

**Agenda for the Annual General Shareholders' Meeting No. 1/2010**  
**Charoen Pokphand Foods Public Company Limited**

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**Item 1 To adopt the Minutes of the Annual General Shareholders' Meeting No. 1/2009**

Facts and Reasons

The Annual General Shareholders' Meeting No. 1/2009 was held on April 22, 2009. 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 acknowledge the report on the Company's operating results for the year 2009**

Facts and Reasons

The operating results of the Company for the year 2009 as reported in the Annual Report and the financial statements of the Company were distributed, as per Attachment 3.

Board's Opinion

For the Meeting's acknowledgement of the operating results of the Company for the year 2009.

**Item 3 To approve the balance sheet and the statement of income for the year ended December 31, 2009**

Facts and Reasons

The audited balance sheet and statement of income for the year ended December 31, 2009 as appeared in the financial statement and report of the Certified Public Accountant were distributed, as per Attachment 3.

Board's Opinion

After due consideration, the Board of Directors is of the opinion that the Meeting should approve the audited balance sheet and statement of income for the year ended December 31, 2009.

Resolution

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

**Item 4 To acknowledge the interim dividend payment during the year 2009**

Facts and Reasons

The Company paid the 2009 interim dividend at Baht 0.23 per share for 7,048,937,826 ordinary shares, totaling Baht 1,621,255,699.98 on September 4, 2009. This interim dividend was determined from the operating results of the first half period of the year 2009. The details are as follows:

- (1) The interim dividend amounting to Baht 986,851,295.64 or equivalent to Baht 0.14 per share was derived from the profits which were exempted from corporate income tax. The recipients are not subject to withholding tax; and
- (2) The interim dividend amounting to Baht 634,404,404.34 or equivalent to Baht 0.09 per share was derived from dividends which the Company had received from its subsidiaries. Such dividends were allocated from the taxable profit business of the subsidiaries, which were subject to 30% corporate income tax. Therefore, recipients were subject to withholding tax. However, recipients who are natural persons shall be entitled to a tax credit in accordance with Section 47 bis of the Revenue Code.

Board's Opinion

For the Meeting's acknowledgement of the interim dividend payment during the year 2009 totaling Baht 1,621,255,699.98.

**Item 5 To approve the appropriation of profit and annual dividend payment for the year 2009**

Facts and Reasons

Under the provisions of the Public Limited Company Act B.E. 2535, the Company must appropriate at least 5% of its annual net profit as a legal reserve until the reserve reaches 10% of its registered share capital. As of present, the Company's legal reserve is sufficient in compliance with the law. Therefore, the Company does not need to appropriate 2009 annual net profit as a legal reserve.

With regard to dividend payment, the Company has a policy to pay dividends to shareholders twice a year. The first dividend payment shall be paid as an interim dividend, which will be determined from the operating results of the first half period of the year and the second dividend payment shall be paid as an annual dividend, which will be determined from the operating results of the second half period of the year. Total dividends paid of each year shall approximately be 50% of net income after income taxes and legal reserve (according to the separate financial statement). Nonetheless, this may be changed, depending on the Company's operations, financial position, future projects and overall economic conditions. In addition, the Company must comply with the terms and conditions of certain outstanding debentures, which state that the Company is not permitted to pay cash dividends to shareholders in the amount exceeding 60% of net profit in each fiscal year as reported in its consolidated financial statement and the total amount of dividend payment shall not exceed the net profit reported in its separate financial statement of that particular year throughout the term of the debentures. Therefore, the Meeting should consider the annual dividend payment for the year 2009.

#### Board's Opinion

After due consideration, the Board of Directors is of the opinion that the Meeting should approve that the Company need not appropriate annual net profit as a legal reserve since its amount is in compliance with the law. With regard to dividend payment, the Meeting should approve an annual dividend payment, which is determined from the Company's operating results of the second half period of the year 2009, at Baht 0.50 per share for 7,048,937,826 ordinary shares, totaling Baht 3,524,468,913.00. This annual dividend when combined with the interim dividend paid during the year 2009 at Baht 0.23 per share or Baht 1,621,255,699.98 in total, will totally be Baht 0.73 per share (increased from total dividend payment of the year 2008 which was at the rate of Baht 0.19 per share) or Baht 5,145,724,612.98, equivalent to 60% of the 2009 net profit reported in the separate financial statement. The details of dividend payments are as follows:

- (1) The dividend amounting to Baht 1,409,787,565.20 or equivalent to Baht 0.20 per share was derived from the profits which were exempted from corporate income tax. The recipients are not subject to withholding tax; and
- (2) The dividend amounting to Baht 2,114,681,347.80 or equivalent to Baht 0.30 per share was derived from dividends which the Company had received from its subsidiaries. Such dividends were allocated from the taxable profit business of the subsidiaries, which were subject to 30% corporate income tax. Therefore, recipients were subject to withholding tax. However, recipients who are natural persons shall be entitled to a tax credit in accordance with Section 47 bis of the Revenue Code.

