



No. Kor Bor Ror. 057/2015

April 1, 2016

### Notice of the 47<sup>th</sup> General Meeting of Shareholders

- To** : Shareholder
- Subject** : Invitation to the 47<sup>th</sup> General Meeting of Shareholders
- Attachments** :
1. Copy of Minutes of the 46<sup>th</sup> General Meeting of Shareholders, held on April 27, 2015
  2. Annual Report for Year 2015
  3. Profile of the Persons Nominated as Directors Replacing Those due to Retire upon Term Completion
  4. Definition of "Independent Director"
  5. Profile of Independent Directors being Nominated as Proxies by Shareholders
  6. Company's Articles of Association Relating to the General Meeting of Shareholders
  7. Documents and Evidences Required for the Shareholder to Present for Meeting Attendance and Meeting Regulations
  8. Procedures for posting advance questions prior to the shareholders' meeting
  9. Meeting Attendance Procedures for the General Meeting of Shareholders
  10. Map of the Meeting Venue
  11. Proxy Form B
  12. Registration Form (Required for the Meeting)

The Board of Directors of Thai Wacoal Public Company Limited has resolved to convene the 47<sup>th</sup> General Meeting of Shareholders on **Monday, April 25, 2016, at 15:00 hours, at Chaophaya Room 2, Montien Riverside Hotel, situated at no. 372 Rama 3 Road, Bangklo, Bangkholaem, Bangkok 10120, Thailand**, For said meeting, the company has provided the shareholders with the opportunity to propose meeting agenda to the shareholders' meeting for 2016 in advance during the period of December 1 - 30, 2015. However, there was no shareholder proposing meeting agenda for said meeting. Accordingly, the company has set the meeting agenda as follows :

**Agenda 1 Endorsement of the minutes of the 46<sup>th</sup> General Meeting of Shareholders, held on April 27, 2015**

**Fact and rationale** : The 46<sup>th</sup> general meeting of shareholders was held on April 27, 2015, whose meeting minutes was compiled within 14 days subsequent to the meeting date, and submitted to The Stock Exchange of Thailand and The Commerce Ministry within the timeframe specified by law, as well as disseminated through the company's website at [www.wacoal.co.th](http://www.wacoal.co.th)., whose details are displayed as per attachment no. 1

**The Board's opinion** : Since said meeting minutes had been accurately recorded, The Board of Directors resolved to propose to the shareholders' meeting to approve said meeting minutes.

**Voting resolution** : Based on majority votes of the shareholders present at the meeting and having voting rights.

## **Agenda 2** Reports on the company's performance results for year 2015

**Fact and rationale** : The report by The Board of Directors and the company's performance results for year 2015 displayed in the annual report publication, were earlier sent out together with the notice of the general meeting of shareholders, whose details are displayed as per attachment no. 2

**The Board's opinion** : To report to the shareholders' meeting for their acknowledgement.

**Voting resolution** : No voting required since this agenda is intended for acknowledgement purpose.

## **Agenda 3** Approval of financial statements ending December 31, 2015

**Fact and rationale** : Above financial statements were compiled at the end of the company's fiscal year based on Thai Financial Reporting Standards. They were verified and certified by the certified public accountant of Deloitte Touche Tohmatsu Jaiyos Audit Co., Ltd., and endorsed by The Audit committee and The Board of Directors, whose details appeared per the financial statements of the annual report for 2015 as per attachment no. 2

The contents could be largely summarized as follows :

Unit : Million Baht

	Consolidated financial statements	Separate financial statements
Total assets	6,596.66	6,298.75
Total liabilities	1,416.51	1,313.18
Equity	5,180.15	4,985.57
Sales turnover	3,972.50	4,321.58
Net profits (attributable to owners of the parent)	334.37	318.05
Earnings per share (Baht)	2.79	2.65

**The Board's opinion** : To propose to the shareholders' meeting for approval of said financial statements.

**Voting resolution** : Based on majority votes of the shareholders present at the meeting and having voting rights.

#### **Agenda 4 Approval of profits appropriation and dividend payments proposal**

**Fact and rationale** : The company generally followed its policy in approving dividend payments at the basic rate of Baht 0.25 per share (representing 25% of the par value), while also taking into account its performance results and the prevailing economic situation. For 2014, the company could achieve total net profits as per separate financial statements of Baht 318.05 million, together with retain earnings sufficient for dividend payment allocation to the shareholders.

