



Ref: NEP012-2019

March 11, 2019

Subject: Invitation to attend the 2019 Annual General Meeting of Shareholders

To: All Shareholders

NEP Realty and Industry Public Company Limited

- Attachments:
1. Minutes of the 2018 Annual General Meeting of Shareholders
 2. Annual Report 2018 in QR Code
 3. Information of directors to be elected as directors to replace those retiring by rotation and new director
 4. Proxy Form A and B
 5. Independent Director's Profile as Proxies from Shareholders
 6. Definition of Independent Director
 7. Document for the rights to attend the meeting and vote
 8. The Company's articles of association regarding to Annual General Meeting of Shareholders
 9. Map of the venue of the 2019 Annual General Meeting of Shareholders

The Board of Directors of NEP Realty and Industry Public Company Limited ("the Company") has resolved that the 2019 Annual General Meeting of Shareholders will be held on Monday, April 22, 2019 at 10.30 hrs. at Arnoma Grand, 3rd Floor , Arnoma Hotel, Rajdamri Road, Pathumwan, Bangkok in order to consider the following agenda:

Agenda 1 The matters to be informed by the chairman of the board of directors

Facts and reasons: The matters informed to the meeting by chairman about its business.

Board's opinion: View as proper to shareholders should be acknowledged the matter informed to the meeting by chairman.

Note: This agenda is for information. Thus, no vote for this agenda.

Agenda 2 To adopt the minutes of the 2018 Annual General Meeting of Shareholders

Facts and Reasons: The 2018 Annual General Meeting of Shareholders was held on Thursday, April 26, 2018 was recorded correctly which viewed as proper to consider to adopt the minutes which distributed to all shareholders together with invitation letter to attend this meeting. (Attachment 1)

Board's opinion: The minutes were recorded correctly and completely. It is agreed to propose the shareholders' meeting to approve the minutes of the 2018 Annual General Meeting of Shareholders.

Note: Resolution in this agenda must be approved by a majority vote of the shareholders who attend the meeting and exercised their votes.

Agenda 3 To acknowledge the operating results of the Company for the year 2018

Facts and reasons: The Company summarized the operational results and significant changing during 2018, as stated in the 2018 Annual Report which distributed to all shareholders together with the invitation letter to attend this meeting. (Attachment 2)

Board's opinion: It is agreed to report the operating results of the Company for the year 2018 to the shareholders' meeting for acknowledgement.

Note: This matter is for acknowledgement. The resolution is not required.

Agenda 4 To approve the statement of financial position and statement of comprehensive income for the year ended December 31, 2018

Facts and reasons: The statement of financial position and statement of comprehensive income for the year ended on December 31, 2018 which has been audited by the auditors and approved by the Board of Directors. (Attachment 2)

Board's opinion: It is agreed to propose the shareholders' meeting to approve the statement of financial position and statement of comprehensive income for the year ended December 31, 2018.

Note: Resolution in this agenda must be approved by a majority vote of the shareholders who attend the meeting and exercised their vote.

Agenda 5 To approve the omission of dividend for the year 2018

Facts and reasons: The Company's policy is to pay dividends at rate of 50% or more of its net profit after income tax and legal reserve. However, such dividend payment depends on its cash flow, investment condition and necessity of future.

According to the Public Company Limited Act Section 115 specify that “.....in case the Company had accumulated losses then the Company could not pay dividend”. Due to the fact that the Company still had accumulated losses then the Company could not pay dividend to the shareholders in accordance with the Act. Board's opinion: As the reason above, it is agreed to propose the shareholders' meeting to consider withhold dividend payment for operating results the year 2018.

Note: Resolution in this agenda must be approved by a majority vote of the shareholders who attend the meeting and exercised their votes.

Agenda 6 To approve the election of directors replacing those who retired by rotation

Facts and reasons: According to the Company's Article of Association Section 16, specifies that in every Annual General Meeting, one third of the directors must retire from duty. If the number is divided into three does not match then the number nearest to one third of the directors must retire. However, through retirement rotation, directors may be reelected to presume duty.

