

The 41<sup>st</sup> Annual General Meeting Report  
President Bakery Public Company Limited

The meeting was held at Meeting Room on 6th Floor, Bang-Chan Factory, No. 1, Soi Seri Thai 87, Seri Thai Road, Kwang Minburi, Kate Minburi, Bangkok 10510, on June 16, 2020 at 9:30 a.m. The shareholders and the proxy holders who attended the meeting totaled to 125 persons, altogether holding 383,105,655 shares (out of the total shares of 450,000,000 shares), representing 85.13% of total shares of the Company and thus constituting a quorum for the shareholders' meeting. There were additional shareholders attending the meeting after the meeting was commenced, resulting in a total of 132 shareholders and proxy holders, altogether holding 383,175,161 shares or 85.15%, at the close of the meeting.

The Article 36 of the Company stipulated that there shall be not less than 25 shareholders or proxies or not less than one-half of total number of the shareholders attending the meeting and altogether holding not less than one-third of the total number of shares sold by the Company to constitute a quorum at the shareholders' meeting, unless the laws had stipulated otherwise for any particular cases. Mr. Pipat Paniangvait, Chairman of the Board of Directors, performed duty as the Chairman of the meeting.

Mr. Pipat Paniangvait, on behalf of the Chairman of the Board, welcomed the shareholders to attend the General Shareholders' Meeting No.41 of President Bakery PCL

Then, Mr. Pipat Paniangvait has assigned Miss Petcharat Anantawichai, as the Director and Senior Management Accounting Department and Finance Department Manager and Company's Secretary, to proceed the meeting, and introduced to the meeting the Directors of the Company, the auditor, and the legal advisor who would perform as the witness for today's meeting as following,

**The Board of Directors attending the meeting, representing 80% of total the Board of Directors of the Company**

1. Mr. Pipat Paniangvait	Chairman of the Board / Chairman of Nomination and Remuneration Committee
2. Mr. Apichart Thammanomai	Vice Chairman of the Board and Managing Director / Nomination and Remuneration Committee
3. Mr. Apisate Thammanomai	Deputy Managing Director / Corporate Governance and Risk Management Committee
4. Mr. Vichai Kulsomphob	Director
5. Miss Petcharat Anantawichai	Director and Senior Management Accounting Department and Finance / Corporate Governance

	and Risk Management Committee / Company Secretary
6. Miss Panida Prayottaweekij	Director and Senior Production Department / Corporate Governance and Risk Management Committee
7. Dr. Pojjanee Paniangvait	Director/ Governance and Risk Management Committee
8. Mr. Pun Paniangvait	Director
9. Miss Ubolluck Luevoravinyu	Assistant Managing Director/ Governance and Risk Management Committee
10. Prof. Dr. Teravuti Boonyasopon	Chairman of Independent Director / Chairman of Audit committee
11. Mr. Thanapich Mulapruk	Independent Director / Audit Committee
12. Mrs. Aimon Pathumarak	Independent Director and Audit Committee / Corporate Governance and Risk Management Committee

**The Board of Directors of the Company absent the meeting 3 Directors, due to the other business**

1. Mrs. Malee Tangjaisanong	Executive Production Director
2. Mr. Boonsak Chiempricha	Independent Director / Nomination and Remuneration Committee
3. Dr. Yupa Soontrapa	Independent Director and Audit Committee / Corporate Governance and Risk Management Committee

**Management Team of the Company attending the meeting**

1. Mrs. On-Anong Songserm	Department Manager / Human Resource Department
2. Miss Jirawan Komolcharoensiri	Management Accounting Department Manager

The Company assigned the Inspector as being the external auditor and the legal advisor to monitor the meeting to ensure transparency and compliance with the relevant laws and regulations as following,

**The auditor from EY Co., Ltd.**

Miss Siriwan Nitdumrong, with Certified Public Accountant (Thailand) No.5906

Miss Kwanjira Tanomwongtai Senior Manager

**The Legal Advisor** to be the witness for the vote counting

Miss Worarat Kijlerdbunjong

Before proceeding to considering each meeting agenda, Ms. Petcharat Anantawichai informed Meeting attendants to write questions onto the assigned paper. To minimize the risk of spreading Coronavirus Disease 2019 Pandemic (COVID-19), there will be designated officers who would collect and send them to the Directors instead of using microphones. The company allowed shareholders to propose meeting agenda and/or nominate names of candidates for company's Director selection from December 1, 2019 to December 30, 2019 But, no shareholder proposed meeting agenda and/or proposed the name of candidate for company's Director selection.

