

No. LPN/Sor.Kor./053/2015

27<sup>th</sup> February 2015

Re Invitation to Attend Annual General Meeting of Shareholders of 2015  
To Shareholders of L.P.N. Development Public Company Limited  
Encl. 1. Copy of Minutes of Annual General Meeting of Shareholders of 2014 on 27<sup>th</sup> March 2014  
2. Annual Report of 2014 and Financial Statements Comprising Statement Showing Financial Position, Profit-Loss Statement, Statement of Changes in Shareholders' Equity, and Statement of Cash Flow As At 31<sup>st</sup> December 2014  
3. Profile of Directors Retiring from Office by Rotation and Nominated to Resume Office  
4. Details of Remuneration and Annual Gratuities of Board of Directors and Committees  
5. Articles of Association of Company Specifically Related to Shareholders Meeting  
6. Documents and Evidences Required for Attending Shareholders Meeting, Procedures Regarding Appointment of Proxy  
7. Proxy Authorization to Participate in 2015 Annual General Shareholders' Meeting  
8. Details of Independent Directors Nominated by Company to Shareholders for Appointment of Proxy.  
9. Schedule of Visit to Company's Projects  
10. Reply Form to Visit Company's Projects  
11. Letter of Appointment of Proxy, Form B., for General Person  
12. Letter of Appointment of Proxy, Form C., for Shareholders who are Foreign Investors and Appointment of Custodian in Thailand  
13. Map Showing Venue of Shareholders Meeting

Whereas the Board of Directors of L.P.N. Development Public Company Limited (hereinafter called "Company") resolved that there be called the Annual General Meeting of Shareholders of 2015 on 2<sup>nd</sup> April 2015 at 9.30 hours at the Meeting Room on 11<sup>th</sup> Floor, No. 1168/7, Lumpini Tower, Rama IV Road, Thungmahamek Sub-District, Sathorn District, Bangkok 10120, to consider various businesses according to the agendas and the opinions of the Board of Directors as follows:

**Agenda 1.** Adoption of Minutes of Annual General Meeting of Shareholders for the year 2014 held on 27<sup>th</sup> March 2014

Background The Company had prepared the Minutes of Annual General Meeting of Shareholders of 2014 held on 27<sup>th</sup> March 2014, and readily sent it to the Stocks Exchange of Thailand within 14 days, and to the Ministry of Commerce within the timeframe prescribed by law, and had already published it on the Company's website ([www.lpn.co.th](http://www.lpn.co.th)), as per the details appearing in the Copy of Minutes of Meeting in the Enclosure of Annex 1.

Opinions of Board of Directors It is deemed suitable to propose the Minutes of Annual General Meeting of Shareholders of 2014 which was held on 27<sup>th</sup> March 2014 for adoption by the Shareholders Meeting, as the Board of Directors is of an opinion that it had been correctly recorded.

**Agenda 2.** Acknowledgement of Report of Board of Directors for Performance in the year 2014

Background The Company has concluded the results of operations as well as significant changes occurred in 2014 as shown in the Annual Report of 2014, as per the details appearing in the Enclosure of Annex 2.

Opinions of Board of Directors It is deemed suitable to propose the Annual Report of 2014 which concludes the results of operations of the Company and significant changes occurred in 2014 for acknowledgment by the shareholders.

**Agenda 3.** To consider and approve the financial statements 2014 comprising statements of financial position, profit and loss statements, statements of changes in shareholders' equity and statements of cash flow for the year ended December 31, 2014

Background This is in line with the Public Limited Company Act B.E. 2535 (1992) which provides that a public limited company must prepare balance sheet and profit and loss statement as at the end of the accounting period of such company. In this respect, the balance sheet, the profit and loss statement, the statement showing changes in shareholders' equity, and the statement of cash flow for the year ending on 31<sup>st</sup> December 2014 of the Company had been audited and certified by the auditor of the Office of DIA International Auditing and approved by the Audit Committee that they were correct, complete, and were in line with the generally recognized accounting standards, and that there had been disclosed adequate information as shown in the "Financial Statements"

of the Annual Report of 2014, as per the details appearing in the Enclosure of Annex 2, the significant points of which can be summarized as follows:

