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24 March 2015

- Subject:** Invitation to the 2015 Annual General Meeting of Shareholders
- To:** Shareholders of Nok Airlines Public Company Limited (the “**Company**”)
- Enclosures:**
1. Copy of the Minutes of the 2014 Annual General Meeting of Shareholders held on 9 April 2014
  2. Annual Report and the financial statements and the income statements for the year 2014 (in CD-Rom format)
  3. Details of nominated persons to be re-elected as a director in replacement of the directors who will retire by rotation
  4. Details of nominated person to be appointed as a new director of the Company
  5. Details of debentures to be issued and offered for sale
  6. Details of draft proposed amendment to the objectives
  7. Proxy Form B. (Special Details Form), the shareholders can download Proxy Form A. (Standard Form) and Proxy Form C. (For foreign investors who appoint a custodian in Thailand) from the Company’s website at [www.nokair.com/ir](http://www.nokair.com/ir)
  8. Details of the independent director for appointment of proxy by shareholders and definition of the independent director
  9. Articles of Association of the Company in the part relating to the shareholders’ meeting
  10. Guideline for the registration, the appointment of proxy, documents and evidence required to be presented on the meeting date
  11. Procedures for attendance at the 2015 Annual General Meeting of Shareholders
  12. Registration Form (please present the form on the date of the meeting)
  13. Map of the meeting venue

With this letter, the Board of Directors of Nok Airlines Public Company Limited had resolved to convene the 2015 Annual General Meeting of Shareholders on Thursday 9, April 2015, at 9:00 hrs. (registration starts at 07:00 hrs.), at Miracle Grand Ballroom, 4<sup>th</sup> Floor, the Miracle Grand Convention Hotel, No.99 Vibhavadi-Rangsit Road, Lak Si, Don Mueang, Bangkok Metropolis, with the following agenda items to be conferred in the meeting:

**Agenda Item 1: Matters to be informed by the Chairman for acknowledgement**

**Remark:** This agenda item is for acknowledgement, and no votes will be cast.

**Agenda Item 2: To consider and approve the Minutes of the 2014 Annual General Meeting of Shareholders**

**Facts and Reasons:** The Company prepared the Minutes of the 2014 Annual General Meeting of Shareholders which was held on 9 April 2014. The details are set out in *Enclosure 1* which has been distributed to all shareholders together with the invitation letter for this Meeting.

**Opinion of the Board of Directors:** The Board of Directors considered that the Minutes of the 2014 Annual General Meeting of Shareholders have been accurately recorded therefore, it is deemed appropriate to propose to the shareholders' meeting for acknowledgement.

**Remark:** A resolution on this agenda item shall be passed by a majority vote of shareholders attending the meeting and casting their votes.

**Agenda Item 3: To consider and acknowledge the operating results of the Company for the year 2014**

**Facts and Reasons:** The Company has prepared the report on the performance results of the Company for the year 2014 as set out in *Enclosure 2* which has been distributed to all shareholders together with the invitation letter for this Meeting.

**Opinion of the Board of Directors:** The Board of Directors considered and deemed it appropriate to report the performance results of the Company for the year 2014 to the meeting of shareholders for acknowledgement.

**Remark:** This agenda item is for acknowledgement, and no votes will be cast.

**Agenda Item 4: To consider and approve the financial statements and the income statements of the Company for the year ending 31 December 2014 of the Company**

**Facts and Reasons:** The Company prepared the financial statements and the income statements of the Company for the year ending 31 December 2014, as shown in the Annual Report 2014 under financial statement part as set out in *Enclosure 2*. Such financial statements and the income statements of the Company have been audited by the Company's Certified Public Accountant and reviewed by the Audit Committee, having the subject matters as follows:

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Items according to consolidated financial statements	Consolidated financial statements	Separate financial statements	
	For accounting period ending (million Baht)		
	31 December 2014	31 December 2014	31 December 2013
Total assets	6,569.0	5,937.1	6,271.6
Total debts	2,219.6	2,098.8	1,728.2
Shareholder's equity	4,349.4	3,838.3	4,543.4
Total income	12,312.9	12,295.6	11,314.7
Profit (loss) before income tax	(666.2)	(410.8)	1,099.4
Net profit (loss)	(665.8)	(410.5)	1,066.1
Profit (Loss) Attributable to owners of the parent	(471.7)	(410.5)	1,066.1
Net profit (loss) per share	(0.75)	(0.66)	1.88

**Opinion of the Board of Directors:** The Board of Directors considered and deemed it appropriate that the meeting of shareholders consider approving the financial statements and the income statements of the Company for the year ending 31 December 2014 which have been audited by the Company's Certified Public Accountant and reviewed by the Audit Committee.

