

**- Translation -**

**Minutes of the  
Annual General Shareholders' Meeting No. 1/2006  
of  
Charoen Pokphand Foods Public Company Limited**

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**Date and time of meeting**

The meeting convened on April 28, 2006 at 10.00 hrs. at the Conference Room on the 11<sup>th</sup> floor of C.P. Tower, 313 Silom Road, Silom, Bangrak, Bangkok.

**Directors present at the Meeting**

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|----|----------------------------|--|
| 1. | Pol. Gen. Pow Sarasin      | Honorary Chairman and Chairman of the Audit Committee  |
| 2. | Mr. Thanong Termpangpun    | Independent Director and Member of the Audit Committee |
| 3. | Dr. Veeravat Kanchanadul   | Director   |
| 4. | Mr. Adirek Sripratak       | Director, President and Chief Executive Officer        |
| 5. | Mr. Pong Visedpaitoon      | Director and Chief Operating Officer                   |
| 6. | Mr. Sunthorn Arunanondchai | Director   |
| 7. | Mrs. Arunee Watcharananan  | Director   |

**Executives present at the Meeting**

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|----|------------------------------|--|
| 1. | Mr. Teerasak Urunanon        | Executive Director and Executive Vice President, Food Integrated Unit        |
| 2. | Mr. Vitit Pootanasap         | Executive Director and Executive Vice President, Aquatic Feed Unit           |
| 3. | Mr. Voravit Janthanakul      | Executive Director and Executive Vice President, General Administrative Unit |
| 4. | Mr. Paisan Chirakitcharern   | Executive Director and Chief Financial Officer                               |
| 5. | Ms. Patchara Chartbunchachai | Executive Director   |
| 6. | Mr. Pisit Ohmpornnuwat       | Executive Vice President, Food Trading Unit                                  |

**Auditor present at the Meeting**

Mrs. Sudchit Boonprakob, Certified Public Accountant, Registration No. 2991 and Ms. Kalyarat Chaivorapongsa Certified Public Accountant Registration No. 3460 of KPMG Phoomchai Audit Ltd.

**Meeting Commenced**

The Chairman and Vice Chairmen of the Company had important engagements and could not attend the Meeting. The shareholders appointed Pol. Gen. Pow Sarasin, Honorary Chairman and Chairman of the Audit Committee to take on the role of Chairman of the Meeting. The Chairman then asked Mrs. Kobboon Srichai, a Secretary of the Meeting to report number of shareholders attending the Meeting. The Secretary reported that there were 660 shareholders present in person and by proxy, representing 4,677,283,290 shares or equivalent to 62.20% of total issued shares, thus forming a quorum in accordance with the Articles of Association of the Company. The Chairman thus declared the Meeting open.

Before consideration of various issues according to the meeting's agenda, the Secretary explained the voting procedures: for each item of the agenda, the Chairman would ask if anyone wished to vote against or abstains, and if no one did either, the Chairman would declare that the shareholders were of unanimous resolution to the matter proposed. However, if someone wished to vote against or abstain in any item of the agenda, he/she should state the intention to vote against or abstain in voting tickets that were provided to shareholders at the registered time. For voting by proxy, either by appointing the Company's director, independent director, the Manager of Corporate Secretary Office as a proxy or by appointing the persons who attended the Meeting but did not cast their votes in the Meeting, the Secretary would declare the number of objecting votes or abstained votes, which were specified in the proxy form. In some circumstances, the Chairman may specify the method of voting as appropriate.

The Chairman then proceeded the Meeting by the following agenda:

**Item 1 To adopt the minutes of the Extraordinary General Shareholders' Meeting No. 1/2005**

The Chairman proposed that the shareholders should consider the minutes of the Extraordinary General Shareholders' Meeting No. 1/2005 which was held on October 18, 2005, the copy of which was attached to the notice of this Meeting.

**Resolution:** After due consideration, the shareholders unanimously adopted the minutes of the Extraordinary General Shareholders' Meeting No. 1/2005.

