



บริษัท ไทยพัฒนาโรงงานอุตสาหกรรม จำกัด (มหาชน)
THAI FACTORY DEVELOPMENT PUBLIC COMPANY LIMITED

(Translation)

Ref. AIT/15-282

March 18, 2015

Re: Invitation to attend the 2015 Annual General Meeting of Shareholders

To: All shareholders

Attachment :

1. Copy of the Minutes of the Extraordinary General Meeting of Shareholder No. 3/2014 which was held on November 12, 2014
2. Company's Annual report of the year 2014, including the consolidated Financial Statements for the fiscal year ended December 31, 2014.
3. Profiles of the retiring Directors to support the consideration in Agenda 5 : To consider and elect directors to replace those the retiring on rotation
4. Definition of the independent directors to support the consideration of Agenda 5 : To consider and elect directors to replace those the retiring on rotation
5. Information Memorandum regarding the connected transaction to extend the period of time to receive the deposit back from JC Kevin Development Company Limited (the connected juristic person)
6. Opinion of the Independent Financial Advisors concerning the Connected Transaction.
7. Supporting documents for attending the Meeting : -
 - 7.1 The Company's Article of Association which related to the Annual General Meeting of Shareholders
 - 7.2 Rules and procedures for attending the meeting , granting the proxy and voting
 - 7.3 Information of independent director to support an appointment of proxy (in case of such director is appointed as a proxy)
 - 7.4 Documents and evidences required to be presented at the meeting.
 - 7.5 Proxy
8. Map of the Meeting venue.

The Board of Directors calls for the 2015 Annual General Meeting of Shareholders (AGM) to be held on Monday, April 27, 2015 at 2.00 p.m. at Rajmontien Grand Ballroom, The Montien Hotel, Bangkok, No. 54 Surawongse Road, Bangkok 10500, of which the agendas of the Meeting are as follows :

เลขที่ 18 ซอยสาทร 11 แยก 9 อาคารทีเอฟดี แขวงยานนาวา เขตสาทร กรุงเทพมหานคร 10120
18 Soi Sathorn 11 Yaek 9, TFD Building, Yannawa, Sathorn, Bangkok 10120 Thailand.

Tel: (66) 2676 4031- 6, (66) 2676 3836-9 Fax: (66) 2676 4038-9 <http://www.tfd-factory.com> ทะเบียนเลขที่ 0107537000475 (เดิมเลขที่ บมจ.294)



Agenda 1 : To adopt the Minutes of Extraordinary General Meeting of Shareholders No. 3/2014

Fact and Rational : The Extraordinary General Meeting of Shareholders No. 3/2014 was held on Wednesday, November 12, 2014, of which the copy of the Minutes of Meeting has been attached hereto as per Attached No. 1.

Board of Directors' Opinion : The Board of Directors has considered the matter and deems that the Minute of the Extraordinary General Meeting of Shareholders No. 3/2014 are truly and accurately recorded. It is therefore deemed appropriate for the AGM to adopt such Minutes of the Meeting.

Agenda 2 : To acknowledge the report of the Company's year 2014 operating results

Fact and Rational : The report of the operating results in year 2014 of the Company as presented in the Annual Report as in Attached 2 which has already been sent to the shareholders together with this Invitation Letter.

Board of Directors' Opinion : The Board of Directors has considered the matter and deems appropriate that the AGM acknowledge the Company's 2014 operating results as per submitted.

Agenda 3 : To consider and approve the consolidated Financial Statements for the fiscal year ended December 31, 2014.

Fact and Rational : The Financial Statements which comprise of the consolidated Statement of Financial Position, the related consolidated Statement of Comprehensive Income, Statement of changes in shareholders' equity and cash flows for the fiscal year ended December 31, 2014 which have been audited and certified true and correct by the auditor. And also have been reviewed by the Audit Committee. The results are presented in the 2014 Annual Report from page 41 to 50 as per document Attached No. 2.

Board of Directors' Opinion : The Board of Directors has considered the matter and deems appropriate for the AGM to approve the Consolidated Financial Statements for the fiscal year ended December 31, 2014. The details of information are stated in the 2014 Annual Report from page 41 to 50.



Agenda 4 : To consider and approve the allocation of the 2014 profit and omits dividend payment.

