



Sri Trang Agro-Industry Public Company Limited

Invitation to the Extraordinary General Meeting of Shareholders No. 2/2017

Grand Ballroom, B 8th floor
Lee Gardens Plaza Hotel
29 Prachathipat Road,
Hatyai District, Songkhla
Province

**31st
August
2017
@9.30 A.M.**

3 August 2017

Subject: Invitation to the Extraordinary General Meeting of Shareholders No.2/2017

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

- Enclosures**
1. A Copy of the Minutes of the 2017 Annual General Meeting of Shareholders (*supporting document for agenda item 1*)
 2. Information memorandum regarding the allocation of the newly-issued ordinary shares to the existing shareholders of the Company (Pursuant to the Notification of the Capital Market Supervisory Board No. TorChor. 73/2015 Re: List of Information in Notice of Shareholders' Meeting of Listed Company for seeking approval of the issuance and offering of securities) (*supporting document for agenda items 2, 3 and 4*)
 3. The Company's Articles of Association relating to the shareholders meeting
 4. The required documents for attending the shareholders meeting
 5. Proxy Form B (shareholders can download Proxy Form A and Form C at www.sritranggroup.com)
 6. Independent Directors' profiles for consideration of proxy from shareholders
 7. Procedures for attending the Extraordinary General Meeting of Shareholders No. 2/2017
 8. 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 Extraordinary General Meeting of Shareholders No.2/2017 on Thursday, 31 August 2017, at 9.30 a.m., at Grand Ballroom B, 8th floor, Lee Gardens Plaza Hotel, 29 Prachathipat Road, Amphur Hadyai, Songkhla Province, with the following agenda items:

1. To consider and certify the minutes of the 2017 Annual General Meeting of Shareholders held on 25 April 2017

Objective and Reason The Company has prepared the minutes of the 2017 Annual General Meeting of Shareholders held on 25 April 2017 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.

Opinion of the Board The minutes of the 2017 Annual General Meeting of Shareholders held on 25 April 2017 were properly and accurately recorded as per the copy of the Minutes of the 2017 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 consider and approve the increase of the registered capital of the Company by 256,000,000 Baht, from 1,280,000,000 Baht to 1,536,000,000 Baht by issuing 256,000,000 newly-issued ordinary shares, with a par value of 1 Baht per share

Objective and Reasons Due to the reason that the Company aims to increase capital to repay the loan from financial institutions, expand the production capacity and strengthen the Company's position in sale and distribution of its products, the Company would like to increase its registered capital by 256,000,000 Baht, from 1,280,000,000 Baht to 1,536,000,000 Baht, by issuing 256,000,000 newly-issued ordinary shares, with a par value of 1 Baht per share to support the offering of newly-issued ordinary shares to existing shareholders in proportion to their respective shareholdings.

Opinion of the Board The Board of Directors recommends the shareholders to approve the increase of the registered capital of the Company by 256,000,000 Baht, from 1,280,000,000 Baht to 1,536,000,000 Baht by issuing 256,000,000 newly-issued ordinary shares, with a par value of 1 Baht per share.

Required votes A vote of not less than three-fourths of the total number of votes of the shareholders attending the meeting and having the right to vote.

3. To consider and approve the amendment to Clause 4 of the Memorandum of Association of the Company to be in line with the increase of registered capital

Objective and Reasons To be in line with the increase of the registered capital of the Company pursuant to Agenda Item 2 above and to comply with the provision of the laws, it is deemed appropriate to approve the amendment to Clause 4 of the Memorandum of Association of the Company, to be read as follows:

"Clause 4.	Registered Capital	1,536,000,000 Baht	(One billion five hundred thirty six million Baht)
	Divided into	1,536,000,000 shares	(One billion five hundred thirty six million shares)
	Par value	1 Baht	(One Baht)
		Divided into	
	Ordinary Shares	1,536,000,000 shares	(One billion five hundred thirty six million shares)
	Preferred Shares	- share	(-)"

In this regard, the amendment to the Memorandum of Association of the Company is required to be registered with the Registrar of the Department of Business Development, Ministry of Commerce. This may be amended or added information by order of the Registrar.

Opinion of the Board The Board of Directors recommends the shareholders to approve the amendment to Clause 4 of the Memorandum of Association of the Company to be in line with the increase of the Company's registered capital.