Then, Miss Petcharat Anantawichai explained that the voting procedure in the meeting shall follow the Article 43 of the Articles of Association of the Company, stipulating that the shareholders shall be entitled to one(1) vote per one(1) share. And voting in each agenda would be proceeded openly. The shareholders could vote for "Approve", "Disapprove", or "Abstain" for each agenda. The number of voting for "Disapprove", "Abstain" and "Invalid" would be counted. The voting for "Approve" would be the remaining of the total number of votes attending the meeting deducted by the aforesaid voting. In order to handle a smooth voting, the shareholder who would like to vote for "Disapprove" or "Abstain" shall check his/her voting and sign his/her name in the voting ballot which had already been distributed to everyone at the meeting registration. Then, the shareholders shall raise their hands in order that the company's staff could collect the voting ballot. The voting result of each agenda would be presented on the monitor. In addition, the Company would inform the meeting for the following events:

1. There was/were additional shareholder(s) attending the meeting.
2. The number of voting for "Disapprove" or "Abstain"
3. The number of "Invalid" Voting

The Directors of the Company, as the shareholders of the Company, would exercise their voting right to approve all proposals of the Board. The voting by Independent Director as a proxy of the shareholders would be made based on the voting objective indicated in the proxy form. The shareholders or the proxy holders, who attended the meeting after the meeting was opened, would be eligible to vote in the remaining agenda only. The voting by the said additional shareholders or

proxy holders shall be considered a quorum of the shareholders' meeting for the remaining agenda only and would be reported in the minutes of the meeting. To ensure the smooth and transparent voting, the Company had implemented the barcode system and the voting on each agenda shall be performed as followed,

1. In every agenda, the shareholder who would like to vote for "Disapprove" or "Abstain" shall make your vote and sign your name in the voting ballot which had already been distributed to everyone at the meeting registration, then raising your hand to allow the Company's staff to collect such voting ballot.
2. For the agenda to elect the Directors of the Company, the shareholders shall vote for each individual nominated Director. The shareholder, who would like to disapprove or to abstain to elect each individual nominated Director, could check his/her voting and sign his/her name in the voting ballot which had already been distributed at the meeting registration, and raise your hand to inform the company's staff to collect the voting ballot.

(Before proceeding to Agenda 1, there was one more shareholder or shareholder proxy with 31,800 shares attended the meeting totaled in 126 shareholders or shareholder proxies with 383,137,455 shares or 85.14% of the Company's issued and paid-up shares.)

**Agenda 1 To approve the 40<sup>th</sup> Annual General Meeting Report on April 26, 2019**

Ms. Petcharat Anantawichai proposed the 40th Annual General Meeting Report on April 26, 2019, which had been sent to all shareholders with the invitation of this Meeting and had been published on the company's website [www.farmhouse.co.th](http://www.farmhouse.co.th) for the consideration and approval of the 40th Annual General Meeting Report.

Ms. Petcharat Anantawichai opened session for shareholders to ask questions. As there were no questions from the shareholders, Ms. Petcharat Anantawichai requested the Meeting to consider and vote for the approval of this agenda.

**Resolution** The Meeting considered and resolved to approve the 40th Annual General Meeting Report. The resolution was passed unanimously by 100 percent of votes of the shareholders and proxy holders who attended the meeting and casted their votes as follows:

<b><u>Approve</u></b>	<b><u>Disapprove</u></b>	<b><u>Abstain</u></b>	<b><u>Invalid</u></b>
383,137,455	-	-	-
(100 %)	(- %)	(- %)	(- %)

(Before proceeding to Agenda 2, there was one more shareholder or shareholder proxy with 1 share attended the meeting totaled in 127 shareholders or shareholder proxies with 383,137,456 shares or 85.14% of the Company's issued and paid-up shares.)

**Agenda 2 To consider and acknowledge the annual report on the Company's performance for the fiscal year of 2019**

Ms. Petcharat Anantawichai presented the Company's performance for the fiscal year of 2019 to the Meeting as follows:

(Unit: Million Baht)

<b>Statements of comprehensive income</b>	<b>2019</b>	<b>2018</b>	<b>% Increase (Decrease)</b>
Sales Revenue	7,744	7,496	3.3%
Cost of sales	4,143	4,294	(3.5%)
Selling and distribution expenses and Administrative expenses	1,792	1,677	6.9%
Net Profit	1,702	1,431	18.9%
Basic earnings per share (Baht)	3.78	3.18	18.9%

<b>Statements of financial position</b>	<b>2019</b>	<b>2018</b>	<b>% Increase (Decrease)</b>
Total Asset	9,458	8,667	9.1%
Total Liability	1,111	1,269	(12.5%)
Shareholders' Equity	8,347	7,398	12.8%
Book Value per Share	18.55	16.44	12.8%
Debt to Equity ratio	0.13	0.17	(23.5%)

**Profit and Loss Statement**

In 2019, Company had income of 7,744 Million Thai Baht from sales, which increased by 3.3% from 2018 and net profit of 1,702 Million Thai Baht, which increased by 18.9% from 2018. These were resulted from the distribution of products that fitted to customer demand, the policies that controlled and reduced product return, and effective cost management, which reduced cost of sales by 3.5% compared to 2019.

