

March 27, 2018

**Subject : Notice Calling for the 2018 Annual General Meeting**

**Attention : Shareholders**  
**Laguna Resorts & Hotels Public Company Limited**

- Attachments**
1. **Minutes of the 2017 Annual General Meeting**
  2. **The 2017 Annual Report and the Company's audited Financial Statements for the Year Ended December 31, 2017 (CD-ROM)**
  3. **Information on Nominated Directors to be Re-elected**
    - 3.1 **Non-Independent Directors' Profile**
    - 3.2 **Independent Director's Profile**
  4. **Definition of the Company's Independent Directors**
  5. **Duties and Responsibilities of the Company's Sub-Committees**
  6. **Auditor's Profile**
  7. **Proxy Forms**
  8. **Profiles of Independent Directors who are Appointed as Proxies for Shareholders who are unable to Attend the Meeting**
  9. **Documents Verifying Eligibility to Attend the Meeting**
  10. **The Company's Articles of Association relating to Shareholders' Meeting**
  11. **Map to the Banyan Tree Bangkok Hotel**
  12. **2017 Annual Report Requisition Form**

Notice is hereby given that the 2018 Annual General Meeting ("**AGM**") of Laguna Resorts & Hotels Public Company Limited ("**Company**") will be convened as follows:

**Date and time** : Friday, April 27, 2018 at 14:30 hrs.

**Venue** : Banyan Ballroom, 10th floor, Banyan Tree Bangkok hotel, Thai Wah Tower II, 21/100 South Sathorn Road, Tungmahamek Sub-district, Sathorn District, Bangkok 10120, Thailand.

The agenda for the AGM is as follows:

**1. To certify the minutes of the 2017 Annual General Meeting**

**FACTS AND RATIONALE:** The Company's 2017 Annual General Meeting was held on Thursday, April 20, 2017 and the minutes of the meeting are set out in Attachment 1. The minutes have been correctly and accurately recorded.

**OPINION OF THE BOARD:** To propose in the AGM to certify the minutes of the 2017 Annual General Meeting.

**REQUIRED VOTE FOR RESOLUTION:** This agenda item shall be resolved by a majority of the votes of the shareholders who are present and cast their votes pursuant to Clause 32 (1) of the Company's Article of Association.

**2. To acknowledge the business operations report of the Company for the year 2017 and to approve the Company's audited financial statements for the year ended December 31, 2017 with the auditor's report thereon**

**FACTS AND RATIONALE:** To report to shareholders for acknowledgement, the Company's 2017 business operations, details of which are provided in the Annual Report which had been sent to shareholders together with the notice calling for the AGM, as shown in Attachment 2.

Clause 36 of the Company's Articles of Association stipulates that the audited financial statements as at the end of the fiscal year of the Company shall be prepared and submitted to the annual general meeting for approval. The Company's audited financial statements for the year ended December 31, 2017, which have been reviewed by the Audit and Risk Committee and the Board of Directors, are in the "Financial Statements" section of the Annual Report (page No. 112-180) as shown in Attachment 2 and can be summarized as follows:

(Unit : Million Baht)

	<b>Consolidated Financial Statements</b>	<b>Separate Financial Statements</b>
Total Assets	20,884	6,476
Total Liabilities	8,223	861
Total Revenues	4,858	363
Net Profit	63	94
Profit per Share (Baht)	0.36	0.56

**OPINION OF THE BOARD:** To propose to the AGM to acknowledge the Company's 2017 business operations report and to approve the Company's audited financial statements for the year ended December 31, 2017 with the auditor's report thereon.

**REQUIRED VOTE FOR RESOLUTION:** No resolution on the agenda item of acknowledgement the business operations report of the Company for the year 2017 and therefore no voting is required since it is only a report for shareholders' acknowledgement. The agenda item of approval of the Company's audited financial statements shall be resolved by a majority of the votes of the shareholders who are present and cast their votes pursuant to Clause 32 (1) of the Company's Article of Association.

