



No. CPAXT 002/02/2024

28 February 2024

Subject: Notice of the 2024 Annual General Meeting of Shareholders

To: The Company's Shareholders

- Enclosures:
1. The 2023 Annual Report (Form 56-1 One Report) (QR Code)
  2. Director Nomination Procedures and Definition of Independent Director's Qualifications
  3. Profiles of the Nominated Candidates to be Elected as Directors to Replace Directors to be Retired by Rotation in 2024 (accompanying document for Agenda 4)
  4. Profiles of the Nominated Candidates to be Elected as Additional Directors (accompanying document for Agenda 5)
  5. Profiles of the Proposed Auditors for the Year 2024 (accompanying document for Agenda 7)
  6. Information Memorandum Regarding the Amalgamation between CP Axtra Public Company Limited and Ek-Chai Distribution System Company Limited (accompanying document for Agenda 8.1 and 8.2)
  7. Terms and Conditions on the Purchase of Shares in CP Axtra Public Company Limited from the Dissenting Shareholders (accompanying document for Agenda 8.1 and 8.2)
  8. Opinion of the Independent Financial Advisor in relation to the Amalgamation between CP Axtra Public Company Limited and Ek-Chai Distribution System Company Limited (accompanying document for Agenda 8.1 and 8.2)
  9. Pro Forma Consolidated Financial Information of NewCo for the Year ended 31 December 2023 and 2022 (accompanying document for Agenda 8.1 and 8.2)
  10. The Articles of Association of the Company Regarding the Shareholders' Meeting and Voting
  11. Profiles of the Independent Directors Proposed by the Company to Act as Proxy of Shareholders
  12. Guidelines for Attending the 2024 Annual General Meeting of Shareholders through Electronic Means
  13. Proxy Forms (Form A, Form B, and Form C)
  14. The 2024 AGM Question Form
  15. The 2023 Annual Report (Form 56-1 One Report) Requisition Form
  16. The Proxy Form B Requisition Form

Pursuant to the resolution adopted by the Board of Directors of CP Axtra Public Company Limited ("**the Company**"), the 2024 Annual General Meeting of Shareholders (**the "Meeting"**) will be held on Friday, 29 March 2024 at 2.00 p.m., which will be held through electronic means pursuant to the criteria specified in the law related to electronic meetings, and the date to determine the names of shareholders who are entitled to attend the Meeting (Record Date) was on 29 February 2024.



The Company would like to inform you that the minutes of the 2023 Annual General Meeting of Shareholders was submitted to the Stock Exchange of Thailand and the Ministry of Commerce within 14 days from the meeting date and has been uploaded on the Company's website since 3 May 2023 for the shareholders' examination and none of the shareholders requested for amending the minutes. Furthermore, in order to set the 2024 Meeting agendas, the Company had announced on its website to invite agenda proposal from the shareholders in advance from 22 September 2023 to 31 December 2023. After the said period, there was no agenda proposed to the Company. In this regard, the Company would like to announce the agendas proposed by the Board of Directors together with opinions of the Board of Directors as follows:

### **Agenda 1 To acknowledge the Company's performance for the year 2023**

#### Facts and rationales:

Pursuant to the Company's Articles of Association, the Company has prepared the Company's performance report and significant changes in 2023, as appeared in 2023 Annual Report (Form 56-1 One Report) (details appeared in Enclosure 1) for the Meeting to acknowledge.

#### Board of Directors' opinion:

The Board of Directors opined and deemed appropriate to request the Meeting to acknowledge the management report on the Company's performance for the year 2023.

#### Vote required:

Voting is not required since this agenda is for acknowledgement.

### **Agenda 2 To consider and approve the financial statements for the year ended 31 December 2023**

#### Facts and rationales:

To comply with the Public Limited Companies Act B.E. 2535 (1992) and the Company's Articles of Association, the shareholders are required to consider and approve the Company's financial statements for the year ended 31 December 2023 as duly audited and certified by the certified public accountant of the Company (details appeared in Enclosure 1).

#### Audit Committee's opinion:

The Audit Committee reviewed the Company's financial statements for the year ended 31 December 2023 as duly audited and certified by the certified public accountant of the Company and opined that the financial statements present fairly, in material respects, in accordance with Thai Financial Reporting Standards (TFRS).

#### Board of Directors' opinion:

The Board of Directors opined and deemed appropriate to request the Meeting to consider and approve the Company's financial statements for the year ended 31 December 2023 which were duly audited and certified by the certified public accountant of the Company, which expressed an unqualified opinion on the aforementioned financial statements and reviewed by the Audit Committee.



A summary of the Company's consolidated operating results and financial position are as follows:

<b>Consolidated Operating Results</b>		<b>For the Year Ended 31 December 2023</b>
Total revenues	(THB million)	489,949
Net profit*	(THB million)	8,640
Earnings per Share	(THB per share)	0.82

\* Profit attributable to equity holders of the Company

<b>Consolidated Financial Position</b>		<b>As of 31 December 2023</b>
Total assets	(THB million)	540,371
Total liabilities	(THB million)	246,899
Shareholders' equity	(THB million)	293,472

Vote required:

Majority votes of the shareholders who are present at the meeting and cast their votes.

**Agenda 3 To consider and approve the allocation of profit and dividend payment for the year 2023**

Facts and rationales:

The Company's dividend payment policy is to pay dividends not less than 40 percent of the net profit after tax deduction on the consolidated financial statements, unless there is other necessity otherwise, which has been in effect from the fiscal year ended 31 December 1994 onwards. In 2023, the Company reported a consolidated net profit attributable to equity holders of THB 8,640 million, or THB 0.82 per share, and as of 31 December 2023, the Company's legal reserve was not less than 10 percent of the registered capital. The Company, therefore, is not required to appropriate the annual net profit for legal reserve.

