



KST 023/14

1 April 2014

Subject: Invitation to annual general meeting of shareholders No. 35/2014.

To : Shareholders of Kiang Huat Sea Gull Trading Frozen Food Public Company Limited.

Attachments : 1) A copy of the minutes of the annual general meeting of shareholders No.34/2013.  
2) The annual report year 2013 (cd-rom).  
3) Proxy Form.  
4) Required documents for registration and map of meeting venue.  
5) Documents for agenda 5.  
6) The company's article of association relevant to shareholders' meeting.  
7) Profiles of independent directors.

The board of directors of Kiang Huat Sea Gull Trading Frozen Food Public Company Limited passed a resolution to hold annual general meeting of shareholders No. 35/2014 on Tuesday 29 April 2014 at 14:00 P.M. at Company's conference room , No. 4/2 moo 3, Asia Highway No.43, Namom, Songkhla to consider the following agendas.

Agenda 1: To certify the minutes of the annual general meeting of shareholders No. 34/2013.  
opinion of the board : The board of directors recommended shareholders to certify the minutes of the annual general meeting of shareholders No. 34/2013 held on 30 April 2014 as per a copy of minutes of the meeting (attachment 1) which also shown on company's website ([www.kst-hatyai.com](http://www.kst-hatyai.com))

Agenda 2: To acknowledge the company's operating performance year 2013  
opinion of the board : The company and subsidiaries have net profit of baht 21.5 millions decrease of 89.9% compared to net profit of baht 213.0 millions of year 2012 details as follow.

- 1) The company and subsidiaries have lower gross profit from year 2012 of baht 357.5 millions becomes baht 225.2 millions of year 2013 due to the increasing cost of sales for shrimp products which caused by high raw material prices and shortages of raw material supply comprises with the decreasing exportation quantities and poor market situation of cephalopods products of subsidiary company (Teppitak Seafood Co., Ltd) resulting for loss of the subsidiary company.
- 2) The company and subsidiaries have loss from exchange rate in year 2013 of baht 59.5 millions compared to profit of baht 60.0 millions in year 2012 due to fluctuations of baht currency.



- 3) The company has higher profit sharing from associate company in Malaysia of baht 7.6 millions in year 2014 compared to profit of baht 4.3 millions in year 2013 due to increasing exportation quantities to Europe market of the associate company.

The board of directors acknowledged and proposed the company's operating performance of the year 2013 to the shareholders for acknowledgement (attachment 2 cd-rom).

Agenda 3: To approve the audited financial statements for the year end ,31 December 2013 opinion of the board : shareholders are invited to approve the financial statements for the year end ,31 December 2013 which was reviewed and endorsed by the audit committee, also certified by the external auditors. Details of the audited financial statements for the year end ,31 December 2013 shown in cd-rom (attachment 2).

**Summary of financial statement**

Unit : Thousands baht	Year 2013	Year 2012
Total assets	1,785,273	1,795,916
Total liabilities	535,244	417,150
Total equity	1,250,029	1,378,806
Revenue from sales	3,188,072	3,686,242
Net profit	21,466	212,974
Net profit per share (baht)	2.87	28.40

Agenda 4: To approve the dividend payment for the company's operation performance year 2013

opinion of the board : The company's operation performance for the year end , 31 December 2013 has net profit for separate financial statements of baht 83.44 millions and consolidated financial statements of baht 21.46 millions.

The company remains to commit the dividend payment policy of its operation of about 60% of net profit.

The board of directors recommended shareholders to approve the dividend payment for the company's operation performance year 2013 of baht 3.00 per share to the shareholders of 7.5 million shares making total of baht 22.50 millions.

The company will determine shareholders who are entitled to receive the 2013 dividend on 9 May 2014 and collect name list according to section 225 of the securities and exchange act by closing of registration book on 12 May 2014.

The proposed dividend will be payable on 28 May 2014 and is subject to shareholders' approval.



