

(Translation)

**Minutes of the 2016 Annual General Meeting of Shareholders  
of  
Sri Trang Agro-Industry Public Company Limited**

held on 28 April 2016, commenced at 10.30 a.m.

at Grand Ballroom B, 8<sup>th</sup> floor, Lee Gardens Plaza Hotel,  
29 Prachathipat Road, Amphur Hadyai, Songkhla Province

There were 143 shareholders present in person and by proxies at the 2016 Annual General Meeting of Shareholders of Sri Trang Agro-Industry Public Company Limited (the “**Company**”), holding 736,226,122 shares representing 57.52 per cent of the total number of shares sold of the Company, constituting a quorum as required by the Articles of Association

Ms. Romtham Chalapati, coordinator of the meeting, introduced the following members of the Board of Directors and management present at the Meeting:

- |                                |   |
|--------------------------------|---|
| 1. Mr. Viyavood Sincharoenkul  | Chairman of the Board of Directors and<br>Managing Director   |
| 2. Mr. Prakob Visitkitjakarn   | Vice Chairman, Independent Director, Chairman<br>of the Audit Committee and Chairman of the<br>Remuneration Committee |
| 3. Mr. Chaiyos Sincharoenkul   | Director and Executive Director   |
| 4. Mr. Lee Paul Sumade         | Director and Executive Director   |
| 5. Mr. Kitichai Sincharoenkul  | Director and Executive Director   |
| 6. Mr. Veerasith Sinchareonkul | Director, Executive Director and Chairman of<br>Risk Management Committee   |
| 7. Mr. Li Shiqiang             | Director  |
| 8. Mr. Patrawut Panitkul       | Director, Executive Director and Chief Financial<br>Officer (CFO)   |
| 9. Mr. Chalernpop Khanjan      | Director and Executive Director   |
| 10. Mr. Kriang Yanyongdilok    | Independent Director, Member of the Audit<br>Committee and Chairman of the Nomination<br>Committee                    |
| 11. Mr. Samacha Potavorn       | Independent Director, Member of the Audit<br>Committee  |

Absent Director

- |                    |                      |                        |
|--------------------|----------------------|------------------------|
| 1. Mr. Neo Ah Chap | Independent Director | due to urgent business |
|--------------------|----------------------|------------------------|

Ms. Romtham then introduced the relevant persons to the Meeting accordingly; Mr. Somwang Sincharoenkul, Honorary Chairman of the Company; Mr. Paiboon Tunkoon auditor from PricewaterhouseCoopers ABAS Limited, who is the Company’s auditor for the

year 2015; Mrs. Veeranuch Thammavaranucupt, legal advisor from Weerawong, Chinnavat & Peangpanor Limited for answering the shareholders' questions; Mr. Vasin Uchuvasin, legal advisor from Vasin International Law Office acting as an inspector to ensure that the shareholders meeting is transparent and complies with the laws and the Articles of Association of the Company, and witness the vote casting, and Mrs. Pacharin Anuwongwattanachai, Company Secretary.

Then, Ms. Romtham invited Mr. Viyavood Sincharoenkul, the Chairman of the Board of Directors, who was the Chairman of the Meeting opening the meeting. Mr. Viyavood welcomed the shareholders and declared the 2016 Annual General Meeting of Shareholders open. The Chairman then assigned Mr. Prakob Visitkitjakarn, Vice Chairman, to conduct the Meeting.

Prior to the commencement of the agendas, Mr. Prakob assigned the coordinator of the meeting to inform the Meeting of the procedure of the meeting, the exercise of voting and vote counting of shareholders on each agenda item as follows; 1 share shall represent 1 vote and each shareholder shall receive 10 voting cards in total for 7 agenda items. This is because number of voting cards required for agenda item 4, to consider and approve the election of directors to replace the directors who retire by rotation is four cards. Mr. Prakob shall first inform the Meeting of the details of each agenda item, and shall then allow shareholders to raise any questions relating to such agenda item and answer to such question prior to the voting provided that prior to raising any questions or sharing any opinion, such shareholder shall inform the Meeting of his/her first name and surname every time. After casting the votes, the shareholders shall sign at the right corner at the bottom of the voting card. In casting votes on each agenda item, the Company's officials shall collect the voting cards only with "disapproved" and "abstained" votes. Mr. Prakob shall request the shareholders who "disapprove" of the proposed matter and the shareholders who "abstain" for the proposed matter to raise their hands accordingly and the Company's officials will then collect their voting cards for processing. The shareholders who do not raise their hands shall be deemed as "approving" such proposed matter. The voting cards with approved votes shall be collected at the end of the Meeting, except for agenda item 4, particularly with respect to the election of directors to replace the directors who retire by rotation, in which all the voting cards with all types of votes, i.e. "approved", "disapproved" and "abstained" votes, will be collected for counting during such agenda item in compliance with the principles of good corporate governance. In counting the votes, the Company shall deduct the votes "disapproved" and "abstained" from the total number of votes attending the Meeting, and the remainder shall be the votes "approved" on such agenda item.

