



Interhides Public Company Limited

678 Soi T.J.C., Sukhumvit Road, Bangpoomai,
Muang, Samutprakarn, 10280 Thailand
Tel : 662-028-9728-37 Fax : 662-028-9738-39
Website : www.interhides.com



July 8, 2020

Subject: Invitation to the 2020 Annual General Meeting of Shareholders

To: Shareholders of Interhides Public Company Limited

Enclosure:

1. Copy of the Minute of the 14th Annual Meeting of Shareholder hold on April 24,2018
2. Annual report in form of QR Code
3. Profiles of Retiring Directors Proposed for Re-election and Profiles of new Director
4. Profile of candidates who have been nominated to be the company's auditors for the year 2020
5. Proxy Forms (A), (B) and (C)
6. Profiles of independent directors for proxy in the 15th Annual General Meeting of Shareholder.
7. Guidelines for registration, appointment of proxy, documentation and evidence required to be presented on the date of the meeting.
8. The Company's Articles of Association with regard to the Annual General Meeting of Shareholders
9. Request form for annual report for the year 2019 in print
10. Map of the meeting venue

The Board of the Interhides Public Co., Ltd. has resolved to call the 15th Annual General Meeting of Shareholders to be held on August 18, 2020 at 14:00 P.M. (attendance registration starts from 13:00 – 14:00 P.M.) 215-217 Room, Bangkok International Trade & Exhibition Centre 88 Debaratna road(km.1), Bangna Tai, Bangna, Bangkok 10260, Thailand. (Enclosure No.10). The agenda of the meeting are as follows;

Agenda 1 **To acknowledge the Minute of the 14th Annual General Meeting of Shareholders held on 24 April, 2019.**

Objective and Reasons The Minutes of the 14th Annual General Meeting of Shareholder which held of April 24, 2019 was submitted to the Stock Exchange of Thailand and Ministry of Commerce within 14 days after the meeting date specified by the relevant laws. In additional, the Company has post the minute of meeting on Company's website (www.interhides.com) on May 7, 2019 for shareholders to review. Nobody raised and objection or requested for amendment; detail of which are appear in Enclosure 1

The Board's Opinion The Minutes of the 14th Annual General Meeting of Shareholders was correctly, and Shareholder should certify.



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<u>Remark</u>	The resolution for the agenda requires the majority of votes of shareholders and proxy holders who attend the meeting and cast their votes
Agenda 2	To acknowledge the Company's operating results and Annual Report for the year 2019
<u>Objective and Reasons</u>	The Board of Directors considered the Company's operating results for the year 2019 were correct and sufficient disclosure.
<u>The Board's Opinion</u>	The Shareholders should acknowledge the Company's operating results for the year 2019.
<u>Remark</u>	This agenda is for acknowledgement, therefore there is no vote casting.
Agenda 3	To consider and approve the Company's financial statements for the year ended December 31, 2019.
<u>Objective and Reason</u>	According to Section 112 of the Public Company Limited Act, the Board of Directors shall prepare the Balance Sheet and Profit and Loss Accounts as of the end of accounting period of the Company, and shall submit the same to the Annual General Meeting of Shareholders for approval. The financial statements of the Company and Consolidated for the year ended 31 st December 2019 as shown in the 2019 Annual Report has been audited by the Certified Public Accountant and reviewed by the Audit Committee and approved by the Board of Directors
<u>The Board's Opinion</u>	It is considered appropriated for the Meeting of Shareholders to approve the Balance Sheet and Profit and Loss Accounts for the year ended 31 st December 2019 which has been audited by the Certified Public Accountant and reviewed by the Audit Committee. Financial highlights of the consolidated balance sheet and statement of income are as following:



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Value: Million Baht

	Consolidated Financial Statements	Separate Financial Statements
Total Assets	3,771.41	3,693.13
Total Liabilities	2,127.57	2,086.78
Total Sales and Service	1,552.61	1,180.64
Total Revenue	1,571.01	1,346.52
Net Profit	141.75	132.09
Earnings per share	0.25	0.23

The Annual report 2019 had been posted on the Company's website and been sent to the shareholders together with the notice of this meeting in Enclosed 2

Remark

The resolution for the agenda requires the majority of votes of shareholders and proxy holders who attend the meeting and cast their votes.

Agenda 4

To acknowledge the allocation of the Company's reserve fund (fully allocated) and the interim dividend payments from the 2019 Company's performance

Objective and Reason

According to the Company Articles of Association clause 43 and section 116 of The Limited Public Companies Act B.E. 2535(1992) the company shall allocate not less than 5% of the annual net profit to the statutory reserve until this reserve reaches 10% of the registered capital.