Selling and administrative expenses of 1,792 Million Thai Baht for the fiscal year of 2019 accounted for 23.1 percent of sales revenue, which increased by 6.9 percent compared to 2018. The increase of selling

and administrative expenses resulted from advertisement in several medias and continuing promotion that increase product accessibility to customers.

In 2019, Company had net profit of 1,702 Million Thai Baht, which increased by 18.9 percent from 2018. This resulted in the increase of earnings per share from 3.18 Thai Baht per share in 2018 to 3.78 Thai Baht per share in 2019.

**Financial Statements include:**

In 2019, Company had total assets of 9,458 Million Thai Baht, 791 Million Thai Baht increase from 2018. The majority of assets consisted of current assets of 3,993 Million Thai Baht accounted for 42.1% of total assets. The increase in total assets resulted from 213 Million Thai Baht increase of cash and cash equivalents, 249 Million Thai Baht increase of current investment. For non-current assets, Company invested in 10 percent of 2,000 Million Thai Baht registered share capital of Saha Capital Tower Company Limited. The payment was made by 25 percent of this total investment or 50 Million Thai Baht in September 2019.

Total liabilities accounted for 11.72% of liabilities and shareholders' equity or 1,111 Million Thai Baht, 158 Million Thai Baht decreased from 2018. Total liabilities accounted for 11.72% of liabilities and shareholders' equity. Total liabilities decreased mainly from the cancellation of employee cash deposits, effective since December 31, 2019 and reduced finance lease agreement from the portions of completed car purchasing agreement.

Shareholders' equity was 8,347 Million Thai Baht, 949 Million Thai Baht increase from 2019 net profit of 1,702 Million Thai Baht. After the deduction of paid dividend of 747 Million Thai Baht, book value per share was 18.55 Thai Baht per share, compared to 16.44 of book value per share in 2018. Debt-to-equity ratio was reduced from 0.17 in 2018 to 0.13 in 2019.

The Company participated in Thailand's Private Sector Collective Action Coalition Against Corruption Program (CAC) and implemented anti-corruption initiatives as follows:

1. The Company had been a member of Thailand's Private Sector Collective Action Coalition Against Corruption Program (CAC) since 2016.
2. In 2018, Company published anti-corruption policies to employees, business partner, and other stakeholders in forms of written documents and on company's website.
3. In November, 2019, Thai Institute of Directors resolved to renew Company's membership of Thailand's Private Sector Collective Action Coalition Against Corruption Program (CAC) for 3 years since the endorsement date.

Shareholders and proxy holders were invited to ask question.

Ms. Petcharat Anantawichai said that since there was no question raised, the Meeting acknowledged the Company's Annual Report on the Company's performance for the fiscal year of 2019

Due to it is an agenda for acknowledging Company's performance, there was no voting for this agenda.

Before proceeding to Agenda 3, there was one more shareholder or shareholder proxy with 5 shares attended the meeting totaled in 128 shareholders or shareholder proxies with 383,137,461 shares or 85.14% of the Company's issued and paid-up shares.

**Agenda 3 To consider and approve the statement of financial position and the statement of comprehensive income audited by the auditor for the year ended December 31, 2019**

Ms. Petcharat Anantawichai informed that the statement of financial position and the statement of comprehensive income for the year ended December 31, 2019 were documented in accordance with the financial reporting standards and audited by the certified public accountant as indicated in 2019 Annual report, available for download with QR Code distributed to all shareholders together with the Annual General Meeting invitation prior to the Meeting. Ms. Petcharat Anantawichai requested the Meeting to consider and approve the statement of financial position and the statement of comprehensive income for the year ended December 31, 2019.

(Unit: Million Baht)

	Financial statements in which	
	the equity method is applied	Separate financial statements
Sales Revenue	7,744	7,744
Net Profit	1,701	1,702
Total Asset	9,480	9,480
Total Liability	1,111	1,111
Shareholders' Equity	8,369	8,347
Fully-paid up Registered Capital	450	450
Total Numbers of Common Stocks	450	450
Book Value per Share	18.60	18.55

Ms. Petcharat Anantawichai requested shareholders to cast vote for, against, or abstain on this agenda.

**Resolution** The Meeting considered and unanimously resolved to approve the proposed the statement of financial position and the statement of comprehensive income for the year ended December 31, 2019. The voting result was as follows:

**Voting Result**

<b><u>Approve</u></b>	<b><u>Disapprove</u></b>	<b><u>Abstain</u></b>	<b><u>Invalid</u></b>
383,137,461	-	-	-
(100 %)	(- %)	(- %)	(- %)

(Before proceeding to Agenda 4, there is no increase in shareholder or shareholder proxy attending the Meeting.)

