



No. Nor lor bor 011/2020

Date : April 1, 2020

Subject : Invitation to the Annual General Meeting of Shareholders for year 2020

To : Shareholders

- Enclosures:
1. Barcode registration form (required to bring on the Meeting day)
 2. Information on proposed directors to be appointed as the directors
 3. The detail of Auditors.
 4. Guidelines for registration and identification documents required to attend and vote in the Annual General Meeting of Shareholders
 5. The detail of directors (proxy for shareholders)
 6. The Company's Articles of Association, concerning the Shareholders' Meeting
 7. QR Code Downloading Procedures for the Annual Report 2019 and Sustainability Development Report 2019
 8. Annual Report for 2019 and Sustainability Development Report for 2019 (in form of QR Code)
 9. Proxy forms
 10. A map of meeting place

Whereas the Board of Directors of CP ALL Public Company Limited had resolved to arrange for the holding of the Annual General Meeting of Shareholders for year 2020 to be held on Friday 24th April, 2020 at 2:00 p.m., registration time: 12 noon – 2.00 p.m., at the Meeting Room 3rd floor, Convention Hall, Panyapiwat Institute of Management, 85/1 Moo 2 Chaengwattana Road, Bang Talad, Pak-Kred, Nonthaburi with the agenda as follows:

Agenda 1. To consider the report of the Board of Directors which propose the meeting for reporting the Company's operations for the last year.

Facts and Reasons

The operation results of the Company for the year 2019 were reported in the Annual Report and the Financial Statements of the Company distributed together with this invitation notice (Enclosure no.8, Annual report, in the subject of "Nature of Business" "Management Discussion and Analysis" and "Financial Statements") which could be summarized as follows:

	<u>Stores opened in year 2019</u>	<u>Total stores as of December 31, 2019</u>	
Number of stores			
Classified by location			
- Bangkok	125	3,164	branches
- Suburb	148	1,943	branches
- Upcountry	<u>451</u>	<u>6,605</u>	branches
Total	<u>724</u>	<u>11,712</u>	branches



Classified by ownership			
- Corporate	321	5,215	branches
- Store Business Partner	351	5,687	branches
- Sub Area	<u>52</u>	<u>810</u>	branches
Total	<u>724</u>	<u>11,712</u>	branches

Financial statements for the year ended December 31, 2019

Million Baht

Separate :

- Total assets	283,917	Increased 1% from previous year
- Shareholders' Equity	80,159	Increased 11% from previous year
<i>(Included Subordinated Perpetual Debentures 19,909 Million Baht)</i>		
- Revenue from sale of goods and rendering of services	334,061	Increased 8% from previous year
- Total Income	361,034	Increased 8% from previous year
- Net profit	20,180	Increased 1% from previous year

Consolidated :

- Total assets	375,618	Increased 1% from previous year
- Shareholders' Equity	108,368	Increased 9% from previous year
<i>(Included Subordinated Perpetual Debentures 19,909 Million Baht)</i>		
- Revenue from sale of goods and rendering of services	550,901	Increased 8% from previous year
- Total Income	571,110	Increased 8% from previous year
- Net profit attributable to equity holders	22,343	Increased 7% from previous year

Board's Opinion

The Meeting of Shareholders should acknowledge the operating results of the Company for the year 2019.

Agenda 2. To consider and approve the Statement of Financial Position and Statement of Income for the year ended December 31, 2019

Facts and Reasons

The Statement of Financial Position and Statement of Income for the year ended December 31, 2019 which were audited by the auditors are appeared in the audit report of certified public accountant and financial statements enclosed herewith (Enclosure no.8, Annual report : in the subject of "Independent Auditor's Report" and "Financial Statements"). It could be summarized as follows:



<i>Separate :</i>	<u>Baht</u>
– Total assets	283,916,796,238
– Total Equity	80,158,600,085
– Revenue from sale of goods and rendering of services	334,061,076,230
– Total Income	361,034,074,007
– Profit for the year	20,180,101,849
– Basic Earnings per share	2.14