The company has a policy to pay dividend to the shareholders each year according to the financial performance at a minimum of 40% - consolidated net profit of the Company were Baht 141.75 million. The comparison of dividend payment is as follows:



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Details	2019 (proposed year)	2018	2017
Net Profit (Baht)	141,754,467	292,761,676	289,378,809
Number of shares (shares)	592,805,637	553,519,920	509,090,371
Dividend payment (Baht per share)			
- 1 st Interim dividend (Baht per share)	0.15	0.20	0.18
- 2 nd Interim dividend (Baht per share)	0.10	0.30	0.32
Total (Baht)	146,753,464	284,787,604	265,534,436
Payment ratio (%0	103.50	97.30	91.80

The Board's Opinion

The Board recommends as follows:

1. The Company's had legal reserve a minimum amount of Statutory Reserve. With this relevant to laws and regulations of the company's; therefore, no need to allocate additional statutory reserve.
2. The company has a policy to pay dividend to the shareholders each year according to the financial performance at a minimum of 40% - consolidated net profit of the Company were Baht 141.75 million. The Board of Directors considered that the Company has a good business profit; therefore, has already paid the interim dividends in two times as follows:
 - The first time paid on 10 September 2019 at the rate of 0.15 (Fifteen Satang) per share.
 - The second time paid on 12 May 2020 at the rate of 0.10 baht (Ten Satang) per share.

(Note: Since the Company adjourned the 2020 General Meeting of Shareholders scheduled previously, the Company has paid the second-time interim dividend instead of the annual dividend payment in order to reduce the impact that may happen to the Shareholders as a result of the adjournment. Tax credit at the rate of 20% for the dividend at the rate of Baht 0.10 per share (Individual shareholders shall be entitled to dividend tax credit under Section 47 bis of the Revenue Code)

3. In total, the interim dividend paid at the at the rate of Baht 0.25 per share or equal to 146.57 million Baht or equal to 110.96 payout ratio; which is in line with the Company's dividend payment policy. No additional 2019 annual dividend payment proposed.



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<u>Remark</u>	This agenda is for acknowledgement, therefore there is no vote casting.
Agenda 5	To consider and approved the election of directors to replace the directors who retired by rotation.
<u>Objective and Reason</u>	<p>The election of Company's directors to replace of those who will retire by rotation.</p> <p>Pursuant to the Company's Articles of Association clause 17 and 18, at every annual general meeting, one-third (1/3) of the directors must retire from office. Three directors who will retire by rotation in 2020 consist of:</p> <ol style="list-style-type: none">1. Miss Chutima Busayapoka Director / Deputy Managing Director2. Mr. Thaksa Busayapoka Director3. Mr. Niti Nurngchamnong Director4. Mr .Wasin Thumrongsakunvong Director <p>In nominating directors, the Company invites its individual shareholders, via the Stock Exchange of Thailand and on the Company's website, from January 13, 2020 to February 13, 2020, to propose the persons they deem appropriate to be nominated as directors. After such invitation period, there were no shareholders proposing any person to be elected as directors.</p> <p>The above directors are eligible to be re-elected for another term. The Nominating & Committee, without member who have conflict of interests, had considered all required qualifications of the directors pursuant to the applicable laws, the Company's Articles of Association, and Nominated of Directors and Management as define in the Company's Corporate Governance Policy, and qualification of candidate for director by considering from necessary skill including experience, knowledge and good understanding in Company's business as well as had contributed many valuable things to the Company.</p> <p>For the best interests of the Company, the Nomination Committee, excluding the directors who are proposed for re-election, casted their votes individually to propose to the Board of Directors to propose to the Annual General Meeting of Shareholders to consider the re-election of the four retired directors for another term.</p>
<u>The Board's Opinion</u>	The Board of Directors, without participant by any director having interest therein, has considered the matter with the recommendation of



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the Nomination Committee in accordance with the nomination guideline set out by the Board of Directors. After considering carefully profile of each director who is proposed to be elected as the Company’s director, the Board of Directors was of view that the proposed directors are appropriately qualified without characteristics prohibited by any applicable rules and laws, have knowledge, skills and expertise which will be benefits the organization, vision, business ethic and good attitude toward the Company, and are able to devote their full capability for the interests of the Company and provide opinions on an independent basis in accordance with the relevant rules and regulations. The Board of Directors opine the same of the Nomination Committee to propose that the 2020 15th Annual General Meeting of Shareholders to consider and approve the election of Miss Chutima Busayapoka, Mr. Thaksa Busayapoka, Mr. Niti Nurngchamnonng and Mr. Wasin Thumrongsakunvong who are due to retire by rotation as the Company’s independent directors and director for another term. Profiles of above four directors, number of shareholdings of the Company’s ordinary shares, directorship or position of executive level in other listed companies and other business are set out in Enclosure No. 3.