**Item 2 To acknowledge the report on the Company's operations for the year 2005**

The Chairman asked Mr. Adirek Sripratak to report details of this agenda to the Meeting. Mr. Adirek reported the Company's operating results for the year 2005 as follows:

The operating results for the Company and subsidiaries for the year 2005 showed the consolidated net sales at Baht 113,374 million, 24% increase from the year 2004, mainly boosted from domestic sales volume. The Company's net profit in 2005 was Baht 6,747 million, 446% increase from the previous year. This was resulted from the Company's readiness to be fully integrated shrimp producer, the traceability production system and the competitiveness of being able to provide quality products that tailored to customers' requirements. In addition, the Company has been building brand awareness and recognition with marketing activities and sales promotion to create consumer confidence in quality of the Company's products.

However, there were many risk factors, such as disease outbreak and trade barriers, that may occur or affect the Company's operations. The Company; therefore, emphasized on research and development to create long-term business strategy which would contribute solid growth and sustainability. Additional information of the Company's operating results for the year 2005 was in the 2005 Annual Report on "Discussion on results and financial status".

**Resolution:** The shareholders acknowledged the report on the Company's operating results for the year 2005.

**Item 3 To approve the balance sheet and the statement of income for the year ended December 31, 2005**

The Chairman asked Mr. Adirek Sripratak to report details of this agenda to the Meeting. Mr. Adirek proposed the Meeting to approve the audited balance sheet and the statement of income for the year ended December 31, 2005, details of which appeared in the financial statement and the report of the Certified Public Accountant, which was distributed to the shareholders.

The Chairman proposed that the shareholders should consider and approve the balance sheet and the statement of income for the year ended December 31, 2005.

**Resolution:** The shareholders unanimously approved the balance sheet and the statement of income for the year ended December 31, 2005.

**Item 4 To acknowledge the interim dividend payments during the year 2005**

The Chairman asked the Secretary to report details of interim dividend payments during the year 2005 to the Meeting. The Secretary reported to the Meeting the interim dividend payment during the year 2005 totaling Baht 3,094,097,330.64, as approved by the Board of Directors. Details were as follows:

- 1) The first interim dividend payment of Baht 0.12 per share for 5,730,976,886 ordinary shares totaled Baht 687,717,226.32. The dividends of Baht 0.08 per share were derived from dividends, which the Company had received from its subsidiaries. Such dividends were allocated from the profit of 30% taxable business of the subsidiaries; while another Baht 0.04 per share dividends were paid from tax-exempted income. The dividends payment was made on June 10, 2005 to the shareholders whose names appear in the share register book on May 27, 2005.
- 2) The second interim dividend payment of Baht 0.18 per share for 7,519,937,826 ordinary shares totaled Baht 1,353,588,808.68. The dividends were derived from dividends which the Company had received from its subsidiaries. Such dividends were allocated from the profit of 30% taxable business of the

subsidiaries. The dividends were paid on September 8, 2005 to the shareholders whose names appear in the share register book on August 25, 2005.

- 3) The third interim dividend payment of Baht 0.14 per share for 7,519,937,826 ordinary shares totaled Baht 1,052,791,295.64. The dividends were derived from dividends which the Company had received from its subsidiaries. Such dividends were allocated from the profit of 30% taxable business of the subsidiaries. The dividends were paid on December 8, 2005 to the shareholders whose names appear in the share register book on November 24, 2005.

**Resolution:** The shareholders acknowledged the interim dividend payments during the year 2005.

#### **Item 5 To approve the appropriation of profit and the annual dividend payment for the year 2005**

The Chairman asked Mr. Adirek Sripratak to report this agenda to the Meeting. Mr. Adirek reported that with regard to the appropriation of profit as a legal reserve, the Company did not need to appropriate 2005 annual net profit as a legal reserve since the Company's legal reserve as of December 31, 2005 was sufficient in compliance with the law.

With regard to the dividend payment, the Company has a policy that total dividend paid each year shall approximately be 50% of net income after income taxes and legal reserve. Thus, the Board of Directors proposed the shareholders consider and approve the dividend payment from the operating results of the fourth quarter ended December 31, 2005 at Baht 0.06 per share for 7,519,937,826 shares, totaling Baht 451,196,269.56, which was paid as the annual dividend. The dividends were paid from tax-exempted income. The Company would pay the dividends on May 25, 2006 to shareholders whose named appeared in the share register book as of April 10, 2006, at 12.00 noon.

The above annual dividends of Baht 451,196,269.56 when combined with the interim dividend paid three times during the year 2005 of Baht 3,094,097,330.64 would be Baht 3,545,293,600.20, or equivalent to 52.54% of the Company's net profit in the year 2005.