**The Board's opinion** : To propose to the shareholders' meeting, to approve profits appropriation as follows :

1. **Statutory reserve** : Not to seek further profits allocation for statutory reserve as required by law, since the company has earlier fulfilled its statutory reserve to the level of 10% of its registered capital as required by law already.
2. **General reserve** : To propose to the shareholders' meeting to approve profits allocation of Baht 15.90 million as general reserve, to ensure the company's long term operations stability.
3. **Dividend payments** : To propose dividend payments to the shareholders at the rate of Baht 1.10 per share, altogether amounting to total dividend payments of Baht 132 million, to be drawn from the company's retained earnings already subject to corporate income tax as follows :

- Dividend payment at the rate of Baht 0.55 per share, drawing from company's retained earnings already subject to 30% corporate income tax<sup>(1)</sup>
- Dividend payment at the rate of Baht 0.55 per share, drawing from company's retained earnings already subject to 25% corporate income tax<sup>(1)</sup>

The shareholders eligible to receive dividend payments would be those with their names appearing on the record date so entitling them to receive dividend payments on Monday, May 9, 2016. Said shareholders' names would then be compiled according to Section 225 of The Securities and Exchange Act by closing the shares registration book on Tuesday, May 10, 2016. Payment date is set for Tuesday, May 24, 2016.

#### **Dividend payments details compared to the year earlier**

Dividend payments details	Unit	2015	2014	2013
1. Net profits	Million Baht	318.05	295.66	270.31
2. Number of shares	Million shares	120.00	120.00	120.00
3. Dividend payment	Baht per share	1.10	2.40	2.25
4. Total dividend payments	Million Baht	132.00	288.00	270.00
5. Payout ratio	%	41.50	97.41	99.88

**Note**<sup>1</sup> The shareholder as an ordinary person is entitled to receive tax credit from dividend payments in accordance with the Revenue Code item 47.

Above dividend payment rate duly complies with the dividend payment policy laid down by the company, and poses no adverse effect on its liquidity position.

**Voting resolution** : Based on majority votes of the shareholders present at the meeting and having voting rights.

**Agenda 5 Election of directors to replace those retiring upon term completion**

**Fact and rationale** : According to The Public Company Act B.E. 2535 and Article 21 of the Company's Articles of Association, at the annual shareholders' meeting each year, one-third of the sitting directors would be required to retire upon term completion, whereby such retiring directors were eligible for re-election to serve another term. Out of the total 15 company directors, the 5 directors due to retire upon term completion at the shareholders' general meeting were as follows:

Name of directors		Position
1.	Mr. Manu Leelanuwatana	Chairman of The Board of Directors, Chairman of The Nominating Committee, The Remuneration Committee Member and Executive Director
2.	Mr. Yuzo Ide	Vice Chairman of The Board of Directors
3.	Miss Sirikul Dhanasarnsilp	Vice Chairman of The Board of Directors, The Nominating Committee Member, The Remuneration Committee Member and Vice Chairman of The Executive Board
4.	Mr. Masaaki Yajima	Director
5.	Dr. Kulpatra Sirodom	Independent Director, Chairman of The Audit Committee and Chairman of Corporate Governance Committee

In this regard, Mr. Yuzo Ide indicated his intention not to seek re-nomination.

The company had earlier provided the shareholders with the opportunity to nominate candidate to be considered as company director to the shareholders' meeting for 2016 in advance, during the period of December 1 - 30, 2015. Nevertheless, there was no shareholder nominating candidate to be considered as company director prior to said meeting. For said nomination process, proper careful consideration was exercised by The Nominating Committee in selecting qualified candidates on an individual basis as the members of The Nominating Committee with interests did not vote to select themselves, in compliance with existing company rules and criteria relating to such position consideration.

