

FORWARD  Your Business

Invitation Letter to Annual General Meeting of Shareholders No. 24

Friday, 20 April 2018
at 2.00 p.m

9th Floor, the Auditorium Room
CIMB Thai Bank Public Company Limited
44 Langsuan Road, Lumpini, Patumwan,
Bangkok 10330

Gift distribution is cancelled this year in respect of the regulators' campaign for the reduction and abolishment of gifts given away at annual general meeting of shareholders. The Bank will, however, still provide a set of drink and snack to shareholders or their attending proxies.

Company Secretary Unit
Office of the President
Contact Number: +66 2638 8274 and +66 2638 8287
E-mail: cs@cimbthai.com

Contents

Invitation letter of Annual General Meeting of Shareholders No. 24

CIMB Thai Bank Public Company Limited

	Page
Invitation letter of Annual General Meeting of Shareholders No. 24	1 - 10
Enclosure No. 1 Copy of minutes of the Annual General Meeting of Shareholders No. 23	11 - 31
Enclosure No. 2 Annual Report 2017 CD-ROM	As attached
Enclosure No. 3 Names and profiles of the directors proposed to be elected as directors	32 - 41
Enclosure No. 4 Names and profiles of independent directors proposed to be a proxy	42 - 52
Enclosure No. 5 Definition of independent director	53 - 54
Enclosure No. 6 Proxy Form B	As attached
Enclosure No. 7 Guidelines on registration, voting, proxy appointment and identification documents required for attending the annual general meeting of shareholders	55 - 59
Enclosure No. 8 Procedures for attending the Annual General Meeting of Shareholders No. 24	60
Enclosure No. 9 Articles of Association relating to the shareholders' meeting	61 - 64
Enclosure No. 10 Map of the meeting venue	65

Ref. CIMBT. OFP 075/2018

Invitation letter of Annual General Meeting of Shareholders No. 24
CIMB Thai Bank Public Company Limited

13 March 2018

Subject: Invitation to the Annual General Meeting of Shareholders No. 24

To: Shareholders

- Enclosures:**
1. Copy minutes of the Annual General Meeting of Shareholders No. 23
 2. Annual Report 2017 CD-ROM
 3. Names and profiles of the directors proposed to be elected as directors
 4. Names and profiles of independent directors proposed to be a proxy
 5. Definition of independent director
 6. Proxy Form B
 7. Guidelines on registration, voting, proxy appointment and identification documents required for attending the annual general meeting of shareholders
 8. Procedure for attending the Annual General Meeting of Shareholders No. 24
 9. Articles of Association relating to the shareholders' meeting
 10. Map of the meeting venue

The Board of Directors of CIMB Thai Bank Public Company Limited ("CIMB Thai" or the "Bank") resolved to convene the Annual General Meeting of Shareholders No. 24 ("AGM") on Friday, 20 April 2018, at 2.00 p.m. at the Auditorium Room, 9th Floor, CIMB Thai Bank Public Company Limited Head Office, 44 Langsuan Road, Lumpini, Patumwan, Bangkok, to consider the following agenda items together with the Board of Directors' opinions:

Agenda item 1 **To certify the minutes of Annual General Meeting of Shareholders No. 23 held on 12 April 2017**

Objective and reason: The Annual General Meeting of Shareholders No. 23 was held on 12 April 2017, a copy of the minutes of which is attached in Enclosure No. 1.

Board of Directors' opinion: It is deemed appropriate for the shareholders to certify that the minutes of the Annual General Meeting of Shareholders No.23 held on 12 April 2017 have been properly recorded.

Agenda item 2 **To acknowledge the Bank's operating results for the year 2017**

Objective and reason: The Bank's 2017 operating results are presented to the AGM as shown in the attached Annual Report 2017 (Enclosure No. 2).

Board of Directors' opinion: The Board deems it appropriate for the meeting to acknowledge the Bank's operating results for the year 2017.

