

Notice of 2019 Annual General Meeting of Shareholders
of Quality Construction Products Public Company Limited

Subject: **Invitation to the 2019 Annual General Meeting of Shareholders**

To: **Shareholders**

Attachments:

1. Copy of Minutes of 2018 Annual General Meeting of Shareholders
2. 2018 Annual Report (QR Code) and the Registration Form
3. Profiles of the nominated Candidates for the Election of Directors in Replacement for those to be retired by Rotation
4. Profiles of the nominated auditors for the year 2019
5. Company's Articles of Association relating to the General Meeting of Shareholders
6. Documents required prior to attending the Meeting, Appointment of Proxy, Registration, and Voting Procedures
7. Proxy Form B as specified by Department of Business Development, Ministry of Commerce
8. Profile of the Independent Directors nominated by the Company to act as proxy for shareholders
9. Instruction for Downloading 2018 Annual Report by scanning QR Code
10. Map to Swissotel Bangkok Ratchada
11. 2018 Annual Report Requisition Form

NOTICE IS HEREBY GIVEN that, by virtue of the resolution of the Board of Directors of the Company held on Monday, February 4, 2019, the Annual General Meeting of Shareholders for the year 2019 will be held on **Friday, March 22, 2019 at 14:30 hours** at **Salon A Room, Swissôtel Bangkok Ratchada (Formerly known as Swissôtel Le Concorde Hotel), 204 Ratchadaphisek Road, Huai Khwang, Bangkok** to consider the matters according to the agenda together with the Board's opinions as follows:

Agenda 1: **To adopt the Minutes of the Annual General Meeting of Shareholders for the year 2018 held on Monday, March 26, 2018**

Preamble: The Minutes of the Annual General Meeting of Shareholders for the year 2018 held on Monday, March 26, 2018, were conducted within 14 days from the date of the Annual General Meeting of Shareholders and submitted to the Stock Exchange of Thailand and the Ministry of Commerce within the period required by law and also posted on the Company's website (www.qcon.co.th) as per details in the copy of such Minutes, provided herewith as Attachment No. 1.

Board of Directors' Opinion: The Board agrees to propose the Annual General Meeting of Shareholders for the year 2019 to consider and adopt the Minutes of the Annual General Meeting of Shareholders for the year 2018, held on Monday, March 26, 2018, as deemed that they were correctly recorded. The Company posted the Minutes of the Annual General Meeting of Shareholders for the year 2018 with this Notice and other documents related to the Annual General Meeting of Shareholders for the year 2019 on the Company's website since Monday, February 18, 2019.

Vote required: Simple majority of the total number of votes of shareholders present at the meeting and voting

Agenda 2: To acknowledge the Company's Annual Report for the year 2018

Preamble: The summary of the Company's performance and major changes during the year 2018 is shown in the Annual Report for the year 2018 under "Operating Results" section, which is provided herewith as Attachment No. 2.

Board of Directors' Opinion: The Board requests the Meeting to acknowledge the Company's Annual Report for the year 2018 summarizing the Company's performance and major changes during the year 2018.

Vote required: This agenda item is for shareholders' acknowledgment; therefore, voting is not required.

Agenda 3: To consider and approve the Financial Statements for the year ended December 31, 2018

Preamble: To be in compliance with the Public Limited Companies Act B.E. 2535, the Company had consolidated its financial statements at the end of the fiscal year and arranged for them to be audited by the certified auditor prior to proposing for approval of the shareholders as per details shown in the financial statements in the Annual Report for the year 2018 which had been sent to the shareholders with the Notice of the Annual General Meeting of Shareholders. Details can be seen in the Attachment No. 2.