The Chairman proposed that the shareholders should consider and approve no appropriation of annual profit as a legal reserve and approve the annual dividend payment for the year 2005 as proposed.

**Resolution:** After due consideration, the shareholders unanimously approved no appropriation of annual profit as a legal reserve and approved the annual dividend payment for the year 2005 as proposed.

#### **Item 6 To appoint directors to replace directors who retire by rotation**

The Chairman asked Mr. Adirek Sripratak to present details of this agenda to the Meeting. Mr. Adirek reported to the Meeting that according to the Company's Articles of Association, one-third of the directors shall retire from office at every Annual General Shareholders' Meeting. There were 5 directors whose retirement coincides with the Annual General Shareholders' Meeting No. 1/2006, namely Mr. Dhanin Chearavanont, Mr. Prasert Poongkumarn, Professor Dr. Athasit Vejjajiva, Mr. Thanong Tempangpun, and Dr. Veeravat Kanchanadul.

The Board of Directors, by suggestion of the Compensation and Nominating Committee, proposed the Meeting re-appoint the said 5 directors to be directors of the Company for another term since these directors have the knowledge, capability and experience that will benefit the Company. They also have performed their duties prudently under the provisions of the Articles of Association of the Company and related laws. The remuneration of each member would be at the amount approved by the Annual General Shareholders' Meeting of the year 2000 with details as follows:

Honorary Chairman	250,000 baht per month
Chairman	200,000 baht per month
Vice Chairman	150,000 baht per month
Director and Independent Director	100,000 baht per month

In addition, all positions will annually receive a special remuneration equivalent to 2 times of their monthly remuneration.

In this agenda, shareholders proposed that the Company should encourage all directors to regularly attend the Board of Directors' Meeting. In addition, the Company should provide details of the directors'

remuneration in the Notice of the Meeting. The executives acknowledged the suggestions for the company to follow-up on.

With no further questions, the Chairman proposed that the shareholders should consider and approve the re-appointment of the said 5 directors individually, as proposed by the Board of Directors.

The Secretary announced the voting results as follows:

(1) Mr. Dhanin Chearavanont	Approved	4,719,601,691	votes
	Objected	21,629,300	votes
	Abstained	28,100,000	votes
(2) Mr. Prasert Poongkumarn	Approved	4,723,706,761	votes
	Objected	17,597,000	votes
	Abstained	28,100,000	votes
(3) Professor Dr. Athasit Vejjajiva	Approved	4,723,719,281	votes
	Objected	17,597,000	votes
	Abstained	28,100,000	votes
(4) Mr. Thanong Termpangun	Approved	4,723,787,184	votes
	Objected	17,597,000	votes
	Abstained	28,100,000	votes
(5) Dr. Veeravat Kanchanadul	Approved	4,704,338,888	votes
	Objected	37,749,200	votes
	Abstained	28,100,000	votes

**Resolution:** After due consideration, the shareholders approved the re-appointment of Mr. Dhanin Chearavanont, Mr. Prasert Poongkumarn, Professor Dr. Athasit Vejjajiva, Mr. Thanong Termpangun, and Dr. Veeravat Kanchanadul, as directors of the Company in the same position for another term, with 99.54%, 99.63%, 99.63%, 99.63% and 99.20% vote among those shareholders who attend the meeting and cast their votes, respectively.

#### **Item 7 To appoint the Company's auditors and fix the remuneration for the year 2006**

The Chairman asked Mr. Adirek Sripratak to present details of this agenda to the Meeting. Mr. Adirek reported that the Board of Directors, by suggestion of the Audit Committee, proposed the Meeting appoint, Ms. Kalyarat Chaivorapongsa, CPA (Thailand) Registration No. 3460, Ms. Somboon Supasiripinyo, CPA (Thailand) Registration No. 3731, and Ms. Nittaya Chetchotiros, CPA (Thailand) Registration No. 4439 of KPMG Phoomchai Audit Ltd. as the auditors of the Company for the year 2006, whereby any of the appointed auditors shall have the authority to audit and express their opinion on the financial statements of the Company. In addition, the shareholders should approve the annual audit fee of Baht 3,360,000 for the annual audit and quarterly reviews of the financial statements and the consolidated financial statements of the Company for the year 2006. This amount was Baht 730,000 higher than the amount of last year due to an increase of audit work, resulting mainly from the business expansion.