**3. To approve the payment of dividend**

**FACTS AND RATIONALE:** The Company reported a consolidated net profit of Baht 63 million as shown in the income statement for the year ended December 31, 2017, which has been audited by the auditor.

The Company's Dividend Policy seeks to maximize shareholder value and encourage shareholder loyalty with predictable annual growth in dividend payout which is not impacted by profit volatility. With that objective, the Company's Dividend Policy is based on the principles of stability, predictability and managed growth, outlined as follows:

- Stability

Unless the Company suffers a substantial net loss, it will pay a dividend each year so that shareholders are not negatively affected by annual profit volatility.

- Predictability

Shareholders will be able to better anticipate the appropriate level of dividends to expect each year and therefore may be better able to manage their portfolio investment strategy.

- Managed growth

The Company will strive to increase and smooth out the dividends year-on-year within a broad band but the specific rate will be dependent on the Company's actual profit performance, cash and cash flow projections.

However, Clause 39 of the Company's Articles of Association stipulates that the Company shall allocate not less than 5 percent of the Company's annual net profit less the accumulated losses brought forward (if any) to a reserve fund until this fund attains an amount not less than 10 percent of the registered capital.

**OPINION OF THE BOARD:** Taking into account the consolidated net profit, the Company's expansion plan and debt repayment obligations, the Board of Directors agreed to propose in the AGM to appropriate the retained earnings for the year ended December 31, 2017 as follows:

- a) Dividend payment to shareholders in the amount of Baht 0.38 per share for 166,682,701 shares, totaling Baht 63,339,427.
- b) Un-appropriated retained earnings to be carried forward.

No appropriation of the net profit to legal reserve is required since the legal reserve has already reached 10 percent of the registered capital as stipulated by laws. The Company will pay the dividend to the shareholders whose names appear in the Company's share register book as at May 9, 2018 which is the date for determining the shareholders who are entitled to the dividend payment (Record Date) fixed by the Board of Directors. Dividend payment will be made on May 25, 2018.

The proposed dividend is consistent with the Company's dividend payment policy. The proposed amount to be paid in respect of the year ended December 31, 2017 represents approximately 101 percent of consolidated net profit. Comparative details are set out in the table below.

Details of Dividend Payment	2017	2016
1) Consolidated net profit (Million Baht)	63	378
2) Number of shares issued and paid-up (Million Shares)	167	167
3) Total dividend payment	0.38	0.38
• Interim dividend (Baht/Share)	-	0.12
• Annual dividend (Baht/Share)	0.38	0.26
4) Total dividend payment (Million Baht)	63.34	63.34
5) Percentage compared to consolidated net profit	101%	17%

**REQUIRED VOTE FOR RESOLUTION:** This agenda item shall be resolved by a majority of the votes of the shareholders who are present and cast their votes pursuant to Clause 32 (1) of the Company's Article of Association.

#### **4. Matters relating to directorship of the Company**

##### **4.1 To approve the election of directors to succeed those who will be retiring on completion of their terms**

**FACTS AND RATIONALE:** Clause 14 of the Company's Articles of Association stipulates that at each annual general meeting, one-third of the directors shall retire from office. Retiring directors are eligible for re-election. The following 4 directors are due to retire at the AGM:

- |    |                           |  |
|----|---------------------------|--|
| 1) | Mr. Ho KwonPing           | Director, Chairman of the Board and<br>Chief Executive Officer |
| 2) | Mr. Ariel P. Vera         | Non-Executive Director   |
| 3) | Ms. Srinthorn Ounayakovit | Independent Director   |
| 4) | Mr. Thongchai Ananthothai | Independent Director   |

The process for nominating directors is made through the Nomination and Remuneration Committee which considers qualifications, i.e. appropriateness, competency, experience, knowledge, and proficiency in various professional fields as well as past contribution and performance, before recommending that the Board of Directors to consider and nominate directors for shareholders' approval.