Board of Directors' opinion:

The Board of Directors opined and deemed appropriate to request the Meeting to consider and approve the 2023 dividend payment of THB 0.57 per share for the total dividend amount of THB 6,031 million, representing 70 percent of the net profit based on the consolidated financial statements, which is in compliance with the Company's dividend policy; when deducting the interim dividend at the rate of THB 0.18 per share paid on 6 September 2023 by the Company, the remaining dividend will be paid is THB 0.39 per share for the total amount of THB 4,127 million payable to the shareholders whose name appear on the list as of the date to determine the shareholders who are entitled to receive dividend (Record Date) on 9 April 2024. The final dividend will be paid on 29 April 2024.

Comparison of dividend payments for the year 2023 and 2022:

Details of Dividend Payments	Operating Results for the Year	
	2023 (Current Proposal)	2022
Consolidated net profit <sup>1)</sup> (THB million)	8,640	7,697
Number of shares (shares)		
(1) Interim dividend	10,580,323,500	10,580,323,500
(2) Final dividend	10,580,323,500	10,580,323,500
Total dividend paid from annual operating results (THB/share) including	<b>0.57</b>	<b>0.51</b>
(1) Interim dividend	0.18	0.18
(2) Final dividend	0.39	0.33
Total dividend payment (THB million)	6,031	5,396
Dividend payout ratio (%)	70	70

Remark:

- 1) Net profit attributable to equity holders of the Company

Vote required:

Majority votes of the shareholders who are present at the meeting and cast their votes.

**Agenda 4 To consider and approve the election of the Company's directors to replace directors who will be retired by rotation for the year 2024**

Facts and rationales:

The Public Limited Companies Act B.E. 2535 (1992) and the Company's Articles of Association require that one-third of the directors shall retire from office at every annual general meeting. A retiring director is eligible for re-election. At the 2024 Annual General Meeting of Shareholders, there are 5 directors who are retired by rotation as follows:

- |                                 |                      |
|---------------------------------|----------------------|
| 1. Adj. Prof. Rawat Chamchalerm | Independent Director |
| 2. Mrs. Kannika Ngamsopee       | Independent Director |
| 3. Mr. Jukr Boon-Long           | Independent Director |
| 4. Mr. Ralph Robert Tye         | Independent Director |
| 5. Mr. Tanin Buranamanit        | Director             |



The Company provided an opportunity to the shareholders to nominate candidate(s) for directorship from 22 September 2023 to 31 December 2023, and posted details and criteria of such nomination on its website and notified the shareholders in advance via disclosure to the Stock Exchange of Thailand. However, no shareholder has nominated candidates for directorship.

Nomination and Remuneration Committee's opinion:

The Nomination and Remuneration Committee had undertaken the nomination process by considering required aspects of directors as defined in the Board of Directors Charter with regard to related laws/regulations, variety in the Board composition and skills matrix, e.g. knowledge, experience, expertise beneficial to the Company, competence in managing the businesses of the Company, regardless of age, gender and the suitability of the Company's business as well as performance of each director and time dedication to the Company. The Nomination and Remuneration Committee, excluding the directors who have interests in this matter, therefore, recommended to the Board of Directors to propose to the Meeting to consider the re-election of the 5 retiring directors to resume their directorship for another term.

Board of Directors' opinion:

The Board of Directors, excluding the directors who have interests, considered the candidates nominated by the Nomination and Remuneration Committee with due care and opined that the nominated candidates have been considered by the Company's selection process. The qualifications of each nominated candidate were considered with all related regulations and suitable for the Company's business operation. In addition, the first to fourth (1-4) candidates are qualified as an independent director as stipulated in the regulations relating to Independent Director, and able to independently opine in accordance with related regulations. The Board of Directors then requests the Meeting to consider and approve the election of the five directors to be retired by rotation to be re-elected as directors for another term. (Profiles of the five nominated directors appeared in Enclosure 3). Nominated directors are as follows:

- |                                 |                      |
|---------------------------------|----------------------|
| 1. Adj. Prof. Rawat Chamchalerm | Independent Director |
| 2. Mrs. Kannika Ngamsopee       | Independent Director |
| 3. Mr. Jukr Boon-Long           | Independent Director |
| 4. Mr. Ralph Robert Tye         | Independent Director |
| 5. Mr. Tanin Buranamanit        | Director             |

Vote required:

Majority votes of the shareholders who are present at the meeting and cast their votes. The candidates will be appointed individually, pursuant to criteria and procedures described in Article 14 of the Company's Articles of Association, prescribed as follows:

- A shareholder shall have a number of votes which is equivalent to the number of shares held by each of them;
- Each shareholder may exercise all the votes he has under a) to elect one or more persons as directors, but he may not split his votes among any such persons;

- c) The persons receiving the highest number of votes in the respective order of the votes shall be elected as directors up to the total number of directors required or to be elected at such time. In the event that a number of persons receiving an equal number of votes for the last directorship exceed the number of directors the Company required or to be elected at such time, the Chairman of the meeting shall have a casting vote.

**Agenda 5 To consider and approve the increase in the number of directors from 15 persons to 18 persons and the election of additional directors**

Facts and rationales:

According to Article 13 of the Company's Articles of Association, the Company shall have a board of directors comprising at least 5 directors and the directors shall be elected by the annual general meeting of shareholder according to the Public Limited Companies Act B.E. 2535 (1992) and Articles of Association.

In order to thoroughly monitor the business operation of the Company and its subsidiaries to achieve the objectives according to the vision and mission of the Company and supporting the business expansion in the future, it is mandatory to increase the number of directors from 15 persons to 18 persons by appointing at least 1 independent director, so the number of independent directors will be one-third (1/3) of the total number of the Board of Directors in accordance with the regulations of the Securities and Exchange Commission.

