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Notice of 2021 Annual General Meeting of Shareholders

FN Factory Outlet Public Company Limited

FN
OUTLET

April 27th, 2021
2 : 00 p.m.
By Electronic Means (E-AGM) Only



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Notice of 2021 Annual General Meeting of Shareholders

FN Factory Outlet Public Company Limited

Tuesday 27th, April 2021, 2.00 p.m.

By Electronics Means only

Due to the Coronavirus (COVID-19) outbreak, the Company will set the 2021 Annual General Meeting of Shareholders by electronics means only. In order to protect the spreading of the COVID-19 disease, the shareholders are kindly request not to come to our office building physically.

The Instruction of joining the Electronics Meeting is the enclosed document No.9

Please carefully study before the meeting date.

No. FN. 004/2021

April 12, 2021

Subject: Notice of 2021 Annual General Meeting of Shareholders (E-AGM)
To: Shareholders

- Attachments:
1. Copy of Minutes of Annual General Meeting of Shareholders 2020
 2. File 56-1 One-Report and financial statements for the year ended 31 December 2020 in QR Code
 3. Profiles of persons nominated for election as the Company's directors.
 4. The Company's Articles of Association (only in relation to meetings of shareholders).
 5. Proxy Form A, Proxy Form B, and Proxy Form C
 6. Independent directors' profile, proposed shareholders for casting the vote by proxy for 2021 E-AGM.
 7. Required documents for whom attend the meeting, proxy appointment, meeting registration and voting procedure for E-AGM.
 8. Auditors' Profiles.
 9. Instructions to join the E-AGM by electronics means.

The Board of Directors ("the Board") of FN Factory Outlet Public Company Limited ("the Company"), at its Meeting No. 1/2021 on February 24, 2021, resolved to convene the 2021 Annual General Meeting of Shareholders on Tuesday 27th, April 2021, at 2.00 p.m., by Electronic means (E-AGM) with agendas below:

Agenda 1. To consider and certify the Minutes of the 2020 Annual General Meeting of Shareholders.

Facts and Rationale : FN Factory Outlet Company Limited held the Annual General Meeting of Shareholders ("E-AGM") on August 31, 2020, the copy of minutes of the meeting was submitted to the Stock Exchange of Thailand within 14 days from the meeting date, and it was submitted in accordance with the date prescribed by the Ministry of Commerce laws. Meanwhile, it was posted on the Company's website www.fnoutlet.com, details of which are set out in Attachment 1.

Board of Director's Opinion : The minutes were correctly and completely taken. It is deemed advisable for the shareholders' meeting to certify them.

Voting Requirement : The resolution on this agenda item shall be passed by a majority vote of shareholders attending the meeting and casting their votes.

Agenda 2. To acknowledge the Company's operating results for year 2020

Facts and Rationale : The Company prepared a QR Code report on the Company's operating results for 2020 as detailed in Attachment 2.

Board of Director's Opinion The shareholders' meeting should acknowledge the Company's performance for year 2020.

Voting Requirement : This agenda item is for acknowledgement, therefore, no voting is required.

Agenda 3. To consider and approve the Financial Statements of the Company for the Year ended December 31, 2020

Facts and Rationale : Pursuant to Section 112 of the Public Limited Companies Act B.E. 2535 and Article 41 of the Company's Articles of Associations, the Board must prepare and propose the balance sheet and the profit and loss as of the end of the Company's accounting year to the shareholders at an AGM.

The Company's financial statements for the year ended December 31, 2020 were audited and certified by a certified public accountant. The Audit Committee and the Board, after due consideration, opined that the financial statements were correct, complete and adequate based on the generally-accepted accounting standards. Details are as per Attachment 2.

Unit : Million Baht

Items	31 December 20	31 December 2019	31 December 2018
Total Asset	1,785	1,727	1,776
Total Liabilities	346	247	293
Shareholders' Equity	1,439	1,480	1,483
Total Revenues	759	1,042	1,105
Earning(Loss) before Tax	(35)	6	32
Net(Loss) Profit	(28)	9	29
Earning(Loss) per share (Baht)	(0.03)	0.01	0.03

Board of Director's Opinion : The 2020 financial statements have been audited by Certified Public Accountant and reviewed by the Audit Committee. The shareholders' meeting should approve the financial statements as at December 31, 2020.