<i>Consolidated :</i>	
– Total assets	375,617,454,248
– Total Equity	108,367,796,488
– Equity attributable to Equity holders of the Company	93,738,858,640
– Revenue from sale of goods and rendering of services	550,900,785,536
– Total Income	571,110,057,763
– Profit for the year	22,694,114,528
– Profit for the year, attributable to Equity holders of the company	22,343,084,745
– Basic earnings per share	2.38

Board's Opinion

After considering the matter, the Board of Directors is of the opinion that the Meeting of Shareholders should approve the Statement of Financial Position and Statement of Income for the year ended December 31, 2019 which was audited by certified public auditor and reviewed & agreed by Audit Committee.

Resolution

This matter shall be passed by the affirmative resolution of a majority vote of the total number of votes of shareholders who attend the meeting and cast their votes.

Agenda 3. To consider and approve an appropriation of profit and approve the dividend payment

Facts and Reasons

According to the Articles of Association of the Company, Article 37, the Company must appropriate its annual net profit for legal reserve not less than 5% of annual net profit after deduction of brought forward deficit (if any) until this reserve shall be not less than 10% of the Company's registered capital or more.

At the end of year 2019, the Company had registered capital for amount of Baht 8,986,296,048, issued and paid-up share capital of Baht 8,983,101,348 and legal reserve for amount of Baht 900 million or equal to 10% of the Company's registered capital, fully appropriated according to the Articles of Association of the Company, no more additional appropriate for legal reserve from net profit of the year 2019.



The Company has a policy to pay dividend to the shareholders at approximate 50% of net profit from the separate financial statements from operation after deduction of income tax and legal reserve in each year and from the consolidated financial statements in additional consideration.

However, the dividend payment policy may be changed if the board of directors considers the company's financial position, economic situation, the operating result, the ability to repay the principal and interest in accordance with the terms of long-term loan contract including future investment plans and agrees to propose the meeting of shareholders to consider other alternatives.

In addition, the Company is obliged to comply with the terms and conditions of various types of debentures, which are in case the Company defaults on payment of interest or defaults on any payments related to the debentures or postpones interest payments on debenture (as the case may be), the Company will not pay dividends to shareholders.

From the operation result of the year 2019, the Company earned a net profit according to separate financial statements amounting to Baht 20,180,101,849 with Baht 2.14 of earnings per share. The profit attributable to the Equity holders of the Company from consolidated financial statements was Baht 22,343,084,745 with Baht 2.38 of earnings per share. After considering the Company's financial position and the operating result, the Shareholders should consider the payment of dividend for the year 2019.

Board's Opinion

After considering the matter, the Board of Directors is of the opinion that the Meeting of Shareholders should approve not to appropriate its annual net profit for legal reserve, due to the Company has legal reserve fully appropriated according to the Articles of Association of the Company.

In addition, the Meeting of Shareholders should approve the dividend payment distributed from the operating results for the year 2019 at Baht 1.25 per share (One Baht and Twenty-Five Satang) for Shareholders holding 8,983,101,348 shares, total dividend payment in amount of Baht 11,228,876,685.00 or equal to 56% of net profit after income tax from separate financial statements. The above dividend payment is complied with stipulated dividend payment policy of the Company.

The Company has scheduled the record date on May 7, 2020 to determine the shareholders entitled to receive the dividend. The dividend payment shall be made on May 22, 2020. However, the rights concerning the Company's dividend payment will be resolved upon Shareholders' approval.

Moreover, Shareholders who are ordinary person can credit personal income tax of dividend received from the Company according to the Revenue Code, Section 47 Bis. Due to the dividend payment distributed from the profit which the Company paid 20% of net profit for corporate income tax. Therefore, the income tax credit for this dividend is equal to the number of dividend multiply by 20/80.

