

1 March 2021

Subject: Invitation to the 2021 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 2020 Annual General Meeting of Shareholders (*supporting document for agenda item 1*)
  2. 2020 Annual Report together with the financial statements of the Company for the year ended 31 December 2020 (QR Code) (*supporting document for agenda items 2 and 3*)
  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. Profile of the nominated director to be a new director / independent director (*supporting document for agenda item 5*)
  5. Information of remuneration payment of directors (*supporting document for agenda item 6*)
  6. The Company's Articles of Association relating to the shareholders meeting
  7. The required documents for attending the shareholders meeting
  8. Proxy Form B (shareholders can download Proxy Form A, Form B and Form C at [www.sritranggroup.com](http://www.sritranggroup.com))
  9. Independent Directors' profiles for consideration of proxy from shareholders
  10. Procedures for attending the 2021 Annual General Meeting of Shareholders
  11. 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 2021 Annual General Meeting of Shareholders on Friday, 2 April 2021, at 1.30 p.m. (Bangkok time), at Grand Convention Hall A, 8th floor, Lee Gardens Plaza Hotel, 29 Prachathipat Road, Hat Yai, Songkhla Province, with the following agenda items:

**1. To consider and certify the Minutes of the 2020 Annual General Meeting of Shareholders held on 23 June 2020**

Objective and Reason The Company has prepared the Minutes of the 2020 Annual General Meeting of Shareholders held on 23 June 2020 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 2020 Annual General Meeting of Shareholders held on 23 June 2020 were properly and accurately recorded as per the copy of the 2020 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 2020 and to consider and approve the audited financial statements of the Company for the year ended 31 December 2020**

Objective and Reasons The Company has summarized the performance results of the Board of Directors of the Company for the year 2020 in which the details are disclosed in the 2020 annual report as details shown in QR Code (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 ended 31 December 2020 could be summarized as follows:

Selected Information from the Company's Financial Statements

Unit : million Baht

| Description   | Consolidated Financial Statements |           | Separate Financial Statements |           |
|---|-----------------------------------|-----------|-------------------------------|-----------|
|   | Year 2020                         | Year 2019 | Year 2020                     | Year 2019 |
| Total assets  | 93,117.22                         | 58,330.87 | 42,139.41                     | 40,051.84 |
| Total liabilities   | 39,720.30                         | 32,842.48 | 21,000.70                     | 20,078.66 |
| Total revenue   | 75,478.74                         | 60,286.37 | 32,885.62                     | 32,645.63 |
| Net profit (attributable to the owners of the parent company) | 9,531.21                          | (148.54)  | 2,484.74                      | (131.53)  |
| Earnings per share (Baht/share)                               | 6.21                              | (0.10)    | 1.62                          | (0.09)    |

In this regard, the details of the financial statements included in the 2020 annual report are shown in QR Code (Enclosure 2) which has been distributed to the shareholders together with the Invitation to the 2021 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 2020 and approve the statements of financial position and the statements of comprehensive income of the Company for the year ended 31 December 2020, 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 2020 annual report shown in QR Code (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 2020 and acknowledge the interim dividend payment**

**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.

From the performance results of the Company for the year 2020, it was deemed appropriate to pay dividend to shareholders of Baht 2.25 per share, totaling Baht 3,456 million. The Company has paid the interim dividend of Baht 0.50 per share, totaling Baht 768 million on 9 December, 2020 according to the resolution of the Board of Directors No. 9/2020 on 14 November 2020 paid from net profit of the operating results for the first 9 months of year 2020

Therefore, the Company still has dividend to be paid to shareholders of Baht 1.75 million, totaling Baht 2,688 million. The dividend will be paid from the operating results for the last 3 months of the year 2020 and unappropriated retained earnings after deduction of net loss carried forward for five years up to the present accounting period whereby individual shareholders shall not be entitled to a tax credit.