Voting Requirement : The resolution on this agenda item shall be passed by a majority vote of shareholders attending the meeting and casting their votes.

Agenda 4. To consider and approve not to appropriate net profit for the year 2020, to approve the 2020 dividend payment.

Facts and Rationale : Pursuant to Section 115 of the Public Limited Companies Act B.E. 2535 and Article 46 of the Company's Articles of Association, dividend shall be paid from profit only and the Company shall not be allowed to pay dividend if it still has accumulated loss. Dividend payment is subject to approve by the meeting of shareholders and the Board may consider paying interim dividend to shareholders occasionally when the Board is of the view that the Company's profit is adequate and appropriate for such interim dividend payment. After an interim dividend payment is made, such dividend payment shall be reported to the shareholders at a subsequent meeting of shareholders.

The Company has a dividend policy no less than 40 percent of net profit, after the deduction of all legal reserves based on Separated Financial Statement as required by the law. Dividend payout may be subject to changes, depending on cash flow, investment plan, legal conditions. The Company considers all related factors and needs in the future to ensure that dividend payout does not affect normal business operations.

The resolution of the Board of Directors on dividend payment must be submitted to shareholders' meeting for approval, except for interim dividend payout which must be approved by the Board of Directors and then reported in the next share-holders' meeting.

Due to the 2020 operational performance was loss, the company propose the meeting not to appropriated the net profit reserve prescribed by law, and propose the meeting to approve dividend payment at 0.0037 Bath per share, total amount 3,700,000 on May 21, 2021. The record date for the right of shareholders to receive the dividend payment is March 15, 2021.

Detail	2020 (Proposed Year)	2019	2018
Net (Loss)profit (Baht)	(27,159,693)	9,710,502	34,189,152
Legal Reserve (Baht)	-None-	500,000	1,800,000
Net profit (Loss) deducting legal reserve (Baht)	(27,159,693)	9,210,502	32,389,152
Dividend per share (Baht/Share)			
- Interim dividend (Baht/Share)	-None-	0.0037	-None-
- Annual dividend (Baht/Share)	0.0037	-None-	0.013
Total dividend (Baht)	3,700,000	3,700,000	13,000,000
Proportion of dividends on profit (Loss)for the year on Separate financial statements (percent)	N/A	40.17%	40.14%

Board of Director's Opinion : The shareholders' meeting should approve not to appropriate of the net profit in accordance with legal reserve compliance due to the performance of 2020 was loss, and should the 2020 dividend payment at of 0.0037 Baht per share, totaling of 3,700,000 Baht. The dividend payment will be paid from 2019 retained earnings. Besides, dividend payout may be subject to changes, depending on cash flow, investment plan, legal conditions. The company considers all related factors and needs in the future to ensure that dividend payout does not effect normal business operations. In this regard, the dividend payment will be paid to shareholders whose names are on the record date March 15, 2021 and it will be paid on May 21, 2021 after getting approval by E-AGM.

Voting Requirement : The resolution on this agenda shall be passed by a majority vote of shareholders attending the meeting and casting their votes.

Agenda 5. To consider and elect the directors to replace those who are due to retire by rotation

Facts and Rationale : Pursuant to Section 71 of the Public Limited Companies Act B.E. 2535 and Article 17 of the Company's Articles of Association, one-third (1/3) or, in case of uneven division, the number nearest to one-third (1/3) of the directors shall retire from office at each AGM and the retiring directors may be re-elected. At this AGM, there are 3 directors to retire by rotation as follows:

1. Mr. Benjiam Songwatana Director, Member of Risk Management Committee, Executive Chairman
2. Mrs. Chortip Songwatana Vhudiphong Director, Member of Good Governance Director and Executive Director
3. Mr. Omar Songwattna Director

The Company published on its website an invitation for shareholders to nominate qualified candidates for election as the Company's directors. However, it appeared that, upon the end of the nomination submission period, no shareholders proposed any nominations to the Company. After considering the qualifications and eligibility in accordance with the laws, the rules and requirements stipulated by the Office of Securities and Exchange Commission and Public Limited Companies Act, including the qualifications, knowledge, abilities and experience that would be beneficial for the Company's business an independent director to be able to comment freely and in accordance with the relevant rules, the Nomination and Remuneration resolved to nominate the retiring directors for re-election as directors for another office term. Details are as per Attachment 3.