Required votes A vote of not less than three-fourths of the total number of votes of the shareholders attending the meeting and having the right to vote.

4. To consider and approve the allocation of newly-issued ordinary shares of the Company to existing shareholders in proportion to their respective shareholding (Rights Offering)

Objective and Reasons For the purpose of share allocation of 256,000,000 newly-issued ordinary shares, with a par value of 1 Baht per share pursuant to the details in Agenda Item 2, it is deemed appropriate to approve the allocation of the newly-issued ordinary shares of the Company to the existing shareholders in proportion to their respective shareholding (Rights Offering) at the ratio of 5 existing ordinary shares to 1 newly-issued ordinary share, with the offering price of 10 Baht per share. Such offering price is discounted from weighted average market price of the Company's stock in the period of 7 days prior to the Board of Directors' Meeting dated 17 July 2017, equaling to 14.59 Baht or representing 31.48% discount from such weighted average market price. For shareholders who hold shares in the Company through direct securities accounts with the Central Depository (Pte) Limited (CDP), the Company will fix the exchange rate after receiving approval from shareholders meeting, and the Company will announce the offering price in SGD (equivalent to the price of shares in Baht) to shareholders for their further information.

The Company will allocate the shares to its shareholders in proportion to their respective shareholding. In the event that there are fractions of shares after the calculation, such fractions shall be disregarded. Additionally, shareholders can subscribe for the newly- issued ordinary shares in excess of their entitled rights (Oversubscription). Such shareholders will be entitled for oversubscribed share allocation only if there are remaining shares from share allocation to existing shareholders according to their rights.

Regarding the allocation of newly-issued ordinary shares to existing shareholders in proportion to their respective shareholding, if there are remaining shares after the allocation to the existing shareholders in the first round, the Company will allocate the remaining unsubscribed shares to the shareholders who wish to subscribe for the newly-issued ordinary shares in excess of their shareholding proportion at the price equivalent to the price of share allocation to existing shareholders pursuant to the right, and in proportion to such shareholders' existing shareholding ratio as follows:

- A) If total unsubscribed shares are more than or equal to the total number of the shares that the shareholders would like to subscribe in excess to their rights in the first round, all shareholders who subscribe for shares more than their rights and complete subscription payment of the oversubscribed amount will receive the allocation of shares pursuant to their subscriptions
- B) If total unsubscribed shares are less than the total number of the shares that the shareholders would like to subscribe in excess to their rights in the first round, all shareholders who subscribe in excess of their rights will receive the allocation pursuant to the following steps:
 - (1) The remaining shares will be allocated to the shareholders who oversubscribe pursuant to the right, equaling to the number of the newly-issued ordinary shares subscribed pursuant to the right of shareholders who oversubscribe, divided by the number of the total newly-issued ordinary shares subscribed pursuant to the right of all shareholders who oversubscribe and multiplied by

the number of total newly-issued ordinary shares remaining. The equation will result in the number of the newly-issued ordinary shares to be allocated to the shareholders who oversubscribe in excess of the right. In the event that there are fractions of shares after the calculation, such fractions shall be disregarded. In this regard, the allocated shares shall not exceed the number of shares that each shareholder subscribes and makes payment for.

- (2) In case that there are remaining shares from shares allocation in (1), the Company will allocate such remaining shares to the shareholders who oversubscribe but have not received all oversubscribed shares, under the similar method as (1). In this regard, the remaining shares will be allocated to shareholders who oversubscribe, under this method, until none of the shares remains from shares allocation, or the remaining shares are unable to be further allocated as they are the fractions of shares, or none of the shareholders wishes to subscribe for the newly-issued ordinary shares.

If there are remaining shares after the allocation to existing shareholders according to their rights and in excess of their rights (Oversubscription), the Company will decrease the registered capital by reducing the remaining newly-issued ordinary shares from the offering.

Nevertheless, the allocation of oversubscribed shares in any case shall not reach or cross the point where any oversubscribed shareholders required to conduct a tender offer, under the Notification of the Capital Market Supervisory Board No. TorChor. 12/2011 Re: Rules, Conditions, and Procedures for the Acquisition of Securities for Business Takeover. Additionally, the allocation of shares, in any case, must not violate the foreign shareholding limit as specified in the Company's Articles of Association which allow the foreign shareholding of not exceeding 49% of total issued shares of the Company.