In the case that a shareholder has prepared proxy form B or C granting a director or an independent director to vote according to the shareholder's or grantor's instructions, the Company has recorded the voting according to the intention of the shareholder or the grantor in advance.

The casting of votes and the collection of voting cards for each agenda item shall be in accordance with the aforementioned procedure.

Two volunteer shareholders were then requested to be witnesses in counting the votes for all agenda items together with the Company's officials in the vote counting area.

Having informed the Meeting of the aforementioned procedure, the Meeting was allowed to raise questions relating to vote casting in which none of shareholders have raised the questions.

Before Agenda item 1 started, additional shareholders attended the Meeting. The number of shareholders presented at the Meeting, in person and by proxies, therefore, was 147 persons in total, holding 736,317,122 shares, representing 57.52 percent of the total number of shares sold of the Company.

No questions were raised by shareholders. Mr. Prakob then commenced the Meeting and proceeded in accordance with the following agendas.

**1. To consider and certified the minutes of the 2015 Annual General Meeting of Shareholders held on 29 April 2015**

Mr. Prakob proposed the minutes of the 2015 Annual General Meeting of Shareholders held on 29 April 2015, for the consideration of the Meeting. The details of the said minutes appeared in Enclosure 1 of the notice of this Meeting. He then allowed the Meeting to raise questions.

There were no questions raised by shareholders. The Meeting therefore resolved to certify the minutes of the 2015 Annual General Meeting of Shareholders held on 29 April 2015 as proposed with majority votes of the shareholders attending the Meeting and casting their votes as follows:

Approved	736,316,922	votes,	equivalent to	100	percent
Disapproved	0	vote,	equivalent to	0	percent
Abstained	200	votes,	equivalent to	0	percent

Before Agenda 2 started, additional shareholders attended the Meeting. The number of shareholders presented at the Meeting, in person and by proxies, therefore, was 153 persons in total, holding 736,359,622 shares, representing 57.53 percent of the total number of shares sold of the Company.

**2. To acknowledge the performance results of the Board of Directors of the Company for the year 2015 and to consider and approve the audited financial statements of the Company for the year ended 31 December 2015**

Mr. Prakob assigned Ms. Busarin Leelawankulsiri, AVP – Investor Relation of the Company, to inform the details of this agenda item for the consideration of the Meeting.

Prior to informing the details of this agenda, Ms. Busarin has informed the shareholders that the Company regularly prepares Management Discussion and Analysis (MD&A) along with the submission of financial statements. In MD&A, the clarification for the change of figure in financial statements as well as key factors affecting the Company's operation both positively and negatively will be provided.

Ms. Busarin reported the details of the operating results of the Board of Directors for the year 2015 and financial status of the group of the Company, according to the consolidated Statements of Comprehensive Income and Statements of Financial Positions, to the Meeting, as follows:

### **Operating Results**

#### **Sales Volume and Revenue**

In 2015, Natural Rubber (NR) industry continued the downturn momentum from several negative factors such as fragile global economic recovery, the slowest growth in 25 years of Chinese economy, ongoing slump in oil and other commodities' prices, and a sharp appreciation of US dollars. These factors did not only affect downward movement to hit a 6-year low of NR price but also caused a sluggish NR demand. Therefore, the decrease by 19% of revenues in 2015 was a result of 19% decline in average selling price and 7% decline in sale volume.

#### **Sale Volume by Region**

Sale volume for the year 2015 decreased by 7% YoY to 1,119,966 tons. Weaker economic growth of China and the reimposition of anti-dumping duty on Chinese passenger and light truck tires imported by the US commencing since January 2015 have resulted to a diminished NR import demand of China. Therefore, our sale volume to China, which is our core market constituted 44% of total sale volume in 2015, declined by 15% YoY. Our sales to domestic market, Europe, USA, and Vietnam also declined as most customers has kept a minimum stock under pessimistic market sentiment despite being partly offset by the increase of our sales to Singapore, Malaysia, India, and Korea.

#### **Revenue by Product**

Revenue from sale of TSR, our core products, represented 72% of total revenues from sales of goods and services whereas revenue from sale of RSS and Concentrated latex represented 9% and 8% of total revenue from sales of goods and services, respectively.

