

**Thai Textile Industry Public Company Limited**

**Minutes of the Annual General Shareholders Meeting 1/2020**

**Wednesday, 29 April 2020**

**At Meeting Room of Thai Textile Industry Public Company Limited,  
385 Moo 1 Soi Bang Make Khao, Taiban, Samutprakarn**

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Meeting started at 14:00.

Mr. Mongkol Mungkornkanok, the Executive Director, acted on behalf of the Chairman of the Board to be the Chairman of the Meeting with the following Directors, Auditors, and Secretary at the Annual General Shareholders Meeting:

**Present at the Meeting were the following 6 Directors:**

- |                                |                                                                                                    |
|--------------------------------|----------------------------------------------------------------------------------------------------|
| 1. Mr. Mongkol Mungkornkanok   | Executive Director                                                                                 |
| 2. Mr. Tawatchai Chaiyapinunt  | Managing Director, Director of Search Committee, and Director of Remuneration Committee.           |
| 3. Mr. Kumjorn Chuenchoochit   | Managing Director                                                                                  |
| 4. Ms. Naruemon Worarittichai  | Managing Director                                                                                  |
| 5. Mr. Preecha Chaipromprasith | Director of Audit Committee, Director of Search Committee, and Director of Remuneration Committee. |
| 6. Mr. Suchart Chantanakaracha | Independent Director                                                                               |

**The following 4 Directors were not present at the Meeting:**

- |                                   |                                                                                                        |
|-----------------------------------|--------------------------------------------------------------------------------------------------------|
| 1. Mr. Boonnam Boonnamsap         | Chairman of the Board                                                                                  |
| 2. Dr. Chin Chinsetawong          | Chairman of the Audit Committee, Director of Search Committee, and Director of Remuneration Committee. |
| 3. Mr. Phaiboon Jaroonchaikanakij | Managing Director                                                                                      |
| 4. Dr. Kachornvut Namsirikul      | Director of Audit Committee                                                                            |

The number of Directors present represent 60 percent of all the Directors on Board.

**Auditors, Secretary, and Lawyer of the Company who were present at the Meeting are as follow:**

- |                                     |                                                                     |
|-------------------------------------|---------------------------------------------------------------------|
| 1. Ms. Sunantha Khamsuk             | (On behalf of Mr. Pradit Rodloytuk, Auditor Certificate number 218) |
| 2. Mr. Aiyarath Laohaareedilok      | Assistant to the Auditor                                            |
| 3. Mr. Somchai Uraiprasith          | Lawyer                                                              |
| 4. Mrs. Rattanaporn Piriyaapinsakul | Secretary and Head Count Officer                                    |

Before the start of the Meeting, Mr. Kumjorn Chuenchoochit announced the following to the Shareholders attending the Meeting.

- A. As the Company had given the opportunity for the Shareholders to add agendas, or recommend a person, or persons, to be a Director on the Board from 26 November 2019 to 07 February 2020, when the time period was over, there were no Shareholders that suggested agendas, or recommended a person to be a Director on the Board; therefore, the agenda of the meeting today would follow what the Board of Directors had set. The Shareholders can still exercise the right to recommend a person, or persons, to be a Director on the Board when the meeting reaches Agenda 5.
- B. The voting at the Shareholders Meeting will be done through ballots with the following procedures:
1. Each 1 share is equal to 1 vote.
  2. Each ballot is for a specific agenda, which is clearly labelled on the ballot. If the ballot is used to vote on an unrelated agenda, that ballot is considered invalid.
  3. Each ballot will have 3 choices, Approve, Not Approve, and Abstain. Please mark your vote on only 1 choice. If more than 1 choice is marked on the ballot, that ballot is considered invalid.
  4. A ballot without the Shareholder's handwritten name is considered invalid.
  5. The vote counting is done by using the barcode on the ballot. If any marking is done on the barcode and the barcode reading cannot read the barcode, that ballot is considered invalid.
  6. When the vote is cast, please raise your hand so our staff can collect the ballot for checking by computer. If there are any errors in computer counting, the votes tallied on the ballots will be given importance over the computer counting.
  7. Mrs. Rattanaorn Piriya-prinsakul, Secretary of the Company, is responsible for the vote counting.
- C. Please turn off all mobile phones and other communication devices.