Description	Separate Financial Statements	Consolidated Financial Statements
● Total assets (million Baht)	18,698.39	19,783.69
● Total liabilities (million Baht)	8,732.64	9,375.31
● Shareholders' Equity (million Baht)	9,965.75	10,408.38
● Total incomes (million Baht)	11,868.35	12,959.92
● Net profits (million Baht)	1,823.73	2,021.42
● Profit per share (Baht/share)	1.24	1.37

Opinions of Board of Directors It is deemed suitable to propose to the Shareholders Meeting to consider approving the financial statements of 2014 which comprises statement of financial position, balance sheet, profit and loss statement, statement showing changes in shareholders' equity, and statement of cash flow, as at 31<sup>st</sup> December 2014, which had been duly audited and signed for certification by the auditor and which had also been approved by the Audit Committee and the Board of Directors.

**Agenda 4. To Consider Approving Allocation of Profits and Payment of Dividends**

Background The Company has a policy of paying dividends at the rate of not less than 50 percent of the net profits for the combined financial statements. After the Board of Directors having resolved that annual payment of dividends be made, it must be proposed to the Shareholders Meeting for approval, except it be an interim dividend payment, which the Board of directors is empowered to approve said payment of dividends and report such to the Shareholders Meeting at the next Shareholders Meeting. This is in line with the Public Limited Company Act B.E. 2535 (1992) and the Articles of Association of the Company, Clause 28. Based on the results of operations and the general financial position of the Company in 2014, the Company had net profits after deduction of income tax at Baht 2,021,416,093.94 (two thousand twenty one million four hundred sixteen thousand ninety three baht and ninety four satangs only). Therefore, the Company is considering making payment of dividends from the results of operations of 2014, i.e., from 1<sup>st</sup> January 2014 until 31<sup>st</sup> December 2014, at the rate of Baht 0.80 (eighty satangs) per share, or computed at the ratio of 58.39 percent of the net profit, making the total amount of Baht 1,180,559,014.40 (one thousand one hundred eighty million five hundred fifty nine thousand fourteen baht and forty satangs only ), the details of which are as follows:

1) The Company had made interim dividend payment for the results of operations of the 6-month period at the end of the 2<sup>nd</sup> quarter at the rate of Baht 0.26 (twenty six satangs) per share for the ordinary shares of the Company totalling 1,475,698,768 shares, making the total of Baht 383,681,679.68 (three hundred eight three million six hundred eighty one thousand six hundred seventy nine baht and sixty eighty satangs only), which was paid on 3<sup>rd</sup> September 2014

2) As such, there remains the last lot of dividends to be paid to the shareholders entitled to receiving annual dividends of 2014 as per the list of names on the record date (RD) at the rate of Baht 0.54 (fifty four satangs) per share, for the ordinary shares totalling 1,475,698,768 shares, making the total amount of Baht 796,877,334.72 (seven hundred ninety six million eight hundred seventy seven thousand three hundred thirty four baht and seventy two satangs only), Such dividend payment was derived from the profit which was subject to corporate income tax of 30%. Therefore, an individual shareholder shall be entitle to a tax credit at the rate 3/7 of dividend amount.

In this respect, the Company publishes the list of names of shareholders who are entitled to attend the Shareholders Meeting and who are also entitled to receive payment of dividends on 26<sup>th</sup> February 2015, and collects the list of said names under Section 225 of the Securities and Exchange Act by closing the registration book on 27<sup>th</sup> February 2015

The payment of said dividends is scheduled to be made on 10<sup>th</sup> April 2015, whereby the data for comparison of rate of payment of dividends in the past years are as follows:

Details of Dividend Payment	2014	2013	2012
1. Net profit (million Baht)	2,021.42	2,328.58	2,216.79
2. Number of shares issued and paid up (million shares)	1,475.70	1,475.70	1,475.70
3. <b>Rate of dividend per share (Baht: Share)</b>	<b>0.80</b>	<b>0.84</b>	<b>0.76</b>
3.1 Interim dividend (Baht: Share)	0.26	0.26	0.23
3.2 Additional dividend (Baht: Share)	0.54	0.58	0.53

**Note:** 1. In 2010, the Company had the policy on payment of dividends at rate not lower than 50 percent of the net profit specifically for financial statements of the Company.

