

25 March 2014

Subject: Invitation to the 2014 Annual General Meeting of Shareholders

Attention: The shareholders of Sri Trang Agro-Industry Public Company Limited

- Enclosures
1. A copy of the Minutes of the 2013 Annual General Meeting of Shareholders (*supporting document for agenda item 1*)
  2. 2013 Annual Report together with the financial statements of the Company for the year ended 31 December 2013 (CD Rom) (*supporting document for agenda item 2*)
  3. Profiles of the nominated directors of the Company to replace the directors who retire by rotation and qualification of the independent director (*supporting document for agenda item 4*)
  4. Profiles of the nominated directors of the Company (*supporting document for agenda item 5*)
  5. Information of remuneration payment of directors (*supporting document for agenda item 7*)
  6. Information of auditor and auditing fee (*supporting document for agenda item 8*)
  7. Letter to shareholders and depositors in relation to the proposed conversion of the Company's listing status from a primary listing to a secondary listing on the main board of Singapore Exchange Securities Trading Limited (*supporting document for agenda item 9*)
  8. The Company's Articles of Association relating to the shareholders meeting
  9. The required documents for attending the shareholders meeting
  10. Proxy Form B
  11. Independent Directors' profiles for consideration of proxy from shareholders
  12. Procedures for attending the 2014 Annual General Meeting of Shareholders
  13. Map of the venue of the shareholders meeting

The Board of Directors of Sri Trang Agro-Industry Public Company Limited (the "**Company**") has resolved to schedule the 2014 Annual General Meeting of Shareholders on 29 April 2014, at 10.30 a.m. (Bangkok time), at The 60th Anniversary of His Majesty the King's Accession to the Throne International Convention Center, Punnakan Road, Tambol Kho Hong, Amphur Hadyai, Songkhla, with the following agenda items:

**1. To consider and certify the minutes of the 2013 Annual General Meeting of Shareholders held on 25 April 2013**

Objective and Reason The Company has prepared the minutes of the 2013 Annual General Meeting of Shareholders held on 25 April 2013 and shareholders attending the Meeting constituted a quorum. The Company prepared and submitted such minutes to the Stock Exchange of Thailand within 14 days after the shareholders meeting and also published such minutes on the Company's website, [www.sritranggroup.com](http://www.sritranggroup.com).

Opinion of the Board The minutes of the 2013 Annual General Meeting of Shareholders held on 25 April 2013 were properly and accurately recorded as per the copy of the Minutes of the 2013 Annual General Meeting of Shareholders (Enclosure 1). It is proposed that the shareholders certify such minutes.

Required votes *The majority vote of the shareholders attending the meeting and casting their votes.*

**2. To acknowledge the performance results of the Board of Directors of the Company for the year 2013 and to consider and approve the audited financial statements of the Company for the year ended 31 December 2013**

Objective and Reasons The Company has summarized the performance results of the Board of Directors of the Company for the year 2013 in which the details are as appear in the 2013 annual report as shown in Enclosure 2. In addition, according to the Public Companies Limited Act and the Articles of Association of the Company, the Board of Directors shall prepare a balance sheet and profit and loss statements (the statements of financial position and the statements of comprehensive income) as of the end of the fiscal year and submit such statement of financial position and statements of comprehensive income to the Annual General Meeting of Shareholders for consideration and approval.

The information of the statements of financial position and the statements of comprehensive income could be summarized as follows:

Selected Information from the Company's Financial Statements

Unit : million Baht

Description	Consolidated Financial Statements		Separate Financial Statements	
	2013	2012	2013	2012
Total assets	44,320.10	36,696.16	27,714.05	21,158.40
Total liabilities	24,253.80	17,759.36	13,474.23	7,259.94
Total revenue	92,185.18	99,639.10	42,962.45	44,988.77
Net profit (attributable to the owners of the parent)	1,811.60	1,378.88	916.85	928.73
Earnings per share (Baht/share)	1.42	1.08	0.72	0.73

In this regard, the details of the financial statements are shown in the 2013 annual report (Enclosure 2) which has been distributed to the shareholders together with the Invitation to the 2013 Annual General Meeting of Shareholders. The Company has also disseminated the annual report on the Company's website, [www.sritranggroup.com](http://www.sritranggroup.com).