After the explanation, the 6 Directors present at the meeting were introduced, and the Chairman then proceeded the Meeting according to the agenda as follow:

The Chairman opened the meeting and informed that there were a total of 68 Shareholders, including proxy, attending the meeting which amounted to 44,041,130 shares, which is 88.08 percent of all shares, meeting the quorum.

### **Agenda 1: Consider approval of the Minutes of the Ordinary Shareholder's Meeting 1/2019 held on Friday, 29 April 2019**

The Chairman presented the Minutes of the Annual General Shareholders Meeting 1/2019, held on Friday, 29 April 2019, which was sent to the Shareholders along with the invitation letter and available on the Company website, for consideration and approval.

The Shareholders voted in favor to approve with the following votes:

Approve	44,041,029	Votes
Not Approve	-	Votes
Abstain	1	Votes
Invalid Ballots	-	Votes

### **Agenda 2: Result of Operations for 2019**

Mr. Kumjorn Chuenchoochit reported on the operating results of 2019, the current situation, and business profits of the Company and the Subsidiary company in the textile industry.

Thai Rung Textile Company Limited, the Subsidiary company, is a yarn spinning factory, which for fiscal year 2019, the total revenue is 1,685.27 million baht, compared to 2018, the total revenue was 1,872.00 million baht. The reduced revenue is due to lower yarn prices and lower raw material costs. However, after subtracting the expenses, the Subsidiary company still made a profit of 21.39 million baht, compared to 2018 the Subsidiary company made a profit of 28.20 million baht.

For the Company, which comprises yarn spinning, yarn dyeing, fabric weaving, and garment making, have main revenue coming from sales of fabric, with secondary revenue coming from sales of yarn and sales of garments. The total revenue for 2019 is unsatisfactory due to the weak world economy and strong Thai baht. The trade war between the United States and China caused the supply and demand to be off target. Details will be presented in Agenda 3.

The Shareholders acknowledged without any questions.

### **Agenda 3: Consider approval of the Audited Balance Sheet, and Profit and Loss Statement for the year 2019**

The Chairman proposed the meeting to approve the Balance Sheet, and Profit and Loss Statement for the year ending December 31, 2019, which was audited and certified by auditors of AST Master Company Limited, as well as passed the consideration of the Audit Committee.

Mr. Kumjorn Chuenchoochit read page 95 of the 2019 Annual Report containing the summary of the authorized auditor on the net profit and loss of the fiscal year ending 31 December 2019, comparing between 2019 and 2018, which have the consolidated financial statement and individual company financial statement.

The details are as follow:

#### **1. Net Profit and Loss Statement ending December 31, 2017 and 2016 Financial Statement For Each Company**

The revenue for 2019 consisted of sales of good 1,817.10 million baht, in 2018 it was 2,581.03 million baht. Revenue from management in 2019 was 28.64 million baht, in 2018 it was 63.02 million

baht. Revenue from dividend in 2019 was 1.54 million baht, in 2018 it was 54.57 million baht. This year the revenue from dividend was less than last year because the Subsidiary company made a small profit and did not pay dividend. Last year the Company received dividend payment from the Subsidiary and Rama Textile Industry (1988) Company Limited. Revenue from other services this year is 23.02 million baht, in 2018 it was 29.96 million baht. The total revenue for 2019 is 1,870.32 million baht, in 2018 it was 2,728.60 million baht.

Expenses for 2019 consisted of Cost of Sales, which for this year is 1,769.56 million baht, in 2018 it was 2,559.40 million baht. Cost of Services for 2019 is 24.02 million baht, in 2019 it was 59.47 million baht. Cost of Selling for 2019 is 57.76 million baht, in 2018 it was 74.26 million baht. Cost of Administrative Expenses in 2019 is 114.08 million baht, in 2018 it was 111.50 million baht. Loss from change in fair value of real estate for investment and Sales Overhead for 2019 is 220.08 million baht. Cost of Finance in 2019 is 35.50 million baht, in 2018 it was 36.42 million baht. The total Expense this year is 2,221.03 million baht, in 2018 it was 2,841.06 million baht.

