



**Minutes of the Extra-ordinary General Meeting of Shareholders No.1/2017**  
**Bangkok Ranch Public Company Limited**

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**Date, Time and Place**

The Extraordinary General Meeting of Shareholders No.1/2017 was held on Thursday 27<sup>th</sup> July 2017, at 15.30 hrs. at Suanluang 1-3 Room, 1st Floor, the Novotel Bangna Bangkok Hotel, located at 333 Srinakarin Road, Nongbon, Pravet, Bangkok 10250, Thailand.

**Commencement of Meeting**

This Shareholders' Meeting was in accordance with the resolution of the Board of Directors' Meeting No. 4/2017, which was held on 20<sup>th</sup> May 2017, in order to propose the significant and other relevant matters, specified in the invitation letter to shareholders for consideration. The record date on which shareholders have rights to attend and vote in the Extraordinary General Shareholders' Meeting was on 7<sup>th</sup> June 2017 and the share registration book for gathering shareholders' names under the Section 225 of the Securities and Exchange Act. B.E. 2535 was on 8<sup>th</sup> June 2017. There were altogether 414 shareholders present in person and by proxy, representing 460,925,816 shares or 50.4601%, which exceeded one of the third of the Company's paid-up shares 913,446,558 shares; therefore, constituting a quorum. Mr. Joti Bhokavanij was the Chairman of the Meeting pursuant to the Company's Article of Association (Clause 39) and relevant law.

**Board of Directors in Attendance**

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|----|-----------------------------|--|
| 1. | Mr. Joti Bhokavanij         | Chairman, Member of Nomination & Remuneration Committee, and Chairman of the Meeting   |
| 2. | Mr. Taveechai Charoenbundit | Vice Chairman and Independent Director   |
| 3. | Mr. Joseph Suchaovanich     | Vice Chairman, Executive Director, Member of Nomination & Remuneration Committee, and Managing Director of Asia and Asia Pacific |
| 4. | Mr. Gertjan Tomassen        | Vice Chairman, Executive Director, Member of Nomination & Remuneration Committee, and Managing Director of Europe                |



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## Agenda 1: To Consider and Certify the Minutes of the Annual General Shareholders' Meeting 2017

Chairman requested the Meeting to consider and certify the minutes of the Annual General Shareholders' Meeting 2017 which was held on 25<sup>th</sup> April 2017, as per details in a copy, which had already been distributed to shareholders together with the meeting invitation letter to shareholders.

Since there was no shareholder raising any amendment thereto, Chairman then proposed the Meeting to cast their votes. This agenda required a majority vote of shareholders attending and cast their votes.

**Resolution:** The Meeting passed the resolution to certify the Minutes of the Annual General Shareholders' Meeting 2017 as follows:

Approved	638,734,213	votes	99.9999%	of voting rights exercised by shareholders present and vote
Disapproved	200	votes	0.00%	of voting rights exercised by shareholders present and vote
Abstained	0	votes	-	of voting rights exercised by shareholders present and vote
Total	638,734,413	votes	100.0000%	of voting rights exercised by shareholders present and vote

## Agenda 2: To consider and approve the acquisition of property from related party

Chairman asked Mr. Chonlachart Worawuthichongsathit to report to the Meeting on the summary of the acquisition of property from related party. Mr. Chonlachart Worawuthichongsathit presented this transaction as follows:

According to Duck-To Holding B.V. ("DTH"), a subsidiary of Bangkok Ranch Public Company Limited ("BR"), intends to enter into the asset purchase agreement to acquire land and buildings with Lisuda Vastgoed B.V. ("Lisuda"). Currently, Duck-To Holding B.V. is renting the property from Lisuda for the slaughterhouse and duck-meat processing and processed food products businesses.

Lisuda is a wholly-owned company by Mr. Gertjan Tomassen, who is an indirect shareholder of the Company, the Vice Chairman and Managing Director of Europe of the Company and the Management of DTH, a subsidiary of the Company. The maximum transaction size, using the consideration paid method, is 3.27% of the total assets, based on the consolidated financial statements of the Company for the period ended 31 March 2017. When combining all asset acquisition transactions during the past 6 months, the combined transaction size is equal to 14.56% of the total assets, based on the consideration paid method. In addition, the entering into the transaction to acquire the assets is considered a connected transaction under the Connected Transaction Notification. The transaction size is equal to 15.27% of the net tangible asset (NTA) of the Company (as of 31 March 2017 is equal to THB 1,801 million).

The shareholder who has no right to vote in this agenda is Mr. Gertjan Tomassen and Fly Eagle Holdings Limited, a company indirectly wholly-owned by Mr. Gertjan Tomassen.

### Opinion of the Board of Directors

The Board of Directors has passed the resolution to propose the acquisition of a piece of the property which consists of the slaughterhouse and duck-meat processing and processed food products located in ERMELLO and UDEN in the Netherlands from Lisuda for shareholder approval. Lisuda is deemed to be a related party of the company. The Property with the area of 24,652 square meters, is to be bought at the price not exceeding EUR 6,811,000 plus taxes which is not exceed 6.00% of the transaction.

