

No. SNC 2012/007

20 February, 2012

Subject Invitation for the Annual General Meeting of Shareholders No. 18/2012

To Shareholders of SNC Former Public Company Limited

The Board of Directors of SNC Former Public Company Limited (“the Company”) has resolved to hold the Annual General Meeting of Shareholders No.18/2012 on Tuesday, April 3, 2012 at 14.00 at Suvarnabhumi Meeting Room B, Novotel Hotel, Suvarnabhumi Airport, to consider matters in accordance with agenda as follows:

**Agenda 1 Acknowledgement of minutes of the Annual General Meeting of Shareholders No. 17/2011**

Objective and reason: For the acknowledgment of shareholders for the minutes of Annual General Meeting of Shareholders No. 17/2011 held on April 1, 2011.

Opinion of the Board: The minutes of the Annual General Meeting of Shareholders No.17/2011 held on April 1, 2011 were duly and accurately recorded and found it appropriate to acknowledge the shareholders’ meeting (see copy of the minutes of the meeting in the Annual Report, attached with this invitation letter).

**Agenda 2 Acknowledgment of operation result of 2011**

Objective and reason: For the acknowledgement of shareholders for the operation result of 2011

Opinion of the Board: It is appropriate to acknowledge the operation result of 2011 to shareholders’ meeting.

**Agenda 3 Consideration and approval of financial statements of 2011**

Objective and reason: According to the Public Limited Company Act, the Board of Directors has to ensure the preparation of the financial statements at the end of each fiscal year which were audited by certified auditor and propose to the annual general shareholders’ meeting for the approval.

Opinion of the Board: It is appropriate to propose to shareholders’ meeting to consider and approve the financial statements for year 2011 which were audited and verified by auditor (see financial statements in the Annual Report, attached with this invitation letter).

**Agenda 4 Consideration and approval of dividend payment for year 2011**

Objective and reason: According to the Public Limited Company Act, the dividend payment has to be proposed to shareholders’ meeting for an approval.

Opinion of the Board: It is appropriate to propose to shareholders' meeting to consider and approve the dividend payment for the year 2011 for last period at 0.60 Baht per share. The dividend will be paid on April 27, 2012. After including the interim dividend payment at 1.00 Baht per share, the total dividend equal to 1.60 Baht per share. The information for past dividend payment is as follows:

<u>Dividend</u>	<u>No. of shares*</u>	<u>Dividend per share</u>	<u>Total dividend payment</u>
<u>Year 2011</u>			
Interim dividend	287,777,339	1.00 Baht	287,777,339.00 Baht
Dividend for the end of year period	287,777,339	0.60 Baht	172,666,403.40 Baht
Total dividend payment for 2011		1.60 Baht	460,443,742.40 Baht
<u>Year 2010</u>			
Interim dividend	287,777,339	0.65 Baht	187,055,270.35 Baht
Dividend for the end of year period	287,777,339	0.35 Baht	100,722,068.65 Baht
Total dividend payment for 2010		1.00 Baht	287,777,339.00 Baht

\* Paid-up capital after deduct treasury stock

Such dividend payment was as indicated by the Company's policy which stated that the Company shall pay dividend not less than 50% of net profit after tax and legal reserve. For year 2011, the dividend payment to net profit ratio was 88.59% (2010: 75.47%).

#### **Agenda 5 Consideration of election of directors to replace those directors who are retired from office**

Objective and reason: According to the Company's Articles of Association, one third (1/3) of the total directors shall retire from the office. For this year, there are 4 directors who have to retire from the office:

- 1) Mr. Satit Chanjavanakul
- 2) Mr. Surapol Yamkasem
- 3) Dr. Srimuang Charoensiri
- 4) Mr. Surasak Khaoroptham

Details related to age, education, training, experience, shares holding, being director of other company, number of terms being director, board of directors' meeting attendance are on page 8 of Annual Report attached with this letter.

Opinion of Board: The Board considered based on opinion of the nomination committee and found that the directors who will retire from the office are knowledgeable and capable which are very useful to the Company. Therefore, the Board found it appropriate to propose to the shareholders' meeting to elect those 4 directors to re-elect as the Company's board for another term.

## **Agenda 6 Consideration and determination of directors' remuneration**

Objective and reason: According to the Public Limited Company Act requires that the shareholders' meeting has to approve the directors' remuneration every year.

Opinion of Board: The Board considered based on opinion of the remuneration committee, it is appropriate proposing to the shareholders' meeting to consider the directors' remuneration for year 2012 at the amount of 3,240,000 Baht which is at the same level of other listed companies in the same sector / industry. The details of directors' remuneration are as follows:

### **1. Meeting allowance of the Board of Directors and sub-committee**

#### **(1) Meeting allowance of the Board of Directors**

Chairman of the Board, 1 director	30,000	Baht/meeting
11 directors, each director 15,000 Baht / meeting	165,000	Baht/meeting
Total	195,000	Baht/meeting
6 meetings / year, total amount 195,000 x 6 meetings	1,170,000	Baht/ year