Agenda item 3 **To consider and approve the statements of financial position and the statements of comprehensive income for the fiscal year ended 31 December 2017**

Objective and reason: To comply with the Public Limited Companies Act which stipulates that a public limited company shall prepare its statements of financial position and statements of comprehensive income as of the end of the fiscal period and shall submit the same to the AGM to consider and approve the statements of financial position and the statements of comprehensive income for the fiscal year ended 31 December 2017, as detailed in the Annual Report 2017 as audited and certified by PricewaterhouseCoopers ABAS Ltd., the auditor of the Bank, The financial information has the salient points as follows:

	Statements of financial position and statements of comprehensive income		
	Consolidated	Bank Only	Unit
Total assets	300,604	296,307	THB million
Total liabilities	267,552	264,983	THB million
Total income	13,155	10,064	THB million
Net profit	385	71	THB million
Earnings per share	0.01	0.00	THB

Remark: Details are shown in Enclosure No. 2

Board of Directors' opinion: The Board deems it appropriate for the AGM to approve the statements of financial position and the statements of comprehensive income for the fiscal year ended 31 December 2017, which have been audited and certified by the auditor of the Bank.

Agenda item 4 **To consider and approve the appropriation of profit for the year 2017 and no payment of dividend**

Objective and reason: For the year ended 2017, the Bank reported financial statements as at 31 December 2017 audited by a certified public accountant showing a net profit of THB 71,390,200.18. The Board of

Directors has considered it proper for the AGM to approve the appropriation of profit for the year 2017 to the statutory reserve of THB 3,600,000.00 and the remaining net profit after appropriation of THB 67,790,200.18 as retained earnings.

The Board of Directors may consider from time to time and as appropriate and according to the Bank's Articles of Association distributing dividends to its shareholders if its operations are profitable, and provided that it has sufficient funds to support its business and legal reserve requirements. Pursuant to the Public Limited Companies Act B.E. 2535 (1992), dividends shall be paid only when all accumulated losses have been cleared.

The Bank's policy is to allocate dividends to shareholders at not over 40% of its net profit (after corporate income tax) for the respective year. However, under the Bank of Thailand's Notification No. SorNorSor 20/2558, financial institutions should not pay dividend from the transactions that result from unrealized gain or no real cash inflow, such as profit from marked-to-market (MTM). Therefore, the Bank cannot make dividend payment for the fiscal year ended 31 December 2017.

Dividend payment for 2018 and 2017

	Year 2018	Year 2017
Dividend payment	No payment	No payment

Board of Directors' opinion: It is deemed appropriate for the AGM to approve the appropriation of profit for the year 2017 to the statutory reserve of THB 3,600,000.00 and the remaining net profit after appropriation of THB 67,790,200.18 as retained earnings and no payment of dividend for the year 2017 as proposed.

Agenda item 5 To consider and approve directors' remuneration for the year 2018

Objective and reason: The Board of Directors has a policy and criteria in place to determine remuneration for the Board and the Board Committee members under the recommendation of the Nomination, Remuneration and Corporate Governance Committee ("NRCC") to ensure that the remuneration is at the appropriate rates commensurate with the duties and responsibilities of the Board and the Board Committee members, and comparable to those of its peers in the industry.

To comply with good corporate governance principles, the Bank has disclosed details of the roles, duties and responsibilities of its Board and Board Committee members in its Annual Report 2017 to support the shareholders' consideration.

Board of Directors' opinion: The Board considers it proper as recommended by the NRCC for the AGM to approve the remuneration for the Board and the Board Committee members for 2018, the total amount of which will remain unchanged from the previous year, and payable in two portions, i.e. monthly allowance and meeting allowance per attendance, as shown below:

Directors' remuneration for 2018 and 2017

1. Remuneration for Board members:

Remuneration (Position)	Year 2018 (Proposed year)		Year 2017	
	Allowance (Monthly)	Allowance (Per attendance)	Allowance (Monthly)	Allowance (Per attendance)
1. Meeting allowance				
• Chairman	71,500 THB/person	58,500 THB/person	71,500 THB/person	58,500 THB/person
• Vice Chairman	48,400 THB/person	39,600 THB/person	48,400 THB/person	39,600 THB/person
• Director	24,000 THB/person	20,000 THB/person	24,000 THB/person	20,000 THB/person
2. Entertainment allowance				
• Chairman	70,000 THB/person	-	70,000 THB/person	-

