

**Agenda for the Extraordinary General Shareholders' Meeting No. 1/2017**  
**Charoen Pokphand Foods Public Company Limited**

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**Item 1 To adopt the Minutes of the Annual General Shareholders' Meeting No. 1/2017**

Facts and Reasons

The Annual General Shareholders' Meeting No. 1/2017 was held on April 25, 2017. A copy of the minutes of the Meeting was distributed, as per Attachment 2.

Board's Opinion

After due consideration, the Board of Directors is of the opinion that the said minutes should be adopted at the Shareholders' Meeting.

**Item 2 To approve the increase of the registered capital of the Company in the amount of Baht 1,548,588,386, from Baht 7,742,941,932 to Baht 9,291,530,318 by issuing 1,548,588,386 new ordinary shares with a par value of Baht 1 per share**

Facts and Reasons

In order to strengthen the capital structure, the Company decides to increase its registered capital by Baht 1,548,588,386, from Baht 7,742,941,932 to Baht 9,291,530,318, by issuing 1,548,588,386 new ordinary shares with a par value of Baht 1 per share reserved for offering to shareholders as to be proposed in Agenda Item 4.

Board's Opinion

The Board of Directors is of the opinion that the meeting of shareholders should consider and approve the increase of the registered capital of the Company by Baht 1,548,588,386, from Baht 7,742,941,932 to Baht 9,291,530,318, by issuing 1,548,588,386 new ordinary shares with a par value of Baht 1 per share.

Resolution

This matter shall be passed by an affirmative resolution of not less than three-fourths of the total number of votes of shareholders attending the meeting and having the right to vote.

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

Facts and Reasons

To be in line with the increase of the registered capital of the Company, as to be considered and approved by the meeting of shareholders in Agenda Item 2 above and to comply with the provisions of the laws, the meeting of shareholders should consider and approve the amendment to Clause 4. of the Memorandum of Association of the Company to be as follow:

"Clause 4.	Registered capital	Baht 9,291,530,318	(Nine billion two hundred ninety-one million five hundred thirty thousand three hundred and eighteen Baht only)
	Divided into	9,291,530,318 shares	(Nine billion two hundred ninety-one million five hundred thirty thousand three hundred and eighteen shares)
	Value per share	Baht 1	(One Baht)
	Divided into		
	Ordinary shares	9,291,530,318 shares	(Nine billion two hundred ninety-one million five hundred thirty thousand three hundred and eighteen shares)
	Preferred shares	- shares	( - )"

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

Board's Opinion

The Board of Directors is of the opinion that the meeting of shareholders should consider and approve the amendment to Clause 4. of the Memorandum of Association of the Company to be in line with the increase of the registered capital of the Company.

Resolution

This matter shall be passed by an affirmative resolution of not less than three-fourths of the total number of votes of shareholders attending the meeting and having the right to vote.

**Item 4 To approve the allocation of newly issued ordinary shares of the Company to the existing shareholders proportionate to their respective shareholdings (Rights Offering)**

Facts and Reasons

Regarding the allocation of 1,548,588,386 newly issued ordinary shares as to be considered and approved by the meeting of shareholders in Agenda Item 2 above, the meeting of shareholders should consider and approve the allocation of such shares to the existing shareholders proportionate to their respective shareholdings (Rights Offering) at the ratio of 5 existing ordinary shares to 1 newly issued ordinary share with the offering price of Baht 25.00 per share. In the event that all existing shareholders fully exercise their rights to subscribe for newly issued ordinary shares, the Company will receive total proceeds of approximately Baht 38,715 million which approximately Baht 27,000 million will be used to repay loans and/or debentures within year 2018 and approximately Baht 11,715 million will be reserved for future investment. However, the amount of proceeds to be used are based on preliminary estimation and subject to uncertainty which may be changed according to the actual proceeds that the Company will receive from the capital increase. The effects to the existing shareholders after this subscription are as follows:

- 1) Control Dilution  
In the event that all existing shareholders fully exercise their rights to subscribe for newly issued ordinary shares, there will be no control dilution effect. For shareholders who do not exercise or partially exercise their rights to subscribe for newly issued ordinary shares, their control will be diluted to a certain extent subject to total subscribed newly issued ordinary shares during the subscription period.
- 2) Price Dilution  
In the event that all existing shareholders fully exercise their rights to subscribe for newly issued ordinary shares, theoretically, the Company's share price on the first trading date of newly issued ordinary shares on the Stock Exchange of Thailand ("SET") will be diluted from the Reference Market Price.  
  
In case that the "Reference Market Price" means a weighted average price of the Company's ordinary shares traded on the SET for 7 consecutive business days prior to the date that the Board of Directors passed the resolutions to propose the ordinary shares offering to the Extraordinary General Shareholders' Meeting No.1/2017 (during April 28, 2017 and May 9, 2017) which was equal to Baht 25.86. The price of the Company's shares, on the first trading day of newly issued ordinary shares on the SET, will be diluted for 0.55%.
- 3) Earnings Per Share (EPS) Dilution  
In the event that all existing shareholders fully exercise their rights to subscribe for newly issued ordinary shares, earnings per share (calculated by taken into account the effect from the change by number of newly issued ordinary shares only) will be diluted for 16.67%.

Board's Opinion

After due consideration of the above facts and reasons, the Board of Directors is of the opinion that the Meeting should approve the allocation of 1,548,588,386 newly issued ordinary shares with a par value of Baht 1 per share to be issued and offered to the existing shareholders proportionate to their respective shareholdings (Rights Offering) at the ratio of 5 existing ordinary shares to 1 newly issued ordinary share with the offering price of Baht 25.00 per share. The Board of Directors, after taking into account several factors e.g. the current capital structure, business expansion plan as well as price dilution, opined that the allotment ratio and offering price was appropriate. Additionally, the utilization of proceeds according to the fund raising plan will reduce the Company's liabilities and interest expenses which shall strengthen the Company's capital structure whereas some certain amount will be reserved for future investment which shall create long-term growth for the Company.

In this regard, the Board of Directors set the record date on July 5, 2017 for determining the shareholders who have the right to subscribe newly issued ordinary shares proportionate to their respective shareholdings. The share register book will be closed on July 6, 2017 for TSD to collect the shareholders' name in compliance with the third paragraph of Section 225 of the Securities and Exchange Act B.E. 2535. The subscription period will take place on July 24-27, 2017 and July 31, 2017 (a total of 5 business days). The Meeting should also approve the authorization of the authorized directors as set forth in the Company's Affidavit ("authorized directors") or the persons who are authorized by the authorized directors have the authority to take all necessary actions relating to the offering of such newly issued shares, including but not limited to sign applications for registration, applications for approval (if any) and other documents which are necessary for and relate to the offering of such newly issued shares, including to communicate and file applications for registration and applications for approval (if any) with the competent authorities or agencies, as well as to list the newly issued ordinary shares on the SET.

In the event the directors do not perform their duties with integrity and safeguard the interests of the Company in regards to the capital increase; if this non-performance causes damages towards the Company, shareholders are able to bring a suit to the court to claim compensation on behalf of the Company according to section 85 of the Public Limited Companies Act B.E. 2535. In addition, if that non-performance is the cause for directors or

related parties to wrongfully benefit, shareholders may use their rights to sue that director for damages on behalf of the Company, according to section 89/18 of the Public Limited Companies Act B.E. 2535.

Resolution

This matter shall be passed by the affirmative resolution of a majority vote of shareholders who attend the Meeting and cast their votes.

**Item 5 To respond to the queries**