

**(Translation)**

Ref: OP.S. 014/2014

18 March 2014

Re: Invitation to the Annual General Meeting of Shareholders for the year 2014 (No.82)

To: All Shareholders

- Enclosures:
1. Copy of the Minutes of the 2013 Annual General Meeting of Shareholders (No.81)
  2. The 2013 Annual Report and Financial Statement 2013 (CD-ROM)
  3. A Registration Form (should be presented at the meeting date)
  4. Operating Results and Financial Status as at 31 December 2013
  5. Credentials and Backgrounds of Nominated Persons to be Directors
  6. Details of Auditors and his/her Determined Fees
  7. Documents Required to Present at the Registration Desk to Attend the Meeting
  8. Details of the Director to Act as Shareholders' Proxies
  9. A proxy Form B
  10. Company's Articles of Association relation to the Shareholders' Meeting
  11. Map of the Location of the Shareholders' Meeting
  12. Annual Report Requisition Form
  13. Reply Paid Envelope

Notice is hereby given that the Annual General Meeting of Shareholders for the year 2014 (No.82) of the Navakij Insurance Public Company Limited ("the Company") will be held on 24 April 2014 at 15.00 hours at the Grand Hall on 28<sup>th</sup> Floor, the Bangkok Club, No.175 Sathorn City Tower, South Sathorn Road, Tungmahamek, Bangkok 10120. To consider the following agendas:

**Agenda 1 To consider and adopt the Minutes of 2013 Annual General Meeting of Shareholders (No.81)**

Rationale: The Company held the Annual General Meeting of Shareholders for the year 2013 (No.81) on 25 April 2013, and the minutes of the meeting has been recorded and submitted to the Stock Exchange of Thailand, the Office of Insurance Commission and the Ministry of Commerce within the timeframe prescribed by laws. It was also disclosed in the Company's website, details of which are shown in Enclosure 1.

Board's opinion: The Minutes are accurate and in accordance with the resolutions of the Meeting. The Meeting should adopt the minutes of 2013 Annual General Meeting of Shareholders (No.81).

**Agenda 2 To acknowledge the Company's business performance for the year 2013**

Rationale: The Articles of Association No.38 stipulates that the Annual General Meeting of Shareholders should acknowledge the Company's business performance during the previous year as per Enclosure 2 and 4.

Board's opinion: The Company should report the Company's business performance for the year 2013 to the shareholders' meeting for acknowledgement.

**Agenda 3 To consider approval of statements of financial position and statements of income for the year ended 31 December 2013**

Rationale: Section 112 of the Public Limited Companies Act and the Articles of Association No. 43 stipulate that the Board of Directors must have the Balance Sheet and the Profits and Loss Statement which audited by the Company's auditor to be made at the end of the accounting year of the Company, for submission to the Annual General Meeting of Shareholders for approval. The said financial statements are shown in the 2013 Annual Report as per Enclosure 2.

Board's opinion: The Meeting should approve the said statements of financial position and statements of income for the year ended 31 December 2013 that have been reviewed by the Audit Committee and audited by the Company's auditor as proposed.

**Agenda 4 To consider approval of the appropriation of annual profit from the Company's business performance ended 31 December 2013 for cash and stock dividend to common shareholders**

Rationale: According to the Public Limited Companies Act BE. 2535, the Company is required to allocate at least 5% of net profit for statutory reserve, which must be equal to 10% of the registered capital of the Company. In term of dividend payment, the Company has a policy to pay dividend at the rate of not less than 40% of the net profit, must have no accumulated loss.

Board's opinion: The Meeting should approve the appropriation of the dividends from the Company's business performance ended 31 December 2013 at approximately 100,000,000 Baht, details as follows:

- **Legal Reserve**

The Company has already reserved a statutory reserve to 10% of the registered capital of the Company. The Board has approved no legal reserve for the year 2013.

- **Annual Dividend Payment**

- (1) Cash dividend will be paid at the rate of 3.00 Baht per share for the 30,000,000 existing shares, totaling of 90,000,000 Baht.
- (2) Stock dividend will be paid at the ratio of 30 existing shares per 1 stock dividend for 30,000,000 shares, totaling of the stock dividend payment at 1,000,000 shares, at the par value of 10 Baht, totaling of 10,000,000 Baht or equivalent to 0.33 Baht per the stock dividend. In case that any shareholders hold the indivisible share remaining after such allocation, cash will be paid instead of the stock dividend at the rate of 0.33 Baht per share.