2. In 2011, the Meeting of Board of Directors No. 6/2011 of 15<sup>th</sup> December 2011 had passed a resolution that the policy on payment of dividends from " The Company has the policy on payment of

dividends at rate not lower than 50 percent of the net profits specifically for the financial statements of the Company." to "The Company has the policy on payment of dividends at rate not lower than 50 percent of the net profits specifically for the combined financial statements.", with effective date from the financial statements of 2011 onwards.

Opinions of Board of Directors It is deemed suitable to propose to the Shareholders Meeting for acknowledgement of the interim dividend payment and for approval of the payment of interim dividend of 2014 at the rate of Baht 0.80 (eighty satangs) per share of the ordinary shares of 1,475,698,768 shares. The Company has paid interim dividends for the 6-month period of results of operations at the end of the 2<sup>nd</sup> quarter at the rate of Baht 0.26 (twenty six satangs) per share.

Therefore, there remains dividends to be paid to the shareholders at the rate of Baht 0.54 (fifty four satangs) per share for the ordinary shares of 1,475,698,768 shares, which will be paid to the shareholders who are entitled to receiving dividends according to the list of names as at the record date (RD), whereby the Company will publish the names of shareholders who have the right to attend the Shareholders Meeting and who are entitled to receiving dividends on 26<sup>th</sup> February 2015 and will collect the list of such names under Section 225 of the Securities and Exchange Act by closing the registration book on 27<sup>th</sup> February 2015, and will make payment of dividends on 10<sup>th</sup> April 2015,

However, the granting of such rights of the Company is not yet definite, because an approval by the Annual General Meeting of Shareholders is still required.

**Agenda 5.** To consider the election of the directors in replacement of those who were to retire by rotation

Background: Under the Public Limited Company Act and Clause 11 of the Articles of Association of the Company, one-third of the total number of directors must retire from office by rotation at the Annual General Meeting of Shareholders. At the Annual General Meeting of Shareholders of 2015, the following 5 directors must retire from office by rotation:

1. Mr. Tawechai Chitasaranachai
2. Mr. Weerasak Wahawisal
3. Mr. Khanchai Vijakkana
4. Mr. Pichet Supakijjanusan
5. Mr. Opas Sripayak

Opinions of Board of Directors The Nomination, Remuneration and Good Corporate Governance Committee has considered the suitability that would yield utmost benefits to the operations of the Company, taking into account qualifications, experiences, expertise. In this respect, the Nomination, Remuneration and Good Corporate Governance Committee, excluding directors who have vested interests and therefore did not cast the votes, has proposed that all 5 directors who have completed their office term and must retire by

rotation be reappointed for another term. The details of histories and experiences of the said 5 directors appear in the Enclosure of Annex 3.

Therefore, The Nomination, Remuneration and Good Corporate Governance Committee, excluding those with vested interests, has nominated 5 persons for consideration according to the nomination process. Therefore, the Board of Directors wishes to nominate the following persons:

1. Mr. Tawechai Chitasaranachai
2. Mr. Weerasak Wahawisal
3. Mr. Khanchai Vijakkana
4. Mr. Pichet Supakijjanusan
5. Mr. Opas Sripayak

As directors for another term, whereby 2 (two) of whom, namely Mr. Tawechai Chitasaranachai and Mr. Weerasak Wahawisal, are Independent Directors.

**Agenda 6. To Consider Fixing Remuneration for Board of Directors and Committees**

Background: The Nomination, Remuneration and Good Corporate Governance Committee has considered the remuneration for directors and committees, taking into account the suitability as well as the results of operations of the Company, which is in line with the general situation of the market and of the same industry, the expansion of business and the growth of the Company, including the suitability in relation to the duties and the responsibilities of the Board of Directors and the Committees. As such, the Nomination, Remuneration and Good Corporate Governance Committee has decided that the gratuities for the directors for the results of operations in 2014 be granted in the amount of Baht 9,082,086 (nine million eighty two thousand eighty six baht only), whereby this amount will be allocated by the Board of Directors itself.