In view of the professional qualifications, knowledge and work experience of the 4 retiring directors, the Nomination and Remuneration Committee recommended that the Board of Directors nominate all of the 4 retiring directors for another term of directorships.

**OPINION OF THE BOARD:** To propose in the AGM to re-elect all 4 retiring directors, namely Mr. Ho KwonPing, Mr. Ariel P. Vera, Ms. Srinthorn Ounayakovit and Mr. Thongchai Ananthothai for another term of directorships as recommended by the Nomination and Remuneration Committee. The Board of Directors considered that Ms. Srinthorn Ounayakovit and Mr. Thongchai Ananthothai, nominated Independent Directors for another term of directorships, are capable of expressing opinions independently and in accordance with the relevant guidelines. The profiles of the 4 retiring directors are shown in [Attachment 3](#).

The definition of the Company's independent directors is shown in [Attachment 4](#).

**REQUIRED VOTE FOR RESOLUTION:** This agenda item shall be resolved by a majority of the votes of the shareholders who are present and cast their votes pursuant to Clause 32 (1) of the Company's Article of Association.

**4.2 To acknowledge the remuneration for the directors of the Board and directors who are members of the Audit and Risk Committee and the Nomination and Remuneration Committee**

**FACTS AND RATIONALE:** On April 20, 2017, the Company's 2017 Annual General Meeting approved remuneration for each category of directors of the Board and for each category of committee members of the Audit and Risk Committee and Nomination and Remuneration Committee, which took effect from January 1, 2017 and for each subsequent year, unless or until resolved otherwise by a general meeting of the shareholders of the Company. Details of remuneration approved for each category are shown in the following remunerations table.

**Board of Directors**

Position	Remuneration / Meeting / Person (Baht)	Spa & Gallery Vouchers / Year / Person
Chairman of the Board	256,000	-
Independent Director	171,000	USD2,000
Non-Executive Director	171,000	USD2,000
Director	112,000	-

**Audit and Risk Committee and Nomination and Remuneration Committee**

Position	Remuneration / Meeting / Person (Baht)
Chairman	85,000
Member	44,000

The Nomination and Remuneration Committee has reviewed the directors' remuneration stated above and recommended the Board to maintain the fee for each category of directors of the Board and for each category of committee members of the Audit and Risk Committee and Nomination and Remuneration Committee from the preceding year for the remuneration fees of year 2018 with the amount and format approved by the 2017 AGM.

**OPINION OF THE BOARD:** To propose to the AGM to acknowledge the remuneration for each category of directors of the Board and for each category of committee members of the Audit and Risk Committee and Nomination and Remuneration Committee approved by the 2017 AGM which will continue to be in effect in 2018 and for each subsequent year, unless or until resolved otherwise by a general meeting of the shareholders of the Company.

The scope of duties and responsibilities of the Company's Sub-Committees, namely the Audit and Risk Committee and Nomination and Remuneration Committee are as shown in Attachment 5 and details of remuneration paid to each director in 2017 is in the "Remuneration and Other Benefits of the Directors during the Year 2017" section of the Annual Report (page No. 71) as shown in Attachment 2.

**REQUIRED VOTE FOR RESOLUTION:** No resolution on this agenda item and therefore no voting is required since it is only the Directors' Remuneration for the year 2018 for shareholders' acknowledgement.

**5. To approve the appointment of an auditor and determination of its remuneration for the year 2018**

**FACTS AND RATIONALE:** Section 120 of the Public Limited Companies Act B.E. 2535 stipulates that the appointment of an auditor and determination of its remuneration be approved at every annual general meeting. The selection of the auditor and determination of its remuneration have been reviewed by the Audit and Risk Committee and the Board of Directors.