Nomination and Remuneration Committee's opinion:

The Nomination and Remuneration Committee considered the structure, size, composition of the Board of Directors and the qualification of the nominated candidates to be elected as additional directors according to law, related regulations, by taking into account to the diversity in the structure of the Board; such as skills, knowledge, experience and expertise beneficial to the Company, competence in managing the business of the Company, regardless of gender, age and the suitability for the Company's business. The Nomination and Remuneration Committee recommended the Board of Directors to propose to the Meeting to consider and approve the increase in the number of directors from 15 persons to 18 persons and the election of additional directors for 3 persons.

Board of Directors' Opinion:

Having considered the proposal of the Nomination and Remuneration Committee, the Board of Directors agreed that the nominated candidates have been considered by the Company's selection process. The qualifications of each nominated candidate were considered with all related regulations and suitable for the Company's business operation. The Board of Directors opined that it is deemed appropriate to request the Meeting to consider and approve the increase in the number of directors from 15 persons to 18 persons and the election of additional directors for 3 persons, which will be effective on 15 May 2024 onwards as follows:

- |                             |                      |
|-----------------------------|----------------------|
| 1. Dr. Teerapon Tanomsakyut | Director             |
| 2. Mr. Tanit Chearavanont   | Director             |
| 3. Mr. Auttapol Rerkpiboon  | Independent Director |



(The brief information of the nominated candidates to be elected as additional directors are shown in the Enclosure 4).

The three nominated directors are fully qualified as per the Public Limited Companies Act, B.E. 2535 (1992) (as amended) and the Security and Exchange Act, B.E. 1992 (as amended). In addition, the third candidate is qualified as an independent director as stipulated in the regulations relevant to independent director, and able to independently opine in accordance with related regulations.

Vote required:

Majority votes of the shareholders who are present at the meeting and cast their votes. The candidates will be appointed individually, pursuant to criteria and procedures described in Clause 14 of the Company's Articles of Association as follows:

- a) A shareholder shall have a number of votes which is equivalent to the number of shares held by each of them;
- b) Each shareholder may exercise all the votes he has under a) to elect one or more persons as directors but he may not split his votes among any such persons;
- c) The persons receiving the highest number of votes in the respective order of the votes shall be elected as directors up to the total number of directors required or to be elected at such time. In the event that a number of persons receiving an equal number of votes for the last directorship exceed the number of directors the Company required or to be elected at such time, the Chairman of the meeting shall have a casting vote.

**Agenda 6      To consider and approve the remuneration for directors for the year 2024**

Facts and rationales:

According to Article 29 of the Company's Articles of Association, the directors are entitled to receive remunerations from the Company in forms of a salary, gratuity, meeting attendance fee, reward, bonus, and other benefits in accordance with the Articles of Associations or as resolved by the shareholders' meeting which may be specified as fixed amount or rules and may be fixed for a specified period or permanently until change, and this shall not affect the right of the Company's officer or employee who is appointed as the Company's director to receive remunerations or benefits from the Company as being the Company's employee.

Nomination and Remuneration Committee's opinion:

The Nomination and Remuneration Committee considered the directors' remunerations by considering their responsibilities, performance relative to the Company's overall operational performance and related factors, and comparison to remunerations of other companies in the same industry of similar size, including overall business situations. The Nomination and Remuneration Committee recommended the Board of Directors to propose to the Meeting to consider and approve the directors' remuneration for the year 2024 at the same rate as the remuneration in 2023 as follows:



Types of Remuneration	2024 (Current Proposal)		2023	
	THB/ Person/Month	THB/ Person/Year	THB/ Person/Month	THB/ Person/Year
	<b>1. Regular remuneration</b>			
1.1 Chairman	155,000	1,860,000	155,000	1,860,000
1.2 Chairman of the Audit Committee	140,000	1,680,000	140,000	1,680,000
1.3 Independent Director and Member of the Audit Committee	115,000	1,380,000	115,000	1,380,000
1.4 Director/ Independent Director	100,000	1,200,000	100,000	1,200,000
1.5 Chairman of other sub-committees <sup>1)</sup>	15,000	180,000	15,000	180,000
1.6 Member of other sub-committees <sup>1)</sup>	5,000	60,000	5,000	60,000
<b>2. Annual bonus</b>	0.50 percent of the dividend paid to shareholders for the year 2023, amounted to THB 30.16 million <sup>2)</sup>		0.50 percent of the dividend paid to shareholders for the year 2022, amounted to THB 26.98 million	
<b>3. Other benefits</b>	None		None	

**Remarks:**

- 1) Other sub-committees apart from the Audit Committee.
- 2) The annual bonus has been proposed to be paid at rate of 0.50 percent of the dividend paid to the shareholders for the year 2023. The Chairman of the Board will consider the allocation of annual bonus to each director as deemed appropriate. In the event that the 2024 Annual General Meeting of Shareholders have considered and approved the dividend payment for the year 2023 operating results according to agenda 3 to the shareholders at the rate of THB 0.57 per share, totaling THB 6,031 million, the annual bonus of director for the year 2023 results of operation will be amounted to THB 30.16 million.

The Company would like to notify to the shareholders that apart from the monetary remuneration, the Company provides Directors & Officers Liability Insurance with a sum insured of not exceeding USD 30 million or approximately Baht 1,044 million (at the exchange rate of USD 1.00 for THB 34.79).

**Board of Directors' opinion:**

The Board of Directors agreed with the Nomination and Remuneration Committee's proposal and considered proposing to the Meeting to consider and approve the remuneration for directors for the year 2024, which is the same rate as the remuneration in 2023 according to details expressed above.





Vote required:

Not less than two-thirds (2/3) of the total number of votes of shareholders who are present at the meeting.

**Agenda 7 To consider and approve the appointment of the Company's auditors and the determination of the audit fee for the year 2024**

Facts and rationales:

The Public Limited Companies Act B.E. 2535 (1992) and the Company's Articles of Association require that the appointment of the Company's external auditors and the audit fee each year shall be approved at the annual general meeting of shareholders, and the former auditors can be re-appointed. The auditors must not be the Company's directors, officers, employees or persons holding any positions in the Company.