Opinion of the Board The shareholders should acknowledge the performance results of the Board of Directors for the year 2013 and approve the statements of financial position and the statements of comprehensive income of the Company for the year ended 31 December 2013, which have been audited by the auditor of the Company and reviewed by the Audit Committee, the details of which appear in the financial statements included in the 2013 annual report (Enclosure 2).

Required votes *The majority vote of the shareholders attending the meeting and casting their votes.*

### 3. To consider and approve the dividend payment of the Company for the year 2013

Objective and Reasons According to the Public Companies Limited Act and the Articles of Association of the Company, the Company shall allocate the annual net profit as legal reserve in an amount of not less than 5% of the annual net profit, less the sum of accumulated loss brought forward (if any), until the legal reserve amounts to not less than 10% of the registered capital. Moreover, no dividend shall be paid out of funds other than profit.

Since the Company has already allocated the net profit as legal reserve in the amount as required by law, the Company is not required to allocate such net profit as legal reserve this year.

Currently, the Company's policy is to pay a dividend of approximately 30% of our net profit for each financial year but not in excess of our retained earnings, taking into account the Company's financial position, results of operations and cash flow, the ability of the subsidiaries, associates and joint venture entity to make dividend payment to the Company, our Company's expected working capital requirements to support the Company's future growth, and general economic conditions and such other external factors that the Company believes to have an impact on the business operations of the Company.

In year 2013, the Company had a net profit from its operation amounting to Baht 1,811.60 million. The information in respect to dividend payment compared with the year 2011-2013 is shown below.

Information of dividend payment for the years 2011 – 2013

	2013	2012	2011
Net profit (million Baht)	1,811.60	1,378.88	1,306.25
Earnings per share (Baht)	1.42	1.08	1.04
Dividend per share (Baht)	0.65	0.50	0.50
Number of shares (shares)	1,280,000,000	1,280,000,000	1,280,000,000
Total dividend payment (million Baht)	832	640	640
Payout ratio (%)	45.93%	46.41%	48.99%

Opinion of the Board The Board of Directors recommends the shareholders to approve the annual dividend payment from the performance results of the Company for the year 2013 to the shareholders of Baht 0.65 per share, totaling Baht 832 million, representing 45.93% of the net profit of the Company, which is in line with the current dividend policy of the Company. The details of dividend payment are as follows:

1. Dividend payment of Baht 0.36 per share which is paid from the Company's net profits exempt from corporate income tax (BOI).
2. Dividend payment of Baht 0.29 per share which is paid from the profit after deducting not excess 5-year loss carrying forward before current accounting period. According to Section 47 bis of the Revenue Code, such dividend amount is not entitled to tax credit.

If the proposed annual dividend is approved by the shareholders at the 2014 Annual General Meeting, the Board of Directors has fixed 14 May 2014 as the record date for determining the shareholders entitled to receive a dividend and 15 May 2014 as the share register book closing date for compiling the list of shareholders in accordance with Section 225 of the Securities and Exchange Act B.E. 2535 (as amended).

Shareholders who hold shares in the Company through direct securities accounts with the Central Depository (Pte) Limited (“CDP”) (“Depositors”) or persons with shares standing to the credit of their securities accounts with the Depository Agents at 5.00 p.m. (Singapore time) on 14 May 2014 will be entitled to receive the dividend for the year 2013.

The annual dividend for the year 2013 will be paid on 29 May 2014.