Loss before income tax expenses this year is 350.71 million baht, the previous year profit was 112.46 million baht. Income tax revenue this year is 72.65 million baht, the previous year was 31.90 million baht. Loss for the year is 278.05 million baht, equivalent to loss per share of 5.56 baht, the previous year was loss of 80.55 million baht, equivalent to loss per share of 1.61 baht.

The net loss of the Company for this fiscal year is 294.33 million baht.

#### **Consolidated Statement**

Revenue for 2019 consisted of Revenue from Sales this year is 2,941.83 million baht, the previous year was 3,779.87 million baht. Revenue from Services Income this year is 54.44 million baht, the previous year was 94.35 million baht. Dividend Revenue received 1.54 million baht, last year was 2.18 million baht. Revenue from Other Income this year is 53.44 million baht, the previous year was 61.52 million baht. Total Revenue this year is 3,051.26 million baht, the previous year was 3,937.93 million baht.

Expenses consisted of Cost of Sales this year is 2,829.08 million baht, the previous year was 3,688.18 million baht. Cost of Services this year is 44.48 million baht, the previous year was 81.74 million baht. Cost of Selling Expenses this year is 65.05 million baht, the previous year was 83.12 million baht. Cost of Administrative Expenses this year is 141.57 million baht, the previous year was 142.70 million baht. Loss due to the change in fair value of real estate for investment and Sales Overhead 220.08 million baht. Cost of Finance this year is 86.63 million baht, last year was 88.61 million baht. Total Expenses this year is 3,386.92 million baht, the previous year was 4,084.36 million baht.

Loss before Income Tax Expense this year is 335.65 million baht, last year 146.42 million baht. Income Tax Revenue this year is 82.84 million baht, the previous year was 40.35 million baht. The total loss for this year is 252.81 million baht, which is equivalent to loss per share of 5.11 baht, last year was a loss of 106.06 million baht, which is equivalent to loss per share of 2.19 baht.

In conclusion, the Company's net loss for this fiscal year is 269.09 million baht.

## **2. Statement of Financial Position of the Company as of 31 December 2017 and 2016**

### **Assets**

#### **Financial Statement for Each Company**

Current assets consisted of Cash and Cash Equivalents this year is 122.56 million baht, the previous year was 48.67 million baht. Trade and other receivables this year is 175.13 million baht, the previous year was 207.61 million baht. Inventories this year is 504.10 million baht, the previous year was 725.83 million baht. Withholding Assets For Sale this year is 516.67 million baht. Total current assets this year is 1,318.47 million baht, the previous year was 982.11 million baht.

Non-current Assets consisting of Investment in Subsidiary this year is 550.32 million baht, which is the same as last year. Other long-term investments this year is 60.79 million baht, which is the same as the previous year. This year there are no Investment Properties-Land, the previous year was 719.64 million baht. Property, Plant, and Equipment this year is 1,178.57 million baht, the previous year was 1,431.26 million baht. Computer Software this year is 8.72 million baht, the previous year was 9.98 million baht. Corporate Income Tax Refundable this year is 11.05 million baht, the previous year was 9.01 million baht. Other Non-Current Assets this year is 0.30 million baht, the previous year was 0.06 million baht. The total non-current assets this year is 1,809.76 million baht, the previous year was 2,781.09 million baht.

In summary, the Company had total assets at the end of 2019 equal to 3,128.23 million baht, the previous year was 3,763.20 million baht.

#### **Consolidated Financial Statement**

Important Current Assets consisted of Cash and Cash Equivalents this year is 220.59 million baht, the previous year was 156.09 million baht. Trade and other receivables this year is 295.99 million baht, the previous year was 376.51 million baht. Inventories this year is 931.27 million baht, the previous year was 1,110.58 million baht. Non-current Assets categorized as Withholding Assets for Sale this year is 516.67 million baht. Total current assets this year is 1,964.53 million baht, the previous year was 1,643.19 million baht.