**Agenda 4 to acknowledge interim dividend payment**

Ms. Petcharat Anantawichai reported the Company's performance for fiscal year of 2019 as follows:

Net Profit	1,701,821,829	Baht
Unappropriated retained earnings at the end of fiscal year	7,167,246,344	Baht

The Company appropriated 10 percent of statutory reserve required by the laws and no further statutory reserve is required.

The Company had the dividend policy with over 50 percent dividend payout of net profit after taxes and statutory reserve. This dividend policy might change due to the Company's performance, financial position, and investment plan.

The Board of Directors considered and proposed to inform shareholders at the Annual General Meeting about the 2 interim dividend payments without further annual dividend for the fiscal year of 2019. The company paid 0.81 Baht of the interim dividend on September 19, 2019 for the first 6-month performance of 2019 fiscal period of January 1, 2019 to June 30, 2019, which amounted to 364.50 million Baht. This dividend payment was allocated from investment promoted activities, which were exempt from corporate tax. Due to the pandemic of COVID-19, the Company could not hold the Annual Shareholder Meeting, which would take place on April 24, 2020 to consider the payment of annual dividend. To alleviate the effect of this circumstance on shareholder due to the postponement of Annual shareholder Meeting, the board of Directors approved 490.50 million baht of interim dividend payment at 1.09 baht per share in place of annual dividend for the 6-month performance of 2019 fiscal period of July 1, 2019 to December 31, 2019. The dividend will be allocated from investment promoted activities, which were exempt from corporate tax. The company scheduled the dividend payment at the date of May 7, 2020. This will total 855 million Baht of the interim dividend payment for 2019 operating performance at 1.90 Baht of dividend per share without further annual dividend of 2019.

**Dividend Payment Comparison**

<b>Dividend Payment</b>	<b>2019</b>	<b>2018 Paid Dividend</b>
- Net Profit (Million Baht)	1,701.82	1,430.83
- Number of Shares (Million)	450	450
First Interim Dividend (Baht/Share)	0.81	0.75
Final Dividend (Baht/Share)	-	0.85



Second Interim Dividend (Baht/Share)	1.09	-
Annual Dividend of 2018 (Baht/Share)	-	1.60
Total Interim Dividend (Baht/Share)	1.90	-
Dividend Payout Ratio (Dividend Paid/Net Income)	50.24%	50.32%

This dividend payout was aligned with Company's stipulated dividend policy.

Ms. Petcharat Anantawichai opened session for shareholders to ask questions. As there were no questions from the shareholders, the Meeting acknowledged the interim dividend payment for 2019 operating performance at 1.90 Baht of dividend per share totaled in 855 million Baht without further annual dividend of 2019.

Due to it is an agenda for acknowledging the Interim dividend payment, there was no voting for this agenda.

(Before proceeding to Agenda 5, there is no increase in shareholder or shareholder proxy attending the Meeting.)

**Agenda 5 To consider and approve the election of the Directors completing their term**

Ms. Petcharat Anantawichai stated that the Article 21 in section 3 of Company's regulation Section 3 stipulated that "at every Annual General Meeting, one-third of the Directors shall retire. If the number of Directors is not a multiple of three, then the number nearest to one-third shall retire. A retiring Director may be eligible for re-election." There were 5 Directors due to retire; namely,

1. Mrs. Malee Tangjaisanong
2. Dr. Yupa Soontrapa
3. Prof. Dr. Teravuti Boonyasopon
4. Mr. Boonsak Chiempricha
5. Mrs. Aim-On Pathumarak

The board of Directors invited shareholders to propose names to be nominated as the Director in place of due to retire Directors. The Meeting nominated 2 Directors to be re-elected to Director position including:

1. Prof. Dr. Teravuti Boonyasopon      be elected as Independent Director
2. Mrs. Aim-On Pathumarak              be elected as Independent Director

And nominated 3 new Directors including:

1. Mr. Wattanachai Chotechutrakul      be elected as Independent Director
2. Prof. Dr. Piyamitr Sritara              be elected as Independent Director
3. Miss Saipin Kittipornpimol              be elected as Director

The Director nomination process passed through the Nomination Committee and Company's Committee. There were processes of Director selection and nomination as follows:

1. The shareholders were eligible to nominate the qualified person to replace retiring Directors during December 1, 2019 to December 30, 2019. But, there was no nominated person to be proposed.

2. The Nomination Committee, in exclusive of interested Directors, shall consider and propose the qualified persons with proven knowledge, expertise, experience, performance and dedication to the Company to replace those retiring Directors and to be new Director to shareholders' meeting. The Company sent the profiles of nominated Directors as per attachment of the invitation letter.

In addition, to comply with the Clause 86 of Public Company Act, B.E. 2535 which "not allowed the Director to conduct any business in the same nature and in competition to the business of the Company no matter for his/her own benefit or for other person's benefit, except that the shareholders' meeting had been acknowledged before passing the resolution to do so."