Board of Director's Opinion : The Board by the director who have not any or conflict of interest with the company to consider approve The Shareholders' meeting should re-elect three retiring directors for another term namely,

1. Mr. Benyiam Songwatana Director, Member of Risk Management, Committee, Executive Chairman
2. Mrs. Chortip Songwatana Vhudiphong Director, Member of Good Governance Director, Executive Director
3. Mr. Omar Songwattna Director

Voting Requirement : The resolution on this agenda item shall be done by and individual basis and passed by a majority vote of shareholders attending the meeting and casting their votes.

Agenda 6. To consider and approve the directors' remuneration for 2021.

Facts and Rationale : Pursuant to Section 90 of the Public Limited Companies Act B.E. 2535 and Article 22 of the Company's Articles of Association, directors are entitled to director's remuneration in the forms of rewards, meeting allowance, pension, bonus or in any other forms as approved by the meeting of shareholders whereby an approval thereof requires the two-thirds (2/3) majority of the votes of shareholders who attend the meeting.

The Nomination and Remuneration Committee had thoroughly and carefully deliberated on the suitability of directors' remuneration in view of the scope of duties and responsibilities of directors, the benchmark with comparable companies in the same industry, and the Company's performance and business growth before proposal thereof to the Board for endorsement.

Board of Director's Opinion : The shareholders' meeting should approve the 2021 directors' and the specific committee members' remuneration package to be not exceed the amount of 7,500,000 Baht(without any other benefit and privileges),the directors' remuneration package is the same rate at 2020 package which are monthly remuneration and meeting allowance. Besides, directors have voluntary offer not to receive the annual bonus due to the loss of operational performance. The amount will be allotted by themselves. The Nomination and Remuneration Committee has reviewed and agreed with the package as follows:

1. Budget for directors' remuneration is not exceed the amount of 7,500,000 Baht
2. Remuneration and meeting allowance for director meeting is the same as 2020 rates as the below table

Position	Monthly Remuneration (Baht/Month/Person)	Meeting Allowance (Baht/Meeting)	Remark									
1. Board of Directors - Chairman - Member	45,000 15,000	20,000 20,000	Remuneration of directors who are also executives shall be as follows: <table border="1"> <thead> <tr> <th>Position</th> <th>Monthly Remuneration (Baht/Month/Person)</th> <th>Meeting Allowance (Baht/Meeting)</th> </tr> </thead> <tbody> <tr> <td>Chairman</td> <td>10,000</td> <td>20,000</td> </tr> <tr> <td>Member</td> <td>10,000</td> <td>5,000</td> </tr> </tbody> </table>	Position	Monthly Remuneration (Baht/Month/Person)	Meeting Allowance (Baht/Meeting)	Chairman	10,000	20,000	Member	10,000	5,000
Position	Monthly Remuneration (Baht/Month/Person)	Meeting Allowance (Baht/Meeting)										
Chairman	10,000	20,000										
Member	10,000	5,000										
2. Audit Committee - Chairman - Member	35,000 15,000	20,000 15,000	-									
3. Nomination and Remuneration Committee - Chairman - Member	- -	20,000 15,000	-									
4. Risk Management Committee - Chairman - Member	25,000 10,000	20,000 15,000	Members who are <u>employee</u> of the Company are <u>not</u> entitled to the meeting allowance.									
5. Good Corporate Governance Committee - Chairman - Member	- -	20,000 15,000	-									

Voting Requirement : The resolution on this agenda item shall be passed by votes of no less than two-thirds of the total votes cast by the shareholders attending the meeting.

Agenda 7. To consider and appoint the auditors and determination the audit fee for the 2021 accounting period

Facts and Rationale : Pursuant to Section 120 of the Public Limited Companies Act B.E. 2535 and Article 37 of the Company's Articles of Association, the Company's appointment of auditors and the determination of audit fee shall be approved on an annual basis at each AGM and auditors may be re-appointed. In this regard, the notification of the Securities Exchange Commission No.161/2018, revising the auditor's rotation criteria to be in line with international standards to promote independence and create confidence for investors to use financial reports to make investment decision. The Listed Company must rotate auditors (who certify financial statement) every 7 fiscal years, which can be rotated to appoint other auditors from the same auditing firm. However, the Listed Company shall wait at least 5 fiscal years before re-appointing the same auditor.