The Audit and Risk Committee has recommended the appointment of Mr. Sophon Permsirivallop, C.P.A. No. 3182 and/or Ms. Rungnapa Lertsuwankul, C.P.A. No. 3516 and/or Ms. Rosaporn Decharkom, CPA No. 5659 and/or Ms. Pimjai Manitkajohnkit, CPA No. 4521 and/or Ms. Sumana Punpongsanon CPA No. 5872 of EY Office Limited to be the Company's auditor for the year 2018 with total remuneration not exceeding Baht 850,000. Only the audit fee is included in the remuneration for the Company's auditor.

To date, EY Office Limited has performed its duty well and the Audit and Risk Committee and the Board of Directors are satisfied with its performance. In addition, none of the 5 nominated auditors has a relationship or any interest in / with the Company / Company's subsidiaries / management / major shareholders or other connected persons to the former mentioned persons. In the financial year ended December 31, 2017, the Company and its subsidiaries did not pay any non-audit fee to the audit firm which acted as the Company's auditor, or to other persons or businesses related to the 5 nominated auditors. For the benefit of all shareholders, the profiles of the 5 nominated auditors are included in Attachment 6 of this Notice, and the details of the remuneration paid to EY Office Limited in 2017 is in the "Auditor's Remuneration" section of the Annual Report (page No. 181) as shown in Attachment 2.

Mr. Sophon Permsirivallop was the Company's auditor during 2006-2010, 2013-2014 and 2016, Ms. Rungnapa Lertsuwankul was the Company's auditor during 2011-2012, Ms. Rosaporn Decharkom was the Company's auditor in 2015 and 2017 and Ms. Pimjai Manitkajohnkit and Ms. Sumana Punpongsanon have never been the Company's auditor. In compliance with the Office of Securities and Exchange Commission's notification, the auditor may be re-appointed for not more than 5 consecutive financial years and the Company may re-appoint a former auditor after that auditor has not been the Company's auditor for at least 2 consecutive financial years.

EY Office Limited is also the audit firm of most of the Company's subsidiaries/ associates. The Board of Directors will ensure that the companies' financial reports shall be available within the time required.

**OPINION OF THE BOARD:** To propose in the AGM to appoint Mr. Sophon Permsirivallop, C.P.A. No. 3182 and/or Ms. Rungnapa Lertsuwankul, C.P.A. No. 3516 and/or Ms. Rosaporn Decharkom, CPA No. 5659 and/or Ms. Pimjai Manitkajohnkit, CPA No. 4521 and/or Ms.

Sumana Punpongsanon CPA No. 5872 of EY Office Limited to be the Company's auditor for the year 2018 with total remuneration not exceeding Baht 850,000.

**REQUIRED VOTE FOR RESOLUTION:** This agenda item shall be resolved by a majority of the votes of the shareholders who are present and cast their votes pursuant to Clause 32 (1) of the Company's Article of Association.

**6. To approve the amendment to Clause 29 of the Company's Articles of Association**

**FACTS AND RATIONALE:** This amendment to Clause 29 of the Company's Articles of Association to be in line with Section 100 of the Public Company Act B.E. 2535 (1992), which is amended according to the Order of the Head of the National Council for Peace and Order No. 21/2560 Re: Additional Amendment to the Law for Business Facilitation.

**OPINION OF THE BOARD:** To propose in the AGM to approve the amendment to Clause 29 of the Company's Articles of Association to be read as follows:

Existing:

"Clause 29

The Board of Directors shall call for a shareholders' meeting which is an annual general meeting within four months of the last day of the financial year of the Company.

The shareholders' meetings other than the one referred to in the above paragraph shall be called extraordinary general meetings. The Board of Directors may call an extraordinary general meeting anytime they think fit or shareholders holding not less than one-fifth of the total number of shares sold or shareholders not less than 25 persons holding in aggregate of not less than one-tenth of the total number of shares sold may submit their names in a request directing the Board of Directors to call an extraordinary general meeting anytime, but the reasons for calling such meeting shall be clearly stated in such request. The Board of Directors shall proceed to call a shareholders' meeting within 1 month of the date of receipt of such request from the said shareholders".