Audit Committee's opinion:

The Audit Committee resolved the selection of KPMG Phoomchai Audit Ltd. ("**KPMG**") to be the audit firm of the Company for the fiscal year ended 31 December 2024. KPMG not only has performed the duties expertly, but also has performance standards, experience and expertise in auditing, effective audit procedures, good business understanding and independency. Considering the scope of services offered, responsibilities and increasing workload from the recent business expansion of the Company, KPMG apparently offered an appropriate audit fee and the utmost benefits to the Company.

Board of Directors' opinion:

The Board of Directors agreed with the Audit Committee's proposal and deems it appropriate to propose to the Meeting to consider and approve the appointment of the Company's auditors and the determination of the audit fee for the year 2024 as follows:

1. To appoint the following auditors from KPMG to be the Company's auditors for the fiscal year ended 31 December 2024:
  - 1) Mr. Charoen Phosamritlert Certified Public Accountant (Thailand) No. 4068  
(Certified on the Company's financial statements in 2014-2017, 4 years in total)
  - 2) Mrs. Munchupa Singsuksawat Certified Public Accountant (Thailand) No. 6112  
(Never certified on the Company's financial statements)
  - 3) Mrs. Piyatida Tangdenchai Certified Public Accountant (Thailand) No. 11766  
(Certified on the Company's financial statements in 2021-2023, 3 years in total)

In this regard, KPMG and the nominated auditors do not have any relationship and/or conflict of interest with the Company, subsidiaries, managements, major shareholders, or related persons of the said parties (profiles of the proposed auditors for the year 2023 are detailed in Enclosure 5).

In 2024, KPMG is an auditor of 7 Company's subsidiaries in Thailand and KPMG (foreign office) is an auditor of 3 overseas subsidiaries. Other 11 overseas subsidiaries will be audited by other audit firms. Nevertheless, the Board of Directors will ensure such other audit firms, which are not KPMG, to prepare the financial statements of the subsidiaries on time.

In the absence of the above-mentioned auditors to perform the duty, KPMG is authorized to appoint other Certified Public Accountant from KPMG to carry out the work.

2. To approve the determination of audit fee for the year 2024 of THB 9,600,000, increased by 4.3 percent from the audit fee for the year 2023, as illustrated in the table below:

(Unit: THB)

Type of Fee	2024 (Current Proposal)	2023	Increase (%)
<b>Annual audit fee of the Company</b>	<b>9,600,000</b>	<b>9,200,000</b>	<b>4.3</b>

Remarks:

- The above fee includes:
  1. The stock count attendance fee.
  2. Fee for reviewing quarterly financial statements of the Company's subsidiaries.
- The above fee excludes the attendance fee for goods destroyed and actual expenses incurred during the audit, which does not exceed 10% of audit fee for the whole year.
- The increase of audit fee of THB 400,000 is the charge for inspecting the consolidated financial statements system (new system)

Comparison Table of Audit Fee and Non-Audit Fee from the Last Year

(Unit: THB)

Type of Fee	2023
<b>Annual audit fee of the Company</b>	<b>9,200,000</b>
<b>Non-audit fee</b>	<b>455,000</b>

Vote required:

Majority votes of the shareholders who are present at the meeting and cast their votes.

**Agenda 8 To consider and approve the Group Internal Business Restructuring Plan**

Facts and rationales:

The Company plans to restructure the group's internal business by leveraging the synergy of the wholesale and retail business in Thailand under NewCo and enhance flexibility to its business management and remove the complexity of shareholding structure and organisation structure of the group. This will increase performance of the management of business and resources and generate added value from resulting business synergy as well as attracting quality personnel and creating opportunities for the group's business growth in the future.

In this regard, the Board of Directors' Meeting of the Company No. 2/2024, held on 14 February 2024 resolved to approve the Group Internal Business Restructuring Plan and to propose to the Meeting to consider and approve such plan under the relevant agendas as follows:



**Agenda 8.1 To consider and approve CP Axtra Public Company Limited to accept the transfer of entire business of Lotus's Stores (Thailand) Co., Ltd.**

Facts and rationales:

With respect to the Group Internal Business Restructuring Plan, the Company will accept the transfer of entire business (EBT) of Lotus's Stores (Thailand) Co., Ltd. ("**Lotus's Thailand**") (which is the Company's indirect subsidiary) including assets, liabilities, rights, duties and responsibilities of Lotus's Thailand existing at present and will occur in the future as of the EBT date. The main assets of Lotus's Thailand are shares in Ek-Chai Distribution System Company Limited ("**Ek-Chai**") (which is the Company's indirect subsidiary) currently held by Lotus's Thailand, with the total consideration of not more than THB 7,680 million ("**EBT Transaction**"). After completion of the EBT Transaction, Lotus's Thailand will further proceed with the dissolution and liquidation in accordance with the rules, procedures and conditions of the Entire Business Transfer (EBT) under the Notification of the Director-General of the Revenue Department Re: Rules, Procedures and Conditions on Amalgamation or Entire Business Transfer of Public Limited Company or a Limited Company for the Purpose of Tax Exemption, as well as other relevant laws.

As the EBT Transaction is the transaction in which the Company will accept the transfer of the entire business of Lotus's Thailand, which is the indirect subsidiary of the Company, such transaction will not be considered the acquisition or disposal of assets pursuant to the rules under the Notification of Capital Market Supervisory Board No. TorChor. 20/2551 Re: Rules on Entering into Material Transactions Deemed as Acquisition or Disposal of Assets dated 31 August 2008, as amended, and the Notification of the Stock Exchange of Thailand Re: Disclosure of Information and Other Acts of Listed Companies Concerning the Acquisition and Disposition of Assets B.E. 2547 (2004) dated 29 October 2004, as amended. The Company therefore has no obligation to take any action as per the abovementioned notifications.