Statistics of dividend payment

Details of Dividend Payment	2016	2017	2018	2019 (proposed year)
1. Number of shares (Million shares)	8,983	8,983	8,983	8,983
2. (A) Net profit - Separate Financial Statements (Million Baht)	14,099	16,618	19,944	20,180
3. Earnings per share – Separate Financial Statements (Baht : share)	*1.57	*1.77	*2.11	*2.14
4. (B) Net profit – Consolidated Financial Statements (Million Baht)	16,677	19,908	20,930	22,343
5. Earnings per share – Consolidated Financial Statements (Baht : share)	*1.85	*2.14	*2.22	*2.38
6. Annual Dividend (Baht : share)	1.00	1.10	1.20	1.25
7. Total dividend payment (million Baht)	8,983	9,881	10,780	11,229
8. % Dividend payout ratio – Separate Financial Statements (A)	64%	59%	54%	56%
9. % Dividend payout ratio – Consolidated Financial Statements (B)	54%	50%	52%	50%

Remarks In 2016 - 2019, Earnings per share is calculated by deducting cumulative interest payment on subordinated perpetual debentures.

Resolution

This matter shall be passed by the affirmative resolution of a majority vote of the total number of votes of shareholders who attend the meeting and cast their votes.

Agenda 4. To consider and elect directors to replace the directors who retire by rotation.

Facts and Reasons

According to the Public Company Act B.E. 2535 and the Company's Articles of Association, Article 11, stipulated that one-third of directors shall retire by rotation at each General Meeting of Shareholders or, if their number is not a multiple of three, the number nearest to one-third shall retire from office. The Directors to retire from office in the first and the second years after registration of the Company shall draw lots. In the subsequent years, the Directors who are longest in office shall retire. Directors retiring by rotation are eligible for re-election.



The Directors who shall retire by rotation are as follows:

- | | | |
|----|------------------------------|--|
| 1. | Mr. Prasert Jarupanich | Director |
| 2. | Mr. Narong Chearavanont | Director |
| 3. | Mr. Pittaya Jearavisitkul | Director and Vice Chairman of Executive Committee |
| 4. | Mr. Piyawat Titasattavorakul | Director and Vice Chairman of Executive Committee |
| 5. | Mr. Umroong Sanphasitvong | Director, Sustainability and Corporate Governance Committee, and Member of Executive Committee |

In compliance with laws and the Company's Articles of Association, the Meeting of Shareholders should consider and elect directors to replace 5 directors who retire by rotation.

The Company gave the minority shareholders the opportunity to nominate candidates to be considered and elected as the Director during September 20 to December 31, 2019 and disclosed through website of The Stock Exchange of Thailand and published criteria including proposal of the director nomination form on The Company's website to inform shareholders in advance. It appears that, there is no any shareholder nominating candidates to be considered and elected as Director.

The Remuneration and Nomination Committee proposed for the Board of Directors' consideration qualified candidates for directorship in replacement of those to be retired by rotation at the 2020 Annual General Meeting of Shareholders. The consideration of the candidates nominated by the directors, the candidate nominated by minority shareholder (if any) and the chartered directors from the Thai Institute of Directors (IOD)'s Director Pool was processed in accordance with the director nomination guidelines as specified in the Board of Directors' Charter, the Company's Corporate Governance Principle, Corporate Governance Code recommended by Securities and Exchange Commission (SEC). The qualifications of each individual candidate were considered with all due circumspection, including taking into account the diversity of the Board of Directors, and the composition of qualification, knowledge, particular professional skills and the Board Skill Matrix to be in line with the business strategies of the Company.