2. Remuneration for Board Committee members:

Directors who are assigned by the Board to serve on other Board Committees are entitled to receive additional monthly allowance and meeting allowance per attendance as follows:

Remuneration (Position)	Year 2018 (Proposed year)		Year 2017	
	Allowance (Monthly)	Allowance (Per attendance)	Allowance (Monthly)	Allowance (Per attendance)
1. Audit Committee				
• Chairman	39,600 THB/person	32,400 THB/person	39,600 THB/person	32,400 THB/person
• Committee member	22,000 THB/person	18,000 THB/person	22,000 THB/person	18,000 THB/person
2. Other Committees				
• Chairman	28,600 THB/person	23,400 THB/person	28,600 THB/person	23,400 THB/person
• Committee member	22,000 THB/person	18,000 THB/person	22,000 THB/person	18,000 THB/person

Remarks: - the President and CEO has declared his intention not to receive the meeting allowances in those sub-committees.

- Directors are responsible for paying their own income tax.

Agenda item 6 To consider and approve the appointment of the auditor and determination of the audit fee for the year 2018

Objective and reason: The Public Limited Companies Act states that the AGM shall appoint an auditor and determine the auditing fee annually, and that the former auditor may be reappointed. The Audit Committee has

accordingly selected and presented to the Board of Directors to seek further approval from the AGM for the appointment of PricewaterhouseCoopers ABAS Ltd. (“PwC”) as the Bank’s auditor for the year 2018. Any of the following three CPA holders shall be empowered to audit, perform and sign off on the Auditor’s Report.

	<u>CPA license</u>	<u>Number of years</u>	<u>As the Bank’s auditor</u>
	<u>number</u>	<u>as the Bank’s auditor</u>	<u>since</u>
1. Mr. Boonlert Kamolchanokkul	5339	1	2017
2. Ms. Sinsiri Thangsombat	7352	-	-
3. Mr. Paiboon Tunkoon	4298	-	-

The Audit Committee has considered and viewed that PwC is a well-known and independent audit firm with competence and expertise in the banking sector, providing good project management support to the Bank finance function in improving initiatives and managing other projects of the Bank. The above CPA holders and PwC have no relationships or any interests or any transactions which may bring about conflict of interests with the Bank, subsidiaries, executives, major shareholders or other related persons. In this regard, the appointment of PwC has duly been approved by the Bank of Thailand (“BOT”).

It is then proposed to the Board to consider and propose for the AGM’s consideration and approval an audit fee and other fees, totaling THB 11,262,900 consisting of:

	2018	2017	%
	(THB)	(THB)	Increase / (Decrease)
- Review of financial statement for Q1 and Q3	2,000,000	2,000,000	0
- Audit of Bank’s financial statement for periods ended			
June and December	5,782,530	5,615,000	3
Total audit fee	<u>7,782,530</u>	<u>7,615,000</u>	<u>2</u>
- CIMB Group reporting fee for year ended December	1,328,600	1,300,000	2
- IT audit for the BOT*	0	700,000	-100
Total other fees	<u>1,328,600</u>	<u>2,000,000</u>	<u>-34</u>
Total audit and other fees	<u><u>9,111,130</u></u>	<u><u>9,615,000</u></u>	<u><u>-5</u></u>

*Note: Excluding IT audit for the BOT in 2017, CIMB Thai audit fee for 2018 increased by 2%

Moreover, PwC is the auditor of CIMB Thai - Vientiane Branch and three subsidiary companies of the Bank, namely:

1. CIMB Thai Auto Co., Ltd. (Formerly Center Auto Lease Co., Ltd.)
2. CT Coll Co., Ltd.
3. WorldLease Co., Ltd.

	2018	2017	%
	(THB)	(THB)	Increase / (Decrease)
Audit fee of CIMB Thai - Vientiane Branch	424,130	415,000	2
Audit fee of subsidiaries	1,727,640	1,510,000	14
Total	<u>2,151,770</u>	<u>1,925,000</u>	<u>12</u>
Total audit fee of CIMB Thai Group	<u>11,262,900</u>	<u>11,540,000</u>	<u>-2</u>

*Note: Excluding IT audit for the BOT in 2017, CIMB Thai Group audit fee for 2018 increased by 4%

Overall CIMB Thai Group audit fee and other fees for 2018 will total THB 11,262,900, down by 2% compared with 2017 of THB 11,540,000 (excluding IT audit for the BOT in 2017, CIMB Thai Group audit fee for 2018 increased by 4%). As for non-audit fee in the previous fiscal year, CIMB Thai Group obtained other services from the audit firm for which the auditors were working amounting to THB 660,000 and there were no other services from persons or businesses related to the auditors.