Furthermore the EBT Transaction between the Company and Lotus's Thailand is not considered as the connected transaction, pursuant to the Notification of the Capital Market Supervisory Board No. TorChor 21/2551 Re: Rules on Connected Transactions dated 31 August 2008, as amended, and the Notification of the Stock Exchange of Thailand Re: Disclosure of Information and Other Acts of Listed Companies Concerning the Connected Transactions B.E. 2546 (2003) dated 19 November 2003, as amended. The Company therefore has no obligation to take any action as per the abovementioned notifications as well.

However, the EBT Transaction is considered as the acceptance of the transfer of business of a private company by the Company, as specified in Section 107(2)(b) of the Public Limited Company Act B.E. 2535, as amended, ("**PLCA**"). Therefore, the Company is required to obtain an approval for the EBT Transaction from the Company's meeting of shareholders which shall approve the transaction by votes of not less than three-fourths of the total votes of the shareholders who attend the meeting and have the right to vote.

Furthermore, for convenience and practicality regarding the EBT Transaction which forms part of the Group Internal Business Restructuring Plan and requires number of relevant arrangements, the Board of Directors deemed appropriate to authorise the Company's authorised directors or the person(s) entrusted by the Company's authorised directors to have the power to: (i) negotiate, determine, agree, finalise and change methods, timeline, terms and conditions including other details and implementation steps of the Group Internal Business Restructuring Plan and other transactions related thereto, (ii) negotiate, agree, adjust, finalise, initial, certify, sign, submit and deliver agreements, accounts, financial statements, plans, policies, charters, notices, letters, consents, waivers, applications or other documents, and obtain financing or provide security, in connection with the Group Internal Business Restructuring Plan and other



transactions related thereto, as well as agree on such amendments, changes or add on details to such agreements, accounts, financial statements, plans, policies, charters, notices, letters, consents, waivers, applications, or other relevant documents, (iii) obtain all necessary consents and waivers from third parties and all necessary regulatory approvals, permission, consents, waivers, licences, permits, registrations and authorisations required for the Group Internal Business Restructuring Plan from the relevant government authorities; and (iv) act and prepare documents necessary or appropriate for the completion of the Group Internal Business Restructuring Plan and other transactions related thereto.

Board of Directors' opinion:

The Board of Directors considered and viewed that the EBT Transaction forms part of the Group Internal Business Restructuring Plan and is the significant step that the Company must complete prior to the amalgamation. Therefore, the Board of Directors resolved to approve the EBT Transaction and to propose to the shareholders' meeting for approval of the EBT Transaction and the granting of authorisation to the Company's authorised directors or the person(s) entrusted by the Company's authorised directors to have the power to make the arrangements necessary for and relevant to the Amalgamation as proposed in all respects.

Vote required:

Not less than three-fourths (3/4) of total number of votes of shareholders who are present at the meeting and are entitled to vote.

**Agenda 8.2 To consider and approve the amalgamation between CP Aextra Public Company Limited and Ek-Chai Distribution System Company Limited**

Facts and rationales:

With respect to the Group Internal Business Restructuring Plan, after the EBT Transaction has been completed, the Company will proceed with the amalgamation between the Company and Ek-Chai under the provisions specified in the Public Limited Company Act B.E. 2535, as amended ("**PLCA**"), in which the two companies will cease their status as juristic persons and a new company will be formed ("**NewCo**") as a result of the amalgamation ("**Amalgamation**"). NewCo will assume all assets, liabilities, rights, duties and responsibilities of the Company and Ek-Chai after the Amalgamation is completed by operation of law under the PLCA.

As part of the process of the Amalgamation, there will be an allocation of shares in NewCo to the shareholders of the Company and Ek-Chai in accordance with the following ratios:

- |                                 |                             |
|---------------------------------|-----------------------------|
| 1 existing share in the Company | to 0.50 share in NewCo; and |
| 1 existing share in Ek-Chai     | to 10.00 shares in NewCo.   |

The above allocation ratios have been considered based on the registered and paid-up capital of NewCo of THB 10,427,661,800, divided into 10,427,661,800 ordinary shares, with a par value of THB 1.

The allocation of shares in NewCo to the shareholders of the Company and Ek-Chai is summarised as follows:

- (a) Shares in NewCo will be allocated to the Company's shareholders based on the number of shares held in the Company by each shareholder of the Company, at the above allocation ratio. The Company's shareholders who will receive the allocation of shares in NewCo must be the shareholders whose names are listed in the share register book of CPAXT as at the book closing



date for compilation of list of shareholders who are entitled to allocation of shares in NewCo (Book Closing Date), whereas the book closing date will be further determined by the board of directors of the Company.

- (b) Shares in NewCo will be allocated to Ek-Chai shareholders based on the number of shares held in Ek-Chai by each Ek-Chai shareholder at the above allocation ratio. The Ek-chai shareholders who will receive the allocation of shares in NewCo must be the shareholders whose names are listed in the share register book of Ek-Chai as at the book closing date for compilation of list of shareholders who are entitled to allocation of shares in NewCo (Book Closing Date), whereas the book closing date will be further determined by the board of directors of Ek-Chai.

In this regard, the Company will be entitled to allocation of shares in NewCo based on the above procedures as the shareholder of Ek-Chai. However, since the Company will cease its status as juristic persons after completion of the Amalgamation, the shares in NewCo to be allocated to CPAXT, as Ek-Chai shareholder, will be directly allocated to the Company's shareholders in proportion to the shareholding in the Company of each shareholder. The Company's shareholders who will receive the allocation of shares in NewCo must be the shareholders whose names are listed in the share register book of the Company as at the book closing date for compilation of list of shareholders who are entitled to allocation of shares in NewCo according to (a).

If there is a fraction of a share which is greater than or equal to 0.5 share as a result of the calculation in accordance with to the foregoing ratios, such fraction will be rounded up to 1 share but if a fraction of a share is less than 0.5 share, such fraction will be disregarded. NewCo will pay cash compensation for the lesser share to the relevant shareholders which will be calculated proportionately with respect to the disregarded fraction of share. The Company and Ek-Chai will determine the amount of compensation and details of payment and may consider the details and rules on share fraction rounding as deemed appropriate.