Revenue from the sale of TSR, our core product, declined by 23% YoY due mainly to a decrease in average selling price which was in line with SICOM price while revenue from the sale of RSS contracted by 44% YoY was driven by a decrease of average selling price and sale volume. The decrease in sale volume of RSS was a consequence of the Thai government's rubber buffer fund scheme implemented in Q1 2015 has disrupted our raw material stock up activity in preparation for low season of rubber tree during the second quarter to early of the third quarter of each year. The declined by 15% YoY of revenue from the sale of Concentrated Latex was mainly attributable to a decrease in average selling price, despite partially offset by an increase in sale volume as a result of a pick-up in demand from gloves business as the NR price was relatively competitive to its substitute of NBR price.

#### **Factor Affecting Company's Operation**

Five key factors affecting the Company's operation are 1) volatility of NR price 2) foreign exchange rate of Baht against US dollar 3) share of profit of investments in associate and a joint venture 4) finance costs and 5) policies related to business of the Company.

#### **Factor Affecting Company's Operation – Price and Volatility of Natural Rubber**

Volatility of NR prices directly affects our revenues and profitability. Natural rubber industry underwent market volatility and uncertainties of external factors throughout the year 2015. Subdued growth of global economy, especially in China - the world's largest consumer of

natural rubber and the appreciation of US dollar from looming US interest rate hike coupled with the plummet of oil prices have negatively affected NR price. This downward movement to hit a 6-year low or declined approximately by 20% compared with the year 2014 required us to recognise inventory allowance amounted Baht 374 million.

### **Gross Profit**

With our selective selling policy, effective risk management strategies, efficient inventory management, and productivity enhancement, our gross profit and gross profit margin in 2015 grew YoY despite our softened revenues and industry downturn momentum. Assuming the inventory allowance of Baht 374 million was not made in 2015 but including realised gain of Baht 1,086 million from our hedging activities, our adjusted gross profit margin in 2015 would have been at 8.1%, the highest after the peak of bullish NR market cycle since 2011, which increased from 6.1% in 2014.

### **Factor Affecting Company's Operation – Foreign Exchange Rate**

In 2015, US Dollars continued to appreciate from the looming policy interest rate increase of the US Federal Reserve. Thai Baht has depreciated 5% against US dollar. Although we have lowered level of currency derivative instruments in 2015 to benefit from the appreciation of US Dollars, our gains on foreign exchange was Baht 214 million, decreased from Baht 371 million in 2014.

### **Factor Affecting Company's Operation – Share of Profit from Investment in Affiliates and JVs**

In 2015, the Group received share of profit from investments in affiliates and joint venture companies in total of Baht 649 million of which 85% contributed by gloves business and 23% by high pressure hydraulic hoses business. The increase by 21% YoY of share of profit from investment in affiliates and joint ventures was driven mainly by net profit growth of examination gloves business, despite being offset partially by a decline in net profit of high pressure hydraulic hoses business.

Earning before interest and tax (EBIT) increased by 16% due principally to higher gross profit margin, lower administrative expenses, and higher other income, despite partially offset by lower gain from hedging activities.

### **Factor Affecting Company's Operation – Finance Cost**

The key factors that affect our finance costs are interest rate, NR price, sale volume, business expansion plan, and the movement of currency exchange. Interest expenses for the year 2015 remained stable from the year earlier since the increase of short-term and long-term borrowings from financial institutions to support business expansion during the year has been counterbalanced by our lower effective interest rate. However, overall finance cost increased from Baht 663 million in 2014 to Baht 857 million in 2015, up 29% YoY as a result of unrealised loss on exchange rate of USD denominated loans owing to a depreciation of IDR against USD.

### **Factor Affecting Company's Operation – Government and Country Policy**

The policy of the Thai Government may benefit or have an adverse impact to the Group's operation. The Thai government's rubber buffer fund scheme implemented during peak season in Q1 2015 to buy ribbed smoked sheet rubbers (RSS) at higher-than-market price has disrupted our raw materials stock up activity and affected our sale performance since the global market price of RSS did not pick up in the same magnitude of local price.

Moreover, the reinstatement of US tariff for Chinese tires in January 2015 had adversely impacted the Chinese tire manufacturers. Meanwhile, China purchase tax reduction of small car took effect on October 2015 through the end of 2016 could stimulate local demand and bolster automobile and tire industry.

### **Net Profit**

Net profit was Baht 1,118 million in 2015 compared to Baht 1,038 million last year, up 8% YoY. Net profit margin was 1.8% grew from 1.4% in 2014. The increase in net profit and net profit margin was driven mainly by higher gross profit from selective selling policy, lower selling and administrative expenses, an improvement of profit sharing from our joint ventures, despite partially offset by lower gains from hedging activities and higher finance costs.