Board of Directors' Opinion: The Board requests the Annual General Meeting of Shareholders for the year 2019 to consider and approve the financial statements for the year ended December 31, 2018, as duly audited and signed by auditor from KPMG Phoomchai Audit Ltd. and reviewed by the Audit Committee. The summary of the Company's financial status and performance during the year 2018 is as follows:

Consolidated Financial Statements of the Company and its subsidiary are as follows:

Total Assets	2,086.95	million Baht
Total Liabilities	235.55	million Baht
Total Revenue	1,924.97	million Baht
Profit for the year attributable to owners of the parent		
- Million Baht	57.27	
- Baht/Share	0.14	

Financial Statements of the Company are as follows:

Assets	2,185.38	million Baht
Liabilities	400.33	million Baht
Total Revenue	1,643.70	million Baht
Profit for the year		
- Million Baht	60.67	
- Baht/Share	0.15	

Vote required: Simple majority of the total number of votes of shareholders present at the meeting and voting

Agenda 4: To consider and approve the Profit Allocation for the year 2018 as the Dividend at the Rate of 0.06 Baht per Share

Preamble: The Company has a policy to distribute dividends at the rate of not exceeding 50% of net profit for each fiscal year in case of no accumulated loss or other necessities. In accordance with Section 116 of the Public Limited Companies Act B.E. 2535 and Article 47 of the Company's Articles of Association, the Company shall allocate at least 5% of its annual net profit as reserve funds, deducted by the accumulated loss carried forward (if any) until the said reserve reaches the amount of not less than 10% of the registered capital. The Company's current legal reserve had already reached 40 million Baht, or equivalent to 10% of the registered capital as required by law.

In 2018, the Company recorded a profit for the year (net profit) in Separate Financial Statements of 60.67 million Baht and a profit for the year in Consolidated Financial Statements of 57.27 million Baht, applicable for dividend distribution to shareholders.

Board of Directors' Opinion: The Board recommends the Annual General Meeting of Shareholders for the year 2019 to consider and approve the allocation of profit for the year 2018 as dividend for the year 2018, payable at the rate of 0.06 Baht per share, totaling 24 million Baht, equivalent to 40% of profit for the year, in compliance with the Company's dividend payment policy. The comparison of dividend payout ratios/dividend payment suspension for the year 2018 to the preceding years is as follows:

Details of Dividend Payment	2018	2017	2016
1. Profit(loss) for the year in Separate Financial Statements (million Baht)	60.67	28.60	(80.62)
2. Profit(loss) for the year in Consolidated Financial Statements (million Baht)	57.27	5.46	(107.74)
3. Number of Shares (million shares)	400	400	400
4. Dividend (Baht/share)*	0.06	0.03	suspended
5. Total Dividend Payment (million Baht)	24	12	suspended
6. Dividend Payout Ratio to the profit for the year in the Separate Financial Statements (percent)	40	42	suspended
7. Legal Reserve (million Baht)	Fully reserved as required by law (40 million Baht)		

The above dividend distribution shall be payable to the shareholders entitled to receive the dividend according to the Company's Articles of Association and listed on the record date on Monday, April 1, 2019 for the right to receive the dividend. (The "XD", or the date on which a purchaser will not be entitled to receive the dividend, will be on Friday, March 29, 2019.) The dividend payment will be made on Friday, April 19, 2019. The receipt of such dividend shall be within 10 years.

Note: *The natural person shareholders shall be entitled to a tax credit according to Section 47 bis of the Revenue Code equaling to the product of dividend times 20/80.

Vote required: Simple majority of the total number of votes of shareholders present at the meeting and voting

Agenda 5: To consider and elect the Directors in Replacement of those to be retired by Rotation

Preamble: Section 71 of the Public Limited Companies Act B.E. 2535, and Article 18 of the Company's Articles of Association stipulate that at every Annual General Meeting, at least one-third of the directors must retire from office by rotation. If the total number of directors cannot be divided into one-third, the closet number to one-third of the total number of directors must be taken in account. The retiring directors may be re-elected. This year, there are three directors who are due to retire by rotation as follows:

1. Mr. Nithi Patarachoke Chairman of the Board of Director and Chairman of the Executive Committee
2. Mr. Naporn Sunthornchitcharoen Director
3. Mr. Wiroat Rattanachaisit Director and Member of the Executive Committee

The Company provided an opportunity to minority shareholders to propose agenda for the meeting and nominate qualified candidate(s) for the directorship during August 31- November 30, 2018. However, no shareholders had proposed any agenda or nominated any individual for consideration and election of directors.