Remark

The resolution for this agenda requires the majority of votes of shareholders and proxy holders who attend the meeting and cast their votes.

Agenda 6

To consider and approve the director’s remuneration for the year 2020.

Objective and Reason

The Remuneration Committee has considered the director remuneration for the period from January to December 2020 by taking into account the benchmark rates of peers in the industry, as well as the Company’s business expansion, the performance of the Company and its subsidiaries, and scope and responsibility of each committee and endorsed the matter to be proposed to the Board of Directors for further proposal to the Meeting of Shareholders to approve the director remuneration for the period from January to December 2020, fixed the remuneration as follows:

Board of Directors remuneration:

The Chairman of the Board	Baht 40,000 /month
Directors	Baht 25,000 /month



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Audit Committee remuneration:

The chairman of the Audit Committee Baht 20,000 /month
Audit Committees Baht 15,000 /month

The details of remuneration for directors and the subcommittees for the year 2019 compared to that of the year 2020 are set out below.

Detail	2020 (Proposed)		2562	
	Month Fee (Baht/Month)	Other Benefits	Monthly Fee (Baht/Month)	Other Benefit
The Chairman	40,000	None	40,000	None
The Chairman of the Audit Committee and Director	45,000	None	45,000	None
Audit Committees and Director	40,000	None	40,000	None
Director	25,000	None	25,000	None

The Board's Opinion

Comparing the directors' remuneration to other listed companies in the automotive industry, the Remuneration Committee found that the Company's director remuneration was on the same level with the average of the industry. Therefore, the current remuneration for year 2020 should be maintained same year 2019 until further decision by the next Annual General Meeting.

Remark

The resolution for this agenda requires not less than two-thirds of votes of shareholders and proxy holders who attend the meeting and cast their votes.

Agenda 7

To consider the appointment of the Company's auditor and auditor's remuneration for the year 2020.

Objective and Reason

In order to ensure compliance with the Public Limited Company Act with regard to the appointment of auditor and determination of auditor remuneration by the Meeting of Shareholder, the Audit Committee had reviewed and considered the qualification, knowledge, experience, reliability and working record of each auditor including the appropriate audit fee then resolved to propose to the Board of Directors to consider



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and concur the appointment of auditor for financial statements of the Company for the year 2020 as listed below,

Name	CPA No.
1. Miss Siraporn Ouaanunkun (Never been an authorized signatory in the Financial Statement of the Company)	3844
2. Miss Chonlaros Suntiasvaraporn (Never been an authorized signatory in the Financial Statement of the Company)	4523
3. Mr. Pornanan Kitjanawanchai (Never been an authorized signatory in the Financial Statement of the Company)	7792

(Details of the auditor profile are attached Enclosure 4)

Any of these auditors from EY Office Limited (“EY”) shall be appointed as the Company’s auditor and the auditor remuneration for the year 2020 shall be determined at the amount of Baht 2,344,000. The auditor remuneration is exclusive of other fees (Non-audit fee) which will be billed per actual.

Comparative information on the payment of Auditor’s remuneration in the previous year can be shown in the following table.

Auditor remuneration	Y2020 (Proposed)	Y2019	Y2018
Audit Fee (Baht)			
The company – Interhides Public Co.,Ltd	1,550,000	1,550,000	1,449,000
Subsidiary Company – Inteseat Cover Co.,Ltd	486,000*	586,000	566,000
Subsidiary Company – Intergreen Co.,Ltd	308,000*	308,000	308,000
Total	2,344,000	2,444,000	2,323,000
Non-Audit Fee	None	None	None

Remark (*): cancel for BOI audit

The four auditors have fully qualified and no relationship with or any vested interest in the Company, its subsidiaries, executives, major



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shareholders, or any related persons and therefore; are independent in the audit and provision of opinion on the Company’s financial statements. In addition, none of above auditors have acts as the auditor of the Company for more than 5 consecutive fiscal years.

EY and related business to EY are also nominated to be the auditor(s) for the Company’s subsidiaries for the fiscal year 2020. The Board of Directors ensures that the consolidated financial statement will be prepared and submitted duly and completely.

