nomination and Remuneration Committee had considered and determined the remuneration for the Board of Directors based on their performance and the Company's operating results and compared with the remuneration of other companies within the same industry and of similar size. The Nomination and Remuneration Committee deemed it appropriate to recommend the Board to propose the shareholders to consider and approve the remuneration for the Board of Directors for 2021 with a ceiling of THB 20.5 million. The increase of THB 0.5 million is partly from the estimate of the compensation of the new Corporate Governance and Sustainability Committee which had been appointed by the Board of Directors from meeting No. 11/2020 on 22 December 2020. The remuneration of the Corporate Governance and Sustainability Committee is equal to the Nomination and Remuneration Committee and the Risk Policy Committee and shall be paid from January 2021. In this regard, the remuneration of the Board of Directors and other sub-committees still be the same remuneration structure as 2020.

Board of Directors' opinion:

The Board considered and agreed with the proposal made by the Nomination and Remuneration Committee to recommend the Meeting to approve 2021 remunerations for the Board and sub-committees in an amount not exceeding THB 20.5 million. The remunerations include quarterly remuneration, meeting allowances and bonus (if any) as follow:

1. Quarterly Remuneration and Meeting allowance

Position	Quarterly Remuneration (THB)	Meeting allowance (THB/Meeting/ Person)
Chairman	225,000	85,000
Director	85,000	42,000
Chairman of the Audit Committee	133,000	65,000
Member of the Audit Committee	103,000	50,000
Chairman of the Executive Committee	none	none
Member of the Executive Committee	none	none
Chairman of the Nomination and Remuneration Committee	none	35,000
Member of the Nomination and Remuneration Committee	none	30,000
Chairman of the Risk Policy Committee	none	35,000
Member of the Risk Policy Committee	none	30,000
Chairman of the Corporate Governance and Sustainability Committee	none	35,000
Member of the Corporate Governance and Sustainability Committee	none	30,000

Note: Director who holds the position of executive or employee of the Company shall not receive quarterly remuneration or meeting allowance as member of the sub-committees.

2. Director's Bonus

The bonus may be allocated to directors by which the Board of Directors is authorized to determine the conditions, details, and rate of bonus payment as it deems appropriate based on the Company's performance for the year ended 31 December 2021. In addition, the amount of bonus being allocated to each director is dependent on the performance and the participation in meetings. Director who holds the position of executive or employee of the Company shall not receive director's bonus.

3. Other benefits

- None-

Vote required:

Not less than two-thirds of the total number of votes of the shareholders present at the meeting.

Agenda 6: Approval of the appointment of the external auditors and determination of the audit fee for the year 2021

Facts and Rationales:

The Public Limited Company Act prescribes that the annual general meeting of shareholders shall consider and approve an appointment of an auditor and determine the remuneration of the auditor of the company every year. In this regard, the Audit Committee had considered and agreed to appoint an auditor, determined the audit fee which it deemed to be appropriate. Also, the proposed

auditors have no relationship or conflict of interest with the Company, subsidiaries, major shareholders or person related to the said parties which independent in auditing and recommending the Company's financial statements. Thus, it was recommended that the Board of Directors consider an appointment of an auditor and approve the audit fee for the year 2021 and acknowledge the audit fee for the 2021 financial statements of subsidiaries which will be audited by KPMG Phoomchai Audit Limited, KPMG Group of companies overseas and other overseas audit firms.

Year 2020

- The audit fee for the 2020 financial statements and the review of the quarterly financial statements was THB 6.5 million, excluding non-audit fee.
- The audit fees for the 2020 financial statements of subsidiaries which will be audited by KPMG Phoomchai Audit Limited, KPMG Group of companies in overseas and other overseas audit firms were totaling THB 36.1 million.

Year 2021

- The audit fee for the 2021 financial statements and the review of the quarterly financial statements is THB 6.9 million, excluding non-audit fee. The fee is increased comparing to the year 2020 because the scope of consolidated financial statements is increased from the acquisition of COL Public Company Limited which is considered as a significant subsidiary in the year 2021.
- The audit fees for the 2021 financial statements of subsidiaries which will be audited by KPMG Phoomchai Audit Limited, KPMG Group of companies in overseas and other overseas audit firms were approximately THB 36.2 million.

Board of Directors' opinion:

The Board considered and agreed with the proposal made by the Audit Committee and recommended the Shareholder's Meeting proceed as follows:

6.1 To consider and appoint KPMG Phoomchai Audit Limited as the external auditor and appoint

1. Miss Pornthip Rimdusit Certified Public Accountant No. 5565 or
2. Mr. Watchara Pattarapitak Certified Public Accountant No. 6669 or
3. Mr. Banthit Tangpakorn Certified Public Accountant No. 8509

Any of the above officers from KPMG Phoomchai Audit Limited as the auditor of the Company. Profiles of the proposed auditors are provided in the Attachment 3.

6.2 To approve the audit fees for the audit of the 2021 financial statements and the review of the quarterly financial statements totaling THB 6.9 million, excluding non-audit fee, and to acknowledge the audit fees for the 2021 financial statements of subsidiaries which will be audited by KPMG Phoomchai Audit Limited, KPMG Group of companies in overseas and other overseas audit firms approximately THB 36.2 million. The audit fees are decreased from the year 2020 by THB 4.6 million or equivalent to 11.34 percent, considering the audit fees of COL Public Company Limited of the year 2020 collectively.

Vote required:

Simple majority of the shareholders present at the meeting and casting their votes.

Agenda 7: Other matters (if any)

The Company has invited shareholders to propose agenda and nominate directors in advance via the Company's website from 1 December 2020 – 15 January 2021 which none of shareholders proposed agenda and nominate directors to the Company.

It is recommended that the shareholders shall study the guidance of E-AGM and Articles of Association regarding the Shareholders' Meeting (details as shown in Attachment 4). If shareholders have any queries, please submit the questions regarding the Meeting agenda prior to the Meeting via email: ir@central.co.th or <https://www.centralretail.com/en/home>

Therefore, the Company hereby invites all shareholders to attend the 2021 Annual General Meeting of Shareholders per the above date and time which is convened through electronic only. The Company will allow all shareholders to register from 5 April 2021 at 8 a.m. onwards.

Please be informed accordingly,

Yours sincerely,



(Dr. Prasarn Trairatvorakul)

Chairman

Central Retail Corporation Public Company Limited