The Nomination, Remuneration and Corporate Governance Committee considered the candidates for directorship of the Company in accordance with the nomination guidelines as agreed upon by the Board of Directors that the Nomination, Remuneration and Corporate Governance Committee nominates qualified persons for directorship of the Company from the qualified individuals and experts which include individuals who are knowledgeable and competent to be directors in listed companies, and must be fully qualified as stipulated by all relevant laws and the Company's Articles of Association including the Company's Corporate Governance Principle, Corporate Governance Code recommended by the Office of the Securities and Exchange Commission (SEC), and the selection guidelines on candidates for directorship recommended by Thai Institute of Directors (IOD). The candidates must be equipped with knowledge, professional skills, experience and expertise for the Company's line of business; possessing requisite attributes of leadership, vision, good morals and ethical principles, as well as clear and unblemished career records, making decisions based on facts and reasons, and capable of giving opinions independently. Also, it is required that the Nomination, Remuneration and Corporate Governance Committee takes into account the diversity and composition of knowledge in particular professional skills as deemed essential to the Board of Directors.

The Nomination, Remuneration and Corporate Governance Committee considered the list of candidates as proposed by the Executive Committee, comprising three existing directors who are due to retire by rotation. The qualifications of each individual were considered, with all due circumspection and unanimously resolved to propose the Board to consider the three existing directors, namely, Mr. Nithi Patarachoke, Mr. Naporn Sunthornchitcharoen and Mr. Wiroat Rattanachaisit to be the directors of the Company for another term as they were deemed qualified for the Company's line of business, knowledgeable and expert in building materials, and real estate and construction businesses, prominent in engineering and profoundly insightful about both end-users and customers of lightweight block; possessing requisite attributes of leadership, vision, good morals and ethical principles, as well as clear and unblemished career records; and have always performed their duties well as director. Furthermore, the Director No. 2) has been performed his duties perfectly. The Director No. 1) and 3) were elected to be the Company's Director by the resolution of the Board of Directors meeting on December 14, 2018 being effective since January 1, 2019 onwards.

Board of Directors' Opinion: The Board of Directors, excluding the directors who are due to retire by rotation at the Annual General Meeting of Shareholders for the year 2019, had extensively discussed and considered the list of all nominated candidates including the qualifications of each individual with all due circumspection and deemed that they are qualified candidates; therefore, agrees with the recommendation of the Nomination, Remuneration and Corporate Governance Committee and proposes the Annual General Meeting of Shareholders for the year 2019 to consider and elect the three directors who are due to retire by rotation, namely, Mr. Nithi Patarachoke, Mr. Naporn Sunthornchitcharoen and Mr. Wiroat Rattanachaisit to be the Company's directors for another term. Profiles of the nominated candidates; durations which they were holding positions as director; details of attendance at the meetings of the Board of Directors and the Sub-committees in the previous year; the Company's ordinary shares shareholding details; details of positions as director or executive in listed companies and companies/other businesses are provided herewith as Attachment No. 3.

Nevertheless, Mr. Nithi Patarachoke holding the directorship in a company of the same industry which could be considered a competition with the Company and related to the Company i.e. Director of SCG Cement-Building materials Co., Ltd., Chairman of The Siam Fibre-Cement Co., Ltd. and Director of SCG Cement Co., Ltd.