Thus, the Board informed the Meeting that there was no "persons to be nominated as the Director of the Company had performed the executive positions of other companies doing business in the same nature or in competition of the Company"

Ms. Petcharat Anantawichai requested shareholders to cast vote for the election of each nominated Director.

**Resolution** The Meeting considered and resolved to elect each Director as follows:

**Voting Result:**

<b>Voting Name of the Director</b>	<b>Approve (Percentage)</b>	<b>Disapprove (Percentage)</b>	<b>Abstain (Percentage)</b>	<b>Voided ballot (Percentage)</b>
1. Prof. Dr. Teravuti Boonyasopon	383,137,461 (100)	-	-	-
2. Mrs. Aim-On Pathumarak	383,137,461 (100)	-	-	-
3. Mr. Wattanachai Chotechutrakul	383,137,461 (100)	-	-	-
4. Prof. Dr. Piyamitr Sritara	383,137,461 (100)	-	-	-
5. Miss Saipin Kittipornpimol	383,137,461 (100)	-	-	-

Therefore, the total members of the Board of the Company in 2020 were equal to 15 persons as follows:

- |                               |                                    |
|-------------------------------|------------------------------------|
| 1. Mr. Pipat Paniangvait      | 9. Miss Saipin Kittipornpimol      |
| 2. Mr. Apichart Thammanomai   | 10. Miss Ubolluck Luevoravinyu     |
| 3. Mr. Apisate Thammanomai    | 11. Prof. Dr. Teravuti Boonyasopon |
| 4. Mr. Vichai Kulsomphob      | 12. Mr. Wattanachai Chotechutrakul |
| 5. Ms. Petcharat Anantawichai | 13. Prof. Dr. Piyamitr Sritara     |
| 6. Miss Panida Prayottaweekij | 14. Mr. Thanapich Mulapruk         |
| 7. Dr. Pojjanee Paniangvait   | 15. Mrs. Aim-On Pathumarak         |
| 8. Mr. Pun Paniangvait        |                                    |

Concerning the authority of the Directors, two of these Directors, except independent Directors, were authorized to commonly sign their names together with the Company's seal affixed in order to engage in any action on behalf of the Company.

Before proceeding to Agenda 6, there was 3 more shareholders or shareholder proxies with 21,200 shares attended the meeting totaled in 131 shareholders or shareholder proxies with 383,158,661 shares or 85.15% of the Company's issued and paid-up shares.

**Agenda 6 To consider and approve the Directors' remuneration**

Ms. Petcharat Anantawichai clarified the Article 32 of the Company stipulating that the Directors shall be eligible to receive remuneration from the Company in the form of reward, meeting allowances, gratuity, bonus, or other fringe benefits in accordance with the regulations of the Company, apart from his/her own remuneration or welfare as an ordinary officer or employee of the company.

The Board also agreed on the amount of remuneration for the Directors as determined by the Nomination and Remuneration Committee of the Company, which was deemed appropriate with the operating performances and business growth of the Company.

Thus, the Board proposed to the Meeting to approve the remuneration of the Directors at the total amount not exceeding 15,000,000 Thai Baht per year. And the Board shall be eligible to allocate the amount of such remuneration by their own discretion. The remuneration, which had been paid to the Directors in 2019 was detailed as below,

<b>Director Remuneration</b>	<b>2019</b>	<b>2018</b>
<b>Approved Total Amount</b>	15,000,000	15,000,000
<u>Paid Amount :</u>		
1. Remuneration for Directors	9,432,500	8,970,000
2. Meeting allowances for Directors and consultants	1,704,000	1,946,000
3. Meeting allowances for audit committee	148,000	168,000
4. Meeting allowances for other sub-committees	186,000	298,000
Total	11,470,500	11,382,000
<b>Remaining Amount</b>	<b>3,529,500</b>	<b>3,618,000</b>

The Nominating and Remuneration Committee specified meeting remuneration for Company's Board of Directors and committees as follows:

<b>Remuneration for Company's Board of Directors and committees</b>	<b>Amount</b>
1. Meeting allowance - Chairman of the Board - Director	12,000 Thai Baht / person / meeting 10,000 Thai Baht / person / meeting
2. Annual remuneration for Directors	Allocated by Nominating and Remuneration Committee

Ms. Petcharat Anantawichai asked the Meeting whether there would be any voting to disapprove or to abstain the proposal. When there was no such voting objective, she requested the Meeting to vote for this agenda.

**Resolution** The Meeting unanimously resolved to approve the remuneration of the Directors at the total amount not exceeding 15,000,000 Baht per year as per all details presented by Ms. Petcharat Anantawichai.

**Voting Result was as follows:**

<b>Approve</b>	<b>Disapprove</b>	<b>Abstain</b>	<b>Invalid</b>
383,158,661	-	-	-
(100 %)	(- %)	(- %)	(- %)

(Before proceeding to Agenda 7, there is no increase in shareholder or shareholder proxy attending the Meeting.)

