

(TRANSLATION)

9 March 2017

Subject : Notice of the Annual General Meeting No. 24

To : Shareholders of Thai Reinsurance Public Company Limited

- Attachments:
1. Copy of Minutes of Annual General Meeting of Shareholders No. 23
  2. Annual Report for the year 2016
  3. Financial Highlights for the year 2016
  4. Profiles of nominated directors
  5. Profiles of nominated auditors
  6. Company's Articles of Association relating to the AGM
  7. Documents or evidences required prior to attend the meeting
  8. Map of meeting venue
  9. Proxy form
  10. Profile of independent director who serves as proxy for shareholders
  11. Advance questions relating to agenda items of AGM
  12. Request form for the hard copy of Annual Report

The 24<sup>th</sup> Annual General Meeting of the shareholders of Thai Reinsurance Public Company Limited shall be held on Friday, 21 April 2017, at 10.00 hours (Registration begins at 08.30 hrs.), at Universe Room 1 12<sup>th</sup> Floor, Space Convention Center, 33/4, The 9<sup>th</sup> Tower A, Rama 9 Road, Huaykwang, Bangkok to consider the following agendas:-

**Agenda 1 : To adopt the Minutes of Annual General Meeting of Shareholders No. 23**

Rationale: The Annual General Meeting of Shareholders No. 23 was held on 22 April 2016, a copy of the Minutes is attached herewith.

Opinion of the Board: The Board agrees that the Minutes of the Annual General Meeting of Shareholders No. 23 held on 22 April 2016 have correctly been stated and recommends the approval of the said minutes.

Voting : Resolution in this agenda item shall be adopted by the majority votes of the shareholders attending the meeting and casting their votes.

**Agenda 2 : To acknowledge the Board of Directors' report on the Company's business in 2016**

Rationale: The report for the Company's operational result in the fiscal year 2016 is shown in the attached annual report which has been distributed to shareholders together with this notice for calling the meeting.

Opinion of the Board: The Board agrees and recommends the meeting to acknowledge the directors' report stating the Company's performance and major changes during the fiscal year 2016.

Voting : Since this agenda item is for acknowledgement, no vote is required.

**Agenda 3 : To approve the financial statements for the year ended 31 December 2016**

Rationale: In compliance with the Public Limited Company Act, the Company shall prepare the financial statements at the end of the fiscal year of the company which were audited and certified by auditor of the company to be ready for shareholders' approval.

Opinion of the Board: The Board agrees and recommends adopting the financial statements for the year ended 31 December 2016 which have already been audited by the auditors, EY Office Limited, and reviewed by Audit Committee. Details are shown in the attached Annual Report which has been distributed to shareholders together with this notice for calling the meeting.

Voting : Resolution in this agenda item shall be adopted by the majority votes of the shareholders attending the meeting and casting their votes.

**Agenda 4 : To approve the profit allocation**

Rationale: The Company has adopted a dividend payment policy, where a dividend will be paid out from profits at the rate of not less than 40% of the Company's net profit after deducting all necessary reserves. The last dividend payment of Baht 0.20 per share was paid in September 2011. Thereafter, no dividend was paid due to the flood crisis. The Company was severely affected by the floods in late 2011, which resulted in negative results and accumulated loss. It took 4 years to manage and in 2015 all retained losses were offset. The Company's separate financial statements for 2016 showed net profit of Baht 875.3 million or Baht 0.21 per share which can be allocated towards the dividend payment.

Opinion of the Board: The Board agrees to allocate the profit for dividend payment for 2016 performance as follows:

Balance brought forward	28,255,786	Baht
2016 net profit	875,306,482	Baht
2016 employee benefit obligation	(942,911)	Baht
Reversal of expired dividend payable	<u>46,355</u>	Baht
Total profit for allocation	902,665,712	Baht
<b>Proposed allocation:</b>		
Final dividend at Baht 0.05/share including the interim dividend of Baht 0.10/share making total dividend of Baht 0.15 /share	632,249,075	Baht
Statutory reserve	<u>44,000,000</u>	Baht
Balance carried forward	<u>226,416,637</u>	Baht

The payout ratio of above dividend payment is 71.4 % of net profit according to separate financial statements.

The record date for rights to receive dividends will be on Friday, 28 April 2017. Share registration book closing date will be on Tuesday, 2 May 2017 and payment date will be on Tuesday, 16 May 2017.

Voting : Resolution in this agenda item shall be adopted by the majority votes of the shareholders attending the meeting and casting their votes.