Fact and Rational : According to Clause 41 of the Company's Articles of Association, the Company was to allocate no less than 5 percent of its annual net profit deducted by accumulated loss brought forward (if any) as its reserves until the reserves reach no less than 10 percent of its registered capital. In addition, Clause 40 of the Company's dividend payment policy also prohibits any split of other types of money to be paid as dividend unless it is a profit. In case the Company still suffers from accumulated loss, no dividend shall be made. The dividend shall be equally divided among the number of shares for an equal amount. Payment of dividend is subject to the approval of the Shareholders' Meeting. The Board of Directors may pay an interim dividend to shareholders from time to time should it deem that the Company has enough profit to do so before reporting the Shareholders' Meeting at a subsequent meeting.

The Company and subsidiaries will pay no fewer than 60% of net profit in a relevant year based on a separated financial statement as a dividend if there is enough profit to do so unless the Board of Directors and shareholders find it is reasonable and necessary to suspend the dividend payment or to pay less than the stated rate. In addition, the Board of Directors may consider paying an interim dividend from time to time as appropriate.

Details of Dividend payments of the past year appeared as follow:

Details of the Dividend payment	Year 2014	Year 2013
1. Net Profit (loss) (Baht)	(197,259,356.60)	370,660,504.67
2. Numbers of shares	1,283,501,405	1,083,500,205
3. Total dividend per share (Baht)	-	0.27
3.1 Interim Dividend per share (Baht)	-	0.22
3.2 Annual Dividend per share (Baht)	-	0.05
3.2.1 Cash Dividend	-	0.05
3.2.2 Stock Dividend	-	-
4. Total Dividend paid	-	292,545,055.35
5. Percentage of Dividend Paid	-	78.92



Board of Directors' Opinion : Due to the Company's operation result shown a cumulative loss at the year ended 2014, the Board of Directors deems appropriate that the AGM should approve to omit the legal reserve and dividend payment.

Agenda 5 : To consider and elect the directors in replacement of those retired by rotation

Fact and Rational : According to clause 17 of the Company's Article of Association, one-third of the directors shall be retired on rotation at the 2014 AGM. By the Articles of Association, the Company has settled the approval vote by majority vote and it will propose the person for shareholders to consider and elect. The directors who had been in the office for the longest period and shall resign are as follow:

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|----------------|------------|----------------------|
| 1. Mr. Gumpol | Tiyarat | Director |
| 2. Mr. Anukul | Ubonnuch | Director |
| 3. Mr. Sommart | Sangkhasap | Independent Director |

The Corporate Governance, Nomination and Remuneration Committee which exclude the directors who has the related benefits, having considered the matter, deemed that the three directors, who are to retire on rotation, are fully qualified according to Public Limited Company Act, B.E. 2535, and terms and conditions of company executives issued by the Securities and Exchange Commission. In addition, they are competent, have experiences that benefit the Company's business, visionary and have worked well as directors in the past. They also have a good record of meeting attendance and participation at the Meeting. Details of their backgrounds and performances are in Attached 3.

Board of Directors' Opinion : The Board of Directors, which exclude the directors who has the related benefits, has considered this matter and deemed appropriate to issue and offer the matter as per The Corporate Governance, Nomination and Remuneration Committee have raised . After consideration, the Meeting should re-elect these three directors, who retired on rotation, as the director in another term.



Agenda 6 : To determine directors' remuneration

Fact and Rational : The remuneration which approved by the 2014 AGM was Baht 10,000,000 (Ten million Baht) per year as remunerations for all directors whereby the Board of directors was authorized to allocate such remunerations to each director. In 2015, the Board of Directors has considered with the remuneration Board has determined such remunerations based on what the Corporate Governance, Nomination and Remuneration Committee had proposed by taking into consideration their responsibility, scopes of work and duties as well as rationale and benefits the Company would get from the directors to attract and keep qualified directors as required. The Board therefore deems appropriate to propose the AGM pay directors' remuneration an equal amount as in 2014 for a total of Baht 10,000,000 per year.

The details of the remuneration for each director and the scope of responsibility of the Board of Directors, Audit Committee, and the Corporate Governance Nomination and Remuneration Committee are stated on the page 163 to 164 of the 2014 Annual Report.

Board of Directors' Opinion : It is deemed appropriate for the Shareholders' Meeting to approve the remuneration for the Directors of Baht 10,000,000 per year, and to assign the Board of Directors to allocate and distribute such remuneration to each director.

Agenda 7: To appoint the auditors and to determine the auditor's fees

Fact and Rational : To comply with the Public limited Company Act (1992) which requires the AGM to appoint the auditors and to determine the audit fee every year and by the recommendation from the Audit Committee, the Board of Directors deems appropriate to propose to the AGM to appoint the auditors from EY Office Limited as an auditor of the Company and its subsidiaries for the year 2015 where either of the following auditors shall audit and express opinions to the Company's financial statements, and in the event those auditors are unable to perform their duties, EY Office Limited is authorized to assign another of its auditors to perform the audit and express an opinion on the company's financial statements in their place.