Upon careful consideration of the candidates' qualifications in terms of Board Diversity and qualifications that were in accordance with the strategy of the company's business operation by using the analysis of skills, experience, knowledge and expertise of the board, or Board Skill Matrix. The Nominating Committee unanimously resolved to recommend to The Board of Directors to nominate above 4 outgoing directors to the shareholders' meeting, for their further consideration and approval to re-elect these persons to serve another term as company directors. Additionally, The Nominating Committee's meeting resolved to recommend to The Board of Directors for further proposal to the shareholders' meeting to approve the election of Mr. Takuya Miura as company director to replace Mr. Yuzo Ide, the retiring director who wished not to seek re-nomination.

**The Board's opinion** : The Board of Directors excluding those directors having possible conflict of interests, has paid careful consideration to the qualifications of those persons being nominated as directors on an individual basis. Due consideration were given to their qualifications in terms of professional expertise, work proficiency beneficial to company operations and capable of fulfilling essential requirements, accompanied by good leadership, sound vision, good ethics and morality, and supported by good past performances record, either as company director or member of various sub-committees for the company so far. At the same time, The Board of Directors ensured that candidates did not possess any qualification restriction or forbidden aspect as specified in Article 68 of The Public Company Act B.E. 2535, and the requirement of The Securities and Exchange Commission. Accordingly, The Board of Directors resolved to endorse the proposal by The Nominating Committee, to nominate the 4 retiring directors to the shareholders' general meeting, for re-election to serve another term as directors as follows:

1. Mr. Manu            Leelanuwatana
2. Miss Sirikul        Dhanasarnsilp
3. Mr. Masaaki        Yajima
4. Dr. Kulpatra        Sirodom

Out of above 4 outgoing directors, Dr. Kulpatra Sirodom, independent directors, had served as company director for less than 9 years.

At the same time, to consider the election of Mr. Takuya Miura to replace Mr. Yuzo Ide, the retiring director who wished not to seek re-nomination.

Enclosed please find the profile of the persons being nominated as directors and the definition for independent director complying with the requirements by The Capital Market Supervisory Board, whose details are displayed as per attachment no. 3. and no. 4.

**Voting resolution** : Based on majority votes of the shareholders present at the meeting and having voting rights.

**Agenda 6 Approval of the directors' remuneration budget**

**Fact and rationale** : According to Article 32 of the Company's Articles of Association, the company was not allowed to provide the directors with any financial payment or asset, except such payments deemed as legitimate benefits duly accorded the directors, which did not include such remuneration or benefits normally provided the directors as company employees. For such purpose, the shareholders' meeting has earlier approved annual directors' remuneration budget limit not exceeding Baht 20 million, and assigned The Remuneration Committee to allocate such budget amount approved by the shareholders' meeting. For year 2015, the company has allocated remuneration budget for the directors for total amount Baht 12,922,000, classified into annual remuneration for The Board of Directors of Baht 11,000,000, meeting allowances for The Board of Directors of Baht 906,000, together with meeting allowances for The Audit Committee of Baht 680,000, meeting allowances for The Nominating Committee of Baht 52,000, meeting allowances for The Remuneration Committee of Baht 32,000, meeting allowances for The Risk Management Committee of Baht 216,000, and meeting allowances for The Corporate Governance Committee of Baht 36,000.-

Details of the criteria for the directors' remuneration were based on the consideration of The Board of Directors' performances, authority, duty, and responsibility scope, as well as the operating results and growth prospect for the company, the financial liquidity position, and such factors posing possible impacts on both the company and overall economic situation, together with performance of individual directors. Consideration was also given to the budget amount approved by the shareholders' meeting, the remuneration amount for the previous year and the comparison with other companies in similar businesses.

For the year 2016, The Remuneration Committee has resolved to propose the remuneration budget for the directors not exceeding Baht 20 million same as the year earlier, according to remuneration details as follows :

1. **Annual remuneration** : paid to all directors, based on the consideration by The Remuneration Committee.
2. **Meeting allowance** : paid to person attending the meeting.