**Agenda 5 : To elect new directors to succeed those completing their terms**

Rationale: Pursuant to the Company's Articles of Association, the member of the Board should be between 9 and 15 directors and one-third of them should be retired on every Annual General Meeting. 4 out of totaling 11 directors to be retired by rotation this year are:

1. Mr. Jiraphant Asvatanakul      Director, member of Nominating and Remuneration Committee
2. Mr. Chandran Ratnaswami      Director, member of Investment Committee, member of Nominating and Remuneration Committee
3. Mr. Aswin Kongsiri              Independent Director, Chairman of Audit Committee
4. Mr. Surachai Sirivallop          Vice Chairman, member of Investment Committee and Executive Chairman

In this regard, the Nominating and Remuneration Committee has set a selection process as follows.

- Directors to be retired by rotation are allowed to express their willingness to be re-elected or to continue their offices for another term.
- The Board and shareholders can propose and recommend any qualified person for such replacement.
- The Nominating and Remuneration Committee shall consider those nominated or proposed person(s) and then present to the Board and shareholders for approval.

Four directors, namely Mr. Jiraphant Asvatanakul, Mr.Chandran Ratnaswami , Mr. Aswin Kongsiri and Mr.Surachai Sirivallop expressed their willingness to hold a director position in next term if they are re-elected. There is no nominated candidate from the shareholders via our website.

Mr. Aswin Kongsiri was nominated for re-election as an independent director for another term, even though he had reached the 9-year tenure limit because the Nominating and Remuneration Committee was of the view that his qualification, knowledge and experience in investment and finance can greatly contribute to the Company's future success including his past performance as Independent Director always for the benefit of the Company and shareholders.

The Nominating and Remuneration Committee had considered the composition of the board and all required qualifications of each person who may become the Company's director pursuant to the applicable laws, the Company's Articles of Association and the nomination principles, including the evaluation result of each individual's performance, and was of the view that all 4 directors should be proposed to the board in order for the board to propose to the shareholders for re-election to continue their offices., namely:

1. Mr. Jiraphant Asvatanakul
2. Mr. Chandran Ratnaswami
3. Mr. Aswin Kongsiri
4. Mr. Surachai Sirivallop

Opinion of the Board: The Board, without participation of any director having interest therein, concurs with the Nominating and Remuneration Committee's recommendation to propose all 4 directors retired by rotation be re-elected for another term. The profiles of 4 nominated directors are enclosed for your consideration.

Voting : Resolution in this agenda item shall be adopted by the majority votes of the shareholders attending the meeting and casting their votes.

**Agenda 6 : To fix the directors' remuneration**

Rationale: Since the Board has played an important role for setting and implementing the Company's policy and directing its operation. Remuneration of the Board and members of any sub-committees should be at appropriate level and align with their duties and responsibilities and comparable to industry practices.

Opinion of the Board: The Board concurs with the recommendation proposed by the Nominating and Remuneration Committee that the directors' remuneration for the year 2017 would be proposed for consideration and approval as follows: monthly retainer fee and meeting allowance for directors / sub-committee remain unchanged from the year 2016. Since the Company had profit from the operation in 2016 and dividend could be paid to shareholders. The Board then proposes to allocate the amount of Baht 6.3 million for director's bonus. Details are:

	<u>2017</u>	<u>2016</u>
<u>1. Board of Directors</u>		
Monthly Retainer Fee	<u>Same as 2016</u> Chairman – Baht 20,000 per month, other directors – Baht 15,000 per month per person.	Chairman – Baht 20,000 per month, other directors – Baht 15,000 per month per person.
Attendance fee	<u>Same as 2016</u> Chairman – Baht 35,000 per session, other directors - Baht 25,000 per person per session. Payable only to those attending a meeting.	Chairman – Baht 35,000 per session, other directors - Baht 25,000 per person per session. Payable only to those attending a meeting.
Bonus	Not exceeding Baht 6.3 million. Allocated to Chairman 2 parts, Vice Chairman 1.5 parts, Directors and Chief Executive Officer 1 part each	-Nil-
Other benefits	-Nil-	-Nil-

	<u>2017</u>	<u>2016</u>
<u>2. Audit Committee</u>		
Attendance fee	<u>Same as 2016</u>	
	Chairman – Baht 50,000 per session, other members – Baht 35,000 per person per session. Payable only to those attending a meeting.	Chairman – Baht 50,000 per session, other members – Baht 35,000 per person per session. Payable only to those attending a meeting.
<u>3. Nominating and Remuneration Committee</u>		
Attendance fee	<u>Same as 2016</u>	
	Baht 25,000 per person per session. Payable only to those attending a meeting	Baht 25,000 per person per session. Payable only to those attending a meeting
<u>4. Investment Committee</u>		
Attendance fee	<u>Same as 2016</u>	
	Baht 25,000 per person per session. Payable only to those attending a meeting	Baht 25,000 per person per session. Payable only to those attending a meeting

Voting : Resolution in this agenda item shall be approved by not less than two-thirds of the total number of votes of the shareholders attending the meeting and having the right to vote.