The Board’s Opinion

The Board of Director to be in line with the Audit Committee has agreed that the shareholders should approve the appointment of the Company’s auditor any one of the following auditors from EY Office Limited to be the Company auditor for 2020. The auditors for consideration will comprise of:

Name	CPA No.
1. Miss Siraporn Ouaanunkun (Never been an authorized signatory in the Financial Statement of the Company)	3844
2. Miss Chonlaros Suntiasvaraporn (Never been an authorized signatory in the Financial Statement of the Company)	4523
3. Mr. Pornanan Kitjanawanchai (Never been an authorized signatory in the Financial Statement of the Company)	7792

In the event that those auditors are unable to perform their duties, EY Office Limited is authorized to assign another of its auditors to perform the audit and express an opinion on the Company’s financial statements in their place, and fix their remuneration of not exceed Baht 2,344,000 per annum. The auditor remuneration is exclusive of other fees (Non-audit fee) which will be billed per actual.

Remark

The resolution for this agenda requires the majority of votes of shareholders and proxy holders who attend the meeting and cast their votes.



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Agenda 8

To consider for approval the addition of the Company Objectives and amend the Company Memorandum Clause 3.

Objective and Reason The Company has a plan to extend business, so the Board of Directors' resolve to propose to the 15th Annual General Meeting to consider and approve the additional of the 3 Company Objective as clause 55-57 as follows:

Clause 55: Engage in business of production and distribution of pet food for dog, cat, bird, fish and etc. Distribution of tonic, drug to prevent animal disease. Including the production of by-products from the production process.

Clause 56: Wholesale of pet food and snacks for pet and other pet supply product for shrimp fist as well as dog and cat

Clause 57: Engage in buying and selling, import and export of animal food, pet snake, tonics, treatment and prophylaxis in animal. Including with machine, equipment, tools and supply use in factory and in all types of agriculture.

The new objectives of the Company shall consist of 57 Clauses in Total. The Board of Directors had deemed considered and it appropriate to propose the Shareholders' Meeting to approve the addition of the 3 Company Objectives and amend the Company Memorandum No3 has 57 Objectives.

A person designated by the Board of directors to register the amendment to the Company Objectives and the Company Memorandum with the Department of the Business Development, Ministry of Commerce, shall be authorized to amend and

revise the wording or take a way action that may be necessary in order to comply with the instructions of the register.

The Board's Opinion

It is considered appropriated for the Meeting of Shareholder to approved the amendment of the Articles of Association of the Company.

Remark

The resolution for this agenda requires not less than three-quarters of the total votes casted by shareholders and proxy holders who attend the meeting and cast their votes.



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The Meeting resolved to set the record date of the right to attend the 15th Annual General Meeting on July 22, 2020

The Company published the Notice calling for this Meeting and its supporting documents on its website at: www.interhides.com under the “Investor Relations”, “Shareholders Information and Shareholders’ Meeting” section.

In the event that the Shareholder is unable to attend the meeting in person and wishes to appoint a proxy to attend the meeting and cast votes on his or her behalf, they are requested to execute either Proxy Form A. or Form B. (Form B. is recommended), and those foreign shareholders who have appointed a custodian to act as a share depository are requested to execute Proxy Form C, enclosed herewith Enclosure 5. In addition, in order to protect the rights and interests of the shareholders, in the event that a shareholder is unable to attend the meeting and wishes to appoint the Company’s independent director as his or her proxy to attend the meeting and cast votes on his or her behalf, the shareholder can execute either Proxy Form A. or Form B. or Form C. (only for foreign investors who authorize the custodian in Thailand to keep and safeguard their shares) Enclosure 5). Name and profile of the Company’s independent directors appointed as a proxy for the 15th Annual General Meeting of Shareholders are set out in the Enclosure 6. In this regard, shareholders are kindly request to submit completed Proxy Form and other required documents to the Company within Friday, August 14, 2020

In order for the convenience and to fasten the registration process of the 15th Annual General Meeting of Shareholders, shareholders are recommended to study the guidelines for the registration and appointing a proxy, and documentation and evidences required for registration to attend the Meeting, as set out in the Enclosure 7. The Company will conduct the meeting in accordance with its Articles of Association concerning shareholders’ meetings as set out in the Enclosure 8.

Sincerely yours,

Interhides Public Company Limited

Mr. Ongart Thumrongsakunvong

Chairman of the Board of Directors and Managing Director

Noted: Company reserve the right to not distribute gifts in the 14th Annual General Meeting of Shareholders