### **Financial Structure – Total Assets**

#### **Current Assets**

Current assets increased by Baht 3,846 million, or 22%, to Baht 21,531 million as at 31 December 2015 which was due mainly to an increase in inventories of Baht 3,930 million from capacity expansion which were partially offset by the decrease in trade accounts receivable of Baht 834 million as a result of lower average selling price of NR products.

#### **Non-current Assets**

Non-current assets increased by Baht 2,242 million, or 11%, to Baht 22,348 million as at 31 December 2015 which primarily consisted of an increase in property, plants and equipment of Baht 831 million for the construction of our new TSR factories in Thailand and Indonesia, an increase in investment in associates and joint ventures of Baht 701 million from an increase in their operating results, an increase in rubber and palm plantations of Baht 320 million, and an increase in intangible assets of Baht 299 million from SAP software implementation.

### **Financial Structure – Total Liabilities and Shareholder’s Equity**

#### **Liabilities**

Liabilities increased by Baht 5,346 million, or 31%, to Baht 22,545 million as at 31 December 2015 which was mainly from an increase in short-term loans of Baht 4,038 million to support the higher level of inventories and an increase in long-term loans (including the current portion) of Baht 1,140 million to support our rubber plantation and capacity expansion.

#### **Shareholders’ Equity**

Equity increased by Baht 742 million, or 4%, to Baht 21,334 million as at 31 December 2015 due mainly to net profit during the year offsetting with dividend payment by Baht 512 million.

### **Financial Ratios**

#### **Return on assets (“ROA”)**

As at 31 December 2015 and 31 December 2014, our ROA were 2.74% and 2.53%, respectively. A slight improvement of ROA was due to an increase in net profit.

#### **Return on equity (“ROE”)**

As at 31 December 2015 and 31 December 2014, our ROE were 5.33% and 5.11%, respectively. Similar to ROA, the increase in ROE was due to an increase in net profit.

**Current ratios**

Our current ratio as at 31 December 2015 and 31 December 2014 were 1.21 times and 1.42 times, respectively. The decrease in our current ratio was due primarily to an increase in total current liabilities.

**Debt to equity ratio (“D/E”)**

As at 31 December 2015 and 31 December 2014, our D/E were 1.06 and 0.84 times, respectively. The increase in D/E was as a result of higher short-term and long-term borrowings from financial institutions to support business expansion.

**Cash Cycle**

The increase in Cash Cycle was the technical increase of Inventory Turnover Days due to falling NR price which caused our cost of goods sold to drop and the increase in inventories from capacity expansion. The drop in cost of goods sold in turn drove the calculation result of our Inventory Turnover Days up while there has been no significant change in day-to-day operation during the year.

**Fixed asset turnover ratio**

As at 31 December 2015 and 31 December 2014, our fixed asset turnovers were 3.87 and 5.38 times, respectively. A decrease in fixed asset turnover ratio was due mainly to an increase in property, plant and equipment as well as rubber and palm plantations while our revenues decreased from lower average selling prices and sale volume.

**Financial Information****Book Value per Share**

Book Value per Share increased from Baht 16.09 per share at the end of 2014 to Baht 16.67 per share at the end of 2015 due to net profit during the year.

**Earning per Share**

Earning per Share increased corresponding to the increase in net profit from Baht 0.81 per share to Baht 0.87 per share in 2015.

**Dividend Payout Ratio**

Dividend Payout for 2015 operational result decreased from 49% in 2014 to 46% as a result of higher net profit while dividend per share remained unchanged from last year in the purpose to support business operation and future investment.

Mr. Prakob then allowed the Meeting to raise questions.

Miss Panida Agkavikai, a shareholder, asked the Meeting whether the Company has any policy to support the operation of the Company in the considerably falling natural rubber price situation.

Mr. Veerasith Sinchareonkul informed the Meeting that although the natural rubber price has been continuously falling for 5 years, the Company still had stable sale volumes and profit. The Company realized the importance of the efficiency in productivity, the control of production cost and the procurement of raw material under the planning of the management closely.

Mr. Viyavood Sincharoenkul supported that the Company managed the cost carefully and was superior to competitors in the matter of economy of scale. Another important thing was the Company applied selective selling policy including risk management, avoiding speculating the profit and tried to manage inventories efficiently.

Miss Monnira Danwiwat, a proxy of Mr. Picharn Sukparungsri, asked the Meeting whether there was any progress or award on the commercial dispute relating to the Joint Venture Agreement as the Company has disclosed in the Notes to the Financial Statements and to follow up from the previous Annual General Meeting that there was a shareholder that asked a question related to such dispute.

Mr. Kitichai Sincharoenkul assigned Mrs. Veeranuch Thammavaranucupt, legal advisor of the Company, to answer this question.