**Remark:** A resolution on this agenda item shall be passed by a majority vote of shareholders attending the meeting and casting their votes.

**Agenda Item 5:**

**To consider and approve the suspension of allocation of the profits as per performance results of the Company for the year ending 31 December 2014 as a reserve according to the laws and to approve the suspension of the dividend payment as per performance results of the Company for the year 2014**

**Rationale and Reasons:** Pursuant to the Public Limited Company Act B.E. 2535 (1992) (as amended) and Article 44 and Article 45 of the Company's Articles of

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Association, any dividend payment of the Company shall obtain an approval from the shareholders, whereas the Company must allocate at least five percent of the annual net profit, less any accumulated losses carried forward to the reserve fund (if any) until the reserve fund equals at least ten percent of the registered capital.

- (1) For the performance results of the Company for the accounting year from 1 January 2014 to 31 December 2014, the Company suffered a net loss in the amount of Baht 410.5 million. Therefore, the Company had to suspend dividend payment for the accounting year ending 31 December 2014.
- (2) Since the Company had fully allocated profits as a reserve according to the laws, there will not be any proposal for approval of allocating profits as a reserve according to the laws at this meeting.

**Opinion of the Board of Directors:** The Board of Directors considered and deemed it appropriate to propose to the shareholders' meeting for approval of suspending profits allocation for the performance results of the Company for the accounting year ending 31 December 2014 because the Company had fully allocated profits as a reserve according to the laws and suspending dividend payment for the accounting year ending 31 December 2014 since the Company suffered loss from the performance.

**Remark:** A resolution on this agenda item shall be passed by a majority vote of shareholders attending the meeting and casting their votes.

**Agenda Item 6:**

**To consider and approve the appointment of the directors who will retire by rotation and the appointment of a new director**

**Facts and Reasons:** Pursuant to Section 71 of the Public Limited Company Act B.E. 2535 (1992) (as amended) and Article 17 of the Articles of Association of the Company, it is required that at every annual general meeting of shareholders, one-third of directors shall retire. If the number of directors cannot be divided exactly into three parts, a number of directors closest to one-third shall retire. Directors retiring by rotation may be re-elected.

The directors who will retire by rotation at the 2015 Annual General Meeting of the Shareholders are the following:

- |   |   |
|---|---|
| 1) Mr.Apiporn Pasawat                           | Director  |
| 2) Flight Lieutenant Montree Jumrieng           | Director  |
| 3) Flying Officer Suraphon Israngura Na Ayuthya | Director/Nomination and<br>Remuneration Committee<br>member |

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|--------------------------|---|
| 4) Mr.Padungdej Indralak | Independent Director/Audit<br>Committee member and<br>Risk Management<br>Committee member |
|--------------------------|---|

The Nomination and Remuneration Committee had considered the qualifications of the 3 directors who will retire by rotation at the 2015 (Annual General Meeting of the Shareholders and deemed that the 3 persons, i.e. 1) Flight Lieutenant Montree Jumrieng 2) Flying Officer Suraphon Israngura Na Ayuthya and 3) Mr. Padungdej Indralak, are equipped with knowledge, experience and expertise which will be an advantage for the Company's operation. Therefore, the Company proposed to the shareholders' meeting to consider an appointment of these 3 directors to the position as the Company's directors for another term. In addition, the Board passed a resolution proposing to the shareholders' meeting to consider the appointment of Mr. Visit Tantisunthorn to assume the position as Independent Director in replacement of Mr. Apiporn Pasawat, a director who will retire by rotation.

Moreover, it is deemed appropriate to propose to the shareholders' meeting to consider the appointment of a new director, i.e. Mr. Charamporn Jotikasthira as the Company's director. Thus, the total number of the Company's director shall be 12.