In order to ensure that the registered and paid-up capital of NewCo consists of 10,427,661,800 ordinary shares with a par value of THB 1 per share, CP All Public Company Limited (“CPALL”) have agreed to be a balancer (the “**Balancer**”) for the purpose of the share rounding-off and shall pay to, or receive compensation from, NewCo for such balancing shares. Therefore, if the total number of issued shares in NewCo to be allocated to the shareholders, which is calculated according to the foregoing ratios, is more than 10,427,661,800 shares after the Amalgamation, NewCo will allocate fewer shares to the Balancer so that the total number of issued shares in NewCo allocated to its shareholders will be equal to 10,427,661,800 shares. NewCo will compensate the Balancer in cash for such fewer number of shares allocated to it in an amount equivalent to the compensation per 1 share in NewCo, which is payable to shareholders for the disregarded fractions of shares, multiplied by the number of such fewer shares in NewCo being allocated to the Balancer. In the event that the total number of issued shares in NewCo, calculated according to the foregoing proportions, is less than 10,427,661,800 shares immediately after the Amalgamation, NewCo will allocate additional shares to the Balancer so that the total number of issued shares in NewCo allocated to its shareholders will be equal to 10,427,661,800 shares. In this case the Balancer will pay for the additional shares in NewCo at the ratio equivalent to the compensation per 1 share in the NewCo, which is payable to shareholders for the disregarded fractions of shares, multiplied by the number of the additional number of shares in NewCo allocated to the Balancer.

The key procedures of the Amalgamation are summarised below:

- (a) Each of the Company and Ek-Chai holds a shareholders meeting to consider and approve the Amalgamation and other acts relating to the Amalgamation, including a reduction of registered capital by cancelling the unissued shares and amend the memorandum of association to reflect the reduction of registered capital of the Company. The Amalgamation shall be approved by the





shareholders meeting of the Company and Ek-Chai by the votes of at least three-fourths of total votes of shareholders attending the meeting and have the right to vote in accordance with the provisions of the PLCA.

- (b) Once the shareholders meeting of the Company and Ek-Chai approves the Amalgamation, the Company and Ek-Chai will be required to notify its creditors in writing of the shareholders meeting's resolution which approves the Amalgamation within 14 days from the date on which the shareholders meeting passes the resolution approving the Amalgamation, and allow the creditors to object to the Amalgamation within the period of 2 months from the date of receipt of the notification. The Company and Ek-Chai will also be required to publish the shareholders meeting's resolution in a newspaper or via electronic means within such period of 14 days. If there is any creditor objects to the Amalgamation, the PLCA stipulates that the amalgamating companies shall pay the debts or give security in respect of the debts in order to further proceed with the Amalgamation.
- (c) If the shareholders meeting of the Company and Ek-Chai resolves to approve the Amalgamation, but there are shareholders who attend the shareholders meeting and vote against the Amalgamation (the "**Dissenting Shareholders**"), the amalgamating companies shall arrange a person who will purchase shares of such Dissenting Shareholders (the "**Purchaser**"). The Dissenting Shareholders will be entitled to sell their shares to the Purchaser within 14 days from the date of receipt of an offer from the Purchaser. The Dissenting Shareholders who do not sell their shares to the Purchaser within the specified period will become the shareholders of NewCo upon completion of the registration of the amalgamation pursuant to Section 146 Paragraph 2 the PLCA.

In case the Dissenting Shareholder is the Company's shareholder, the Purchaser shall purchase the shares at the last traded price on the Stock Exchange of Thailand ("**SET**") immediately prior to the date on which the shareholders' meeting of the Company resolves to approve the Amalgamation, which in this case is the closing price of shares of the Company traded on the SET on 28 March 2024. In case the Dissenting Shareholder is Ek-Chai's shareholder, the Purchaser shall purchase the shares at the price determined by an independent appraiser appointed by both parties pursuant to the requirements under Section 146 Paragraph 2 of the PLCA. However, at present, as Ek-Chai has 3 shareholders, namely, Lotus's Thailand (which is the Company's indirect subsidiary) and two directors of the Company (where the Company will become a shareholder of Ek-Chai in place of Lotus's Thailand after the completion of the EBT Transaction). Therefore, there is no need for Ek-Chai to arrange a purchaser to purchase shares from the Dissenting Shareholders of Ek-Chai since all shareholders of Ek-Chai will vote in accordance with the resolution of the Company's shareholders meeting at which the shareholders resolve to approve the Amalgamation. In such case, there will be no Ek-Chai's shareholders who vote against the Amalgamation.

In this regard, CPALL has expressed its intention to be the person to purchase the shares from the Dissenting Shareholders of the Company pursuant to the requirement under Section 146, Paragraph 2 of the PLCA under the terms and conditions set out by CPALL which have been delivered to the shareholders together with the notice of meeting (Enclosure No. 7).

- (d) Upon the completion of the above procedures, the Company and Ek-Chai will jointly hold a joint meeting of the Company's shareholders and Ek-Chai's shareholders to consider various matters necessary for the Amalgamation as required under the PLCA, including the name of NewCo, capital of NewCo, allocation of NewCo shares, objectives, memorandum of association and articles of association, directors and auditor of NewCo. Furthermore, the Board of Directors of the

Company and Ek-Chai shall deliver all the businesses, assets, accounts, documents and evidence of the companies to the Board of Directors of NewCo within 7 days from the date of completion of the joint shareholders' meeting.