Details of meeting allowance payments were as follows:

	2016	2015
<b>1. Meeting allowance</b>		
<b>1.1 For The Board of Directors</b>		
- Chairman	Baht 12,000 / time	Baht 12,000 / time
- Member	Baht 10,000 / time	Baht 10,000 / time

	2016	2015
1.2 For The Audit Committee, The Nominating Committee, The Remuneration Committee, The Risk Management Committee The Corporate Governance Committee		
- Chairman	Baht 10,000 / time	Baht 10,000 / time
- Member	Baht 8,000 / time	Baht 8,000 / time
2. <u>Quarterly meeting allowance</u> (For The Audit Committee)		
- Chairman	Baht 60,000 / time	Baht 60,000 / time
- Member	Baht 30,000 / time	Baht 30,000 / time

3. Other benefits : - None -

Whereas above remuneration criteria need to receive the approval by The Board of Directors, and cannot exceed the budget amount approved by the shareholders' meeting.

**The Board's opinion** : The Board of Directors resolved to propose to the shareholders' meeting to approve yearly directors' remuneration budget not exceeding Baht 20 million per year (same as the remuneration budget in the previous year), as proposed by The Remuneration Committee since such remuneration was appropriate and reflected the director's authority, duty, and responsibility scope, as well as the company's operating results and business growth. Additionally, the remuneration was based on criteria comparable to other companies in the same business sector.

**Voting resolution** : A two-third majority votes by the shareholders present at the meeting are required to pass the resolution.

**Agenda 7 Appointment of company auditor(s) and approval of related audit remuneration budget**

**Fact and rationale** : According to Article 49 and Article 50 of the Company's Articles of Association, the auditor shall not be a director, staff member, employee or a person holding any office or having any duty in the company. The auditor shall be appointed annually by the general meeting of shareholders. A retiring auditor may be re-appointed. For year 2015, the shareholders' meeting resolved to appoint Dr. Suphamit Techamontrikul, and/or Mr. Niti Jungnitnirundr and/or Mr. Manoon Manusook respectively, representing Deloitte Touche Tohmatsu Jaiyos Audit Co., Ltd., as company auditors.

Furthermore, in accordance with the announcement by The Capital Market Supervisory Board no. Thor Chor 44/2003, regarding “The criteria, conditions, and reports pertaining to the disclosure of financial information, and performance results of securities issuing companies”, in case the hitherto auditor had served as company auditor for 5 consecutive accounting years, the company was thereby required to seek auditor rotation, by assigning other auditors belonging to the same audit company or from elsewhere, to carry out audit work for the company instead. Otherwise in the case the company wished to re-appoint, the former auditor who had completed 5 consecutive years of audit services to act as company auditor again, the interval of 2 accounting years would be required before such a re-appointment could take place. In that regard Dr. Suphamit Techamontrikul, certified public accountant registration no. 3356, had already carried out said audit work for the company for 5 consecutive accounting years, from 2011 to 2015, thereby completing the maximum audit period allowed by the announcement.

The Audit Committee considered the performance of the company auditors in the past year and was of the view that the company auditors were considered to be knowledgeable and capable persons advocating good corporate practice principles, with understanding of the company's business and its subsidiaries, including independence in performing their duties, as well as fully qualified in accordance with the Company's Articles of Association, and the requirements of The Securities and Exchange Commission. Accordingly, The Audit Committee resolved to recommend to The Board of Directors to further propose to the shareholders' meeting for appointment of company auditors for year 2016 from Deloitte Touche Tohmatsu Jaiyos Audit Co., Ltd., according to name list of auditors as follows :

1. Mr. Manoon Manusook certified public accountant registration no. 4292  
(Had never served as company auditor certifying the company's financial statements) and/or
2. Miss Wimolporn Boonyusthian certified public accountant registration no. 4067  
(Had never served as company auditor certifying the company's financial statements) and/or
3. Dr. Kiatniyom Kuntisook certified public accountant registration no. 4800  
(Had never served as company auditor certifying the company's financial statements)

Above auditors from Deloitte Touche Tohmatsu Jaiyos Audit Co., Ltd., recommended for further appointment by the shareholders' meeting, were from the same auditing office as those auditors acting as company auditors for the company's subsidiaries. In that regard, the company confirmed that these company auditors were independent and did not have any prior relationship or any stockholding interests in both the company or its subsidiaries, and were not related to their management, major shareholders, or other parties relating to those persons. The company and its subsidiaries did not make any non-audit fee payment to the auditing office where the auditors belonged, other parties or businesses relating to the auditors, or otherwise their auditing office.