In this regard, the new director was considered by the Nomination and Remuneration Committee as such person is fully qualified pursuant to the Public Limited Company Act B.E. 2535 (1992) (as amended), and is knowledgeable, and has expertise and experience in the business which will benefit the Company in its development.

The details of the biography, education, work experience, shareholding proportion, director status in another company of the directors who will retire by rotation and will be nominated for reelection and a person who will be nominated as a director, are as set out in Enclosure 3, and the details of the new director are set out in Enclosure 4 respectively.

**Opinion of the Board of Directors:** The Board of Directors considered and deemed it appropriate to propose to the shareholders' meeting for approval the appointment of the directors who will retire by rotation to be re-elected for another term. The director names are as follows:

- |   |   |
|---|---|
| 1) Flight Lieutenant Montree Jumrieng           | Director  |
| 2) Flying Officer Suraphon Israngura Na Ayuthya | Director/Nomination and<br>Remuneration<br>Committee member |

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| 3) Mr. Padungdej Indralak | Independent Director/<br>Audit Committee member<br>and Risk Management<br>Committee member |
|---------------------------|--|

and appoint Mr. Visit Tantisunthorn to replace Mr. Apiporn Pasawat and assume the position as Independent Director.

Moreover, to propose to the shareholders' meeting for approval the appointment of a new director, i.e. Mr. Charamporn Jotikasthira as the Company's director. Thus, the total number of the Company's director shall be 12.

**Remark:** A resolution on this agenda item shall be passed by a majority vote of shareholders attending the meeting and casting their votes.

**Agenda Item 7:**

**To consider and approve the directors' remuneration for the year 2015**

**Facts and Reasons:** According to Section 90 of the Public Company Act B.E. 2535 (and amendments thereto) and the Company's Article of Association Clause 22 prescribed that the determination of the directors' remuneration must be approved by the shareholders' meeting, in which the Nomination and Remuneration Committee has considered the directors' remuneration and subcommittee has carefully examine the appropriateness by comparing with other SET-listed companies that has Market Capitalization of the same level as the Company, by determining that the remuneration shall not exceed Baht 7,680,000 and since the Company suffered losses from performance in 2014, the Company therefore suspended the directors' bonus payment for the performance in 2014. The rate of monthly remuneration and attendance fee remains the same as in the year 2014 but the directors' remuneration in 2015 is higher than the year 2014 since the Company has additionally appointed Risk Management Committee. The details are as follows:

**Monthly Remuneration**

**1. Board of Directors**

Chairman of the Board of Directors	Baht 60,000 per month
Directors	Baht 40,000 per month

**Attendance Fee apart from the monthly remuneration**

**2. Audit Committee**

Chairman of the Audit Committee	Baht 30,000 per meeting
Audit Committee Members	Baht 20,000 per meeting

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### 3. Nomination and Remuneration Committee

Chairman of the Nomination and Remuneration Committee	Baht 30,000 per meeting
Nomination and Remuneration Committee Members	Baht 20,000 per meeting

### 4. Risk Management Committee

Chairman of the Risk Management Committee	Baht 30,000 per meeting
Risk Management Committee Members	Baht 20,000 per meeting

### **Directors' Bonus for the 2014 performance**

Since the Company suffered losses from performance, the Company therefore suspended the directors' bonus payment for the 2014 performance.

**Opinion of the Board of Directors:** The Board of Directors considered and deemed it appropriate to propose the determination of the remuneration of the directors' remuneration for the year 2015 by determining the remuneration for the directors and the subcommittees for the year 2015 in the amount not exceeding Baht 7,680,000 and since the Company suffered losses from performance in 2014, the Company therefore suspended the directors' bonus payment for the performance in 2014. The rate of monthly remuneration and attendance fee remains the same as in the year 2014 but the directors' remuneration in 2015 is higher than the year 2014 since the Company has additionally appointed Risk Management Committee. In addition, it approved to propose to the shareholders' meeting to consider granting the Nomination and Remuneration Committee the authority to allocate such amount of money to each director and other subcommittees within the budget approved by the shareholders' meeting.