One shareholder raised a question regarding number of years which auditor has been providing services for the Company. The executives responded that for the year 2006 the Company proposed to appoint a new auditor to sign the financial statements, namely Ms. Kalyarat Chaivorapongsa, CPA (Thailand) Registration No. 3460 to replace Mrs. Sudchit Boonprakob, CPA (Thailand) Registration No. 2991. Both of them are the auditors of KPMG Phoomchai Audit Ltd. that has serviced the Company for three consecutive years.

In addition, another shareholder raised a question with regard to the increase in annual audit fee of the year 2006 from the previous year. The executives responded that total audit fees for the year 2006 of the Company and its subsidiaries incorporated in Thailand to be paid to KPMG Phoomchai Audit Ltd. would be the same amount paid to the auditors last year.

With no further questions, the Chairman proposed that the shareholders should consider and approve the appointment of the Company's auditors and fix the remuneration for the year 2006, as proposed by the Board of Directors.

**Resolution:** After due consideration the shareholders unanimously approved the appointment of the auditors of the Company for the year 2006, and approved the annual audit fee as proposed.

**Item 8 To approve C.P. Merchandising Company Limited, a subsidiary which the Company directly holds 99.99% stake, to sell ordinary shares of Lotus-CPF (PRC) Investment Company Limited to Union Growth Investments Company Limited, a connected person**

The Chairman asked Mr. Adirek to present details of this agenda to the Meeting. Mr. Adirek reported that this agenda required the approval from non-interested shareholders since this transaction was considered a connected transaction. Whereas C.P. Merchandising Company Limited ("CPM"), a subsidiary which the Company directly held 99.99% stake, entered into a share sale and purchase with Union Growth Investments Company Limited ("Union Growth"), a subsidiary of Chia Tai Enterprises International Limited ("CTEI") which CTEI directly held 100% stake. CTEI, a listed company on the Stock Exchange of Hong Kong Limited, was a connected person of the Company as the Company's directors were the controlling parties of CTEI. Mr. Adirek then asked the Secretary to present additional details to the Meeting.

The Secretary summarized general information and conditions of the transaction, including criteria used in determining transaction value, opinion of the Board of Directors and Ayudhya Securities Public Company Limited, an Independent Financial Advisor, as per details in the Information Memorandum and the Opinion of Independent Financial Advisor as attached to the Notice of this Meeting.

Shareholders raised questions regarding the Company's initial investment cost in Lotus-CPF and the reason of Lotus-CPF's net loss performance while retail business in China has continuously expanded. The executives responded that CPM initially invested in 40% stake in Lotus-CPF in 1994 for the amount of approximately 1,009 million baht or USD 38.96 million, to purchase 38,960,000 ordinary shares at the par value of USD 1. The book value of investment in Lotus-CPF as of December 31, 2005 was USD 30.2 million and CPM would sell its entire investment in Lotus-CPF for the total value of USD 31 million to Union Growth. The executives also revealed that Lotus-CPF's historical financial performance has shown net loss because of an intense competition in retail business industry in China and inadequate number of its stores to achieve the economy of scales.

With no further questions, the Chairman proposed that the shareholders should consider and approve CPM to sell ordinary shares of Lotus-CPF to Union Growth as proposed by the Board of Directors.

The Secretary announced the voting result that there were 1,737,821,035 votes agreed, 17,596,900 votes objected, 28,100,000 votes abstained, and 3,022,201,995 shares having no right to vote.

**Resolution:** After due consideration, the shareholders approved C.P. Merchandising Company Limited, a subsidiary which the Company directly held 99.99% stake, to sell ordinary shares of Lotus-CPF (PRC) Investment Company Limited to Union Growth Investments Company Limited, a connected person with 97.44% vote among those shareholders attending the meeting and having right to vote, excluding interested shareholders.

**Item 9 To respond to the queries**

A shareholder raised questions regarding the divestment of non-core businesses, the prospects and factors which may affect the Company's business operations in the year 2006. The executives responded to the questions to satisfaction of the shareholders. With no further questions, the Chairman thanks the shareholders and closed the Meeting at 11.10 hrs.

Signed Pol. Gen. Pow Sarasin Chairman of the Meeting  
(Pol. Gen. Pow Sarasin)

Signed Kobboon Srichai Secretary of the Meeting  
(Mrs. Kobboon Srichai)