**Agenda 7 To consider and approve the appointment of auditors and the auditing fee for the year of 2020**

Ms. Petcharat Anantawichai clarified the Article 49 and 50 of Association of the Company stipulating that the auditor of the Company must not be the Director, staff, employee, or have any positions in the Company. The appointment of auditors shall be approved by the General Shareholder Meeting on annual basis. And retiring auditor may be eligible for re-election.

The Board proposed to the Meeting to appoint the auditors for the year of 2020 as follows:

1. Miss Siriwan Nitdamrong (Certified Public Accountant No. 5906)  
(was the person who signed her name in the financial statements of the Company from 2018 - 2019)
2. Mr. Wichart Lokatekrawee (Certified Public Accountant No. 4451)  
(was the person who signed her name in the financial statements of the Company from 2010 - 2012)
3. Mrs. Sarinda Hirunprassertwutti (Certified Public Accountant No. 4799)  
(was the person who never signed her name in the financial statements of the Company)

The nominated auditors were the auditors from EY Company Limited. On this regard, one of the auditors shall audit and submit his/her opinion upon the financial statements of the Company. The Board

was of the opinion to approve the auditing fee for the year of 2020 at the total amount of 1,140,000 Baht. This auditing fee did not include auditing fee for the compliance of conditions under promotion certificate prescribed by the Board of Investment office would be 92,500 Thai Baht per certificate.

Unit: Baht

<b>Fee</b>	<b>2020 (Proposed)</b>	<b>2019</b>
Auditing Fee	1,140,000	1,140,000

And the Company had one associated company, namely President Green House Foods Company Limited, which appointed the auditors from the same auditing company as the Company. In addition, the nominated auditors had no material relationship or benefit with the Company / affiliated company and subsidiary / Managements / major shareholders / or any related entity of the Company. These auditors had sufficient independence, and performed satisfactory accounting performance as required by the regulations of the Company and SEC. EY Company Limited shall be responsible to send other auditor to replace any nominated auditor when that person was not able to perform his/her duty.

Ms. Petcharat Anantawichai opened session for shareholders to ask questions. As there were no questions from the shareholders, she requested the Meeting to approve the appointment of auditors and the auditing fee for the year of 2020.

**Resolution** The meeting resolved to approve the appointment of auditors as follows:

1. Miss Siriwan Nitdamrong (Certified Public Accountant No. 5906)  
(was the person who signed her name in the financial statements of the Company from 2018 - 2019)
2. Mr. Wichart Lokatekrawee (Certified Public Accountant No. 4451)  
(was the person who signed her name in the financial statements of the Company from 2010 - 2012)
3. Mrs. Sarinda Hirunprassertwutti (Certified Public Accountant No. 4799)  
(was the person who never signed her name in the financial statements of the Company)

from EY Company Limited as the Company's auditors. One of the auditors shall audit financial statements of the Company. The auditing fee would be 1,140,000 Baht. And auditing fee for the compliance of conditions under promotion certificate prescribed by the Board of Investment office would be 92,500 Thai Baht per certificate.

**Voting result was as follows:**

<b><u>Approve</u></b>	<b><u>Disapprove</u></b>	<b><u>Abstain</u></b>	<b><u>Invalid</u></b>
383,158,661	-	-	-
(100 %)	(- %)	(- %)	(- %)

Before proceeding to Agenda 8, there was one more shareholder or shareholder proxy with 16,500 shares attended the Meeting totaled in 132 shareholders or shareholder proxies with 383,175,161 shares or 85.15% of the Company's issued and paid-up shares.

## **Agenda 8 To consider other matters**

**There were shareholders raising questions and comments as follows:**

**The questions from shareholders were submitted in advance through communication channels designated by the Company. The questions were as follows:**

**Shareholder's Question :** What is the percentage of the cost of palm oil used in manufacturing process to total cost?

**Director's Answer :** We do not use palm oil in our bakery manufacturing process.

**Shareholder's Question :** What is the percentage of the cost of wheat flour used in manufacturing process to total cost?

**Director's Answer :** The Company used wheat flour as major raw material accounted for a third of manufacturing cost.

**Shareholder's Question :** Why did the Company eliminate long-term loan for Directors and employees?

**Director's Answer :** Due to the reducing deposit interest rate, the Company decided to let employees invest in their choices of investment instead of depositing money with the Company. Therefore, we eliminated employee deposit plan, which was effective since 2019.

**Shareholder's Question :** What is the performance of Madame Marco bakery section?

**Director's Answer :** The Company used online distribution channels together with our retail bakery shop resulting in growing revenue.

**Shareholder's Question :** The Government promoted work-from-home policy to prevent the spreading of Coronavirus Disease 2019 Pandemic, however, the Company has invested in Robot and AI to replace human labor previously. Please explain the effects of such policy to our production level and how did we deal with such issue.