The Record Date for identifying entitled shareholders to attend 2014 Annual General Meeting of Shareholders and to receive dividend will be on Thursday 6 March 2014 and the Share Register Book Closing Date to summarize shareholders name list for identifying entitled shareholders in accordance with Section 225 of Securities and Exchange Act B.E 2551 will be on Friday 7 March 2014. The payment would be made on Friday 16 May 2014, however the right to receive annual dividend is undecided until approval by the shareholders' meeting.

Details of Dividend Payment	2013	2012	2011
Net profit (Baht)	247,807,576	37,807,740	-197,161,608
Earnings per share (Baht)	8.26	1.26	-6.57
Number of share (Shares)	30,000,000	30,000,000	30,000,000
Details of dividend payment per share (Baht)	3.33	1.00	-Omit-
• Stock dividend payment per share (Baht)	0.33	-	-
• Cash dividend payment (Baht)	3.00	1.00	-
Total dividend payment	100,000,000	30,000,000	-
Dividend payout ratio (%)	40.35	79.35	-

**Agenda 5 To consider approval of the increase of the Company's registered capital to be allocated to stock dividend**

Rationale: In order to pay dividends in the form of new common stock to shareholders as detailed in agenda 4, the Company needs to increase its authorized capital for issuing 1,000,000 new common stocks.

Board's opinion: The Meeting should approve an increase of the Company's registered capital from 300,000,000 Baht to 310,000,000 Baht to be divided into 31,000,000 shares by newly-issued the ordinary shares in amount of 1,000,000 shares with the par value of 10 Baht to support the stock dividend payment.

The resolution of the Meeting shall be passed with no less than three-fourth of the total number of votes of the shareholders attending the meeting and having the right to vote.

**Agenda 6 To consider approval of the amendment of Clause 4 of the Company's Memorandum of Association so as to reflect the increase of registered capital**

Rationale: Pursuant to the increase of the Company's registered capital to support the stock dividend payment as detailed in agenda 5, the Memorandum of Association Clause 4 must be amended to conform to such increase of the registered capital as stipulated by law.

Board's opinion: The Meeting should approve the amendment of clause 4 of the Company's Memorandum of Association according to increase the registered capital details as follows:

Clause 4	Registered capital	310,000,000	Baht	(Three hundred and ten million Baht)
	Divided into	31,000,000	Shares	(Thirty one million shares)
	Par value at	10	Baht	(Ten Baht)
	Classified into:			
	Ordinary shares	31,000,000	Shares	(Thirty one million shares)
	Preference shares	-	Shares	(Zero share)

The resolution of the Meeting shall be passed with no less than three-fourth of the total number of votes of the shareholders attending the meeting and having the right to vote.

## Agenda 7 To consider approval of the allocation the Company's new ordinary shares

**Rationale:** The increase of the registered capital by 1,000,000 shares as proposed in the agenda 5 of the General Meeting of Shareholders will be allocated for stock dividend payment of no more than 1,000,000 shares.

**Board's opinion:** The Meeting should approve the allocation the Company's new ordinary shares for 1,000,000 shares at the par value of 10 Baht for supporting the stock dividend payment. In the event where any existing shareholders hold shares in the number which would leave a remainder, the Company shall allocate such remainder to the Navakij Insurance Provident Fund at the rate of 61.00 Baht per share, pricing from the average price of the Company's stock for 7 consecutive business days before the date that the Board of Directors resolved to propose the shareholders' meeting to approve newly-issued offering.

## Agenda 8 To consider the remuneration of directors for the year 2014

**Rationale:** The Company has a policy to compensate directors at the level closely applicable in the industry and sufficiently to retain directors of required qualifications and with consideration to the operation result. Details of the Company's compensations consist of (1) directors' bonus, which is based on 5% of dividend payment and (2) meeting allowance for attendance. The Remuneration, Nomination and CG Committee recommended the Board to propose the shareholders' meeting to consider and approve the compensations similarly to last year as follows:

Details of Compensation	2014	2013	2012
<b>1. Directors' bonus (Baht/Board)<sup>(1)</sup></b>	5,000,000	1,500,000	- omit -
Number of directors (person)	14	14	14
<b>2. Meeting fee for attendance (Baht/meeting/person)</b>			
<b>2.1 The Board of Directors</b>			
- Chairman	30,000	30,000	30,000
- Other directors	20,000	20,000	20,000
<b>2.2 Subcommittees</b>			
• <b>The Audit Committee</b>			
- Chairman	30,000	30,000	30,000
- Other directors	20,000	20,000	20,000
• <b>The other committees</b>	(1) The Remuneration, Nomination and CG Committee (2) The Risk Management Committee		
- Chairman	20,000	20,000	20,000
- Other directors	10,000	10,000	10,000

**Note:** (1) Pay to the Board of Directors, payable to the Chairman of the Board and the Chairman of the Executive Board at the rate of 2.0 times of the Board members rate.