Please consider the information of allocation of newly-issued ordinary shares in Information memorandum regarding the allocation of the newly-issued ordinary shares to the existing shareholders of the Company (Details in Enclosure 2) and Capital Increase Report Form (F53-4) at

<https://www.set.or.th/set/newsdetails.do?newsId=15003349869310&language=en&country=US>

Opinion of the Board The Board of Directors recommends the shareholders to approve the share allocation of 256,000,000 newly-issued ordinary shares at a par value of 1 Baht per share in order to issue and offer to the existing shareholders of the Company in proportion to their respective shareholding (Rights Offering) at the ratio of 5 existing ordinary shares to 1 newly-issued ordinary share with the offering price of 10 Baht per share, as indicated above. In this regard, the Board of Directors deemed the proportion of allocation, offering price, proceeds utilization plan, control dilution, price dilution, and EPS dilution appropriate. The share offering shall enable the Company to repay the loans according to its predetermined schedule, maintain the Company's competitiveness in expanding the production capacity according to its target, and further strengthen its position in sale and distribution of its products.

The Company has fixed 8 September 2017 as the record date for determining the list of shareholders entitled to receive the subscription rights in proportion to their respective shareholding and 11 September 2017 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”) (“Depositor”) or persons who hold shares standing to the credit of their securities accounts with the Depository Agents at 5.00 p.m. (Singapore Time) of 8 September 2017 will be entitled to receive the subscription rights in proportion to their respective shareholding.

In this regard, such capital increase will be proceeded after receiving approval from the Extraordinary General Meeting of Shareholders No. 2/2017, to be held on 31 August 2017, regarding the capital increase and the allocation of new shares of the Company. The shares subscription period in Thailand is scheduled for 2 – 6 October 2017. The authorized directors of the Company or a person who is authorized by the authorized directors shall have the authority to determine other details in respect of the allocation of the newly-issued ordinary shares, as stated above such as (1) the shares allocation, the offering period, the record date, the share register book closing date for compiling the list of shareholders entitled to receive the subscription rights, the offering price, the terms of payment, the conditions and other details with regard to the allocation of the newly-issued ordinary shares; (2) to negotiate, enter into, and execute documents and agreements regarding the allocation of the newly-issued ordinary shares, as well as to carry on any matters in relation to the allocation of the newly-issued ordinary shares and (3) to sign application for approval, a waiver, and evidence required for and relevant to the allocation of the newly-issued ordinary shares, as well as to contact and file a request for approval or waiver with the governmental authorities or related organizations, and to arrange for the newly-issued ordinary shares to be listed on the stock exchanges, and to have the authority to perform any matters which are reasonable and required in respect of the allocation of the newly-issued shares.

With respect to the shareholders who hold shares in the Company through direct securities accounts with CDP, CDP will inform the details of the subscription of new shares and shares subscription period to such shareholders separately to comply with the rules and regulation of the Singapore Exchange and relevant competent authorities.

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

5. 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 4.

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, namely Mr. Prakob Visitkitjakarn, Mr. Kriang Yanyongdilok and Mr. Samacha Potavorn. The details of the Company's independent directors can be found in Enclosure 6 of this invitation letter. The completed and executed proxy should be submitted together with the required documents to the Company Secretary Office, 17th Floor, Park Ventures Ecoplex Unit 1701, 1707-1712, 57 Wireless Road, Lumpini, Pathumwan, Bangkok 10330. In order to facilitate for checking the documents, please kindly send the document to the Company before 29 August 2017.

To facilitate the 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 29 August 2017 for checking would be highly appreciated.

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 23 August 2017.

Yours faithfully,

By order of the Board of Directors



(Mr. Kitichai Sincharoenkul)

Directors



(Mr. Veerasith Sinchareonkul)

Directors

Note: The Company also published an Invitation to the Extraordinary General Meeting of Shareholders No. 2/ 2017 together with all enclosures available for public consideration on the Company's website, www.sriranggroup.com, under "Investor Relations" and "Shareholder Information", from 3 August 2017 onwards.

The Company Secretary Office

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