The directors who have to be retired by rotation in the 2019 Annual General Meeting of Shareholders are as follows:

- | | |
|------------------------------|--|
| 1) Dr. Warotai Kosolpisitkul | Director/ Chairman of the Corporate Governance Committee/ Member of the Nomination and Remuneration Committee |
| 2) Mr. Narong Phaholvej* | Independent Director/ Chairman of the Audit Committee |
| 3) Mrs. Chantira Srimoungpan | Independent Director/ Member of the Audit Committee/ Member of Nomination and Remuneration Committee/ Member of the Corporate Governance Committee |

Remark: *Mr. Narong Phaholvej has served as an Independent Director for 6 years. If there is a renewal for another term in this meeting, he will be an Independent Director for 9 years.

All nominated are fully qualified in the Public Company Act, Notification of the Office of the Securities and Exchange Commission and the Article of the company. Besides, Mr. Narong Phaholvej and Mrs. Chantira Srimoungpan, the independent directors, are considered by the Board of Directors that they are the person who can provide independent opinion according to the related regulations. Therefore, the Board of Directors has agreed to propose 3 directors who retired by rotation, namely 1) Dr. Warotai Kosolpisitkul 2) Mr. Narong Phaholvej 3) Mrs. Chantira Srimoungpan should be re-elected to continue their term.

Therefore, the directors who retired in this term did not attend and vote on this agenda in the Board of Directors meeting.

The biography of the directors distributed to all shareholders together with the invitation letter to attend this meeting. (Attachment 3)

Board's opinion: It is agreed to propose the shareholders' meeting to appoint these 3 directors who retired by rotation, namely 1) Dr. Warotai Kosolpitsukul 2) Mr. Narong Phaholvej 3) Mrs. Chantira Srimoungpan should be re-elected to continue their term.

Note: Resolution in this agenda must be approved by a majority vote of the shareholders who attend the meeting and exercised their votes by considering appointing individually.

Agenda 7 To consider and approve the appointment of new director

Facts and reasons: As the company has given the opportunity for shareholders to nominate qualified persons to be elected as directors according to the Company's nomination process in advance during 1-31 December 2018 through the company website. It appears that there are 3 minority shareholders holding 60,276,833 shares or 2.59% of the shares with voting rights of the company (Not less than 0.25 percent of the shares with voting rights of the company According to the criteria), nominating persons to be elected as directors of the Company with the following names

1. Mr. Weerachart Lohsiri
2. Mrs. Thicomporn Chai-iam

The Nomination and Remuneration Committee has considered their qualifications and is of the view that they are suitable in terms of competence, knowledge, capability and experience. Also, they have not engaged in any business nor held shares in any company, which is in competition with the Company. Therefore, the said two persons should be appointed as the Company's new director.

The Board of Directors has considered and considered that both persons are qualified persons, having qualifications suitable for the business of the Company according to the opinion of the Nomination and Remuneration Committee.

The biography of the directors distributed to all shareholders together with the invitation letter to attend this meeting. (Attachment 3)

Board's opinion: The board of directors has recommended proposing to the meeting to appoint Mr. Weerachart Lohsiri and Mrs. Thicomporn Chai-iam to be the additional 2 directors of the Company. The number of directors of the Company will be 12 persons.

Note: Resolution in this agenda must be approved by a majority vote of the shareholders who attend the meeting and exercised their votes by considering appointing individually.

Agenda 8 To approve fixing of the remuneration of directors for the year 2019

Facts and reasons: The Nomination and Remuneration Committee considered and proposed to the board of directors to propose this matter to the shareholders' meeting for consideration. The remuneration of directors shall be based upon the comparison to the average practice of the related or similar industries and according to what is suitable to the Company's business including the past payment to the Company's directors. The compensation, meeting allowance and permanent remuneration of directors should be the same as 2018 total amount Baht 6 million and no bonus payment shall be made to the board members since the Company has suffered loss from its business operation.