Important Non-current Assets consisting of Other long-term investments this year is 60.79 million baht, which is the same as the previous year. There is no Investment Properties-Land this year, the previous year was 719.64 million baht. Property, Plant, and Equipment this year is 2,835.26 million baht, the previous year was 3,204.25 million baht. Computer Software this year is 8.72 million baht, the previous year was 9.98 million baht. Corporate Income Tax Refundable this year is 18.25 million baht, the previous year was 17.04 million baht. Other Non-Current Assets this year is 0.30 million baht, the previous year was 0.06 million baht. The total non-current assets this year is 2,923.34 million baht, the previous year was 4,011.81 million baht.

In summary, the Company had assets at the end of 2019 equal 4,887.87 million baht, the previous year was 5,655.00 million baht.

#### **Liabilities and Shareholders' Equity**

##### **Financial Statement for Each Company**

##### **Liabilities**

Important Current Liabilities consisted of Bank Overdrafts and Short-Term Loans from Financial Institutions this year is 360.00 million baht, the previous year was 893.86 million baht. Trade and

other payables this year is 409.60 million baht, the previous year was 189.94 million baht. Long-term Loan due within one year is 26.04 million baht, the previous year was 18.00 million baht. Liabilities consisting of non-revolving assets for sale this year is 34.65 million baht. Other Current Liabilities this year is 0.26 million baht, which is the same as the previous year. Total Current Liabilities this year is 830.55 million baht, the previous year was 1,102.06 million baht.

Important Non-Current Liabilities consisted of Long-term Loan this year is 28.45 million baht, the previous year was 32.50 million baht. Revenue Tax Liability this year is 96.12 million baht, last year was 172.85 million baht. Employee Benefit Obligations this year is 83.81 million baht, the previous year was 72.16 million baht. The Total Non-Current Liabilities this year is 208.39 million baht, the previous year was 277.51 million baht.

In summary, the Company's total liabilities for 2019 is 1,038.94 million baht, the previous year was 1,379.57 million baht.

### **Shareholders Equity**

Shareholders Equity consisted of Shared Capital issued and paid-up share this year is 500.00 million baht, which is the same as the previous year. The Premium on Common Shares this year is 623.84 million baht, which is the same as the previous year. Retained Earnings appropriated for legal reserve this year is 50 million baht, which is the same as previous year. Retained Earnings appropriated for general reserves this year is 50 million baht, which is the same as the previous year. Retained Earnings unappropriated this year is 338.08 million baht, the previous year was 558.24 million baht. The surplus of asset revaluation this year is 527.36 million baht, the previous year was 601.54 million baht. The Total Shareholders' Equity this year is 2,089.29 million baht, the previous year was 2,383.63 million baht.

The total liabilities and shareholders' equity at the end of 2019 is equal to 3,128.23 million baht, the previous year was 3,763.20 million baht.

### **Consolidated Financial Statement**

#### **Liabilities**

Important Current Liabilities consisted of Short-Term Loans from Financial Institutions this year is 438.79 million baht, the previous year was 1,131.02 million baht. Trade and other payables this year is 395.77 million baht, the previous year was 241.58 million baht. Current Portion of Long-Term Loans due this year is 108.29 million baht, the previous year was 131.62 million baht. Short-term loans from related persons and related companies this year is 1,007.30 million baht, the previous year was 841.20 million baht. Liabilities consisting of non-revolving assets for sale this year is 34.65. Other current liabilities this year is 1.08 million baht, which is the same as the previous year. Total Current Liabilities this year is 1,985.89 million baht, the previous year was 2,346.52 million baht.

Important Non-Current Liabilities consisted of Long-Term Loans this year is 58.11 million baht, the previous year was 127.01 million baht. Deferred income tax liabilities 160.87 million baht, the previous year was 247.79 million baht. Employee benefit obligations this year is 112.20 million baht, the previous year was 93.78 million baht. The Total Non-Current Liabilities this year is 331.19 million baht, the previous year was 486.59 million baht.

In summary, the Company have total liabilities for 2019 is 2,317.08 million baht, the previous year was 2,815.12 million baht.