**Director's Answer :** The Company has used Robot and AI in some parts of our production process. And, during Coronavirus Disease 2019 Pandemic, we were not affected by such policy. Our production and sales departments were operating as usual. There were only some employees working at headquarter that were allowed to work from home.

**Shareholder's Question :** Please explain the performance of Saha Lawson Company Limited?

**Director's Answer :** The Company does not invest in Saha Lawson Company Limited

**Shareholder's Question** : According to Article 6 : cash and cash equivalents item in the notes of financial statements, the Company had bank deposits of 365.5 Million Thai Baht in 2019 increasing by 142.1%. Please explain the investment purpose of preparing such amount of cash.

**Director's Answer** : The Company used that as a working capital and prepared it for the payment of current portion of long-term debt.

**Shareholder's Question** : The Company had invested in joint venture with President Greenhouse Foods Company Limited established in May 2008, which had profit sharing of approximately 4 Million Thai Baht. And the investment portion is 39%. However, when using equity methods, the investment reduced by 1 Million Thai Baht. Please explain the reason of such reduction.

**Director's Answer** : The Company realized profit sharing of 39% investment in President Greenhouse Foods Company Limited accounted for 4.1 Million Thai Baht. But President Greenhouse Foods Company Limited paid the dividend of 5.2 Million Thai Baht. Therefore, the Company realized profit sharing reduction from such investment at 1.1 Million Thai Baht.

**Shareholder's Question** : According to the Company's investment in private fund, we found that, in 2019, there were debentures, bills of exchange, or bonds issued by private companies with the cost of 1.15 Thousand Million Baht increasing by 79%. Please explain the investment risk of these debentures or bonds. (Junk Bond or Investment grade Bond)

**Director's Answer** : The Company has the policy of investing in investment grade bonds.

**Shareholder's Question** : With our long-term investment in American Food Company Limited and Sahachol Food Supplies Company Limited, please explain the performance of these two companies and solutions of dealing with these companies.

**Director's Answer** : The Company is currently working on this issue.

**Shareholder's Question** : Please explain the Company measure of dealing with issues that arise from COVID-19.

**Director's Answer** : Under the situations that the emergency decree prevented people from leaving their residences, the Company managed the work of production and sales departments in accordance with the government announcements with several measures within the production plants. The Company also conducted physical examination for our employees to prevent COVID-19.

Our customer demand had changed due to the fact that our customers who could not leave their residences as usual resulting in higher demand for loaf and lower demand for ready-to-eat bakery. And when the situations have returned to normal, the demand for loaf bread has lowered while demand for ready-to-eat bakery is higher. To respond to this changing circumstance, the Company has prepared the products

that meet with customers' demand and ready for change. However, the closure of tourist attractions had made the Company unable to distribute our products.

**Shareholder's Question** : To what extent does the growth of food delivery business eg. Grab, Lineman affect the Company?

**Director's Answer** : Food delivery business rarely affect the Company business.

**Shareholder's Question** : Please tell us more about the feedbacks for farmhouse delivery service and its sales?

**Director's Answer** : The Company has been selling products through online channel since March. This initiative started last year. It is very welcomed by our customers because of its ability to cater different customer needs from purchasing for themselves, purchasing as gifts, or purchasing to make sandwich. In addition, the Company has advertised our products to promote brand perception.

**Shareholder's Question** : How much remaining investment does the Company have in TMB Ultra-Short Bond Fund (TMBUSB) and TMB Aggregate Bond Fund (TMBABF), which were canceled? When does the Company expect to receive return payment from this investment? And is there any loss from this investment?

**Director's Answer** : The Company has no investment in these funds.

#### **Question in the Meeting room**

**Shareholder's Question** : Under COVID-19 pandemic, is there any new opportunity for the company?

**Director's Answer** : Since the COVID-19 pandemic, there are many changes. The Company found more opportunities for online distribution channel, which the Company implemented even before COVID-19 pandemic. This is a good sign. Because of their concern over the COVID-19 situation and their need not to travel far from home, our customers can still order bakery via our online distribution channel.

**Shareholder's Question** : I feel that I can get bakery, especially bun and donut cake, easier than years before. Please explain the reasons behind this.

**Director's Answer** : Last year, the Company prepared sufficient products for customer demand. Sometimes the shelves are empty because our products are sold out. Due to ongoing COVID-19 pandemic, the customer needs are changing. For example, they now cannot travel to get our products resulting in some products left on the shelves. It depends on time and places.

**Shareholder's Question** : Does the Company export bakery abroad? Which country does the Company export to? And how is the sales?



**Director's Answer :** The Company currently distributes our products to country borders such as Republic of the Union of Myanmar, Lao People's Democratic Republic, and Kingdom of Cambodia.