- (e) After the joint meeting of the Company's shareholders and Ek-Chai's shareholders, the Board of Directors of NewCo shall apply to register the Amalgamation and at the same time submit the memorandum of association and the articles of association, approved by the joint shareholders' meeting, within 14 days from the date of the joint shareholders' meeting with the public companies' registrar, the Ministry of Commerce. Once the public companies' registrar accepts the registration of the Amalgamation, the Company and Ek-Chai shall cease their status as juristic persons, and the public companies' registrar shall make a note thereof in the register. After the completion of the amalgamation registration, NewCo shall assume all assets, liabilities, rights, duties, and responsibilities of the Company and Ek-Chai by operation of law in accordance with the PLCA.
- (f) After the completion of registration of NewCo, NewCo will submit a request for the acceptance of NewCo shares as a listed securities in SET to the SET. Once the SET approves the listing, the shares of NewCo will become listed securities and the shares of the Company and Ek-Chai will be delisted from the SET on the same day.

Furthermore, for convenience and practicality in the Amalgamation which forms part of the Group Internal Business Restructuring Plan and requires number of relevant arrangements, the Board of Directors deemed appropriate to authorise the Company's authorised directors or the person(s) entrusted by the Company's authorised directors to have the power to: (i) negotiate, determine, agree, finalise and change methods, timeline, terms and conditions including other details and implementation steps of the Group Internal Business Restructuring Plan and other transactions related thereto, (ii) negotiate, agree, adjust, finalise, initial, certify, sign, submit and deliver agreements, accounts, financial statements, plans, policies, charters, notices, letters, consents, waivers, applications or other documents, and obtain financing or provide security, in connection with the Group Internal Business Restructuring Plan and other transactions related thereto, as well as agree on such amendments, changes or add on details to such agreements, accounts, financial statements, plans, policies, charters, notices, letters, consents, waivers, applications, or other relevant documents, (iii) obtain all necessary consents and waivers from third parties and all necessary regulatory approvals, permission, consents, waivers, licences, permits, registrations and authorisations required for the Group Internal Business Restructuring Plan from the relevant government authorities; and (iv) act and prepare documents necessary or appropriate for the completion of the Group Internal Business Restructuring Plan and other transactions related thereto.

Board of Directors' opinion:

The Board of Directors considered and viewed that the Amalgamation forms part of the Group Internal Business Restructuring Plan which is primarily aimed at leveraging the synergy of the wholesale and retail business in Thailand under NewCo, enhancing flexibility to its business management and removing the complexity of shareholding structure and organisation structure of the group. This will increase performance of the management of business and resources and generate added value from resulting business synergy as well as attracting quality personnel and creating opportunities for the group's business growth in the future. Therefore, the Board of Directors resolved to approve the Amalgamation and to propose to the shareholders' meeting for approval of the Amalgamation and the granting of authorisation to the Company's authorised directors or the person(s) entrusted by the Company's authorised directors to have the power to make the arrangements necessary for and relevant to the Amalgamation as proposed in all respects.





In this regard, the Company has appointed Jay Capital Advisory Limited (which is the independent financial advisor approved by the Office of the Securities and Exchange Commission) as an independent financial advisor to provide its opinions to the shareholders of the Company on the Amalgamation to ensure that the shareholders will have complete and sufficient information to support their consideration to pass a resolution on the Amalgamation. The shareholders may review further details related to the Amalgamation from the documents delivered by the Company to the shareholders together with the notice of meeting as follows:

1. Information Memorandum Regarding the Amalgamation between CP Axtra Public Company Limited and Ek-Chai Distribution System Company Limited (Enclosure 6)
2. Terms and Conditions on the Purchase of Shares from the Dissenting Shareholders (Enclosure 7)
3. Opinion of the Independent Financial Advisor in relation to the Amalgamation between CP Axtra Public Company Limited and Ek-Chai Distribution System Company Limited (Enclosure 8)
4. Consolidated Financial Statements of the Company and its Subsidiaries for the Year ended 31 December 2023 (Enclosure 1)
5. Consolidated Pro Forma Financial Information of NewCo for the Year ended 31 December 2023 and 2022 (Enclosure 9)

Vote required:

Not less than three-fourths (3/4) of total number of votes of shareholders who are present at the meeting and are entitled to vote.

For the benefits and success of the Group Internal Business Restructuring Plan, agenda 8.1 and 8.2 are related and necessary for the implementation of the Group Internal Business Restructuring Plan. Therefore, agenda 8.1 and 8.2 must be approved by the shareholders meeting. If any of the foregoing agenda is not approved by the shareholders, the Company will not further implement the Group Internal Business Restructuring Plan and other agenda related to the Group Internal Business Restructuring Plan which have been approved earlier by the shareholders meeting will be cancelled.

**Agenda 9 To consider and approve the reduction of registered capital of the Company from THB 5,586,161,750 to THB 5,290,161,750 by cancelling 592,000,000 unissued shares with a par value of THB 0.50 each**

Facts and rationales:

As the Company has 592,000,000 unissued shares, to ensure that the registered and paid-up capital of NewCo is equal to the aggregate of the registered and paid-up capital of the Company and Ek-Chai, the Company's registered capital is to be reduced by THB 296,000,000, from the existing registered capital of THB 5,586,161,750, comprising of 11,172,323,500 shares at par value of THB 0.50 each, to the new registered capital of THB 5,290,161,750, comprising of 10,580,323,500 shares at par value of THB 0.50 each, by cancelling 592,000,000 unissued shares with a par value of THB 0.50 each.

In addition, for convenience and practicality in the registration of the reduction of the Company's registered capital, the Board of Directors deemed appropriate to propose to the 2024 Annual General Meeting of Shareholders to authorise one of the Company's authorised directors (to act without company seal) to sign applications or other documents in connection with the registration of the reduction of the Company's registered capital, to submit the applications for the registration of the aforementioned matters



with the Ministry of Commerce, to amend, supplement or make changes to the applications or statements in the documents in relation to the reduction of the Company's registered capital to be submitted to the Ministry of Commerce including to be authorised to take any actions necessary for and in connection with such matters as considered appropriate and to be in compliance with the laws, rules, regulations and interpretation of the relevant government authorities, including to be in compliance with the recommendations or orders of the public companies registrar or authorised officer.