### **Shareholders Equity**

Shareholders Equity consisted of Shared Capital issued and paid-up share this year is 500 million baht, which is the same as the previous year. The Premium on Common Shares this year is 623.84 million baht, which is the same as the previous year. Retained Earnings appropriated for legal reserve this year is 50 million baht, which is the same as previous year. Retained Earnings appropriated for general reserves this year is 50 million baht, which is the same as the previous year. Retained Earnings unappropriated this year is 478.49 million baht, the previous year was 676.12 million baht. Assets Valuation Surplus this year is 726.22 million baht, the previous year was 800.40 million baht. Combined with the Company this year is 2,428.56 million baht, the previous year was 2,700.37 million baht. Non-controlling interests this year is 142.22 million baht, the previous year was 139.51 million baht. The Total Shareholders' Equity this year is 2,570.78 million baht, the previous year was 2,839.88 million baht.

The total liabilities and shareholders' equity at the end of 2019 is equal to 4,887.87 million baht, the previous year was 5,655.00 million baht.

There were no questions from the Shareholders, so the Chairman asked the Shareholders to cast their vote.

The Shareholders voted in favor to approve the Financial Statements and Net Profit and Loss Statement of fiscal year 2019 with the following votes:

Approve	44,034,130	Votes
Not Approve	7,000	Votes
Abstain	-	Votes
Invalid Ballots	-	Votes

### **Agenda 4:**

#### **Consider approval to allocate 2019 net profit for dividend payment.**

The Chairman explained that as of 31 December 2019, the Company has a net loss of 255,525,062 baht; therefore, the Shareholders should resolve to abstain from dividend payment for fiscal year 2019.

The Meeting approved to abstain from dividend payment for fiscal year 2019 as per the suggestion of the Board of Directors, with the following number of votes:

Approve	44,034,130	Votes
Not Approve	-	Votes
Abstain	7,000	Votes
Invalid Ballots	-	Votes

**Agenda 5:****Consider approval of Directors to replace Directors who were scheduled to retire by rotation, and suggestion of new Directors.**

Mr. Tawatchai Chaiyapinunt, Recruitment Committee Director, was assigned by the Chairman to disclose the criterias for the selection of Directors and Independent Directors as follow:

A. An opportunity was given to minority Shareholders to recommend individuals with qualities in accordance to the laws and regulations of a public company limited and The Securities and Exchange Commission of Thailand, by invitation through the Company's website at least 1 month before the Annual Ordinary Shareholders Meeting, which this year was from 26 November 2019 to 07 February 2020.

B. The Recruitment Committee Director's meeting will select qualified individuals, along with the minority Shareholder making the recommendation in A, if any, and present to the Board of Director's meeting for consideration to present at the Annual Ordinary Shareholders Meeting for selection.

Mr. Tawatchai Chaiyapinunt announced there are the following 3 Directors scheduled to retire by rotation:

- |                              |                                                                                                        |
|------------------------------|--------------------------------------------------------------------------------------------------------|
| 1. Mr. Boonnam Boonnamsap    | Chairman of the Board                                                                                  |
| 2. Dr. Chin Chinsettawong    | Chairman of the Audit Committee, Director of Search Committee, and Director of Remuneration Committee. |
| 3. Dr. Kachornvut Namsirikul | Director of Audit Committee                                                                            |

At the Recruitment Committee Directors Meeting 1/2020, on Thursday, 27 February 2020, after thorough consideration, the Board of Directors's opinion is to reinstate 2 Directors, Mr. Boonnam Boonnamsap and Dr. Chin Chinsettawong, back on the Board 6. Dr. Kachornvut Namsirikul, Director of Audit Committee, withdrew from the position for personal reasons, and since no Shareholders proposed a new Director, the Board of Directors will replaced Dr. Kachornvut Namsirikul with Mr. Korn Sereerojanasiri, a previous Independent Director who has the knowledge, the ability, and the understanding of the textile industry.

There were further questions and no other names were proposed for consideration; therefore, the Chairman asked the Shareholders to consider and vote.