**Board's opinion:** The Board has considered the matter and agreed that the remuneration of directors as presented should be proposed in the general shareholders' meeting for approval.

Resolution passed by shareholders' meeting must get not less than two-third of the total number of votes of the shareholders attending the meeting in accordance with the Section 90 of the Public Limited Company Act.

**Agenda 9 To consider the election of directors in place of those retiring by rotation**

Rationale: Section 71 of the Public Limited Companies Act and the Articles of Association No.17 stipulate that at every annual general meeting of shareholders, one-third of the total number of the directors shall vacate their office. There are 5 directors who are due to retire by rotation in the Annual General Meeting of Shareholders for the year 2014 (No. 82), namely:-

- |                              |  |
|------------------------------|--|
| 1. Mr. Suchin Wanglee        | Director and Chairman of the Board   |
| 2. Mr. Pitiphong Bisalputra  | Director, Member of the Risk Management Committee, Member of the Investment Committee, Member of the Executive Board and President |
| 3. Mr. Kiet Srichomkwan      | Independent Director, Member of the Audit Committee and Member of the Remuneration, Nomination and Corporate Governance Committee  |
| 4. Mr. Phornpong Phornprapha | Independent Director and Member of the Remuneration, Nomination and Corporate Governance Committee                                 |
| 5. Mr. Keat Wangelee         | Director   |

The principles and procedures of recruiting directors and curriculum vitae of 5 directors, who retire by rotation, are as per Enclosure 5. In addition, during 2 September 2013 – 31 December 2013, the Company gave the minority shareholder an opportunity to propose the agenda and to propose the qualified candidates to be nominated as directors through the Company's website. However, none of the shareholders proposed a qualified candidate to be nominated as the director of the Company.

Board's opinion: The Board of Directors' Meeting carefully considered with the composition of the Board of Directors having an expertise and experience in diverse businesses as the Remuneration, Nomination and Corporate Governance Committee opinion. The Meeting should approve five (5) directors, namely; Mr. Suchin Wanglee, Mr. Pitiphong Bisalputra, Mr. Kiet Srichomkwan, Mr. Phornpong Phornprapha, and Mr. Kaet Wanglee who are due to retire by rotation for another term as all of them are knowledgeable, competent and experienced and have good performance throughout the period that they have been in the office.

**Agenda 10 To consider appointing the auditor and to determine his/her fee for the year 2014**

Rationale: Section 120 of the Public Limited Companies Act and the Articles of Association No.38 stipulate that the annual general meeting of shareholders shall appoint an auditor and determine the auditing fee. The Audit Committee had considered and evaluated the quality of the work, the qualifications according to the criteria established and independence of the auditors, and was of the opinion that Ernst & Young Office Limited is suitable to be re-appointed as the auditor of the Company. The information of auditors and comparison of the auditor's fee are as per Enclosure 6.

Board's opinion: The Board of Directors' Meeting considered as the Audit Committee opinion, the Meeting should approve to appoint Miss Somjai Khunapasut, CPA. Registration no. 4499 or Miss Rachada Yongsawadvanich, CPA. Registration No. 4951 or Miss Rattana Jala, CPA. Registration No. 3734 from Ernst & Young Office Limited as the Company's auditors for the fiscal year 2014 and fix the remuneration totaling of 1,720,000 Baht.

In the event where those auditors are unable to perform their duties, Ernst & Young Office Limited is authorized to assign another of its auditors to perform the audit and to express an opinion on the Company's financial statements in their place.

**Agenda 11 Other business, if any**

Shareholders are hereby invited to attend the meeting at the time, date and place aforementioned. A map of the Meeting venue is also attached as Enclosure 11 and the Company will open for shareholders registration from 13.00 hours onwards.

If shareholders wish to appoint someone else or the Company's directors in the list below to attend the Meeting and act as a proxy in voting, please fill in details and sign the proxy form B (Enclosure 9). Details of said person appears in the annual report's "Board of Directors and Management" section sent to shareholders along with this notice to call for meeting (Enclosure 2) and "Details of the director to act as shareholders' proxies" section (Enclosure 8). Please submit the proxy form with affix a duty stamp of Baht 20 and other documents to the Company within 23 April 2014 or submit it to the registration personnel on the date of meeting before the commencement of the meeting. The Company shall provide the duty stamp at the registration desk.

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|----|------------|-------------|--|
| 1. | Mr. Pramon | Sutivong    | Independent Director                       |
| 2. | Mr. Nipol  | T.Jeerawong | Director / Chairman of the Executive Board |

Yours faithfully,

*Suchin Wanglee*

(Mr. Suchin Wanglee)

Chairman of the Board

Shareholder Relations  
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