Mrs. Veeranuch informed the Meeting that the Company has always disclosed and reported the progress of the commercial dispute relating to the Joint Venture Agreement in the Notes to the Financial Statements. However, at present there has no award yet and the dispute is still in the arbitral proceedings which the Company had informed in the previous Annual General Meeting that such dispute was an arbitration proceeding and it might take some times. If there was an award that was enforceable or might have material effect on the operation result of the Company, the Company would disclose such information for your acknowledgement.

Miss Monnira asked the Meeting further whether the Company has disclosed on the website or informed the Stock Exchange about the Partial Award as she found on the internet that there was the Partial Award.

Mrs. Veeranuch explained to the Meeting that the question was related to the proceedings and details of the arbitral proceedings which has no award yet. However, the Company has advisors to advise in every steps carefully. Mrs. Veeranuch also asked the Meeting to be confident in the Company that the Company has complied with the corporate governance. If there was an award that was enforceable or had material effect on the operation result of the Company, the Company would disclose such information for your acknowledgement.

Mr. Siripong Setsubun, a shareholder, asked the Meeting what would be the result of this dispute in worst case scenario.

Mrs. Veeranuch explained to the Meeting that in general, the worst result of the dispute would be to pay the damages. However, the Company believed that the Company had principles and reasons to defend for the dispute.

Miss Suwanna Sakulyanonwitthaya, a shareholder, asked the Meeting why the Company expanded the production capacity continuously although the sale volumes of the previous year decreased.

Mr. Veerasith informed the Meeting that the decrease of the sale volumes was resulted from the low level of natural rubber price in the market but the demand still increased by 3-4%. Therefore, it was in a good period that the Company expanded the factories to receive the full



benefit in future when the natural rubber price increases because our competitors had chosen not to expand the production capacity during this period.

Mr. Chew Xiang, a proxy of Raiffeisen Bank International AG, asked the Meeting whether the management of the Company had any plan or any solution related to the dispute with the Joint Venture partner.

Mr. Kitichai Sincharoenkul assigned Mrs. Veeranuch, legal advisor, to answer this question.

Mrs. Veeranuch answered to the Meeting that before the dispute was under consideration of the arbitral proceedings, the managements of both parties had tried to enter into several negotiations in order to solve the conflicts but these efforts had proven to be unsuccessful result so it became disputes to be settled by the justice system. However, at present the dispute is still under consideration of the arbitral tribunals. Therefore, the Company is still waiting for the award and will consider on the next step of this dispute.

After that, Miss Panida, a shareholder, asked the Meeting whether the Company has reserved budget for such dispute if the Company had to pay the damages.

Mr. Kitichai informed the Meeting that at present the dispute is still in the arbitral proceedings and there was no final award related to compensation yet. In addition, the Company believed that the Company had principles and reasons to defend for the dispute. Also, according to the advice from legal advisors, the dispute under consideration of the arbitral tribunals will be in the proceedings for such a long period until the dispute is finalise and enforceable. Therefore, the Company has not reserve any budget for the dispute. Furthermore, the budget identified in the Notes to the Financial Statements was only for legal expenses.

Miss Panida asked the Meeting further that if the Company believed that the Company would win the dispute why the Company set this budget aside.

Mrs. Veeranuch explained to the Meeting that such budget was only for legal proceeding expenses which the Company had to set this budget aside in compliance with the accounting principle and the auditor had examined that the Company had complied with such principle.

There were no further questions. Mr. Prakob then requested the Meeting to acknowledge the performance results of the Board of Directors of the Company for the year 2015 and consider and approve Statements of Financial Position and Statements of Comprehensive Income of the Company for the year 2015 ended 31 December 2015 as proposed.

After due consideration, the Meeting acknowledged the performance results of the Board of Directors of the Company for the year 2015 and adopt to approve Statements of Financial Position and Statements of Comprehensive Income of the Company for the year ended 31 December 2015, with majority votes of the shareholders attending the Meeting and casting their votes as follows:

Approved	736,160,497	votes,	equivalent to	99.97	percent
Disapproved	1,225	votes,	equivalent to	0	percent
Abstained	197,900	votes,	equivalent to	0.03	percent

### 3. To consider and approve the dividend payment of the Company for the year 2015

Mr. Prakob assigned Mr. Kitichai Sincharoenkul, a director of the Company, to inform the details of this agenda item for the consideration of the Meeting.

Mr. Kitichai informed the Meeting that according to the Public Limited Companies 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, deducting with 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, the 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 2015, the Company had a net profit from its operation amounting to Baht 1,118.03 million. The information in respect to dividend payment compared with the year 2013-2015 is shown below.