#### **(2) Meeting allowance of the Audit Committee**

Chairman of the Committee , 1 director	20,000	Baht/meeting
2 directors, each director 10,000 Baht / meeting	20,000	Baht/meeting
Total	40,000	Baht/meeting
4 meetings / year, total amount 40,000 x 4 meetings	160,000	Baht/year

#### **(3) Meeting allowance of the Remuneration Committee**

Chairman of the Committee , 1 director	20,000	Baht/meeting
2 directors, each director 10,000 Baht / meeting	20,000	Baht/meeting
Total	40,000	Baht/meeting
1 meeting / year, total amount 40,000 x 1 meeting	40,000	Baht/year

#### **(4) Meeting allowance of the Nomination Committee**

Chairman of the Committee , 1 director	20,000	Baht/meeting
2 directors, each director 10,000 Baht / meeting	20,000	Baht/meeting
Total	40,000	Baht/meeting
1 meeting / year, total amount 40,000 x 1 meeting	40,000	Baht/year

(5) Meeting allowance of the CG and CSR Committee

Chairman of the Committee , 1 director	20,000	Baht/meeting
2 directors, each director 10,000 Baht / meeting	20,000	Baht/meeting
Total	40,000	Baht/meeting
2 meetings / year, total amount 40,000 x 2 meetings	80,000	Baht/year

(6) Meeting allowance of the Risk Management Committee

Chairman of the Committee , 1 director	20,000	Baht/meeting
2 directors, each director 10,000 Baht / Meeting	20,000	Baht/meeting
Total	40,000	Baht/meeting
2 meetings / year, total amount 40,000 x 2 meetings	80,000	Baht/year

Reserve meeting allowance for other meeting 230,000 Baht/year

Total meeting allowance for the Board of directors and sub-committee 1,800,000 Baht/year

2. Remuneration of the Chairman of the Board of Directors

Remuneration as the Chairman 100,000 Baht /month	1,200,000	Baht/year
meeting allowance 20,000 Baht / month	240,000	Baht/year
Total	1,440,000	Baht/year

Total directors' remuneration for year 2012 3,240,000 Baht/year

The directors' remuneration for year 2012 is at the amount of 3,240,000 Baht (2011: 3,000,000 Baht). In 2012, the Company appointed addition sub-committee, therefore, the remuneration of year 2012 is higher than 2011.

**Agenda 7 Consideration and appointment of the auditor and determination of the audit fee**

Objective and reason: Public Limited Company Act requires that the shareholders' meeting has to approve the appointment of the auditor and determination of the audit fee every year.

Opinion of Board: Based on the opinion of the Audit Committee to change the auditor from EY to KPMG for the new viewpoint of auditor from other office as well as the proposed audit fee is cheaper than the existing one, the Board considered it is appropriate to propose to the shareholders' meeting to appoint Miss Vipawan Pattavanwivek CPA No. 4795 and/ or Mr. Veerachai Ratanajaratkul CPA No. 4323 and / or Miss Orawan Sirirattanawong CPA No. 3757 from KPMG Phoomchai Audit Limited to be the auditor of the Company,

its subsidiaries and associates for year 2012. The auditor is independent and has no conflict of interest with the Company, its subsidiaries and its associates. The audit fee for year 2012 has set to be not more than 3,000,000 Baht (Audit fee for 2011: 3,180,000 Baht). The details of the audit fee are as follows:

		Baht		
		Yearly	Quarterly	Total
1	SNC Former Public Company Limited	500,000	300,000	800,000
2	SNC Pyongsan Evolution Company Limited	300,000	150,000	450,000
3	SNC Santac Company Limited	50,000	-	50,000
4	SAS Innovation Company Limited	50,000	-	50,000
5	SNC Cooling Supply Company Limited	300,000	150,000	450,000
6	Immortal Parts Company Limited	300,000	150,000	450,000
7	Paradise Plastic Company Limited	100,000	50,000	150,000
8	Ultimate Parts Company Limited	200,000	60,000	260,000
9	Infinity Parts Company Limited	120,000	50,000	170,000
10	SSM Automation Company Limited	120,000	50,000	170,000
		2,040,000	960,000	3,000,000

The Company, its subsidiaries and associates have not received any other services from the office of the auditor.

#### **Agenda 8 Consideration of any other matters**

-if any-

For the right of shareholders to receive the dividend for the last period and to attend the Annual General Meeting No. 18/2012, the Company fixed the date for share register book closure on March 19, 2012 until the Annual General Meeting No. 18/2012 finish.

The Company would like to invite the shareholders to attend the Annual General Meeting No. 18/2012 as date, time and place stated above. The Company will open for registration for attending the meeting since 13.00 hrs.

If any shareholder cannot attend the meeting and wants to appoint any person or Audit Committee (see details of Audit Committee in the Annual Report, attached with this letter) to vote on his behalf, please fill in and sign on the proxy form (recommend Form B) or can download proxy form from [www.sncformer.com](http://www.sncformer.com). The

Company would like to ask for your cooperation to submit the proxy which already filled in details and signed by grantor to the Company prior to meeting date 1 day in advance, therefore, the proxy can proceed according to shareholder's will.

Yours Sincerely,

By order of the Board of Directors  
SNC Former Public Company Limited

.....

(Dr. Somchai Thaisa-nguanvorakul)  
Chairman of the Executive Committee