Board's Opinion

The Board of Directors except Directors retiring by rotation at the Annual General Meeting of Shareholders for year 2020 had considered all nominees including various qualifications from knowledge, experiences, capability from diverse occupations and suitability for the business strategy of the company, including the performance as a director in the past. The Board of Directors approved the proposal of Remuneration and Nomination Committee, in accordance with the criteria and procedures for nominating qualified persons to be directors of the company, and it is of the opinion that the Meeting of Shareholders should re-elect the following five nominees who retire by rotation to be directors of the Company for another term. The information on proposed directors is enclosed herewith. (Enclosure no. 2)

Proposed directors	Position	No. of shares As at Dec. 31, 2019	%of total voting shares
1. Mr. Prasert Jarupanich	Director	-	-
2. Mr. Narong Chearavanont	Director	304,802	0.00339%
3. Mr. Pittaya Jearavisitkul	Director and Vice Chairman of Executive Committee	1,947,726	0.02168%
4. Mr. Piyawat Titasattavorakul	Director and Vice Chairman of Executive Committee	78,550	0.00087%
5. Mr. Umroong Sanphasitvong	Director, Sustainability and Corporate Governance Committee, and Member of Executive Committee	-	-

Resolution

This matter shall be passed by the affirmative resolution of a majority vote with the following rules and procedures:

- (1) Each shareholder shall have a number of votes equal to one share per one vote.
- (2) Each shareholder must exercise all the votes he/she has under (1) to appoint an individual or several persons to be director(s) but shall not split his/her votes among any person or group of persons.
- (3) The persons receiving the highest number of votes in descending order shall be appointed as directors depending on the requirement of directors set at such time. In the event that a number of persons receive an equal number of votes for the last directorship rendering the number of directors more than which is required, the chairman of the meeting shall have a casting vote.

For this election, it shall consider and appoint an individual to be director in each position by exercising all votes of each shareholder but not splitting votes. The person receiving the highest number of votes of each position will be appointed as a director of that position.

Agenda 5. To consider and approve the remuneration for directors.

Facts and Reasons

According to the Company's Articles of Association, Article 24, stipulated that a Director is entitled to have compensation from the Company in the form of salary, reward, meeting allowance, gratuity, bonus or other form of remuneration in accordance with the Articles of Association or as determined or laid down as a rule or fixed from time to time or until further change by the shareholders in meeting and is entitled to allowance and welfare benefits according to the regulation of the Company.

Board's Opinion

The Board of Directors had an opinion to propose the Annual General Meeting of Shareholders to approve the directors' remuneration on an annual basis, although the criteria and rates of remuneration have not changed since the previous shareholders' meeting was approved. The Board of Directors approved the proposal of Remuneration and Nomination Committee which was carefully considered by taking into account the following matters: conformity with the market in the same industry; former performance, experiences, duties, role and responsibilities, including the business expansion and the Company profit. It is of the opinion that the Meeting of Shareholders should approve the



remuneration of directors at the same rate of the Annual General Meeting of Shareholders for year 2019 was approved as follows:

1. Monthly remuneration

(Baht/person)

Position	Amount	Meeting allowance
1. Independent Director who is the Chairman of the sub-committee	120,000	None
2. Independent Director who is the member of the sub-committee	100,000	None
3. Independent Director who is not a member of the sub-committee	80,000	None
4. Chairman	120,000	None
5. Vice Chairman	100,000	None
6. Director	60,000	None

- Remarks :
1. Independent Director who is the member of the sub-committee means Audit Committee and/or Sustainability and Corporate Governance Committee and/or Remuneration and Nomination Committee.
 2. Independent Director who is the member in several sub-committees shall receive only the highest rate.

2. Bonus at the rate of 0.50% of the dividend paid to the Shareholders. The Chairman of the Board will allocate the appropriate amount of bonus to each director.

In case of the Meeting of Shareholders considered and approved the dividend payment, according to agenda 3, at Baht 1.25 per share, total dividend payment to Shareholders should be Baht 11,228.877 million. The bonus payment to directors in year 2020 would be Baht 56.144 million.