#### Information of dividend payment for the years 2013 – 2015

	<b>2015</b>	<b>2014</b>	<b>2013</b>
Net profit (million Baht)	1,118.03	1,037.76	1,820.18
Earnings per share (Baht)	0.87	0.81	1.42
Dividend per share (Baht)	0.40	0.40	0.65
Number of shares (shares)	1,280,000,000	1,280,000,000	1,280,000,000
Total dividend payment (million Baht)	512	512	832
Payout ratio (%)	45.79%	49.34%	45.71%

Mr. Kitichai informed the Meeting that the Board of Directors deemed it appropriate to propose that the shareholders approve the annual dividend payment from the performance results of the Company for the year 2015 to the shareholders of Baht 0.40 per share, totaling Baht 512 million, representing 45.79% of the net profit of the Company, which is in line with

the current dividend policy of the Company. The dividend is paid from the Company's net profits exempt from corporate income tax (BOI).

If the proposed annual dividend is approved by the shareholders at the 2016 Annual General Meeting, the Board of Directors has fixed 12 May 2016 as the record date for determining the shareholders entitled to receive a dividend and 13 May 2016 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 12 May 2016 will be entitled to receive the dividend for the year 2015.

The annual dividend for the year 2015 will be paid on 27 May 2016.

Mr. Prakob then allowed the Meeting to raise questions. Since there were no questions raised by shareholders, Mr. Prakob then requested the Meeting to consider and approve the dividend payment of the Company for the year 2015.

After due consideration, the Meeting resolved to approve the dividend payment of the Company as per the details proposed in all respects, with majority votes of the shareholders attending the Meeting and casting their votes as follows:

Approved	736,358,297	votes,	equivalent to	100	percent
Disapproved	0	vote,	equivalent to	0	percent
Abstained	1,325	votes,	equivalent to	0	percent

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

Mr. Prakob informed the Meeting that 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. If the number of directors is not a multiple of three, the number of directors closest to one-third shall retire. This year, the four directors who shall vacate office are:

1. Mr. Neo Ah Chap Director/ Independent Director
2. Mr. Chalernpop Khanjan Director
3. Mr. Kriang Yanyongdilok Director/ Independent Director
4. Mr. Chaiyos Sincharoenkul Director

The said directors vacating office may be re-elected.

According to the recommendation from the Nominating Committee of the Company, the Board of Directors, therefore, deemed it appropriate that the meeting approve the re-election of Mr. Neo Ah Chap, Mr. Chalernpop Khanjan, Mr. Kriang Yanyongdilok and Mr. Chaiyos Sincharoenkul to be directors and/or independent directors of the Company for another term as these persons have knowledge, capability and long experiences 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. For the independent directors, such persons are independent and have the ability to express their opinion independently according to the relevant rules.

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 of the notice of this Meeting and the independent directors of the Company have the qualification of independent directors, which are more stringent than the definitions as specified in the notification of the Capital Market Supervisory Board and the Stock Exchange of Thailand.

Mr. Prakob then allowed the Meeting to raise questions. Since there were no questions raised by shareholders, Mr. Prakob then assigned Ms. Romtham to conduct the Meeting to consider and approve the election of directors to replace the directors who retire by rotation.

1. Mr. Neo Ah Chap

After due consideration, the Meeting resolved to approve the re-election of Mr. Neo Ah Chap to serve as director and independent director of the Company for another term with majority votes of the shareholders attending the Meeting and casting their votes as follows:

Approved	736,134,222	votes,	equivalent to	99.97	percent
Disapproved	195,100	votes,	equivalent to	0.03	percent
Abstained	30,300	votes,	equivalent to	0	percent

2. Mr. Chalernpop Khanjan

After due consideration, the Meeting resolved to approve the re-election of Mr. Chalernpop Khanjan to serve as director of the Company for another term with majority votes of the shareholders attending the Meeting and casting their votes as follows:

Approved	735,485,322	votes,	equivalent to	99.88	percent
Disapproved	844,000	votes,	equivalent to	0.12	percent
Abstained	30,300	votes,	equivalent to	0	percent

3. Mr. Kriang Yanyongdilok

After due consideration, the Meeting resolved to approve the re-election of Mr. Kriang Yanyongdilok to serve as director and independent director of the Company for another term with majority votes of the shareholders attending the Meeting and casting their votes as follows:

Approved	735,482,797	votes,	equivalent to	99.88	percent
Disapproved	845,500	votes,	equivalent to	0.12	percent
Abstained	31,325	votes,	equivalent to	0	percent

## 4. Mr. Chaiyos Sincharoenkul

After due consideration, the Meeting resolved to approve the re-election of Mr. Chaiyos Sincharoenkul to serve as director of the Company for another term with majority votes of the shareholders attending the Meeting and casting their votes as follows:

Approved	728,073,472	votes,	equivalent to	98.87	percent
Disapproved	844,000	votes,	equivalent to	0.12	percent
Abstained	7,442,150	votes,	equivalent to	1.01	percent

Note Mr. Chaiyos Sincharoenkul abstained the vote in this agenda item.