In year 2020, the Company had net profit according to the consolidated financial statements amounting to Baht 15,396.57 million. The information in respect to dividend payment compared with the years 2018 - 2020 is shown below.

Information of dividend payment for the years 2018 – 2020

|                                       | 2020          | 2019          | 2018<br>(Adjusted) |
|---------------------------------------|---------------|---------------|--------------------|
| Net profit (million Baht)             | 15,396.57     | (52.07)       | 2,161.50           |
| Earnings per share (Baht)             | 6.21          | (0.10)        | 1.34               |
| Dividend per share (Baht)             | 2.25          | 0.35          | 0.65               |
| Interim dividend (Baht/share)         | **0.50        | ***0.35       | 0.25               |
| Year-End dividend (Baht/share)        | *1.75         | -             | 0.40               |
| Number of shares (shares)             | 1,535,999,998 | 1,535,999,998 | 1,535,999,998      |
| Total dividend payment (million Baht) | 3,456.00      | 537.60        | 998.40             |
| Payout ratio (%)                      | 22.45         | N/A           | 46.19              |

\* Propose for approval

\*\* For acknowledge (Paid on 9 December 2020)

\*\*\* Due to the postponement of the annual general meeting of shareholders from COVID-19 situation, the Board of Directors Meeting has approved the interim dividend payment to the shareholders instead

Opinion of the Board Taking into account other factors and current cash flow ability, the Board of Directors recommends the shareholders to approve the dividend payment of Baht 2.25 per share, totaling Baht 3,456 million, representing 22.45 per cent of the net profit of the consolidated financial statements. This is in accordance with the current dividend payment policy of the Company. The Company has paid the interim dividend of Baht 0.50 per share, totaling Baht 768 million on 9 December 2020. The Company still has dividend to be paid to shareholders of Baht 1.75 per share, totaling Baht 2,688 million. It will be paid from the operating results for the last 3 months of the year 2020 and unappropriated retained earnings after deduction of net loss carried forward for five years up to the present accounting period whereby individual shareholders shall not be entitled to a tax credit.

If the dividend payment has been approved by the 2021 Annual General Meeting of Shareholders, the Board of Directors has fixed 16 April 2021 as the record date for determining the shareholders entitled to receive a dividend.

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 16 April 2021 will be entitled to receive the dividend for the year 2020. The annual dividend for the year 2020 will be paid on 29 April 2021.

In addition, we recommend the shareholders to acknowledge the interim dividend payment approved by the Board of Directors on 14 November 2020 at the rate of Baht 0.50 per share, totaling Baht 768 million, which was paid to the shareholders on 9 December 2020.

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 or, if the number of directors is not a multiple of three, then the number nearest to one-third, shall retire from office. This year, the four directors who shall vacate office are:

- |    |                             |                                 |
|----|-----------------------------|---------------------------------|
| 1. | Gen. Thanasorn Pongarna     | Director / Independent Director |
| 2. | Mr. Viyavood Sincharoenkul  | Director                        |
| 3. | Mr. Veerasith Sinchareonkul | Director                        |
| 4. | Mr. Lee Paul Sumade         | 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. Nevertheless, the Company does not have the policy to provide opportunities for shareholders to nominate candidate for the Company's directorship.

Opinion of the Board The nominated persons have passed the screened process and careful consideration by the Board of Directors. According to the recommendation of the Nomination Committee of the Company, the Board of Directors, therefore, recommends that the shareholders approve the re-election of Gen. Thanasorn Pongarna, Mr. Viyavood Sincharoenkul, Mr. Veerasith Sinchareonkul and Mr. Lee Paul Sumade to be directors of the Company for another term because of their 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 term of independent director, Gen Thanasorn Pongarna, he is independence and has 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 and 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.