Proposed for amendment:

"Clause 29

The Board of Directors shall call for a shareholders' meeting which is an annual general meeting within four months of the last day of the financial year of the Company.

The shareholders' meetings other than the one referred to in the above paragraph shall be called extraordinary general meetings. The Board of Directors may call an extraordinary general meeting whenever the Board of Directors deems appropriate. One or more shareholders holding the aggregate number of shares not less than ten percent of the total number of shares sold may submit their names in a letter requesting the Board of Directors to



call an extraordinary general meeting at any time, but the subject and reasons for calling such meeting shall be clearly stated in such request. In such case, the Board of Directors shall proceed to call a meeting of shareholders to be held within forty-five days as from the date of receipt of such request from the shareholders.

In case the Board of Directors does not hold the extraordinary general meeting within the period as prescribed in the second paragraph, the shareholders who subscribed their names or other shareholders holding the number of shares as required may be call such meeting within forty-five days from the deadline prescribed therein. In this regard, the meeting called by the shareholders shall be considered as those called by the Board of Directors. The Company shall be responsible for necessary expenses arising from such meeting and reasonably provide facilitation therein.

In case the quorum of the extraordinary general meeting called by the shareholders as prescribed under the third paragraph cannot be formed according to Clause 31, the subscribed shareholders stated in the third paragraph shall be collectively responsible to the Company for expenses arising from such meeting”.

**REQUIRED VOTE FOR RESOLUTION:** This agenda item shall be resolved by the votes of not less than three-fourths of the votes of the shareholders who are present and are eligible to vote pursuant to Clause 32 (2) of the Company’s Article of Association.

**7. To consider any other appropriate business, if any**

All shareholders are invited to attend the AGM at the date, time and venue mentioned above. Registration of attendance at the AGM will start at 13:30 hrs. To attend the AGM, on the AGM day, all shareholders and proxies must bring all documents verifying eligibility to attend the AGM and vote as stipulated in Attachment 9.

A shareholder may appoint a proxy to attend the Meeting and vote on his/her behalf by completing and signing, including affixing a duty stamp to, Proxy Form B. For foreign shareholders who have appointed a custodian in Thailand to keep and safeguard their shares can choose to use either Proxy Form B or Proxy Form C. Both Proxy Forms B and C are attached as Attachment 7. If a shareholder wishes to give a proxy to an independent director, that shareholder may appoint **Dr. Jingjai Hanchanlash** or **Mr. Vudhiphol Suriyabhivadh**, the Company’s independent director, as a proxy. Their profiles are shown in Attachment 8. The Proxy Form, together with all documents, are to be presented to the Company Secretary before the commencement of the AGM or to be sent to the Company Secretary by post at the Company’s address at No. 21/66 Thai Wah Tower 1, 22nd Floor, South Sathorn Road, Tungmahamek, Sathorn, Bangkok, attention to the Company Secretary.

The Company has fixed the record date on which the shareholders are entitled to attend the AGM on March 13, 2018.

The Annual Report of the Company for the year 2017 as per the Attachment No. 2 is made in the form of CD-ROM, which has been sent to the shareholders together with the notice of this meeting. Shareholders who would like to receive a printed copy of the 2017 Annual Report, are requested to fill in the 2017 Annual Report Requisition Form as per the Attachment 12 and send it to the Company Secretary via fax at the facsimile number 66 (0) 2285 0733, call telephone number 66 (0) 2677 4455 Ext. 295 or email to [ir@lagunaresorts.com](mailto:ir@lagunaresorts.com).

The Company will conduct the AGM in accordance with the details in Attachment 10. To ensure that shareholders' rights are preserved, it is advised that any queries requiring clarification by the Company at the AGM be sent in advance either by email to [ir@lagunaresorts.com](mailto:ir@lagunaresorts.com) or by fax to number 66 (0) 2285 0733.

Yours sincerely,

By the order of the Board of Directors,



**(Mr. Shankar Chandran)**  
**Managing Director**