



No. Nor lor bor 008/2014

Date : April 3, 2014

Subject : Invitation to the Annual General Meeting of Shareholders for Year 2014

To : Shareholders

- Enclosures:
1. Barcode registration form (required to bring on the Meeting day)
  2. Proxy forms.
  3. A copy of the Minutes of the Extraordinary Meeting of Shareholders No. 2/2013.
  4. Information on proposed directors to be appointed as the directors.
  5. The detail of Auditors.
  6. Guidelines for Proxy appointment, registration and identification documents required to attend and vote in the Annual General Meeting of Shareholders
  7. The detail of directors (proxy for shareholders)
  8. The Company's Articles of Association, concerning the Shareholders' Meeting
  9. A map of meeting place
  10. Annual Report for 2013 and Corporate Governance and Social Responsibility Report 2013 (in form of CD – ROM)

Whereas the Board of Directors of CP ALL Public Company Limited had resolved to arrange for the holding of the Annual General Meeting of Shareholders for year 2014 to be held on Thursday, April 24, 2014 at 2:00 p.m., registration time : 12 noon – 2.00 p.m., at the Meeting Room 3<sup>rd</sup> floor, Convention Hall, Panyapiwat Institute Of Management, 85/1 Moo 2 Chaengwattana Road, Bang Talad, Pak-Kred, Nonthaburi with the agenda as follows:

**1. To adopt the minutes of the Extraordinary Meeting of Shareholders No. 2/2013.**

Facts and Reasons

The Extraordinary Meeting of Shareholders No. 2/2013 was held on September 19, 2013. The copy of the Minutes of the Meeting is attached herewith (Enclosure no.3). The Company had submitted the Minutes of the Meeting to the Stock Exchange of Thailand since October 1, 2013, and posted them on the Company's website ([www.cpall.co.th](http://www.cpall.co.th)). However, the Company has not received any request to amend the said minutes.

Board's Opinion

After considering the matter, the Board of Directors is of the opinion that the said minutes should be adopted by the Shareholders' Meeting.

**2. To consider the report of the Board of Directors which propose the meeting for reporting the Company's operations for the last year.**

Facts and Reasons

The operation results of the Company for the year 2013 were reported in the Annual Report and the Financial Statements of the Company distributed together with this invitation notice (Enclosure



no.10, Annual report, in the subject of “Nature of Business” “Management Analysis and Explanation ” and “Financial Statements”) which could be summarized as follows:

	<u>Stores opened in year 2013</u>	<u>Total stores as of December 31, 2013</u>	
Number of stores			
Classified by location			
- Bangkok	116	2,270	branches
- Suburb	102	1,125	branches
- Upcountry	<u>389</u>	<u>4,034</u>	branches
Total	<u>607</u>	<u>7,429</u>	branches
Classified by ownership			
- Corporate	264	3,248	branches
- Franchise	273	3,593	branches
- Sub Area	<u>70</u>	<u>588</u>	branches
Total	<u>607</u>	<u>7,429</u>	branches

Financial statements for the year ended December 31, 2013

Million Baht

*Separate :*

- Total assets	256,129	Increased 289% from previous year
- Shareholders' Equity	25,347	Increased 9% from previous year
- Revenue from sale of goods and rendering of services	201,669	Increased 9% from previous year
- Total Income	217,495	Increased 12% from previous year
- Net profit	10,260	Increased 2% from previous year

*Consolidated :*

- Total assets	288,665	Increased 300% from previous year
- Shareholders' Equity	33,007	Increased 21% from previous year
- Revenue from sale of goods and rendering of services	272,286	Increased 44% from previous year
- Total Income	284,670	Increased 44% from previous year
- Net profit of company's equity	10,537	Decreased 5% from previous year

Board's Opinion

The Meeting of Shareholders should acknowledge the operating results of the Company for the year 2013.



**3. To consider and approve the balance sheet and profit and loss account for the year ended December 31, 2013.**

Facts and Reasons

The balance sheet and profit and loss account for the year ended December 31, 2013 which were audited by the auditors are appeared in the audit report of certified public accountant and financial statements enclosed herewith (Enclosure no.10, Annual report : in the subject of "Independent Auditor's Report" and "Financial Statements"). It could be summarized as follows:

<i>Separate</i>	<u>Baht</u>
- Total assets	256,129,160,495
- Total Equity	25,347,159,801
- Revenue from sale of goods and rendering of services	201,669,012,106
- Total Income	217,494,924,385
- Profit for the year	10,259,609,203
- Basic Earnings per share	1.14

*Consolidated :*

- Total assets	288,665,481,358
- Total Equity	33,007,426,227
- Equity attributable to equity holders of the Company	28,780,947,065
- Revenue from sale of goods and rendering of services	272,285,532,785
- Total Income	284,670,289,589
- Profit for the year	10,628,240,761
- Profit for the year, attributable to Equity holders of the company	10,536,988,826
- Basic earnings per share	1.17

Board's Opinion

After considering the matter, the Board of Directors is of the opinion that the Meeting of Shareholders should approve the balance sheet and profit and loss account for the year ended December 31, 2013 which was audited by certified public auditor and reviewed & agreed by Audit Committee.

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.*

**4. To consider and approve an appropriation of profit and approve the dividend payment.**

Facts and Reasons

According to the Articles of Association of the Company, Article 37, the Company must appropriate its annual net profit for legal reserve not less than 5% of annual net profit after deduction of brought forward deficit (if any) until this reserve shall be not less than 10% of the Company's registered capital or more.