Board of Directors' opinion:

The Board of Directors considered and deemed appropriate to propose to the meeting of shareholders to approve the reduction of registered capital of the Company by THB 296,000,000, from the existing registered capital of THB 5,586,161,750, comprising of 11,172,323,500 shares at par value of THB 0.50 each, to the new registered capital of THB 5,290,161,750, comprising of 10,580,323,500 shares at par value of THB 0.50 each, as well as the granting of authorisation to the Company's authorised directors to have the power to make the arrangements necessary for and relevant to the reduction of registered capital of the Company as proposed in all respects.

Vote required:

Not less than three-fourths (3/4) of total number of votes of shareholders who are present at the meeting and are entitled to vote.

**Agenda 10 To consider and approve the amendment to article 4 (Registered Capital) of the Company's memorandum of association to reflect the reduction of registered capital of the Company**

Facts and rationales:

To reflect the reduction of registered capital of the Company as proposed in Agenda 9, the Company is required to amend article 4 re: registered capital of the Company's memorandum of association by repelling the original provision and replacing it with the new provision as follows:

"Article 4. Registered capital of	THB 5,290,161,750	(Five Thousand Two Hundred and Ninety Million One Hundred Sixty One Thousand Seven Hundred and Fifty Baht)
Divided into	10,580,323,500 shares	(Ten Thousand Five Hundred and Eighty Million Three Hundred Twenty Three Thousand and Five Hundred shares)
Par value per share	THB 0.50	(Fifty Cents)
Ordinary shares	10,580,323,500 shares	(Ten Thousand Five Hundred and Eighty Million Three Hundred Twenty Three Thousand and Five Hundred shares)
Preferred shares	- shares	(-)"

In addition, for convenience and practicality in the registration of the amendment of the Company's memorandum of association, the Board of Directors deemed appropriate to propose to the 2024 Annual General Meeting of Shareholders to authorise one of the Company's authorised directors (to act without company seal) to sign applications or other documents in connection with the registration of the amendment of the Company's memorandum of association, to submit the applications for the registration



of the aforementioned matters with the Ministry of Commerce, to amend, supplement or make changes to the applications or statements in the documents in relation to the amendment of the Company's memorandum of association to be submitted to the Ministry of Commerce including to be authorised to take any actions necessary for and in connection with such matters as considered appropriate and to be in compliance with the laws, rules, regulations and interpretation of the relevant government authorities, including to be in compliance with the recommendations or orders of the public companies registrar or authorised officer.

Board of Directors' opinion:

The Board of Directors considered and deemed appropriate to propose to the meeting of shareholders to approve the amendment to article 4 (Registered Capital) of the Company's memorandum of association to reflect the reduction of registered capital of the Company, as well as the granting of authorisation to the Company's authorised directors to have the power to make the arrangements necessary for and relevant to the amendment to article 4 (Registered Capital) of the Company's memorandum of association as proposed in all respects.

Vote required:

Not less than three-fourths (3/4) of total number of votes of shareholders who are present at the meeting and are entitled to vote.

**Agenda 11 To consider other businesses (if any)**

Board of Directors' opinion:

The Board of Directors opined that the Company should designate this agenda to allow the shareholders to raise any inquiries (if any) and/or for the Board of Directors to answer any questions or to clarify any matters to the shareholders. However, there should not be any other matters to be considered by the Meeting in this agenda in order to comply with the Principles of Good Corporate Governance for Listed Companies and the Annual General Shareholders Meeting Assessment. The Meeting should consider only the matters notified in advance for fairness to all shareholders.

All shareholders are cordially invited to attend the 2024 Annual General Meeting of Shareholders on **Friday, 29 March 2024 at 2.00 p.m., which will be held through electronic means (E-Meeting)**. The registration will start at 12.00 p.m. onwards.

The shareholders or proxies who would like to attend the Meeting, please thoroughly study the "Guidelines for Attending the 2024 Annual General Meeting of Shareholders through Electronic Means (E-Meeting)" of the Company, details appear in Enclosure 12.

The shareholders who are inconvenient to attend the Meeting through electronic means can also authorize one of the Company's Independent Directors to attend and vote on your behalf. To do so, the documents for registration as indicated in the "Guidelines for Attending the 2024 Annual General Meeting of Shareholders through Electronic Means (E-Meeting)" (Enclosure 12) and the "Proxy Form B" (Enclosure 13) must be submitted to the Company. Profiles of the Independent Directors proposed by the Company to act as Proxy of Shareholders are set out in Enclosure 11.



In order to arrange the 2024 Annual General Meeting of Shareholders through electronics means smoothly and efficiently, the Company would like to request all shareholders to study and follow the instructions, registration process, appointment of proxy and supporting documents for registration to attend the Meeting. If the shareholders have any questions, opinions or suggestions, **please kindly send those queries to the Company in advance** by submitting the 2024 AGM Question Form (Enclosure 14) **within 27 March 2024**. Only the questions receiving in advance and relating to the voting agendas will be addressed in the Meeting.

Moreover, the shareholders can request the hard copy of the 2023 Annual Report (Form 56-1 One Report) by submitting the “2023 Annual Report (Form 56-1 One Report) Requisition Form” to the Company via channels as specified in the Enclosure 15.

The Company truly appreciates your understanding and looks forward to your kind cooperation.

Yours faithfully,

By instruction from the Board of Directors

CP Aextra Public Company Limited

  
.....

(Mr. Tanin Buranamanit)

Group Chief Executive Officer

SET & Investor Relations

Tel. 02 067 8999 Ext. 8255/ 8260/ 9329 / 9332 / 9341

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**Remarks:** The Company has announced a Privacy Policy to notify the shareholders regarding details of collecting, use, and disclosure of your personal data. Please see further details at <https://www.cpaxtra.com/th/privacy-policy>