In case that the average of appraisal price is lower than EUR 6,811,000, the Company will adjust the settlement price accordingly. The source of fund for this transaction will come from bank loans. The Board of Directors has agreed to propose the transaction for the Shareholders' approval at the Extraordinary General Shareholders Meeting and nominate the independent financial advisor ("IFA") to comment on the transaction. The detail of the IFA's opinion appeared in the Enclosure 2, which were sent to the shareholders for review.

Mr. Chonlachart Worawuthichongsathit asked Mrs. Julaporn Namchaisiri, the IFA to present the details regarding the acquisition of assets and the connected transaction and provide an independent opinion to the shareholders for consideration in passing the resolution. The IFA presented the overview of the transaction, details of the assets, the rationale of the transaction, and the appropriateness of price and conditions of the transaction and the conclusion of the IFA's opinion as follow:

### Conclusion of IFA's Opinion

After the transaction to acquire the land and buildings in Ermelo and Uden from Lisuda is completed, the Company will obtain the ownership of lands and buildings used in the existing business of slaughterhouse and processing plant, cooked-duck meat processing factory and ready-to-eat food products, cold storage and warehouses. The benefits of the transaction will help DTH reduce the risk of operating business in the Netherlands. It is analyzed that the Internal Rate of Return (IRR) from rent saving is 8.38%, which is higher than the average cost of capital (WACC) of DTH at 7.77%.

For this reason, the IFA considers that acquiring the lands and buildings will benefit the Company more than leasing the lands and buildings. Furthermore, in the future, the Company will be able to improve the building facilities without requiring a permission from the lessor. In consideration of the appropriateness of the price and conditions of this transaction, the transaction price is EUR 6,811,000 or approximately THB 259.37 million (excluding the related taxes), which is lower than the average appraisal value from the 2 independent appraisers at EUR 6,815,000 (which is between EUR 6,680,000 – EUR 6,950,000 or approximately THB 254.38 million - THB 264.67 million). Also, when including the related taxes at EUR 408,660 or approximately THB 15.56 million, the transaction value will be EUR 7,219,660 or approximately THB 274.93 million, which is lower than the present value of the saving on the future rental rate, from the study, which is EUR 7,978,762 or approximately THB 303.84 million. In addition, the terms and conditions of sale and purchase agreement, the term of payment and laws regarding land acquisition in the Netherlands are ordinary conditions for general real estate transactions and do

not cause the Company to lose any benefits. Therefore, the IFA recommends the shareholders to approve the transaction. However, the decision to approve or not approve the transaction regarding the acquisition of assets and connected transaction rests solely on the shareholders' discretion.

**Shareholders raised the following queries:**

Mr. Hangchai	Inquired about 3 issues as follows:
Akkawatsakul (a proxy)	<ol style="list-style-type: none"><li>1) Why the Company has just acquired this asset recently not previously;</li><li>2) Whether the source of funds is from the debt financing domestically or internationally and what the difference of the interest rate between domestic and international debt financing is; and</li><li>3) He expressed his concerns regarding the investment funded by the cash flow from operation which might result in the liquidity of the Company. Therefore, he proposed the Company to transact the entire loan to purchase this asset.</li></ol>
IFA	<p>Answered the second and third issues as follows:</p> <ol style="list-style-type: none"><li>1) For this transaction, the Company intends to acquire the debt financing from a financial institution overseas, of which it has received an indicative term sheet from the bank in the Netherlands at the average interest rate of 1.66%; and</li><li>2) The Company expects to use the above bank loan from a bank in the Netherlands, which is equivalent to approximately 86% of the purchase price. For the remaining amount, DTH intends to utilize its internal working capital. In this regard, the IFA has incorporated these aspects in the financial risk assessment of the Company.</li></ol>
Assistant to CEO	<p>In entering in to this transaction, the Company was required to pay for the land and buildings plus related taxes in the amount of THB 270 million approximately. The 86% of source of funds is from debt financing and the remaining amount of 14% or THB 40 million approximately is from internal working capital of DTH. Based on DTH's projection compared to last year, the performance of business operation in Europe has improved due to the increasing average market price of duck meat. In addition, DTH has increased sales volume resulting from the termination of VSE's business as a major player in the Netherlands. Therefore, DTH's executives expected that earnings before interest, tax, depreciation, amortization (EBITDA) in 2017 would be at around EUR 6 million or approximately THB 240 million which would be sufficient to fund this asset acquisition in the amount of THB 40 million approximately.</p>
Chairman	<p>Answered the first query that Lisuda, the owner of this asset actually has no intention to sell. The Company's directors, having a consultation with the Audit Committee agreed that entering into this transaction will be more beneficial to the Company for</p>

future expansion and tried many times to propose asset acquisition. Finally, Lisuda accepted the proposal as said transaction.