In this regard, the record date for the right to receive the dividend is set on May 4, 2010 and the share register book shall be closed on May 6, 2010 for Thailand Securities Depository Co., Ltd. to collect the shareholders' names in compliance with Section 225 of the Securities and Exchange Act B.E. 2535. Additionally, the annual dividend payment will be made on May 20, 2010.

Details of the interim and annual dividend payment for the year 2009 compared with the year 2008 are as follows:

<b>Details of Dividend Payment</b>	<b>2009</b>	<b>2008</b>
1. The interim dividend		
- dividend per share (baht)	0.23	0.08
- number of shares having the rights to receive dividend (million shares)	7,049	7,520
- amount of the dividend payment (million baht)	1,621	602
2. The annual dividend		
- dividend per share (baht)	0.50	0.11
- number of shares having the rights to receive dividend (million shares)	7,049	7,049
- amount of the dividend payment (million baht)	3,525	775
3. Total dividend payment (million baht)	5,146	1,377

#### Resolution

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

## **Item 6 To appoint directors to replace directors who retire by rotation and appoint a new independent director**

### Facts and Reasons

According to the Company's Articles of Association, one-third of the directors shall retire from office at every Annual General Shareholders' Meeting. There will be 5 directors whose retirement coincides with the Annual General Shareholders' Meeting No. 1/2010, namely;

- |                  |               |               |
|------------------|---------------|---------------|
| 1. Mr. Min       | Tianworn      | Vice Chairman |
| 2. Mr. Chingchai | Lohawatanakul | Vice Chairman |
| 3. Mr. Phongthep | Chiaravanont  | Director      |
| 4. Mr. Adirek    | Sripatak      | Director      |
| 5. Mr. Pong      | Visedpaitoon  | Director      |

The Board of Directors should propose the Meeting to appoint directors to replace the said 5 directors.

In compliance with the Articles of Association of the Company, the Meeting should appoint director to replace the directors who retire by rotation.

In addition, the Notification of the Capital Market Supervisory Board Tor Chor 4/2552 Re: Application for and Approval of Offer for Sale of Newly Issued Shares (No.2) stipulate that the Company must have at least one-third of all members of the Board of Directors, but not less than 3 members, being as independent directors. At present, the Company has 4 independent directors of total 14 directors. In this regards, the Meeting should appoint a new independent director in adding.

### Board's Opinion

After due consideration as proposed by the Compensation and Nominating Committee, the Board of Directors is of the opinion that the Meeting should re-appoint 5 directors, namely; Mr. Min Tianworn, Mr. Chingchai Lohawatanakul, Mr. Phongthep Chiaravanont, Mr. Adirek Sripatak and Mr. Pong Visedpaitoon to be directors of the Company for another term, and the Meeting should appoint Dr. Chaiyawat Wibulswasdi as a new independent director in adding, since these nominated persons have the knowledge, capability and experience that will benefit the Company's business and possess the qualifications required by the Public Limited Company Act B.E. 2535, the Notification of the Board of Governors of the Stock Exchange of Thailand and the Notification of the Capital Market Supervisory Board. The personal data of the nominated persons were distributed, as per Attachment 4. The appointment of nominated persons shall be individually presented to the Meeting for consideration.

### Resolution

This matter shall be passed by the affirmative resolution of a majority vote of the total number of votes of shareholders who attend the Meeting and cast their votes with the following rules and procedures.

- (1) Each shareholder shall have a number of votes equal to one share per one vote.
- (2) Each shareholder must exercise all the votes he/she has under (1) to appoint an individual or several persons to be director(s) but shall not split his/her votes among any person or group of persons.
- (3) The persons receiving the highest number of votes in descending order shall be appointed as directors depending on the requirement of directors set at such time. In the event that a number of persons receive an equal number of votes for the last directorship rendering the number of directors more than which is required, the Chairman of the Meeting shall have a casting vote.

## **Item 7 To approve the remuneration for the directors**

### Facts and Reasons

According to Article 24 of the Company's Articles of Association, the Company shall pay remuneration such as salary, premium, allowance and bonus to the directors, as deemed necessary and appropriate. The Meeting should approve the remuneration of the directors for the year 2010.