Required votes    *The majority vote of the shareholders attending the meeting and casting their votes.*

**4. To consider and approve the election of directors to replace the directors who retire by rotation**

Objective and Reasons    According to the Public Limited Companies Act and the Articles of Association of the Company, one-third of the directors of the Company shall vacate office at every Annual General Meeting of Shareholders. This year, the four directors who shall vacate office are:

- |    |                            |                                |
|----|----------------------------|--------------------------------|
| 1. | Mr. Kriang Yanyongdilok    | Director/ Independent Director |
| 2. | Mr. Chaiyos Sincharoenkul  | Director                       |
| 3. | Mr. Kitichai Sincharoenkul | Director                       |
| 4. | Mr. Samacha Potavorn       | Director/ Independent Director |

The said directors vacating office may be re-elected. In this regard, the profiles of the four nominated directors of the Company to replace the directors who retire by rotation are shown in Enclosure 3.

Opinion of the Board    According to the recommendation from the Nominating Committee of the Company, the Board of Directors, therefore, recommends that the shareholders approve the re-election of Mr. Kriang Yanyongdilok, Mr. Chaiyos Sincharoenkul, Mr. Kitichai Sincharoenkul and Mr. Samacha Potavorn, to be directors of the Company for another term because of long experience in the industry that shall provide a valuable service to the Company and shareholders. Also, such persons have all the qualifications and do not have any prohibited characteristics as specified by laws.

In this regard, the profiles of the nominated directors of the Company to replace the directors who retire by rotation are shown in Enclosure 3 and the qualification of independent directors, which are more stringent than the definitions as specified in the notification of the Capital Market Supervisory Board, the Stock Exchange of Thailand and also guided by the Code of Corporate Governance 2012 in determining independence.

Required votes    *The majority vote of the shareholders attending the meeting and casting their votes.*

**5. To consider and approve the increase in the number of directors of the Company and the election of new directors**

Objective and Reasons As the Company's business has grown continuously, in order to enhance its effectiveness, the member of the board should possess a wide range of qualifications, skills, experience and expertise of benefit to the Company. According to the recommendation from the Nominating Committee of the Company, it should increase the number of directors from 10 directors to 12 directors by electing two new directors i.e. Mr. Patrawut Panitkul and Mr. Li Shiqiang. These persons have all the qualifications and do not have any prohibited characteristics as specified by law. In this regard, the profiles of the nominated directors of the Company are shown in Enclosure 4.

Opinion of the Board According to the recommendation from the Nominating Committee of the Company, the Board of Directors, therefore, recommends that the shareholders approve the increase in the number of directors from 10 directors to 12 directors and elect Mr. Patrawut Panitkul and Mr. Li Shiqiang to be the new directors because they have suitable knowledge, capability and experience that will provide a benefit to the business operation of the Company and its shareholders. These persons also have all the qualifications and do not have any prohibited characteristics as specified by law.

Required votes *The majority vote of the shareholders attending the meeting and casting their votes.*

**6. To consider and approve the amendment of the Company's authorized directors**

Objective and Reasons With respect to the election of new directors of the Company as mentioned in agenda 5, in order to provide flexibility of the business operation of the Company, it is deemed appropriate to amend the authorized directors of the Company as follows:

*"Mr. Viyavood Sincharoenkul, Mr. Chaiyos Sincharoenkul, Mr. Prasit Panidkul, Mr. Kitichai Sincharoenkul, Mr. Veerasith Sinchareonkul, Mr. Paul Sumade Lee and Mr. Patrawut Panitkul, any two of these seven directors jointly sign with the Company's seal affixed"*

Opinion of the Board The Board of Directors recommends the shareholders to approve the amendment of the authorized directors as follows:

*"Mr. Viyavood Sincharoenkul, Mr. Chaiyos Sincharoenkul, Mr. Prasit Panidkul, Mr. Kitichai Sincharoenkul, Mr. Veerasith Sinchareonkul, Mr. Paul Sumade Lee and Mr. Patrawut Panitkul, any two of these seven directors jointly sign with the Company's seal affixed"*

Required votes *The majority vote of the shareholders attending the meeting and casting their votes.*

**7. To consider and approve the determination of remuneration of directors for the year 2014**

Objective and Reasons According to the Public Limited Companies Act and the Articles of Association of the Company, a director shall have the right to receive remuneration from the Company in the form of rewards, meeting allowances, gratuity, bonus or other benefits in accordance with the approval of the shareholders meeting.