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 and the election of new director of the Company**

Objective and Reasons The Company currently has 12 directors. It is deemed appropriate to increase the number of directors from 12 to 13 persons through a screened process of the Nomination Committee and careful consideration by the Board of Directors. It is therefore propose to appoint Mr. Thanatip Upatising to be the new director/ independent director of the Company. The Board of Directors has considered that such person is ability to express their opinion independently. He is knowledgeable and experienced in various fields of the global economic, communication, international relationship that can assist the Company's management in the future. Also, such person has all the qualifications under the Public Limited Companies Act 2535, the Securities and Exchange Act B.E. 2535, the Capital Market Supervisory Board and other rules and relevant notifications.

In this regard, the profile of Mr. Thanatip Upatising is shown in Enclosure 4

Opinion of the Board The shareholders should approve the increase in the number of directors of the Company from 12 persons to a total of 13 persons by electing Mr. Thanatip Upatising as a new director and independent director of the Company

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

**6. To consider and approve the determination of remuneration of directors for the year 2021**

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 considered increasing the remuneration of directors for the year 2021 by taking into account the more responsibilities and performance of directors together with the business and performance result, market trends and comparison of remuneration of directors in the same industry.

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 2021 not exceeding Baht 12,500,000 in which such compensation would be at a reasonable level in comparison with other similar industries, with the details as follows:

| Item                           | Year 2021<br>(proposed year) | Year 2020<br>(Actual paid)                     |                   |
|--------------------------------|------------------------------|--|-------------------|
|                                |                              | Compensation                                   | Meeting Allowance |
| Directors' remuneration (Baht) | 12,500,000                   | 8,900,129                                      | 964,000           |
| Number of Directors (persons)  | 13                           | 13*  | 12                |
|                                |                              | Total remuneration of year 2020 =<br>9,864,129 |                   |

\*including director who resigned during the year

The meeting allowance is paid only for the Board of Directors and the Audit Committee.

**Remuneration of Board of Directors**

- Chairman of the Board Baht 85,000 / person/ month
- Directors Baht 65,000 / person/ month

**Remuneration of Audit Committee**

- Chairman of the Audit Committee Baht 85,000 / person/ month
- Audit Committee member Baht 75,000 / person/ month

The Company will pay the remuneration twice a year in June and December.

**Meeting Allowance (only pay to those who attend the meeting)**

- Chairman of the Board / Chairman of Audit Committee Baht 10,000 / person/ time
- Directors / Audit Committee member Baht 7,000 / person/ time

**Other Benefits / Non-monetary remuneration** **None**

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.

**7. To consider and approve the appointment of the auditor and determination of auditing fee for the year 2021**

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.

The Audit Committee considered the performance of the auditor of EY Office Limited for the previous year, its qualifications and its opinion, which is of benefit to the Company, together with the fact that there is no relationship or interests with the Company/ subsidiaries/ executives/ major shareholders or related parties of such persons, resulting in an independent performance, as well as its being an international audit firm, with a reasonable audit fee. It is deemed appropriate that the shareholders meeting approve the appointment of an auditor from EY Office Limited to be an auditor of the Company for the year 2021 with the names listed as follows:

| Name of Auditor               | Certified Public Accountant (Thailand) No. | Year for Auditing the Company in the past 5 years |
|-------------------------------|--|---|
| 1. Mr. Supachai Panyawattano  | 3930                                       | 2018, 2019, 2020                                  |
| 2. Miss Krongkaew Limkittikun | 5874                                       | -   |
| 3. Mr. Nuttawut Santiphet     | 5730                                       | -   |

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 is available, EY Office Limited can delegate another one of its Certified Public Accountants to conduct the audit. The auditing fee for the year 2021 is equal to the previous year as follows:

| The auditing fee  | Year 2021 (proposed year) (Baht) | Year 2020 (Baht) |
|---|----------------------------------|------------------|
| The audit fees for the consolidated financial statements and the Company's quarterly audit fees | 6,100,000                        | 6,100,000        |

The above auditing fee excludes non-audit fee which is actually reimbursed.