**KIANG HUAT SEA GULL TRADING FROZEN FOOD PUBLIC COMPANY LIMITED**

4/2 MOO 3 ASIA HIGHWAY NO. 43, NAMOM, SONGKHLA 90310, THAILAND.

TEL : (074) 222333 FAX : (074) 222300-1 E-MAIL : sales@kst-hatyai.com

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Comparison of recent dividend payment is as follow :

Dividend Payment Details	2013	2012
Net profit (thousands baht)	21,466	212,974
Number of shares (share)	7,500,000	7,500,000
Dividend per share (baht per share)	3.00	20.00
Total dividend (baht)	22,500,000	150,000,000
Payout ratio (%)	104.82	70.43

Remark The dividend payment of baht 3.00 will be paid from the profit subject to 20% corporate income tax which can be applied for tax credit accordingly.

Agenda 5: To consider the appointment of directors in place of those who retired by rotation opinion of the board : under article 3,18 of the company's stated that in every annual general meeting of shareholders, one-third (1/3) of the directors will be retired by rotation. 5 out of 14 directors will be retired by rotation are as follow :

1. Mr. Charoen Laoteppitaks
2. Mr. Worasak Laoteppitaks
3. Mr. Kittipat Tantrarungroj
4. Mr. Preecha Santithammarak
5. Ms. Charoenkwan Chotiwananaphan (appointed to replace Mrs. Nantana Chotiwananaphan)

Board of directors considered the 5 retired directors are suitable to be re-elected as directors for another term because all the retired directors are knowledgeable with ability and experience. Please consider the profiles of these 5 retired directors in attachment 5.

Agenda 6: To approve the remuneration of the directors and executives. opinion of the board : in year 2013, the company paid for the remuneration of the directors and executives total 8 persons for amount of baht 9,315,625 also paid for the remuneration of audit committee directors total 5 persons for amount of baht 200,000.

For the year 2014, board of directors proposed the remuneration as previous year's policy and the operation performance of this year.

Agenda 7: To approve the appointment of auditor and audit fees. opinion of the board : proposed to appoint external auditors from ANS audit limited name list of the auditors as follow :

1. Mr. Vichai Ruchitanont, CPA NO. 4054  
(The authorized signature on company's financial statement for the year 2013).
2. Mr. Satien Vongsanan, CPA No. 3495
3. Ms. Kulthida Phasurakul, CPA No. 5946

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The aforementioned auditors are independent and are neither related or engaged in any conflict of interest with the company , subsidiaries , company's executives , major shareholders or any relative of these persons.

**Auditing fee**

Auditing fee	Year 2014 (proposed year)	Year 2013
Auditing fee of the company	570,000	570,000
Auditing fee of the subsidiaries		
- Teppitak Seafood Co., Ltd.	330,000	330,000
- T.S.F. Seafoods Co., Ltd.	(Ceased)	93,750
Total fee	900,000	993,750
Other service fee	None	None

The aforementioned auditors has been approved from audit committee meeting No. 1/2014 held on 19 February 2014 , considered from the past works , the independence of auditors and the audit fees.

The board of directors then proposed the shareholders to approve the auditor and audit fees.

**Agenda 8:** To approve other issues (if any).

The company have prepared the company's operating performance of the year 2013 in cd-rom and dispersed to the shareholders.

If the company's operating performance of the year 2013 book is required ; the shareholders are invited to contact the company office at the above letterhead or through e-mail address : [account@kst-hatyai.com](mailto:account@kst-hatyai.com)

In case any shareholders are unable to attend the meeting and wish to appoint any representative as proxy holders to attend and vote on their behalves , the attached proxy forms are required to be duly signed and filled in for submission at the company office before the meeting.

Shareholders are invited to attend the meeting on the date , time and place as mentioned above.



Yours faithfully,

(Mr. Charoen Laoteppitaks)  
Chairman