**Remark:** A resolution on this agenda item shall be passed by a vote of at least two-thirds of the total votes of shareholders present.

### **Agenda Item 8:**

**To consider and approve the appointment of the auditor and fixing the audit fee for the year 2015**

**Facts and Reasons:** According to Section 120 of the Public Company Act B.E. 2535 (and amendments thereto) prescribed that the shareholders' meeting shall approve the appointment of auditor and determine the Company's audit fee of each year. The Audit Committee had chosen the auditor for the year 2015 and propose to the shareholders' meeting for approval of the appointment of Deloitte Touche Tohmatsu Jaiyos Advisory Co., Ltd., as the Company's audit firm, since it is an audit firm with independence and expertise in auditing. Any of the following

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auditors shall be authorized to review and render their opinion concerning the financial statements of the Company.

- (1) Mr. Niti Jungnitnirundr,  
Certified Public Accountant No. 3809; and/or
- (2) Mr. Supamit Techamontrikul,  
Certified Public Accountant No. 3356; and/or
- (3) Mr. Permsak Wongpatcharapakorn,  
Certified Public Accountant No. 3427

In case the above auditors cannot perform his/her duties, Deloitte Touche Tohmatsu Jaiyos Advisory Co., Ltd. shall appoint other Certified Public Accountant of its own to perform such duties instead. The proposed auditors do not have any relation or interest with the Company, the Executive, major shareholders or related to such person in any way, and thus are independent for reviewing and rendering their opinion concerning the financial statements of the Company.

The Audit Committee proposed and considered that the shareholders' meeting approve the Company's auditing fee for the year 2015 in the amount not exceeding Baht 1,900,000, the subsidiaries' auditing fee for the year 2015 in the amount not exceeding Baht 600,000; hence, the total auditing fee for the year 2015 shall not exceed Baht 2,500,000, which has increased from the past accounting period of Baht 300,000 or 13.64 percent increase.

Moreover, due to the fact that in 2014, the Board approved an extra payment to the auditors in the amount of Baht 600,000 for auditing fee of subsidiaries which were established in 2014, after the approval from the 2014 Annual General Meeting of the Shareholders. Therefore, it is proposed to the shareholders' meeting to ratify such auditing fee payment to the auditors.

**Opinion of the Board of Directors:** The Board of Directors considered and deemed it appropriate to propose to the shareholders' meeting for approval of the appointment of the auditor for the Company's audit for the year 2015 and the determination of the Company's audit fee for the year 2015 in the amount not exceeding Baht 1,900,000, the subsidiaries' auditing fee for the year 2015 in the amount not exceeding Baht 600,000; hence, the total auditing fee for the year 2015 shall not exceed Baht 2,500,000. And to propose to the shareholders for a ratification of such extra auditing fee payment to the auditors.

**Remark:** A resolution on this agenda item shall be passed by a majority vote of shareholders attending the meeting and casting their votes.

**Agenda Item 9:**

**To consider and approve the issuance and offer for sale of the Company's debenture**

**Facts and Reasons:** Since the Company needed investment money for use in the Company's business operation and business expansion; therefore, the Company needed an approval from the shareholders' meeting for the issuance and offer for sale



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of the Company's debenture according to Section 145 of the Public Company Act B.E. 2535 (and amendments thereto) and the Company's Article of Association Clause Item 35 (2) (g). The details debentures to be issued and offered for sale are set out in Enclosure 5.

**Opinion of the Board of Directors:** The Board of Directors considered and deemed it appropriate to propose to the shareholders' meeting for approval of the issuance and offer for sale of debenture in the amount not exceeding Baht 3,000 million or in other currency of the same amount on the date of issuance, for use in the Company's business operation and business expansion. In addition, it approved to propose to the shareholders' meeting to consider granting the Chief Executive Officer and/or the Chief Financial Officer to execute documents concerning the issuance and offer for sale of each type/each kind of debenture each time, including the authority to carry out any necessary act concerning the issuance and offer for sale of such debenture for completion and in accordance with the law.

**Remark:** A resolution on this agenda item shall be passed by a vote of at least three-fourths of the total votes of shareholders attending the meeting and having the right to vote.