The Audit Committee had screened the auditors from audit firms possessing suitable qualifications and expertise in the field of audit and compared the appropriate audit fees before proposal thereof to the Board for endorsement. And therefore, the company proposed to EY Office Limited which used to be a 2 accounting

years of the company being the Company's auditor. The audit fee quoted by EY Office Limited for the 2021 was Baht 2,000,000 in total. The audit fee mentioned is excluded other necessary allowance which is general standard and will be actual expenses eg; traveling and documentary expense.

Board of Director's Opinion : It is deemed expedient to propose that the shareholders' meeting should appoint EY Office Limited to be a company auditor for year 2021 According to Audit Committee opinion as the list below are Auditors who represented responsible for signing the Company's financial statements are:

Name	CPA Registration No.	As Auditor of The Company
1. Mrs.Gingkarn Atsawarangsalit	4496	Auditing during the past 7 years : None and/or
2. Ms.Pimjai Manitkajohnkit	4521	Auditing during the past 7 years : None and/or
3. Mr.Chayapol Suppasedtanon	3972	Auditing during the past 7 years : None and/or
4. Ms.Rosaporn Dechakom	5659	Auditing during the past 7 years : 2 year and/or
5. Ms.Sumana Punpongsanon	5872	Auditing during the past 7 years : None and/or
6. Ms.Orawan Techawatanasirikul	4807	Auditing during the past 7 years : None

If the above-named auditors are unable to perform their duties, EY Office Limited may designate its other auditors to replace such auditors.

For the 2021 accounting year, the audit fee quoted by EY Office Limited was Baht 2,000,000 in total. The proposed audit firm and auditors are the same as audit firm and auditors of the Company's subsidiaries, The proposed audit firm and auditors have no relationship or conflict of interest with the Company/subsidiaries/managerial staff/major shareholders, or persons related to the said parties.

Audit Fee	2021 (Proposed Year)	2020	2019
Audit fee of the Company (Baht)	2,000,000	2,200,000	2,150,000
Other service fees (Baht)	Per actual	Per actual	Per actual

Voting Requirement : The resolution on this agenda item shall be passed by a majority vote of shareholders attending the meeting and casting their votes.

Agenda 8. Other matters (if any)

Board of Director's Opinion : The Board of Directors deems it appropriate to include this agenda item so that the shareholders can ask questions and/or give an opportunity to the shareholders who wish to propose the other matters beyond the defined agenda by Board.

The Board of Directors resolved to set March 15, 2021 (Record Date) to determine the list of shareholders entitled to attend the 2021 E-AGM.

In 2021 Annual General Shareholders' meeting, registration, voting and counting votes will be by electronics means, the legal consultants will be in the meeting to assure that the meeting will be held in accordance with relevant laws and regulations.

Those who will attend the electronics meeting by themselves can register via

<https://app.inventech.co.th/FN094235R> or scan QR code as shown in the attachment 9.

Those who are unable to attend the meeting may appoint other persons attend the 2021 AGM on their behalf by completing the proxy forms and submitting the completed proxy forms.

Or may appoint Independent directors to attend the meeting for them by completing the proxy form (Attachment 5 and 6) and send it to the Company at 991 FN Building Rama 9, Suanluang Bangkok 10250 by April 22nd, 2021 within 5.00 p.m.

Foreign shareholders who have appointed custodians in Thailand and wish to use Proxy Form C, which allows shareholders to split their voting entitlement, can access and download the Proxy Form from the Company's website.

Details about required documents, proxy appointment, electronics meeting registration and voting procedure are shown in Attachment 9.

The Company also attaches the 2021 Filing 56-1 One-Report in QR Code. Should you have any inquiries or any questions relating to the matters on the meeting agenda, you may send your questions to the Company in advance of the meeting by addressing to Mrs. Monthip Suewatanakul, Corporate Secretary, via e-mail at: corporatesecretary@fnoutlet.com, or via telephone at 0-2300-4951, or via facsimile at 0-2300-4681.

The company will arrange Electronics meeting, physical or in person meeting will not be allowed.

Please be informed accordingly.

Sincerely yours,



(Mr.Pricha Songwatana)
Chairman of the Board