Mr.Sathaporn

Inquired about 3 issues as follows:

Pangnirundr

(a shareholder)

- 1) Why the Company opted to finance the debt in EUR not others, i.e. US Dollar as the Company has some revenue denominated in US Dollar;
- 2) Whether the interest loan rate is higher or lower than the Company's Weighted Average Cost of Capital ("WACC"); and
- 3) Whether the acquired asset price is higher or lower than the appraised value.

IFA

- 1) This transaction will be carried out by DTH, with business operation in the Netherlands and Europe. As its revenue and expenses are denominated in EUR, DTH should also has source of fund and debt financing in EUR currency;
- 2) The average interest rate on loan at 1.66% is lower than the WACC of 7.77%; and
- 3) The purchase price is lower than the average appraised value of the assets obtained from the 2 independent appraisers, on the Securities and Exchange Commission's ("SEC") approved list, plus applicable taxes.

Mr. Basant Kumar Dugar

(a shareholder)

Inquired about many issues as follows

- 1) Why the Company's cash flow from investing activity was negative;
- 2) Why the return on equity (ROE), the return on asset (ROA) and the net profit margin were quite low;
- 3) How the Company has considered the high value in Goodwill as shown in the Company's balance sheet and whether the Company assigned the external auditor to review this matter in case that the Company is required to amortize the goodwill which might affect significantly to the Company's financial statement;
- 4) How entering this transaction has impacted to the existing shareholders; and
- 5) Is it better to manage the debt financing through the financial institution in Thailand.

Assistant to CEO

- 1) From the consolidated financial statements of the company, the negative cash flow from investing activity was due to the fact that the Company needed the heavy investment for its capacity expansion phase, resulting in the negative cash flow;
- 2) From the last year financial performance, the Company had one-time expense for taxes, affecting the decrease in net profit and ROA. This expense will be not realized in this year performance;

- 3) The Company's external auditor has regularly and yearly reviewed the goodwill. If they realized the impairment of goodwill, then they will do some adjustment on amortization;
- 4) For this transaction, the Company acquired the asset not shares which did not have an impact on the existing shareholders; and
- 5) The average interest rate of this loan is at 1.66% in Netherlands which is much lower than the interest loan rate if being financed in Thailand. The minimum loan interest rate is expected to be 4% approximately. Consequently, the Company views that it is appropriate to finance the debt at Netherlands.

Mr. Niran Chitprakob  
(a shareholder)

Inquired 2 issues as follows:

- 1) Whether the Company is required to be added burden of other essential costs, i.e. maintenance and renovation; and
- 2) By comparison, the acquired land price per kilometers seems to be lower than the land price in Thailand and whether the estimation of asset is correct.

Assistant to CEO

- 1) The acquired asset, including the land and buildings is in good condition. Therefore, the Company do not need to pay for the additional maintenance but be burden for only the related taxes; and
- 2) The acquired land price is lower than the average appraised value assessed by the 2 independent appraisers deemed as reasonable price. The reason why the acquired land price is seemingly lower than the land price in some area of Thailand is that the location of this asset is in provincial area, 70 kilometers away from the urban area. So, the land price is lower than the area in main city, i.e. Bangkok.

Mr. Basant Kumar Dugar  
(a shareholder)

Inquired about the rest of useful life of this acquired asset.

Assistant to CEO

The main parts of the acquired asset are the land which can be utilized for long life whereas the buildings are expected to be utilized for at least another 20 years.

Since there was no shareholder expressing any opinion or raise any query in this agenda thereto, Chairman then proposed the Meeting to cast their votes. This agenda shall be approved by vote not less than three-fourths of the total votes of shareholders attending the meeting and have right to vote.

**Resolution** The Meeting passed the resolution to consider and approve the acquisition of property from related party as follows:

Approved	634,776,222	votes	97.5127%	of voting rights exercised by shareholders present and vote
Disapproved	6,397	votes	0.0000%	of voting rights exercised by shareholders present and vote
Abstained	16,184,600	votes	2.4862%	of voting rights exercised by shareholders present and vote
Total	650,967,219	votes	100.0000%	of voting rights exercised by shareholders present and vote

### Agenda 3 Other Matters

(There was no shareholder raising any matter)

After the opening of the Meeting, there were additional shareholders registering for the Meeting, Consequently, the total amount of shareholders attending the Meeting was 555, holding 650,967,219 shares equivalent to 71.2641% of the total number of shares sold of the Company.

Since there was no shareholder raising further question, Chairman, thanked all shareholders and declared the Meeting adjourned.

The Meeting was adjourned at 16.40 hrs.

Bangkok Ranch Public Company Limited

- *Signature* -

( Mr. Joti Bhokavanij )

Chairman of the Meeting

- *Signature* -

(Mr.Chonlachart Worawuthichongsathit)

Assistant to CEO / Secretary of the Meeting