The Remuneration Committee has considered the remuneration of directors for the year 2014 by taking into account the business and performance result, market trends and comparison of remuneration of directors in the same industry. The remuneration of this year will be the same as the previous year.

Opinion of the Board According to the prudent consideration of the Remuneration Committee, the Board of Directors recommends the shareholders to approve the directors' remuneration for the year 2014, in a total of not exceeding Baht 6,494,400, with the details as follows:

**Annual Remuneration of Board of Directors**

- Chairman of the Board Baht 633,600 / person/ annum
- Directors of the Company Baht 475,200 / person/ annum

**Annual Remuneration of Audit Committee**

- Chairman of the Audit Committee Baht 792,000 / person/ annum
- Audit Committee member Baht 633,600 / person/ annum

In this regard, details of the information of remuneration of directors are shown in Enclosure 5.

Required votes A vote of not less than two-thirds of the total number of votes of shareholders present at the meeting.

**8. To consider and approve the appointment of the auditor and determination of auditing fee for the year 2014**

Objective and Reasons According to the Public Limited Companies Act, the annual general meeting of shareholders shall appoint an auditor and determine the auditing fee of the Company every year. With the recommendation of the Audit Committee, it is recommended to approve the appointment of the following persons:

1. Mrs. Unakorn Phruithithada, Certified Public Accountant (Thailand) No. 3257, or
2. Miss Sakuna Yamsakul, Certified Public Accountant (Thailand) No. 4906, or
3. Mr. Boonlert Kamolchanokkul, Certified Public Accountant (Thailand) No. 5339

of PricewaterhouseCoopers ABAS Limited to be the auditor of the Company and its subsidiaries for the year 2014 and approve the auditing fee for the year 2014 and quarterly of the Company at Baht 7,854,000.

In this regard, the details of the auditor and auditing fee are shown in Enclosure 6.

Opinion of the Board With the recommendation from the Audit Committee, the shareholders should approve the appointment of auditor and auditing fee as per the details recommended by the Audit Committee, taking in to account the satisfactory works of auditors of PricewaterhouseCoopers LLP for the previous year, having knowledge and understanding of the business of the Company and group of Company as well as being an international audit firm.

Nevertheless, such auditors do not have a relationship or interest with the Company/ subsidiaries/ executives/ major shareholders or related parties of such persons.

Required votes The majority vote of the shareholders attending the meeting and casting their votes.

**9. To consider and approve the conversion of the Company's listing status from a primary listing to a secondary listing on the main board of Singapore Exchange Securities Trading Limited**

Objective and Reasons The Company is currently dual primary listed on the Main Board of the Singapore Exchange Securities Trading Limited (the "**SGX-ST**") and the Stock Exchange of Thailand (the "**SET**"). The average daily trading volume of the shares of the Company and the number of shares traded on the Main Board of the SGX-ST from the time of the Company's listing in Singapore in 2011 to-date continues to be significantly lower than the trading volume of the shares on the SET, this is because of the migration of shares by the investors who traded their shares on the SGX-ST to the SET. Also, as the Company carries out its principal business activities in Thailand, the Company expects a continuing trend where a large proportion of investors, including new investors, will trade shares on the SET rather than on the SGX-ST. In addition, given the Company's dual primary listing status on both the Main Board of the SGX-ST and the SET, where there is any conflict between the listing rules of the SGX-ST and the SET, the Company is required to comply with the stricter requirement. As a result, the Company has to incur higher costs in order to comply with its continuing listing obligations under the listing rules of both the SGX-ST and the SET, as compared to other dual-listed companies which have a primary listing on only one stock exchange. The Company, therefore, proposes to convert its listing status on the Main Board of the SGX-ST from primary to secondary (the "**Conversion**") so as to streamline its compliance obligations, reduce its legal and compliance costs, and re-direct such cost savings into the business operations of the Company.