### Board's Opinion

After due consideration as proposed by the Compensation and Nominating Committee, the Board of Directors is of the opinion that the remuneration paid to the directors for the year 2009 according to the resolution of the Annual General Shareholders' Meeting No 1/2009 was appropriate, considered from taking into account the duties and responsibilities of directors. Therefore, the Meeting should approve the remuneration of the directors for the year 2010 at the same rate as those of the year 2009 as follows:

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

However, any director being the Company's employee or holding a position as a member of audit committee shall receive the director's remuneration as above mentioned in addition to his salary as employee or remuneration as member of audit committee, as the case may be.

For the special remuneration, the Board of Directors is of the opinion that it should propose to the Meeting to consider and approve the special remuneration of entire Board of Directors at the rate of 0.50% of the aggregate amount of the interim dividend and annual dividend of each year. This criterion of special remuneration will be effective for the Board of Directors' performance from the fiscal year of 2009 onwards. The proposed special remuneration of entire Board of Directors of the year 2009 is Baht 25.728 million. The special remuneration will be allocated to each director at the discretion of the Board of Directors. This remuneration is consistent with dividend payment to the shareholders since the Board of Directors played an important role in fixing the policies and overseeing the business operations, resulting in the net profit of the year 2009 (according to the consolidated financial statements) surged to Baht 10,190 million.

#### Resolution

This matter shall be passed by the affirmative resolution of a vote of not less than two-thirds of the total number of votes of shareholders who attend the Meeting.

### **Item 8 To appoint the Company's auditors and fix the remuneration for the year 2010**

#### Facts and Reasons

In compliance with the law and the Articles of Association of the Company, the Meeting should appoint the auditor(s) to audit and express an opinion on the financial statements of the Company, and fix the auditor's remuneration for the year 2010.

#### Board's Opinion

After due consideration as proposed by the Audit Committee, the Board of Directors is of the opinion that the Meeting should appoint auditors from KPMG Phoomchai Audit Ltd. as the auditors of the Company for the year 2010 as follows:

	Name of auditor	Registration No.	Number of years certified the Company's financial statements
1.	Mr. Charoen Phosamritert	4068	3
2.	Mr. Vairoj Jindamaneepitak	3565	-
3.	Ms. Bongkot Amsageam	3684	-

Any of the auditors shall have the authority to audit and express their opinion on the financial statements of the Company. Those nominated auditors are approved by the Office of the Securities and Exchange Commission, and have no significant relationship or interest with the Company, its subsidiaries, management, major shareholders or their related persons which may have an affect on performing their tasks independently. In addition, auditors of KPMG Phoomchai Audit Ltd. were appointed to be the auditors of all subsidiaries of the Company, which incorporated in Thailand.

For the auditors' remuneration, the shareholders should approve the annual fee of Baht 3,490,000 for the annual audit and quarterly review of the separate financial statements and the consolidated financial statements of the Company for the year 2010, which is the same rate as the previous year.

The details of auditors' remuneration of the year 2010 compared to the previous year are as follows:

Remuneration (Baht)	Year 2010	Year 2009	Change
Audit fee	3,490,000	3,490,000	-
Service fee in special case - Compliance under the conditions in the Board of Investment's Privilege Charter	1,030,000	1,010,000	20,000 <sup>(1)</sup>

<sup>(1)</sup> Due to the increase of the promotional businesses

#### Resolution

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

**Item 9 To accept the entire business transfer from Pokphand Aquatech Co., Ltd.**Facts and Reasons

To restructure the operation in the group, the Company will accept the entire business transfer from Pokphand Aquatech Co., Ltd. ("PAT"), a subsidiary which the Company directly holds 99.99% of total paid-up shares. The details of transaction are as follow:

- |                                  |   |   |
|----------------------------------|---|---|
| (1) Transaction Date             | : | Within the year 2010  |
| (2) Transferor                   | : | PAT   |
| (3) Main Business of Transferor  | : | Production and distribution of aquatic feed   |
| (4) Book Value of the Net Assets | : | Baht 576 million according to the audited financial statement as of December 31, 2009 |

Board's Opinion

After due consideration, the Board of Directors is of the opinion that the Meeting should approve the acceptance of the entire business transfer from Pokphand Aquatech Co., Ltd.

Resolution

This matter shall be passed by the affirmative resolution of a vote of not less than three-fourths of the total number of votes of shareholders who attend the Meeting and have the rights to vote.

**Item 10 To respond to the queries**