Note: The Company's Articles of Association, Article 17 stipulates that with majority votes, the shareholders shall elect directors under the following criteria and procedures:

- (1) A shareholder shall have one vote for each share he holds or represents.
- (2) Each shareholder has the right in accordance with Item (1) to vote for one or more than one candidate nominated for directors but the vote shall not be distributed.
- (3) The candidates shall be ranked in order descending from the highest number of votes received to the lowest, and shall be appointed as Directors in that order until all of the Director positions are filled. Where the votes cast for candidates in descending order are tied, which would otherwise cause the number of Directors to be exceeded, the remaining appointment shall be made by the chairman of the meeting who shall have a casting vote.

Vote required: The candidates shall be ranked, with majority votes, in order descending from the highest number of votes received to the lowest, and shall be appointed as directors in that order until all of the director positions are filled.

Agenda 6: To consider and appoint the Company's Auditor and fix the Audit Fee for the year 2019

Preamble: To be in compliance with Section 120 of the Public Limited Companies Act B.E. 2535 and the guidelines recommended by the Office of the Securities and Exchange Commission (SEC), the Annual General Meeting of Shareholders will determine the auditor and the audit fee of the Company.

The Audit Committee had considered and selected KPMG Phoomchai Audit Ltd. (KPMG) to be the auditor of the Company for the year 2019 upon its reputation, capability, professional standards, experience and expertise in auditing; effective audit procedures/tools; insightful knowledge and business understanding; including well performance. Also, the audit fee proposed by KPMG is considered reasonable when compared the auditing scopes and quantities of work with audit fees charged to other listed companies of similar size and deemed that the proposal from KPMG would yield a maximum benefit to the Company.

Board of Directors' Opinion: The Board agrees with the recommendation of the Audit Committee for selecting KPMG Phoomchai Audit Ltd. to be the audit firm of the Company and proposes the Annual General Meeting of Shareholders for the year 2019 to consider and approve the appointment of auditor and the audit fee of the Company for the year 2019 as follows:

1. The appointment of auditors of KPMG Phoomchai Audit Ltd. whose qualifications comply with those set forth by Securities and Exchange Commission to be the Company's auditor for the year 2019 as follows:
 - Mr. Vairoj Jindamaneepitak (Certified Public Accountant No. 3565) or
 - Ms. Thanyalux Keadkeaw (Certified Public Accountant No. 8179) or
 - Ms. Dussanee Yimsuwan (Certified Public Accountant No. 10235)

In this regard, Mr. Vairoj Jindamaneepitak and Ms. Thanyalux Keadkeaw were appointed as the Company's auditor for the year 2017-2018 whereas Ms. Dussanee Yimsuwan was appointed as the Company's auditor for the year 2018. The auditors have qualifications that comply with the guidelines of SEC

KPMG Phoomchai Audit Limited and the above-mentioned three auditors proposed to be the Company's auditors have neither relationship nor conflict of interest with the Company/ subsidiary/ the Management/ the major shareholders or related persons with the said entities or persons and will also be nominated to be the auditors for the year 2019 of Q-CON Eastern Co., Ltd. (QCE), the Company's subsidiary including SCG Building Materials Co., Ltd., the Company's major shareholder. Profiles of the nominated auditors and details of their independency were provided herewith as Attachment No. 4.

2. To approve the audit fee for the year 2019 of 406,000 Baht (equivalent to the year 2018) as well as the audit fee for the Consolidated Financial Statements from having QCE as its subsidiary and the quarterly review of the subsidiary's financial statements and Consolidated Financial Statements of 374,000 Baht (equivalent to the year 2018), totaling 780,000 Baht (equivalent to the year 2018) The details were as follows:

	Unit: Baht		
Audit Fee	Year 2019	Year 2018	Variance (2019-2018)
1. Separate Financial Statements	406,000	406,000	-
2. Consolidated Financial Statements	43,000	43,000	-
3. Quarterly Reviews of Separate and Consolidated Financial Statements	331,000	331,000	-
Total Audit Fee	780,000	780,000	-

3. To acknowledge QCE's audit fee for the year 2019 of 217,000 Baht (equivalent to the year 2018) to be paid by QCE.

The audit fee proposed above included only the audit services and not providing any other non-audit services, same as the year 2018.