**5. To consider and approve the determination of remuneration of directors for the year 2016**

Mr. Prakob informed the Meeting that according to the prudent consideration of the Remuneration Committee, it is deemed appropriate to propose that the Meeting approve the directors' remuneration for the year 2016, 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

Information of the remuneration payment compared with the year 2014 -2016 is shown in a table below:

Year	Remuneration of Directors (Baht)		
	2016	2015	2014
Board of Directors	4,435,200.-	4,435,200.-	4,118,400.-
Audit Committee	2,059,200.-	2,059,200.-	2,059,200.-
Total	6,494,400.-	6,494,400.-	6,177,600.-

Mr. Prakob then allowed the Meeting to raise questions. Since there were no questions raised by shareholders, Mr. Prakob then requested the Meeting to consider and approve the determination of remuneration of directors for the year 2016.

After due consideration, the Meeting resolved to approve the determination of remuneration of directors for the year 2016 as per the details proposed in all respects, with a vote of not less

than two-thirds of the total number of votes of shareholders present at the Meeting, as follows:

Approved	736,328,297	votes,	equivalent to	100	percent
Disapproved	0	vote,	equivalent to	0	percent
Abstained	31,325	votes,	equivalent to	0	percent

**6. To consider and approve the appointment of the auditor and determination of auditing fee for the year 2016**

Mr. Prakob informed the Meeting that 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. Board of directors with the recommendation of the Audit Committee, see appropriate to propose to the Meeting to approve the appointment of an auditor from Pricewaterhouse Coopers ABAS Limited (“PWC”) to be an auditor of the Company for the year 2016 with the names listed as follows:

1. Mr. Paiboon Tunkoon, Certified Public Accountant (Thailand) No. 4298 or
2. Miss Sakuna Yamsakul, Certified Public Accountant (Thailand) No. 4906 or
3. Mr. Pisit Thangtanagul, Certified Public Accountant (Thailand) No. 4095

Either of these auditors can conduct the audit and express an opinion on the financial statements of the Company. In the event that neither of these auditors are available, PWC can delegate another one of its Certified Public Accountants to conduct the audit. Taking into account the satisfactory work of auditors of PWC for the previous year, having knowledge and understanding of the business of the Company and group of the Company notwithstanding qualifications and sharing opinion in which is valuable to the Company, nevertheless, such auditors do not have a relationship or interest with the Company/ subsidiaries/ executives/ major shareholders or related parties of such persons which make them fully independent for conducting their work as well as being an international audit firm, and determining appropriate the auditing fee by proposing audit of the Company and eight subsidiaries, aggregately in an amount of Baht 8,519,000, divided into the auditing fee of the Company in an amount of Baht 6,501,000 and the auditing fee of the subsidiaries in an amount of Baht 2,018,000. In this regard, an auditing fee will be increased 4.28% from the previous year because the Company and its subsidiaries have expanded their business continuously thereby increasing the scope and quantity of audit services. The information of auditing fee compared with the previous year is shown below.

Auditing fee of the Company and its subsidiaries is as follow;

	Unit: Baht	
	<b>2016</b>	<b>2015</b>
Auditing fee (year-end)	4,298,000	4,109,000
Reviewing fee (quarterly)	4,221,000	4,060,000
<b>Total auditing fee</b>	<b>8,519,000</b>	<b>8,169,000</b>

In addition, the Company uses the audit services for the foreign subsidiaries from the same audit firm specified herein and some subsidiaries used other audit firms. The determination to appoint the auditor of each foreign subsidiary shall primarily consider from quality of its services and auditing fee rate.

Mr. Prakob then allowed the Meeting to raise questions. Since there were no questions raised by shareholders, Mr. Prakob then requested the Meeting to consider and approve the appointment of the auditor and determination of the auditing fee for the year 2016.

After due consideration, the Meeting resolved to approve the appointment of the auditor and determination of auditing fee for the year 2016 as per the details proposed in all respects, with the majority vote of the shareholders attending the meeting and casting their votes, as follows:

Approved	735,699,497	votes,	equivalent to	99.91	percent
Disapproved	628,800	votes,	equivalent to	0.09	percent
Abstained	31,325	votes,	equivalent to	0	percent

## 7. Other Matters

There were no other matters proposed to the Meeting for consideration.