**Agenda 7 : To appoint an auditor and fix the audit fee**

Rationale: The Audit Committee had selected the Company's auditors for the fiscal year 2017 and would recommend the Board to propose to the shareholders to re-appoint EY Office Limited (EY) by Ms. Ratchada Yongsawadvanich, CPA Registration no. 4951, Ms. Ratana Jala, CPA Registration no. 3734 and/or Mrs. Nongluck Phumnoi, CPA Registration no. 4172 and/or Ms. Somjai Kunapasut, CPA Registration no. 4499 as the Company and its subsidiary companies' auditors for the fiscal year 2017.

In this regard, the Audit Committee viewed that EY has extensive experience in auditing a number of insurance companies and has large international networks and recognition which would, therefore, facilitate the Company to adopt international audit standard. Furthermore, such 4 proposed auditors as well as EY have no relationship or any connected transactions which may lead to conflict of interest with the Company.

The Audit Committee also recommends that the total audit fee for the Company be fixed at Baht 2,480,000, a decrease of 2% from previous year. Details are:

	<u>2017</u>	<u>2016</u>	<u>% Inc.</u>
Annual audit fee	950,000 Baht	950,000 Baht	0.0%
Quarterly review audit fee	600,000 Baht	600,000 Baht	0.0%
Fee on review and audit the Capital Adequacy Report	530,000 Baht	530,000 Baht	0.0%
Fee on review reinsurance contracts under new TFRS 4 requirements	300,000 Baht	450,000 Baht	-33.3%
Sub total	2,380,000 Baht	2,530,000 Baht	-5.9%
Fee on review the annual report	100,000 Baht	-	+100%
Grand total	2,480,000 Baht	2,530,000 Baht	-2.0%

Moreover, the Audit Committee proposed the Meeting to acknowledge the audit fee for the subsidiary companies for the year 2017 as follows:

	<u>2017</u>	<u>% Inc.</u>
Number of subsidiaries	4 companies	
Total amount of audit fees	1,360,000 Baht	+2.3%
Totaling audit fees for the Group	3,840,000 Baht	-0.5%

**Note:** The guidelines of the Securities and Exchange Commission (SEC) stipulate that the auditor of listed company who has performed his/her duty in reviewing, auditing and giving opinion on the financial statements of the company for five consecutive fiscal years shall be rotated. In such case, the former auditor may be re-appointed after terminating the office of such auditor not less than two consecutive fiscal years. Ms. Ratana Jala, an auditor, had audited and given opinion on the Company and its subsidiaries' financial statements for the last 3 consecutive years.

Remark: The auditors of the Company, subsidiaries and associated company are the same persons.

Opinion of the Board: As proposed by the Audit Committee, the Board recommends re-appointing EY by Ms. Ratchada Yongsawadvanich and/or Ms. Ratana Jala and/or Mrs. Nongluck Phumnoi and/or Ms. Somjai Kunapasut as Company's auditors for the year 2017 and fixing their remuneration of Baht 2,480,000. In the event those auditors are unable to perform their duties, EY is authorized to assign another of its auditors to perform the audit and express an opinion on the Company's financial statements in their place.

Voting : Resolution in this agenda item shall be adopted by the majority votes of the shareholders attending the meeting and casting their votes.

**Agenda 8 : To consider other issues (if any)**

The record date for rights to attend and vote at the Annual Shareholders' Meeting will be on Monday, 13 March 2017 and share registration book shall be closed on Tuesday, 14 March 2017 to collect the names of shareholders as stipulated in the Securities and Exchange Act B.E. 2535, Section 225.

All shareholders are cordially invited to attend the meeting on the date, time and place as mentioned above. If you are unable to attend the meeting and wish to appoint a proxy, please fill the attached proxy form and deposit with the Company officer before the commencement of the meeting.

For your convenience, if you wish to appoint a person to attend and vote at the meeting on your behalf, please complete and duly execute only one of the two proxy forms (Form A or Form B) attached in attachment no. 9, or alternatively you may download only one of three proxy forms, Form A. Form B. or Form C. (Form C is only for foreign investors who authorize the custodian in Thailand to keep and safeguard their shares) from [www.thaire.co.th](http://www.thaire.co.th).

In addition, you may appoint our Independent Director or Executive Chairman as your proxy holder amongst the following directors:

- |                            |  |
|----------------------------|--|
| 1. Mr. Aswin Kongsiri      | Independent Director, Chairman of Audit Committee      |
| 2. Mr. Surachai Sirivallop | Vice Chairman, Investment Director, Executive Chairman |

Yours sincerely,

--- Signed---

(Oran Vongsuraphichet)

Director & Chief Executive Officer