The majority Shareholders voted to reinstate the 2 Directors, Mr. Boonnam Boonnamsap and Dr. Chin Chinsettawong, who were scheduled to retire by rotation to return as Directors for another session, and also approved Mr. Korn Sereerojanasiri to be the new Director with the following votes:

1. Mr. Boonnam Boonnamsap	Chairman
Approve	44,041,130 Votes
Not Approve	- Votes
Abstain	- Votes
Invalid Ballots	- Votes



2. Dr. Chin Chinsetawong Chairman of the Audit Committee, Director of Search Committee, and Director of Remuneration Committee.

Approve	44,041,129	Votes
Not Approve	1	Votes
Abstain	-	Votes
Invalid Ballots	-	Votes

3. Mr. Korn Sereerojanasiri New Director

Approve	44,041,130	Votes
Not Approve	-	Votes
Abstain	-	Votes
Invalid Ballots	-	Votes

Mr. Kraiwan Khathawanich, a shareholder, suggested the Company to consider the following :

In the voting ballot for Agenda 5: Consider approval of Directors to replace Directors who were scheduled to retire by rotation, and suggestion of new Directors, the voting ballot should have names of the proposed Directors only.

#### **Agenda 6:**

##### **Consider approval of Directors Remuneration**

Mr. Tawatchai Chaiyapinunt, Remuneration Committee Director, was assigned by the Chairman to explain that the Remuneration Committee Directors Meeting 1/2020 on Thursday, 27 February 2020, concluded to propose to the same Directors Remuneration as last year at the Shareholders Meeting, as follow:

1. Board of Directors Bonus	No payment	
2. Directors Meeting Remuneration	5,000	baht/Person/Month
3. Audit Committee Remuneration	10,000	baht/Person/Month

The majority Shareholders, with no less than 2/3 of the Shareholders who attended the Meeting, voted to approve the Directors Remuneration as proposed by the Board of Directors, with the following votes:

Approve	44,034,130	Votes
Not Approve	7,000	Votes
Abstain	-	Votes
Invalid Ballots	-	Votes

#### **Agenda 7:**

##### **Consider to appoint auditors of the company and auditors remuneration**

Dr. Chin Chinsetawong, Chairman of the Audit Committee, assigned Mr. Preecha Chaipromprasith to report at the Meeting that at the Audit Committee Directors Meeting 1/2020 on Thursday, 27 February 2020, concluded to that Mr. Pradit Rodloytuk, Ms. Nongram Laohaareedilok, Mrs. Pornthip Lerthanongsak or Ms. Chamaporn Rodloytuk of AST Master Company Limited are knowledgeable, transparent, loyal to their occupation, and most importantly have no conflict of interest with the Company.

The history of the auditors are as follow:

- |                                |                                                               |
|--------------------------------|---------------------------------------------------------------|
| 1. Mr. Pradit Rodloytuk        | Auditor since 2002 to 2006, 2009 to 2013,<br>and 2014 to 2018 |
| 2. Ms. Nongram Laohaareedilok  | Auditor since 2007 to 2011, 2012 to 2015,<br>and 2016 to 2018 |
| 3. Mrs. Pornthip Lerthanongsak | Auditor since 2019                                            |
| 4. Ms. Chamaporn Rodloytuk     | Auditor since 2019                                            |

The Board of Directors propose to the Shareholders to appoint the 4 auditors, with any one of the auditors authorized to audit the Company and be compensated with 800,000 baht per year.

The majority Shareholders, who attended the Meeting, voted to approve the recommendation of the Audit Committee Directors with the following votes:

Approve	44,041,030	Votes
Not Approve	-	Votes
Abstain	-	Votes
Invalid Ballots	-	Votes

**Agenda 8:**

**Other agendas (if any)**

The Chairman opened the opportunity for shareholders to ask questions or express opinions. When there were no shareholders asking questions or making comments at all, the Chairman thanked the shareholders for taking the time to attend the meeting.

Meeting adjourned at 14.30



(Mr. Mongkol Mungkornkanok)  
Chairman of the General Shareholders Meeting



(Mrs. Rattanaporn Piriyaaprinsakul)  
Secretary of the General Shareholders Meeting