Mr. Prakob asked whether the shareholders had any questions or opinions.

Miss Penprapa Rittiboonchai, an authorized person of the Thai Investors Association, asked the Meeting whether the Company had any policy to participate in Private Sector Collective Action Coalition against Corruption as the Company had the Anti-Corruption Policy.

Mr. Prakob explained to the Meeting that the Company realized and emphasize on this matter and therefore issued the anti-corruption policy since 2014 reviewing again by the Board of Directors Meeting in 2015. For the consideration of participating in the project, the Company has not decided for the exact period of participation.

Miss Penprapa informed the Meeting that SEC saw the importance of this matter and Miss Penprapa, therefore, invited the Company to show the intension to take part in this project and it would show the good image of the Company.

Mr. Prakob informed the Meeting that the Company agreed and confirmed to support and cooperate with this policy.

Mr. Chew Xiang, a proxy of Raiffeisen Bank International AG, asked the Meeting whether the Company disclosed the information related to the dispute in the prospectus of offering for sale of debentures.

Miss Thanawan informed the Meeting that the Company disclosed details and material information in the Notes to the Financial Statements, Annual Registration Statement (56-1 Form) and Annual Report.

Mr. Nunthapon Jongwilaikasem, a shareholder, asked the Meeting the following questions. The first question was to follow up his question from the previous Annual General Meeting about the possibility to repurchase shares of the Company because the share price was at the low level. However, he has not seen the Company considered any project related to his suggestion. Mr. Nunthapon therefore asked for the reasons. The next question was about the progress of the cancellation of the attachment of the natural rubber price with Singapore by the Tripartite Rubber Council between Thailand, Malaysia and Indonesia. The third question was whether there was any mega project in 2016 and what is the expectation for the growth of the Company. The last question was in the perspective of the management what the natural rubber price would be in the year.

Mr. Kitichai assigned Miss Thanawan Sa-ngiamsak, VP Business Development & Investor Relations to answer the question related to repurchasing of shares.

Miss Thanawan explained to the Meeting that the overall suitability needed to be considered in repurchasing of shares. There were several external factors to be considered together with the liquidity and the budget in the future of the Company. Therefore, the Company had to consider this issue carefully before taking action. In addition, the Company had to study in order to be compliance with rules and regulations of the Stock Exchange and other related authorities.

Mr. Veerasith supported that the Company sees the importance of business operation for the better operation result over the share price.

Mr. Nunthapong explained that he did not focus on the share price as well but he was of the opinion that the Company has high quality and good operation result and should have higher earnings per share. He added that the operation of the Company in expanding in the production capacity would see the result within 3 years but repurchasing of shares would see the result in shorter period of time.

Mr. Kitichai informed the Meeting that the Company would take this suggestion into consideration. However, the Company would have to take the information that Miss Thanawan informed into account including the period of time that the Company would have to sell the repurchased shares.

After that Mr. Viyavood answered the question related to the Tripartite that it was good as the natural rubber price increased. For the mega project of the Company in this year, the Company plan to expand in production capacity although there was someone asking question why the Company plans to expand in the time that the natural rubber price was at the low level. Mr. Viyavood informed further that it was normal for the industry that there would be an upturn and a downturn. At present the Company sees that the natural rubber price tends to be higher and in the past the production capacity could not meet the demand of customers therefore expanding in the production capacity continuously was still the Company policy. Additionally, our competitors have left the market, so the Company could penetrate the market easily.

For the question related to the natural rubber price in this year, Mr. Viyavood believed that it would be at a better level compared to last year. The customers' behavior has changed from purchasing from the Company when their inventories run out. But when the natural rubber



price increased, the customers could buy in the higher price and then buy in the normal situation which means that buy for stocking as well and did not wait until the inventories run out, resulting in the better natural rubber price.

Mr. Somporn Jongwilaikasem asked the Meeting that as the Company had over 50,000 Rai of rubber plantations, when these areas would be ready to be tapped for more than 90% or more than 40,000 rai.

Mr. Veerasith explained to the Meeting that to tap in the rubber plantation for over 40,000 Rai would take some time. According to our estimated plan, approximately 200 Rai would be ready to be tapped in this year. Then in 2020 approximately 7,000 Rai would be ready to be tapped. After that in 2022 there would be approximately 13,000 Rai ready to be tapped. It could be noticed that the figure of the tapped areas doubly increased. Therefore, it could be estimated that 40,000 Rai would be ready to be tapped in 2025-2030.

There were no further questions or opinions from shareholders. The Chairman then adjourned.

The Meeting adjourned at 12.20 p.m.

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( Mr. Viyavood Sincharoenkul)  
Chairman of the Meeting