In this respect, the Nomination, Remuneration and Good Corporate Governance Committee has decided that the remuneration of directors and the remuneration of committees for 2015 be paid in the total amount of Baht 6,510,000 (six million five hundred ten thousand baht only), as per the following details:

- Chairman of the Board of Directors receives remuneration at Baht 60,000 per month
- Vice Chairman of the Board of Directors receives remuneration at Baht 30,000 per month
- Chairman of Audit Committee receives remuneration at Baht 45,000 per month
- Audit Committee receives remuneration at Baht 35,000 per month
- Chairman of Nomination, Remuneration and Good Corporate Governance Committee receives remuneration at Baht 7,500 per month.

- Nomination, Remuneration and Good Corporate Governance Committee receives remuneration at Baht 5,000 per month.
- Director receives remuneration at Baht 25,000 per month

The details appear in the Enclosure of Annex No. 4.

Opinions of Board of Directors: The Nomination, Remuneration and Good Corporate Governance Committee has considered carefully the gratuities for the directors for the results of operations of 2014, the remuneration of directors and committees of 2015, taking into account the suitability in various aspects. Hence, the Board of Directors deems that it should be proposed to the Shareholders Meeting to approve the proposal put forward by the Nomination, Remuneration and Good Corporate Governance Committee.

**Agenda 7. To Consider and Appoint the auditors and fix the audit fee for the year 2015**

Background The Audit Committee selects an auditor for the year 2015 according to the prescribed process and proposes its decision to the Board of Directors to consider appointing an auditor from the Office of DIA International Auditing to be the auditor of the Company and its subsidiary companies of 2015, which comprise Lumpini Property Management Company Limited, Lumpini Project Management Service Company Limited, Porn Santi Company Limited, and Lumpini Property Service and Care Company Limited. This is because the Office of DIA International Auditing has been auditing the financial statements of the Company and its subsidiary companies continuously for many years and has always been able to provide advices which are beneficial to the Company throughout, not to mention that it has no relations and vested interests with the Company, its subsidiary companies, executives, major shareholders, or those related to the said persons whatsoever. The Office is independent in auditing and expressing its opinions on the financial statements of the Company and its subsidiary companies. As such, either one of the following auditors, namely:

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| 1. Mrs. Suwimol Krittayakian  | CPA Licence No. 2982, |
| 2. Ms. Somjintana Polhiranrat | CPA Licence No. 5599, |
| 3. Miss Suphaphorn Mangjit    | CPA License No. 8125  |

are nominated to audit and express the opinions on the financial statements of the Company.

Section 121 of the Public Limited Company Act B.E. 2535 provides that "An auditor must not be a director, a staff, an employee, or must not hold any positions within the company." The





2015 and has duly collected the list of such names under Section 225 of the Securities and Exchange Act, whereby the registration book will be closed on 27<sup>th</sup> February 2015

After the General Shareholders Meeting, the Company hereby invites all shareholders to pay a visit to various projects of the Company according to the schedule herewith attached. For the purpose of travelling preparations and arrangements, may shareholders who wish to pay a visit to the projects kindly fill out the details in the reply form and return it to the Company within 27<sup>th</sup> March 2015

Please kindly be informed that in order to support the intention of the Stock Exchange of Thailand and the Securities and Exchange Commission Thailand, the Company will not give out souvenirs to the shareholders attending the Annual General Meeting of Shareholders this year

All shareholders are cordially invited to attend the Meeting according to the designated day, time, and place. The Company also asks the shareholders or proxies to kindly bring along the Letter of Appointment of Proxy together with documents and evidences required to be presented to the officers for registration on the Meeting Day as from 8.00 a.m. onwards.

Yours sincerely,



(Mr. Opas Sripayak)

Managing Director

By Resolution of Board of Directors

- Note: 1. If any shareholder wishes to receive the Annual Report of both Thai and English for the year 2014 Versions in CD format, kindly contact us at telephone no. (02)-285-5011-6 Ext. 140 and 147
2. Shareholders may see the Invitation Annual General Meeting of Shareholders of 2015 and supporting documents at [www.lpn.co.th](http://www.lpn.co.th).

Directors Office Department,

Tel. (02) 285-5011-6 Ext. 140 and 147