In this regard, the Conversion will be subject to the approval of the shareholders. If the Conversion is approved by the shareholders, shareholders will be able to continue to trade their shares on the Main Board of the SGX-ST in the normal way following the Conversion.

Opinion of the Board The Board of Directors recommends the shareholders to approve the conversion of the Company's listing status from a primary listing to a secondary listing on the Main Board of the SGX-ST, according to the reasons as set out in paragraph 2.2 of the letter to shareholders and depositors in relation to the proposed conversion of the Company's listing status on the Main Board of the SGX-ST to a secondary listing status (the "**Letter to Shareholders and Depositors**") as shown in Enclosure 7.

The shareholders should note that if the Conversion is approved by the shareholders:

- (a) the Company would no longer be required to comply with the listing manual of the SGX-ST, save for Rules 216(2) and 217, and would only be required to comply with the listing rules of the SET.
- (b) the Company would no longer be required to comply with the Singapore Code on Take-over and Mergers, and would only be required to comply with the Thai take-over laws and regulations.

Notwithstanding paragraph (a) above, the Company will comply in full with the delisting requirements in the listing manual of the SGX-ST in the event that the Company is delisted from the Official List of the SGX-ST within three years of the Conversion.

The shareholders should carefully read the Letter to Shareholders and Depositors as shown in Enclosure 7. Shareholders who are in any doubt as to any of the matters referred to in this document and/or the course of action they should take should consult their professional advisers immediately.

Required votes *The majority vote of the shareholders attending the meeting and casting their votes.*

## **10. Other matters (if any)**

The shareholders of the Company are cordially invited to attend the shareholders meeting at the date, time and place mentioned above. Shareholders are requested to bring the documents for attending the shareholders meeting as per the details in Enclosure 9.

In order to speed up and facilitate the registration process, the shareholders and/or proxies are requested to bring a registration form having the barcode together with identification documents for meeting attendance, and present them to the registration staff on the meeting date.

For the shareholders' right and benefit, in the case that any shareholder is unable to attend the shareholders meeting but wishes to appoint the Company's independent director to vote on his/her behalf, please select one of the Company's independent directors, whose names and details appear in Enclosure 11. The completed and executed proxy should be submitted together with the required documents to the Company Secretary Office, 17<sup>th</sup> Floor, Park Ventures Ecoplex Unit 1701, 1707-1712, 57 Wireless Road, Lumpini, Pathumwan, Bangkok 10330, before 28 April 2014.

For the arrangement of a convenient time for proxies who are financial institutions or mutual funds or custodians and have a lot of completed and executed proxy forms, the sending of such documents to our Company Secretary Office in advance before 28 April 2014 for checking would be highly appreciated.

For the shareholders who require the 2013 Annual Report in printed format, please contact Sri Trang Agro-Industry Public Company Limited, Bangkok branch, at 17<sup>th</sup> Floor, Park Ventures Ecoplex Unit 1701, 1707-1712, 57 Wireless Road, Lumpini, Pathumwan, Bangkok 10330, at telephone number 662-207-4500 ext 1802 or 1805, fax number 662-108-2244.

Depositors and Depository Agents with shares standing to the credit of their securities accounts with CDP are not recognized under Thai law as shareholders of the Company and are not entitled to attend and vote at the shareholders meeting, or appoint their own proxies. CDP will dispatch to the Depositors and Depository Agents Voting Instruction Forms which will set out the resolutions to be considered at the shareholders meeting. Depositors and Depository Agents may direct CDP to exercise their voting rights in respect of the number of shares credited to their securities accounts by completing the Voting Instruction Form and returning it to CDP no later than 5.00 p.m. (Singapore time) on 21 April 2014.

Yours faithfully,  
By order of the Board of Directors

(Mr. Kitichai Sincharoenkul)  
Director

Note: The Company also published an Invitation to the 2014 Annual General Meeting of Shareholders together with all enclosures available for public consideration on the Company's website, [www.sritranggroup.com](http://www.sritranggroup.com), under "Investor Relations" and "Shareholder Information", from 26 March 2014 onwards.

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