Vote required: Simple majority of the total number of votes of shareholders present at the meeting and voting

Agenda 7: To consider and approve the Remuneration of the Board of Directors and the Sub-Committees for the year 2019

Preamble: Article 33 of the Company's Articles of Association stipulates that the directors shall be entitled to receive remuneration in the forms of monthly remuneration, bonus, attendance fee, reward, or other forms of benefit as deemed appropriate by the Articles of Association or by the Annual General Meeting of Shareholders. The said remuneration shall be determined either as exact amount or approximate number, and shall be effective until other changes applied. The Annual General Meeting of Shareholders for the year 2018 held on March 26, 2018 approved the remuneration of the Board of Directors and the Sub-committees for the year 2018 which was the same criteria and rates as approved by the Annual General Meeting of Shareholders for the year 2017 held on March 24, 2017 as the following details:

Remuneration of the Board of Directors

Chairman 25,000 Baht per month

Members 15,000 Baht per month

Remuneration of the Audit Committee

Chairman 20,000 Baht per month

Members 10,000 Baht per month

Remuneration of the Nomination, Remuneration and Corporate Governance Committee

1. The remuneration payment to the members of the Nomination, Remuneration and Corporate Governance Committee, whose qualifications met the definition of independent director set forth by the Board of Directors providing more rigid requirements comparing to those of the Capital Market Supervisory Board, in the form of an attendance fee payable in accordance with the actual number of attendance at the meetings at the following rates:

Chairman (Independent Director) 20,000 Baht per meeting

Independent Directors 10,000 Baht per meeting

2. The remuneration payment suspension of the members of the Nomination, Remuneration and Corporate Governance Committee without qualifications of independent director.

Remuneration of the Executive Committee

The remuneration payment suspension of the Executive Committee.

Under the Rules and Guidelines on suitable and sound remuneration agreed upon by the Board of Directors, the Nomination, Remuneration and Corporate Governance Committee considered the remuneration based on various reference data such as roles and responsibilities of the Board of Directors and the Sub-committees together with all the relevant factors such as the Company's business performance for the year 2018 as well as the Company's business expansion and the current business trend and the rates of such remuneration compared with other companies within the same industry of similar size, the Committee then unanimously resolved to propose the Board of Directors to consider the review of the criteria and the amount of remuneration of the Board of Directors and the Sub-committees for the year 2019, and to acknowledge the remuneration paid to the Board of Directors and the Sub-committees in 2018 as the following details:

1. The maintenance of the remuneration (monthly) of the Board of Directors and the Audit Committee, and the maintenance of the criteria and the remuneration (attendance fee) of the Nomination, Remuneration and Corporate Governance Committee, and the remuneration payment suspension of the Executive Committee as approved by the Annual General Meeting of Shareholders for the year 2018 held on March 26, 2018.
2. To acknowledge the amount of remuneration (monthly) paid to the Board of Directors and the Audit Committee in 2018 of 2,220,000 Baht, equaling to the year 2017, and the attendance fee paid to the members of the Nomination, Remuneration and Corporate Governance Committee whose qualifications met the definition of independent director set forth by the Board of Directors in accordance with the actual number of attendance at the meetings in 2018 of 90,000 Baht, totaling 2,310,000 Baht in conformance with criteria as approved by the Shareholders Meeting.