Board of Directors' opinion: The Board considers it proper as recommended by the Audit Committee to propose for the AGM to appoint PricewaterhouseCoopers ABAS Ltd., represented by Mr. Boonlert Kamolchanokkul (CPA License No. 5339) and/or Ms. Sinsiri Thangsombat (CPA License No. 7352) and/or Mr. Paiboon Tunkoon (CPA License No. 4298), as CIMB Thai Group auditor for the year 2018, and to determine the auditing fee and other fees for 2018 of THB 9,111,130 for the Bank, as well as to acknowledge the auditing fee of THB 2,151,770 for CIMB Thai - Vientiane Branch and the subsidiaries of the Bank, making up the total auditing fees and other fees of CIMB Thai Group of THB 11,262,900 for the year 2018.

Agenda item 7 **To consider and approve the election of directors to replace those due to retire by rotation and appointment of new directors**

Objective and reason: To comply with the Public Limited Companies Act and the Articles of Association of the Bank, Clause 18, at every annual general meeting of shareholders, one-third of the directors shall vacate office, and in the following years, the director who has held office longest shall retire. Moreover, the retiring director is eligible for re-election. At this AGM, three directors shall retire by rotation as follows:

1. Mr. Chakramon Phasukavanich Director/ Independent Director / Chairman
of the Board
2. Dato' Robert Cheim Dau Meng Director/ Vice Chairman
3. Dato' Shaarani Bin Ibrahim Director / Independent Director/ Audit
Committee member

The Board considers it appropriate to re-elect two member of the Board of Directors, i.e. (1) Mr. Chakramon Phasukavanich and (2) Dato' Robert Cheim Dau Meng, due to retire by rotation as the Bank's director for another term. Meanwhile, Dato' Shaarani Bin Ibrahim declared his intention not to be re-elected as the Bank's director for another term. After searching for a qualified candidate with knowledge and capability, the Nomination, Remuneration and Corporate Governance Committee (NRCC) has proposed to appoint Datuk Joseph Dominic Silva as a director replacing Dato' Shaarani Bin Ibrahim. The NRCC has also proposed to appoint Mr. Chanmanu Sumawong ,as a new director and independent director, which would increase the total number of the directors to 11 in compliance with the Articles of Association of the Bank, Clause 14, requiring that the Board of Directors shall consist of not less than five members and not exceeding 12 members. These four nominated persons have know-how and experience in finance and law and are fully qualified to be the Bank's directors under the relevant laws and the Bank's regulations.

Pursuant to the good corporate governance, the Bank has allowed the shareholders to nominate qualified persons without any prohibited characteristics as candidates for election of directors according to the nomination criteria and procedure indicated on its website during 1 October 2017 - 31 December 2017. It appeared that there were shareholders proposing a candidate to be elected as the Bank's director for the year 2018. However, the qualification of such person to be nominated as the director proposed by the group of shareholders is not in compliance with the Bank's criteria for granting shareholders the right to nominate the qualified person to act as the director of the Bank. NRCC then has not proposed to the Board for proposing to the shareholders' meeting for consideration.

Board of Directors' opinion: The Board (excluding directors with beneficial interest) considers it proper as recommended by the NRCC to propose for the AGM to approve re-election of two members of the Board of Directors, i.e. (1) Mr. Chakramon Phasukavanich and (2) Dato' Robert Cheim Dau Meng, due to retire by rotation as the Bank's directors for another term and appointing Datuk Joseph Dominic Silva as a director replacing Dato' Shaarani Bin Ibrahim who declares his intention not to be re-elected as the Bank's director, as well as appointing Mr. Chanmanu Sumawong, as a new director, which would increase the total number of the directors to 11. The Board views that the four nominated persons are fully qualified and have no prohibited characteristics under the criteria of the regulatory authorities and the relevant laws. In addition, they possess the required qualifications, skills, knowledge, capabilities and experience in the specific fields essential to the Bank, with dedication to the Bank's operations and adherence to code of ethics, work profile transparency and independence in expression of viewpoints. The re-election and appointment of such four persons are in the process of requesting approval from the Bank of Thailand.