1. Miss. Siraporn Ouaanunkun CPA No. 3844; or
(signed in Company's financial statements from 2012 until present, totally 3 year)
2. Mrs. Chonlaros Suntiasvaraporn CPA No. 4523; or
(as an auditor from 2012 until present, totally 3 year)
3. Miss. Waraporn Prapasirikul CPA No. 4579
(as an auditor from 2014 until present, totally 1 year)

The auditor proposed the 2015 audit fee for the Company is Baht 1,060,000.- per year, an increase of Baht 40,000.- from the year 2014 which the audit fee was Baht 1,020,000 per year. EY Office Limited., also audits three subsidiaries; namely, Total Industrial Services Co., Ltd., SG Land Co., Ltd, and VSSL Enterprise Co.,Ltd. In 2015, the auditing fee of the Company and the three subsidiaries are total Baht 2,595,000.- per year, an increase of Baht 215,000.-

The accounting firm, EY Office Limited, is also known for its auditing experiences of various listed companies, its reliability and creditability here and abroad. The firm also has adequate personnel to maintain its audit standard at an international level. The auditor has no relationship or transaction that may lead to a conflict of interest with the Company. Nor does it have any interest with the Company, subsidiaries, executives or major shareholders or those related thereto in any manner, either.

For the Non-Audit services fee in the past fiscal year, EY Office Limited had serviced an in-house training for the Company's employees with the service fee was Baht 120,000.-

Board of Directors' Opinion : The Board of Directors by the suggestion from the Audit Committee deems appropriate to ask for the approval from the Shareholders' Meeting to appoint

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|-------------------|-----------------|----------------------|
| 1. Miss. Siraporn | Ouaanunkun | CPA No. 3844; and/or |
| 2. Mrs. Chonlaros | Suntiasvaraporn | CPA No. 4523; and/or |
| 3. Miss. Waraporn | Prapasirikul | CPA No. 4579 |

as the auditor of the Company and subsidiaries in year 2015 with the total audit fee of Baht 2,595,000.- Baht per year.



Agenda 8 : To consider and approve to extend the period of time to receive the deposit back from JC Kevin Development Company Limited (the connected juristic person) which is the connected transaction

Fact and Rational : The Board of Directors has considered the matter the AGM should approve to extend the period of time to receive the deposit back from JC Kevin Development Company Limited (the connected juristic person) which is the connected transaction

Refer to VSSL entered to sign the agreement to buy and sell land with a total area 138-3-51 rai located in Tambon Mu Si, Pak Chong District, Nakornratchasima at amount of 755,000,000 Baht from JC with the payment condition as following:

First payment Amount of 300,000,000 Baht will be paid on contact date

Second payment Amount of 20,000,000 Baht will be paid within 30 January 2014

Third payment Amount of 435,000,000 Baht will be paid within 90 days from the date of the Shareholders' Meeting approved VSSL to purchase land from JC

Therefore, VSSL already paid deposit to JC (first payment + second payment) total amount of 320,000,000 Baht with a precedent condition which stated that VSSL shall purchase land when the Shareholders' Meeting approved.

Then on 30 September 2014, the Shareholders' Meeting of the Company disapproved VSSL purchase the land with conditions on the agreement said that JC shall pay the deposit back which received from VSSL within 90 days from the date of the Shareholders' Meeting of the Company disapproved (the due date is on 29 December 2014) with the interest rate of 5.5% per annum from the date that JC received the deposit from VSSL until the date that VSSL got the deposit back from JC. On 29 December 2014, JC only paid the accrued interest amount of 17,684,383.56 Baht to VSSL. JC negotiated to extend the time to pay the deposit amount of 320,000,000 Baht for one year. Also VSSL and JC have been discussing conditions for extended periods of time to return the deposit. Upon conclusion of an agreement is clear now, VSSL and JC is entering into memorandum of understanding to extend the time to pay the deposit back on the date of 13 February 2015 with a precedent condition which stated that the memorandum between VSSL and JC shall complete binding when VSSL receives approval from the Shareholders' Meeting of the Company. Therefore, such transaction is classified as the connected transaction on providing financial assistance under the Notification of Capital Market Supervisory Board No. Tor Jor. 21/2551 Re: Rules of Entering into Connected Transactions and the Notification of the Board of Governors of the Stock