In addition, shareholders should acknowledge that EY Office Company Limited has been selected as the auditor of 10 other subsidiaries for the year 2021 as well with the quarterly audit fees amount of approximately Baht 5,595,000.

In addition, the Company uses the audit services for the foreign subsidiaries from the same audit firm and 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. For the subsidiaries located in foreign countries that use the audit services from other audit firms, the Board of Directors will enable them to submit the financial statements within prescribed period.

Opinion of the Board With the recommendation from the Audit Committee, the shareholders should approve the appointment of auditor from EY Office Limited with the names mentioned above and auditing fee as per the details recommended by the Audit Committee.

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

**8. To consider and approve the additional issuance and offering of debentures in an amount of Baht 5,000 million, totaling not exceeding Baht 10,000 million**

Objective and Reasons To provide funds for working capital in the business, business expansion, Repayment of loan and/or redemption of original debentures, due to the significant growth of Company's businesses and to facilitate and maximize opportunities in financing alternatives in each period, it is deemed appropriate to issue and offer for sale of debentures as per the following details:

|                          |   |
|--------------------------|---|
| <u>Type:</u>             | All types and all kinds of debentures, with and/or without debenture holders' name registered, subordinated and/or unsubordinated, secured and/or unsecured, with and/or without debenture holders' representative, amortization and/or bullet repayment, depending on market condition at the time of each issuance and offering   |
| <u>Amount:</u>           | Increase in an amount of debentures to be issued, by another Baht 5,000 million (Five Billion Baht Only) from the existing amount, totaling not exceeding Baht 10,000 million (Ten Billion Baht Only) (or its equivalent in any other currency) at the date of issuance, with one time and/or several times offering. The principal amount of debentures redeemed by the Company will be counted towards the available principal amount of debentures that can be issued and offered by the Company (Revolving Basis) |
| <u>Tenor:</u>            | As per conditions at each issuance, depending on market conditions at the time of issuance  |
| <u>Interest rate:</u>    | Depending on market conditions at the time of issuance  |
| <u>Offering:</u>         | To offer domestically and/or overseas at one time or several times through a public offering and/or private placement and/or offer to high net worth investors and/or offer to domestic and/or foreign institutional investors in full or partial amount  |
| <u>Early redemption:</u> | Debenture holders and/or the Company may have or may not have right for early redemption of debentures depending on terms and conditions at each issuance.  |

In this regard, the Board of Directors and/or Executive Committee and/or Managing Director and/or person assigned by the Board of Directors and/or Executive Committee and/or Managing Director is authorized to determine any conditions and other details relating to the issuance and offering for sale of debentures, such as interest rate, placement method, offering amount each time, type of debentures, security, offering price per unit, term, maturity period, early redemption period, repayments of principal and interest method, allocation method, details of offering, etc., as well as arrange for the registration of such debentures with the Thai Bond Market Association or any other secondary market, seek approval from the relevant authorities, and the appointment of underwriter, Debenture holders' representative, registrar, or other relevant advisors or any persons who are relevant to the issuance and offer for sale of debentures, and enter into, agree, sign any documents and other relevant agreements and take any action necessary for and pertinent to the issuance and offer for sale of the debentures, proceed any other relevant acts as deems appropriate for the purpose of the issuance and offer for sale of debentures.

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.*

## 9. 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 7.

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, especially in the current situation in which shareholders maybe concerned about the infectious disease outbreak of Corona Virus (COVID-19), please select one of the Company's independent directors, whose names and details appear in Enclosure 9, as proxy. 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. In order to facilitate for checking the documents, please send the document to the Company within 29 March 2021.

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 within 29 March 2021 for checking would be highly appreciated.

For the shareholders who require the 2020 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, 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 24 March 2021.

Yours faithfully,  
By order of the Board of Directors



(Mr. Kitichai Sincharoenkul)  
Director

Note: The Company also published an Invitation to the 2021 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 1 March 2021 onwards.

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