

**Agenda 4 To consider and approve the determination of criteria for the dividend payment from the Company's performance for the year 2018****Dividend Payment Policy**

The Company has a policy of paying dividend at the rate of no less than 40 percent of annual net profit of separated financial statements after deduction of tax, legal reserve fund and other types of reserve fund in accordance with the Company's financial statements. However, the Company may declare dividend at the rate lower than what is mentioned above if it is necessary for the Company to use such net profit for expansion of the Company's operation. The annual dividend payment announcement must be approved at the Annual General Meeting of Shareholders. For the interim dividend payment, the Company's Board of Directors may deem it appropriate to pay interim dividend. The Board of Directors has the responsibility to inform shareholders of the payment in the subsequent shareholders meeting.

The dividend payment policy of subsidiaries is to pay dividend of no less than 40 percent of annual net profits after deduction of tax, legal reserve fund and other types of reserve fund. In this regard, in specifying the dividend payment, the Company may consider cash flow, financial status, liquidity and investment plan which would be required for the next year being taken into account.

**Dividend Payment Policy for the Performance of 2018**

In the opinion of the Board of Directors, the dividend payment policy for the performance of 2018 in form of **Stock Dividend and Cash Dividend** should be presented to the Annual General Meeting of Shareholders for consideration. However, this policy would be as criteria of Agenda 5. "To consider and approve of the allocation of comprehensive profits from the Company performance for the year ended 31st December 2018 and dividend payment (if any)".

**Stock Dividend**

A stock dividend is a dividend payment in the form of newly issued shares. It is another alternative for companies in paying returns to shareholders, rather than the cash dividends generally paid. The number of shares paid as dividends is in proportion to each investor's shareholding. Subsequently, a listed company has to register a capital increase.

Payment of stock dividends will not impact shareholders' equity in the financial statements. However, retained earnings will decrease, while the number of ordinary shares and/or share premium will increase by an equivalent amount.

**Benefits for the company****Company**

- Being able to keep cash for investment and business expansion without the need to seek additional capital from external sources which might have costs of financing. If the company pays cash dividends, its cash liquidity will decrease.
- Maintaining a debt to equity ratio
- Maintaining the firm's attractiveness as an investment despite having no cash dividend
- Maintaining financial liquidity

**Shareholders**

- Maintaining returns on investment to shareholders
- Adding free float shares, boosting stock liquidity and consequently benefiting future fund-raising

### Taxation of dividend payments

#### 1. Taxation of Thai and foreign investors doing business in Thailand

Type of Investor	Tax rate (Income from direct investment in the common stocks via the Exchange)
Individual Investor	<ul style="list-style-type: none"> <li>10% withholding tax on dividends paid by listed or limited companies</li> <li>Investor is given option of (a) paying the 10% withholding tax or (b) reporting the dividends for year-end tax payment</li> <li>Taxes are waived for dividends directly paid by companies granted tax privileges from the Board of Investment.</li> </ul>
Juristic Investor	<ul style="list-style-type: none"> <li>There is a 10% withholding tax if the taxpayer is not listed company</li> <li>If a Thai company or a mutual fund is the shareholder in question, taxes are waived if the shares are held at least 3 months before and after the dividend payment date.</li> <li>If a juristic shareholder : (a) holds at least 25% of outstanding shares of the dividend-paying firm, and (b) the shares have been held for at least 3 months before and after the dividend payment and (c) the company paying dividends does not hold any shares of the juristic shareholder receiving those dividends taxes are waived</li> <li>Taxes are waived for dividends directly paid by firms granted tax privileges from the Board of Investment</li> </ul>

#### 2. Taxation for foreign investors doing business outside of Thailand

Type of Investor	Tax rate (Income from direct investment in the common stocks via the Exchange)
Individual Investor	10% withholding tax
Juristic Investor	10% withholding tax

### Summary of Procedures in paying stock dividends