Board of Directors' Opinion: To comply with Good Corporate Governance Principle and shareholders' suggestion including the resolution passed by the Annual General Meeting of Shareholders for the year 2015 held on March 20, 2015, approving the change of the agenda regarding the remuneration of the Board of Directors and Sub-committees, from being acknowledged to be being approved even though there is no change in the amount of remuneration, the Board of Directors considered the above recommendation of the Nomination, Remuneration and Corporate Governance Committee and agrees to propose the Annual General Meeting of Shareholders for the year 2019 to consider and approve the remuneration of the Board of Directors and the Sub-committees for the year 2019 in conformance with the criteria approved by the Annual General Meeting of Shareholders for the year 2018 including to acknowledge the amount of remuneration of the Board of Directors and the Sub-committees for the year 2018 as mentioned above. Subject to the approval of the Annual General Meeting of Shareholders for the year 2019 upon the aforesaid proposal, the remuneration of the Board of Directors and the Sub-committees for the year 2019 would be at the same rates as the year 2018 as follows:

Board of Directors and Sub-committees	Positions	Year 2019 and 2018 <i>(same criteria and rates of remuneration)</i>	
		Monthly remuneration (Baht/director/month)	Attendance Fee (Baht/director/meeting)
Board of Directors (1 Chairman and 8 Members)	Chairman	25,000	-
	Members	15,000	
Audit Committee (1 Chairman and 2 Members)	Chairman	20,000	-
	Members	10,000	
Nomination, Remuneration and Corporate Governance Committee (1 Chairman and 2 Members)	Chairman <i>(only independent directors)</i>	-	20,000
	Members <i>(only independent directors)</i>		10,000
Executive Committee (1 Chairman and 3 Members)	Chairman	suspended	suspended
	Members		

In this regard, the Company provides no other remuneration and benefits to the directors apart from the above mentioned. Details of the roles and responsibilities of the Board of Directors and the Sub-committees including the remuneration payment to the Board of Directors and the Sub-committees are as shown in the 2018 Annual Report under Management Structure section.

Vote required: Not less than two-thirds of the total number of votes of shareholders present at the meeting

Agenda 8: Other Business (if any)

All shareholders are cordially invited to attend the Annual General Meeting of Shareholders for the year 2019 to be held on **Friday, March 22, 2019 at 14:30 hours at Salon A Room, Swissôtel Bangkok Ratchada (Formerly known as Swissôtel Le Concorde Hotel), 204 Ratchadaphisek Road, Huai Khwang, Bangkok (Map of the meeting's venue is provided herewith as Attachment No. 10).** The commencement for registration to attend the meeting will be from 12:30 hours. The company will also provide snack and beverage for the shareholders and the proxies who attend the meeting (1 set per 1 person) without souvenirs.

For your convenience, if you wish to appoint a person to attend and vote at the meeting on your behalf, please complete and duly execute either the Proxy Form B, attached in Attachment No. 7, or alternatively you may download Form A or Form C (Form C is only for foreign investors who authorize the custodian in Thailand to keep and safeguard their shares.) from www.qcon.co.th.

In addition, you may appoint an independent director who is not due to retire by rotation at the Annual General Meeting of Shareholders for the year 2019 as your proxy, i.e. Mr. Pratip Wongnirund or Dr. Karoon Chandrangsu or Mr. Cherapong Kamponpan (Profile of the Independent Director is provided herewith as Attachment No. 8)

You are kindly requested to submit the completed Proxy Form with required documents (details can be seen in Attachment No. 6) to the Company by Thursday, March 21, 2019. For your convenience, the Company will facilitate in affixing the stamp duty when registering to attend the meeting.

Yours faithfully,

Bangkok, February 4, 2019

By Order of the Board of Directors

-signed by-

(Ms. Karnjanee Temsuk)

Secretary to the Board of Directors and Company Secretary

Notes: The Notice to shareholders and its attachments are also publicized on the Company's website (www.qcon.co.th) from Monday, February 18, 2019. For any inquiries, please forward your questions regarding the information on each agenda or other key information of the Company via the Company's website or call 035-259131 or 02-586-3078 and fax 02-586-3007 or send to the Company's address. Should you need the printed Q-Con Annual Report for the year 2018, please fill the details in the "2018 Annual Report Requisition Form" enclosed as Attachment No. 11