The details of monthly compensation and meeting allowance are as follows:

Monthly Compensation	2019 (Current Proposal)	2018
Chairman of the Board of Directors	70,000	70,000
Vice Chairman of the Board of Directors	40,000	40,000
Directors	30,000	30,000
Chairman of the Audit Committee	7,500	7,500
Member of the Audit Committee	5,000	5,000
Meeting Allowance of Sub-Committee	(Baht/ meeting)	(Baht/ meeting)
Chairman of the Nomination and Remuneration Committee	7,500	7,500
Chairman of the Corporate Governance Committee		
Member of the Nomination and Remuneration Committee	5,000	5,000
Member of the Corporate Governance Committee		

Remarks: At present, the Company has not appointed the Vice Chairman of the Board of Directors.

Board's opinion: The board of directors deems it expedient to propose shareholders' meeting to determine the remuneration of directors for the year 2019 by fixing the compensation, meeting allowance and permanent remuneration of directors to be Baht 6 million and no bonus payment shall be made to the board members. Such remuneration does not include compensation or benefit received as employees by the directors who also are the Company's employees.

Note: The resolution of the agenda must be approved by not less than two-thirds of the shareholders who attend the meeting and exercise their voted.

Agenda 9 To approve the appointment of the Company’s auditor and the auditor’s remuneration for the year 2019

Facts and reasons: The Audit Committee has considered the selection of auditors for the year 2019, which has proposed more than 2 auditing fees based on the performance results, independent and the remuneration of the proposed auditors. The Audit Committee agreed that Dharmniti Auditing Co., Ltd, which had auditors approved by the SEC, had 11 licenses. Dharmniti Auditing Co., Ltd. is the lowest bidder by offering an additional audit fee of 20,000 baht, representing an increase of 1.77% from 2018. The Audit Committee has considered proposing to the board of directors to propose to the shareholders’ meeting to appoint the auditor from Dharmniti Auditing Co., Ltd. to be auditor for 2018 with details as follows:

<u>Names</u>	<u>CPA License No.</u>	<u>Year of Auditing for the Company</u>
1) Mr. Peradate Pongsathiansak	4752	4
2) Ms. Wannisa Ngambaonthong	6838	0
3) Mr. Thanawut Piboonsawat	6699	0

or the other person that Dharmniti Auditing Co., Ltd., is responsible, to be auditor for 2019. The nominated auditors do not have any relationship and/or conflict of interest with the Company, subsidiaries, management, major shareholders or related persons of the said parties. To consider specifying remuneration for auditor of 2019 to be Baht 1,150,000 with details set out as follows:

Description	2019 (Current Proposal)	2018
Review fee for quarterly financial statements (170,000 Baht/quarter x 3 Quarter)	510,000	510,000
Audit fee for annual financial statements	640,000	600,000
Non audit fees	-	-
Total	1,150,000	1,130,000

Nava Nakorn Public Co.,Ltd., an associated company, appointed auditors from KPMG Phoomchai Audit Ltd. The auditors have confirmed that they can prepare financial statements by deadline.

Board’s opinion: It is deemed expedient to propose the shareholders’ meeting to appoint Mr. Peradate Pongsathiansak, CPA License no. 4752 or Ms. Wannisa Ngambaonthong, CPA License no. 6838 or Mr. Thanawut Piboonsawat, CPA License no. 6699 or the other person that Dharmniti Auditing Co., Ltd., is

responsible, to be auditor for 2019 and considered to specify remuneration for auditor of 2019 to be Baht 1,150,000.

Note: Resolution in this agenda must be approved by a majority vote of the shareholders who attend the meeting and exercised their votes.

Agenda 10 To consider other matters (if any)

Please be invited to attend the meeting at the time and place as mentioned. The Company will allow the shareholders to register from 8.30 hrs. Shareholders can either attend the meeting themselves or appoint representatives who are of juristic age to attend and cast vote on their behalf. If the shareholders unable to attend the meeting, shareholders can appoint an independent director, the profile as stated in attachment 5, as shareholders' proxy to attend and vote on their behalf. In order to register conveniently and quickly, shareholders or the proxy holder attending the meeting on behalf of the shareholders are request to bring evidence(s) as stated in the attachment 4 and 7 and show it for the rights to attend the meeting. The Record Date shall be March 15, 2019, for the right to attend the meeting and exercising votes at the 2019 Annual General Meeting of Shareholders.

Yours sincerely,



Mr. Saton Samerphark

Managing Director