In this regards, profiles of the directors proposed for re-election and profiles of the candidates proposed for election as new directors are set out in Enclosure No. 3.

Agenda item 8 **To consider and approve the amendment to the Bank's objectives and the amendment to the Bank's Memorandum of Association in clause 3 (Objectives)**

Objective and reason: The Bank intends to apply for permission to operate a debt collection business under the Debt Collection Act B.E. 2538 (1995). To accommodate the Bank's operation of such business in the future, the Board deems it appropriate for the AGM to consider and approve an amendment to the Bank's objectives and Clause 3 of the Bank's Memorandum of Association by amendment to the bank's objective item no. 17 and adding one more objective to be item no. 20 with details as follows:

Amendment to item no.17

existing provisions	replacing provisions
(17) To engage in other kinds of businesses which are traditionally considered appropriate for commercial banks, as well as all other businesses which the Company is permitted to undertake in accordance with the provisions already specified or to be specified in <u>the Commercial</u>	(17) To engage in other kinds of businesses which are traditionally considered appropriate for commercial banks, as well as all other businesses which the Company is permitted to undertake in accordance with the provisions already specified or to be specified in <u>the Financial</u>

existing provisions	replacing provisions
<u>Banking Act</u> and the Securities and Exchange Act.	<u>Institutions Business Act</u> and the Securities and Exchange Act.

Adding to item no.20

“(20) To operate debt collection business”

In addition, the Bank’s memorandum of association in Clause 3 (Objectives) shall be amended to be in line with the amendment of objectives as follows:

“Clause 3 the Company has 20 objectives, as detailed in BorMorJor 002 as attached”

For the registration of the amendment to the Bank’s objectives with Department of Business Development, Ministry of Commerce, it is proposed that the person appointed by the Board of Directors or the President and Chief Executive Officer are authorized to amend or revise the proposed objectives in order to be in line with the registrar’s instruction, which shall not impact to the substance of the proposed objectives.

Board of Directors’ opinion: The Board deems it appropriate for the AGM to consider and approve an amendment to the Bank’s objectives and Clause 3 of the Bank’s Memorandum of Association as proposed details and authorization of the person appointed by the Board of Directors or the President and Chief Executive Officer to register the amendment of the Memorandum of Association with Department of Business Development, Ministry of Commerce, and to amend or add information as ordered by the registrar, which shall not impact to the substance of the proposed objectives.

Agenda item 9 **Other matters (if any)**

You are cordially invited to attend the AGM on the date, time and at the place specified above. If you have any query regarding the agenda items, please submit your query in advance via the e-mail address of the Bank, i.e. cs@cimbthai.com, or send by registered postal mail to Company Secretary, Office of the President, CIMB Thai Bank Plc., 21st floor, 44 Langsuan Road, Lumpini, Patumwan, Bangkok 10330, or by fax no. 02-657-3082, during 21 - 31 March 2018. Please provide your name, address and phone number for ease of reference and reply.

In this regard, the Bank has prepared and sent the Annual Report 2017 CD-ROM to the shareholders as in Enclosure No. 2. To request a hard copy of Annual Report 2017, please contact Company Secretary, Office of the President at the above address.

In order to expedite and facilitate the registration process for the meeting attendance, each shareholder and/or proxy shall present to the registrar on the meeting date or deliver to the Company Secretary prior to the meeting a certificate with the shareholder's name or the proxy form containing barcode as in Enclosure No. 6, as well as an identification evidence for attending the meeting as in Enclosure No. 7. The Bank has specified the names of the shareholders who have the right to attend the AGM no. 24 on Friday, 9 March 2018 (Record Date).

Sincerely yours,



Kittiphun Anutarasoti

President and Chief Executive Officer

CIMB Thai Bank Public Company Limited

Remark: Shareholders may find the Notice Convening Annual General Meeting of Shareholders and related documents on the Bank's website from 21 March 2018 onwards.