**Shareholder's Question :** How does the Company benefit from the 7-11 opened in neighboring countries.

**Director's Answer :** The fact that 7-11 increases more distribution channels is a good opportunity for the Company.

**Shareholder's Question :** Does the Company have any policy that allow shareholders to visit the factories?

**Director's Answer :** The Company does not have policy that allows people to do site visit at our factories at the moment. Due to the COVID-19 pandemic, the Company has to enforce strict measures, which are important for the Company. The Company also ensure entry examination measures for safety reasons.

**Shareholder's Question :** Is there any comment or complaint about Company's products? (eg. expiration date, allergies from bread consumption)

**Director's Answer :** There is clear expiration date in front of the packages of all our Company's products. The Company also advertises such information online or on TV.

**Shareholder's Question :** How does the Company manage expired and returned products.

**Director's Answer :** The Company received our products from shops and retail shops all over the country. When the products expired, they will be returned to distribution warehouses and factories to disseminate plastic packages and breads. The plastic packages will be sold and recycled, while breads will be sold to fish farm.

**Shareholder's Question :** Does the Company do CSR project inside and around Company, especially in the last 2-3 months?

**Director's Answer :** During COVID-19 situation, the Company sent our products to support healthcare workers who take care of COVID-19 patients at several hospitals such as Chulalongkorn Hospital, Siriraj Hospital, Ramathibodi Hospital, and Vajira Hospital for 1 and a half month to 2 months.

**Shareholder's Question :** Have the Company ever modified the proportion or replacement materials of baking powder and yeast for better health of customers?

**Director's Answer :** The major reason that our breads look spongy is from fermentation process.

**Shareholder's Question :** There is a trend of Malaysian bread, namely Gardenia, that targets Thailand bakery market. Is this a threat or a barrier to the Company in the future?

**Director's Answer** : The Company is informed about these products being sold around country borders, especially southern border, for a while. These products are also sold online. This does not affect Company in any way.

**Shareholder's Question** : Please explain more about the expansion of distribution channels.

**Director's Answer** : The Company purchased land for distribution warehouse building to replace warehouse leasing in Bangkok and upcountry. The Company bought lands in Ratchaburana area and Udon Thani in 2019 and lands in Phra Nakhon Si Ayutthaya and Nakhon Ratchasima area at the beginning of 2020.

**Shareholder's Question** : Are the Company informed that PTT will not renew contract with 7-11? How does the Company plan to replace reducing revenue from this issue?

**Director's Answer** : There are Jiffy retail shops within PTT, which are PTT associated companies. And our products are also sold in Jiffy retail shops.

**Shareholder's Question** : Does the Company has any plan to enhance market share in CLMN countries? Please clarify the plan if there is any.

**Director's Answer** : The Company has no plan for this.

**Shareholder's Question** : Currently, How many percent is the Company's production capacity rate?

**Director's Answer** : The Company currently utilizes 70% of our production capacity.

**Shareholder's Question** : How much is the return on Company's investment in 10% of Saha Capital Tower Company Limited.

**Director's Answer** : The investment in Saha Capital Tower Company Limited is real estate investment in form of office lease. The office construction does not start yet. The expected return on investment is approximately 9 - 15%.

**Shareholder's Question** : The trend for healthy products is on a rise. Is there any chance that there will be more than 50% whole wheat in whole wheat bread since the current portion of whole wheat in whole wheat bread is just 30%.

**Director's Answer** : The Company currently has 3 different kinds of whole wheat bread including whole wheat bread 250 grams, whole wheat bread 500 grams, and royal whole wheat bread. All of these got healthier food choice logo. The Company had tested and found that the amount of whole wheat in our bread is sufficient in terms of quality and customer preference. The Company also have many new whole wheat products with more whole wheat content about to be launched to the market.

**Shareholder's Question** : How much budget does the Company plan to invest in countrywide distribution channels?

**Director's Answer** : There are 2 major expenses when investing in distribution channels including land and warehouse building. The land price and building materials depend on the price on spot. Overall, the Company prepares budget of over 10 Million Baht for warehouse building.

**Shareholder's Question** : What is the proportion of sales in each region?

**Director's Answer** : The sales for Bangkok metropolitan area is about 40%, while the sales for other regions is about 60%.

**Shareholder's Question** : Does the Company have any investment in Thai Airways bonds?

**Director's Answer** : The Company does not have any investment in Thai Airways.

**Ms. Petcharat Anantawichai** : Thank you for all shareholders' questions and comments.

When having no additional question or queries,

**The Chairman declared to close the meeting**

The meeting was closed at 11:00

*Apichart Thammanomai*  
(Mr. Apichart Thammanomai)  
Managing Director

*Pipat Paniangvait*  
(Mr. Pipat Paniangvait)  
Chairman of the Board

Minuted by *Petcharat Anantawichai*  
(Miss Petcharat Anantawichai)  
Director / Secretary