Audit remuneration details proposed for 2016 as compared to 2015

Unit : Baht

Audit fees	2016	2015
- Annual audit fee and quarterly review fee of separate financial statements	1,305,000	1,265,000
- Annual audit fee and quarterly review fee of consolidated financial statements	390,000	390,000
- Royalty audit services	25,000	25,000
- Information technology system audit fee	150,000	150,000
<b>Total</b>	<b>1,870,000</b>	<b>1,830,000</b>

At the same time, to also inform the shareholders' meeting of the audit fee payment to the auditors for the company's 5 subsidiaries, according to the details as follows :

Unit : Baht

Audit fees	2016	2015
Thai Wacoal Public Company Limited	1,870,000	1,830,000
The company's 5 subsidiaries	2,682,000	2,650,000
<b>Total</b>	<b>4,552,000</b>	<b>4,480,000</b>

Additionally, the company's associates did not use the same auditing office with the company. Since the associates are registered abroad, the auditors with knowledge, ability and experience in auditing were selected in such countries.

**The Board's opinion** : Having examined the opinion of The Audit Committee, The Board of Directors resolved to propose to the shareholders' meeting to appoint Mr. Manoon Manusook, certified public accountant registration no.4292 and/or Miss Wimolporn Boonyusthian, certified public accountant registration no. 4067 and/or Dr. Kiatniyom Kuntisook, certified public accountant registration no. 4800 representing Deloitte Touche Tohmatsu Jaiyos Audit Co., Ltd. as company auditors for year 2016 and to approve related audit remuneration budget of Baht 1,870,000.-

**Voting resolution** : Based on majority votes of the shareholders present at the meeting and having voting rights.

**Agenda 8 Other topics (if any)**

The Board of Directors hereby invites the shareholders to attend the meeting according to the time, date and place specified above. The registration for meeting attendance shall open 2 hours prior to meeting commencement, starting from 13.00 hours onwards. To ensure your full benefits and safeguard your own interests, should you need the company to clarify any proposed meeting agenda, you may send your inquiry in

advance by registered mail, together with your own address for further contact by the company. Please see additional details per [attachment no. 8](#)

In the case where the shareholder is unable to attend the meeting in person, and wish to appoint a proxy to attend and cast votes at the meeting instead, please fill in the details and sign your name in the attached proxy form. You can download the form from the company website at [www.wacoal.co.th](http://www.wacoal.co.th), which consists of 3 formats. For the foreign shareholder appointing the custodian in Thailand to take care of the shares, either form A, B, or C may be used. Whereas for other shareholders, only form A or B may be used. Should the shareholder be interested in appointing independent directors to act as his/her proxy, the profile of these directors are shown as per [attachment no.5](#).

In order for the company to expedite the verification procedures for related necessary documents, may we seek your cooperation to please send your proxy appointment form, so as to reach the company by Friday, April 22, 2016 at the latest, to the following address:

Mrs. Onanong Saengpumpong  
Company Secretary  
Thai Wacoal Public Company Limited  
930/1 Soi Pradoo 1, Sathupradith Road, Bangklo, Bangkholaem,  
Bangkok 10120

Since the company shall carry out registration procedure using barcode to facilitate the process, the shareholders and proxies are required to bring along the Registration Form (as per [attachment no. 12](#)), to present for their meeting attendance.

As authorized by The Board of Directors

**Boondee Amnuayskul**

(Mr. Boondee Amnuayskul)

Managing Director