In addition to the directors' remuneration in the form of money, the Company provides other compensation and privilege in the form of Directors' and Officers' Liabilities Insurance with sum insured US Dollar 40 million and premium approximately Baht 1 million per year.

Resolution

This matter shall be passed by the affirmative resolution of vote of not less than two-thirds of the total number of votes of the shareholders who are present at the Meeting. The shareholders who are directors shall not entitle to vote.

Agenda 6. To consider and appoint the Company's auditors and fix their remuneration.

Facts and Reasons

The Audit Committee and the management team had considered the matter about the performance, independence of auditor, the remuneration and other factors, then they had an opinion to appoint KPMG Phoomchai Audit Ltd. to be the Company's Auditor, due to their good working record and agreed to increase their remuneration according to more workload.



Moreover, the Office of Securities and Exchange Commission (SEC) had announcement to change the criteria relating to the rotation of auditor in accordance with international standards, the listed company has to change auditor if he/she has performed his/her duty in total of 7 consecutive years accounting period, such former auditor might not be re-appointed as the auditor of the Company. The Company may re-appoint such former auditor when it passed at least 5 consecutive years accounting period. The former criterion is to change auditor if he/she has performed his/her duty in total of 5 consecutive years accounting period, such former auditor might not be re-appointed as the auditor of the Company. The Company may re-appoint such former auditor when it passed at least 2 consecutive years accounting period. This change, effective on January 1, 2019, will promote the independence and create confidence for investors to use financial statements to make investment decisions.

However, to reduce impact during the first phase of the implementation of the new criteria (2019 – 2023), the SEC will allow the cease period of the former auditor to be less than 5 consecutive years accounting period but not less than 3 consecutive years accounting period. In case of auditor who is under small audit firm, the SEC will allow he/she to performed his/her duty more than 7 consecutive years accounting period, but not more than 9 consecutive years accounting period. If the auditor has been granted a waiver, it will be considered that such listed company is also granted a waiver. According to the SEC guidelines, the counting of service year of auditor will be calculated only the year that he/she signed on the financial statements.

In compliance with laws, the Articles of Association of the Company, Article 33, and the SEC's announcement, the Meeting of Shareholders should consider and appoint the auditor(s) to audit and express an opinion on the financial statements of the Company and should also consider fixing the auditors' remuneration for the year 2020.

Board's Opinion

After considering the matter according to the opinion of the Audit Committee, the Board of Directors is of the opinion that the Meeting of Shareholders should appoint

1. Mr. Charoen Phosamritlert C.P.A. (Thailand) Register No. 4068
(Being the auditor who expressed opinion and signed on the Company's financial statements for years: 2006-2010, totaling 5 years and year 2013-2016)
2. Mr. Veerachai Ratanajaratkul C.P.A. (Thailand) Register No. 4323 and
(Being the auditor who expressed opinion and signed on the Company's financial statements for 2 years: 2011-2012)
3. Mrs. Munchupa Singsuksawat C.P.A. (Thailand) Register No. 6112
(Being the auditor who expressed opinion and signed on the Company's financial statement for 3 years: 2017-2019)

of KPMG Phoomchai Audit Ltd. as the company's auditors for the year 2020 by stipulating that any of the auditors has authority to audit and express opinion on the company's financial statements.

Besides, it was agreed to propose the Meeting of Shareholders to consider and approve the remuneration in services for auditing in year 2020 at totaling Baht 5,970,000 per year for annually auditing the Company' separate financial statements and consolidated financial statements and for quarterly reviewing the above mentioned financial statements, increase of Baht 220,000 or 3.83% from 2019.



KPMG Phoomchai Audit Ltd is also the Auditor of a total of 20 Subsidiary Companies (excluded Companies under Makro Group) located in Thailand and 2 Subsidiary Companies located in overseas, Lotus Distribution Investment Limited and Albuera International Limited, the audit fees is totaling Baht 5,536,000 per year. As for the other 2 overseas Subsidiary Companies, which are Successor Investments Limited and Successor (China) Investments Limited, the audit fees are paid to KPMG overseas.