Exchange of Thailand Re: Disclosure of Information and Other Acts of Listed Companies Concerning the Connected Transaction B.E. 2546 (2003). A transaction size is equal to 16.62% on net tangible assets of the Company in the consolidated financial statement ended 31 December 2014 which higher than 3% of net tangible assets of the Company that request the Company has a duty to disclose the transaction to the SET immediately and has to be approved from the Shareholders' Meeting hereunder consist of at least three-fourths of the total votes of shareholders attending the meeting and having voting right, excluding interested shareholders' equity. Moreover, the Company shall appoint an independent financial advisor to provide an opinion about the reasonability and benefits of the transaction, the fairness of price and conditions of the transaction to the shareholders for their consideration. Details of calculation of this transaction as following:

$$\frac{\text{Value of Consideration}}{\text{Net tangible assets of the Company}} = \frac{(320.00 + 22.40^*) \times 100}{2,060.25} = 16.62\%$$

(As of the consolidated financial statements ended 31 December 2014)

Note: * Amount of interest that occurs from extend the time to pay the deposit back for one year

The name list of shareholders of the Company with being the connected persons and the conflict of interest which are not entitled to vote at the meeting to approve this transaction consists as following:

Name of the connected persons	Position	Percentage of shares holding In the Company (As of 10 March 2015)	
		Numbers of shares	Percentage of paid-up capital
1. Mr. Apichai Taechaubol	Director of the Company Director of VSSL Director of JC	268,038,875	20.88
2. Mrs. Chalida Taechaubol ^{1/}		194,199,772	15.13
3. Mr. Krittawat Taechaubol ^{2/}	Director of the Company	43,995,000	3.43
4. Mr. Chotiwit Taechaubol ^{2/}	Director of JC	40,529,959	3.16
5. Mr. Akarawin Taechaubol ^{2/}		5,000,000	0.39
6. JC Asset Company Limited ^{3/}		7,128	0.00
Total		551,770,734	42.99



- Remarks
- ^{1/} is a wife of Mr. Apichai Taechaubol who classified as a person in section 258
 - ^{2/} is the maturity son of Mr. Apichai and Mrs. Chalida Taechaubol
 - ^{3/} is an juristic entity which its shares are held by sons and daughters of Mr. Apichai and Mrs. Chalida Taechaubol

VSSL hired Ultima Appraisal Company Limited and Advance Appraisal Company Limited which are independent appraisers certified by the SEC and are not any associated or connected with the Company to appraisal such property guarantee. The appraisal value equal to 398.82 and 367.74 Million Baht respectively, which both appraisal value were higher than the debt, JC will be responsible for the expense for mortgage and other expenses which will be occur.

Board of Directors' Opinion : The Board of Directors considered and gave an opinion that although JC is in default of payment of the deposit of the land within the period. However, the extension of the debt in this time, JC is offering rewards to VSSL with the interest rate of 7.00% per annum which higher than the Company's average cost of capital and JC already paid the accrued interest of the year 2014 to VSSL. Moreover, JC has mortgaged property as collateral for the payment which has the appraisal value of an independent appraiser higher than debt owed in the present, and due to Mr. Apichai Taechaubol has guaranteed the repayment of such a personal. In addition, such providing financial assistance will not affect the liquidity and financial position of the Company. When consideration the consolidated financial statements ended 31 December 2014, the Company had net cash and cash equivalents equal to 157.88 Million Baht which enough for use as working capital. For the reasons as mentioned above, the Board of Directors has confidence that the Company will be receive repayment of deposit from JC. Thus, the Board of Directors has made decision to approve the Company to extend the period of time to receive the deposit back from JC and propose to the Shareholders' Meeting for approval.

Agenda 9 : Other matters (if any)

The Company has listed the name of shareholders who have the rights to attend the meeting and exercising the votes at the 2015 Annual General Meeting of the Shareholders on March 9, 2015 (Record Date), and collect the lists according to the section 225 of The Securities and Exchange Act by closing the share register book since March 10, 2015.



If any shareholder wish to appoint other persons or independent director as your proxy to attend the Meeting and vote on your behalf, please kindly fill in the proxy (attached 7.5), sign it together with a seal (if any) and affixing with Baht 20 duty stamp onto the proxy. The proxy together with the documents and evidences (Attached 7.4) shall be sent to the Company secretary for inspection at least one day prior to the meeting or brought to the meeting and presented to our officers before the meeting start.

By Order of the Board of Directors

A handwritten signature in blue ink that reads 'S. Pinprayong'. The signature is written in a cursive style with a large initial 'S'.

(Ms. Siriporn Pinprayong)

Company Secretary