**Agenda Item 10:**      **To consider and approve the amendment of the Company's objectives and amendment of the Clause 3 of the Company's Memorandum of Association so as to correspond with the change of the Company's objectives**

**Facts and Reasons:** In order to comply with the Company's current business operation; therefore, the Company has to amend the Objectives of the Company and amend the Memorandum of Association Item 3 re: Objectives of the Company, by adding new 19 Objectives, a total of 43 Objectives. The details of draft proposed amendment to the objectives sale are set out in Enclosure 6.

**Opinion of the Board of Directors:** The Board of Directors considered and deemed it appropriate to propose to the shareholders' meeting for approval of the amendment to the Company's objectives and amendment to the Memorandum of Association Item 3 Re: Objectives of the Company to comply with the law. After such amendment to the Objectives of the Company by adding new 19 Objectives, a total will be 43 Objectives.

**Remark:** A resolution on this agenda item shall be passed by a vote of at least three-fourths of the total votes of shareholders attending the meeting and having the right to vote.

**Agenda Item 11:**      **Other matters (if any)**

In addition, the Company had published the letter convening the shareholders' meeting attached with the enclosures on the Company's website at [www.nokair.com/ir](http://www.nokair.com/ir) The Company, therefore, hereby invites all

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shareholders to attend the 2015 Annual General Meeting of Shareholders, on Thursday 9, April 2015, at 9:00 hrs., at Miracle Grand Ballroom, 4th Floor, the Miracle Grand Convention Hotel, No. 99 Vibhavadi-Rangsit Road, Lak Si, Don Mueang, Bangkok Metropolis. The map of the meeting venue is set out in Enclosure 13.

In the event that shareholders are unable to attend the meeting, and they would like to appoint a proxy, the shareholders shall use either Proxy Form A or Proxy Form B. In the event that foreign shareholders would like to appoint a custodian, these shareholders shall use Proxy Form C, as set out in Enclosure 7. To protect the rights and benefits of shareholders who are unable to attend the meeting and who would like to appoint the Independent Director of the Company as their proxy to attend the meeting and cast votes on their behalf, the shareholder can grant a proxy by using Proxy Form B, stating the name of the independent directors as listed and detailed in Enclosure 8, then submit the form attached with support documentation to the Investor Relations Department, Nok Airlines Public Company Limited, at 17<sup>th</sup> Floor, Limited, Rajanakarn Building, No. 3 South Sathon Road, Yannawa Subdistrict, Sathon District, Bangkok Metropolis 10120, Telephone No. 02 627 2748 or 02 627 2678 . Furthermore, in order for the Company to facilitate the verification of the documents, please submit all documentation to the Company by 7 April 2015.

It is recommended that the shareholders study the guidelines for registration, for appointing a proxy, and the documents and evidence required to be presented on the meeting date as set out in Enclosure 10, as well as the details on procedures for attendance at the 2015 Annual General Meeting of Shareholders as set out in Enclosure 11. The Company will conduct the meeting in accordance with the Articles of Association of the Company, Chapter 6, the Meeting of Shareholders, as set out in Enclosure 9.

In order to facilitate and the rapidity of the registration of attendees at the 2015 Annual General Meeting of Shareholders, the Company will allow the shareholder and proxies to register their names from 07:00 hrs. on the date of the meeting, at Miracle Grand Ballroom, 4th Floor, the Miracle Grand Convention Hotel, No. 99 Vibhavadi-Rangsit Road, Lak Si, Don Mueang, Bangkok Metropolis. Furthermore, since the Company will use the barcode system in the registration and counting of votes at this meeting, the shareholders and proxies are required to present the registration form as set out in Enclosure 12 on the date of the meeting along with other documentation as detailed in Enclosure 10.

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In addition, the Company has set the date for determining the names of shareholders who shall have the right to attend the 2015 Annual General Meeting of Shareholders on March 16, 2015 (the Record Date), and for gathering the names of shareholders under section 225 of the Securities and Exchange Act B.E. 2535 by closing the share register book and suspending share transfers on March 17, 2015.

Please be informed accordingly.

Sincerely yours,

*- Mr. Somchainuk Engtrakul -*

(Mr. Somchainuk Engtrakul)  
Chairman of the Board  
Nok Airlines Public Company Limited