There is no relationship or conflicts of interest among the proposed auditor and the Company and its Subsidiaries, the executives, the major shareholders, or others related to those parties. Therefore, they are independent to review and express an opinion on the Company's financial statements. The detail of auditor is enclosed herewith. (Enclosure no. 3)

Audit Fee: KPMG Phoomchai Audit Ltd.

(Million Baht)	2016	2017	2018	2019	2020 (proposed year)
Total remuneration per year	5.063	5.113	5.413	5.750	5.970
Other services	None	None	None	None	None

* The above mentioned audit fee does not include miscellaneous related expenses such as document/printing, postage stamp, communication etc. The audit firm will collect such the expenses from the company based on actual payment.

Resolution

This matter shall be passed by the affirmative resolution of a majority vote of the total number of votes of shareholders who attend the meeting and cast their votes.

Agenda 7. To consider other business (if any).

The Company had invited all shareholders to propose the meeting agenda in advance on the website of the Company during September 20 – December 31, 2019, but the Company has not received any proposed meeting agenda.

According to the law, a request to the Shareholders' Meeting to consider other matter in addition to those specified in the invitation notice can be done if the affirmative resolution of vote is not less than one-thirds of total number of shares sold.

The Company has scheduled the record date on March 11, 2020 to determine the shareholders entitled to attend the Annual General Meeting of Shareholders for year 2020.

The Shareholders of CP ALL Public Company Limited are cordially invited to attend the meeting at the date, time and place mentioned above. Shareholders are requested to bring document for attending the Meeting as details appear in Enclosure no. 4. The Company will conduct the meeting in accordance with the Company's Articles of Association enclosed herewith (Enclosure no. 6).

In order to speed up and facilitate the registration process, the Shareholders and/or the proxies are requested to bring registration form having the barcode (Enclosure no. 1), together with identification documents for meeting attendance, and present them to the registration staff on the Meeting date.



For Shareholders' right and benefit, in case the shareholders are unable to attend the Meeting but wish to appoint the Company's Director to vote on your behalf. Besides, **the ongoing situation of coronavirus (COVID-19) outbreak, with health concerned to the Shareholders, there should consider to appoint the director whose names and detail appeared in "The detail of directors (proxy for shareholders – Enclosure no.5)"** for attending and voting. The completed and executed proxy should be submitted together with the required documents to **the Company Secretary Office, CP ALL Public Co., Ltd., 16th Floor, Tarasathorn Bldg., 119 South Sathorn Road, Kwang Tungmahamek, Khet Sathorn, Bangkok 10120 before April 17, 2020.**

For arrangement a convenient time for the proxy who are the Financial Institute or Mutual Fund or Custodian and have a lot of the completed and executed proxy forms, the sending of such documents to our Company Secretary Office in advance before April 17, 2020 for checking would be highly appreciated.

To obtain highest benefit from the Meeting, and to be valuable data for directors and the Company's management to prepare the answers, the shareholders may forward questions in advance to the Company Secretary via e-mail : utsanee@cpall.co.th or fax no. 0-2071-8621.

Sincerely yours,

- *Korsak Chairasmisak* -
(Mr. Korsak Chairasmisak)
Vice Chairman

- Remarks:
1. The Company's Annual Report for year 2019 in printed form will be available for Shareholders at the front of the Meeting Room on the date of Annual General Meeting of Shareholders or contact the Company's Investor Relations Office at fax. 0-2071-8617 or e-mail : investor@cpall.co.th
 2. The Company does not distribute souvenirs to shareholders to comply with the guideline of the Securities and Exchange Commission, Thailand that asking for listed companies to stop distributing souvenirs to shareholders. However, the Company provides snacks and beverages to the shareholders and proxies attending the meeting.

The Company Secretary
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