At the end of year 2013, the Company had registered capital for amount of Baht 8,986,296,048, issued and paid-up share capital of Baht 8,983,101,348 and legal reserve for amount of Baht 900 million or equal to 10% of the Company's registered capital, fully appropriated according to the Articles of Association of the Company, no more additional appropriate for legal reserve from net profit of the year 2013.

The Company has a policy to pay dividend to the shareholders at approximate 50% of net profit from the separate financial statements from operation after deduction of income tax and legal reserve in each year and from the consolidated financial statements in additional consideration.

However, the dividend payment policy may be changed if the board of directors considers the company's financial position, economic situation and the operating result including future investment plans and agrees to propose the meeting of shareholders to consider other alternatives.

From the operation result of the year 2013, the Company earned a net profit according to separate financial statements amounting to Baht 10,259,609,203 with Baht 1.14 of earnings per share. The profit attributable to the Equity holders of the Company from consolidated financial statements was Baht 10,536,988,826 with Baht 1.17 of earnings per share. After considering the Company's financial position and the operating result, the Shareholders should consider the payment of dividend for the year 2013.

#### Board's Opinion

After considering the matter, the Board of Directors is of the opinion that the Meeting of Shareholders should approve not to appropriate its annual net profit for legal reserve, due to the Company has legal reserve fully appropriated according to the Articles of Association of the Company.

In addition, the Meeting of Shareholders should approve the dividend payment distributed from the operating results for the year 2013 at Baht 0.90 per share (Ninety satang) for Shareholders holding 8,983,101,348 shares, total dividend payment in amount of Baht 8,084,791,213.20 or equal to 79% of net profit after income tax from separate financial statements. The Company has scheduled the record date on May 6, 2014 to determine the shareholders entitled to receive the dividend. The Shareholders' name shall be collected according to the Section 225 of the Securities and Exchange Act. by closing the share registration book on May 7, 2014. The dividend payment shall be made on May 20, 2014. However, the rights concerning the Company's dividend payment will be resolved upon Shareholders' approval.

Moreover, Shareholders who are natural person can credit personal income tax of dividend received from the Company according to the Revenue Code, Section 47 Bis. Due to the dividend payment distributed from the profit which the Company paid 20% of net profit for corporate income tax. Therefore, the income tax credit for this dividend is equal to the number of dividend multiply by 20/80.

### Statistics of dividend payment

Details of Dividend Payment	2010	2011	2012	2013 (proposed year)
1. Number of shares (Million shares)	4,493	4,493	8,983	8,983
2. (A) Net profit - Separate Financial Statements (Million Baht)	6,143	7,274	9,982	10,260
3. Earnings per share – Separate Financial Statements (Baht : share)	1.37	1.62	1.11	1.14
4. (B) Net profit – Consolidated Financial Statements (Million Baht)	6,663	8,008	11,023	10,537
5. Earnings per share – Consolidated Financial Statements (Baht : share)	1.48	1.78	1.23	1.17
6. Annual Dividend				
– Interim Dividend (Baht : share)	0.40	-	-	-
– the final payment of dividend (Baht : share)	1.00	1.25	0.90	0.90
• Total cash dividend (Baht : share)	1.40	1.25	0.90	0.90
• Total cash dividend (million Baht)	6,290	5,616	8,085	8,085
• Stock dividend (Baht : share)	-	1.00	-	-
• Stock dividend (million Baht)	-	4,493	-	-
7. Total dividend payment (million Baht)	6,290	10,109	8,085	8,085
8. % of dividend per net profit – Separate Financial Statements (A)	102%	139%	81%	79%
9. % of dividend per net profit – Consolidated Financial Statements (B)	94%	126%	73%	76%

**Remark** In 2012, the Company had increased its registered capital for stock dividend payment as a ratio of 1 existing share to 1 stock dividend.

#### 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.*

### 5. To consider and elect directors to replace the directors who retire by rotation.

#### Facts and Reasons

According to the Public Company Act B.E. 2535 and the Company's Articles of Association, Article 11, stipulated that one-third of directors shall retire by rotation at each General Meeting of Shareholders or, if their number is not a multiple of three, the number nearest to one-third shall



retire from office. The Directors to retire from office in the first and the second years after registration of the Company shall draw lots. In the subsequent years, the Director who are longest in office shall retire. Directors retiring by rotation are eligible for re-election.

The Directors who shall retire by rotation are as follows:

- |                |                  |   |
|----------------|------------------|---|
| 1. Mr. Prasert | Jarupanich       | Director  |
| 2. Mr. Narong  | Chearavanont     | Director  |
| 3. Mr. Pittaya | Jearavisitkul    | Director and Vice Chairman of Executive Committee |
| 4. Mr. Piyawat | Titasattavorakul | Director and Vice Chairman of Executive Committee |
| 5. Mr. Umroong | Sanphasitvong    | Director and Member of Executive Committee        |

In compliance with laws and the Company's Articles of Association, the Meeting of Shareholders should consider and elect directors to replace 5 directors who retire by rotation.

#### Board's Opinion

The process to elect directors of the Company did not run by the Nomination Committee, due to currently the Company does not have the Nomination Committee. However, the non-interested Board of Directors had considered the nominee qualification from knowledge, experiences and capability from various occupations, including the performance as a director in the past. It is of the opinion that the Meeting of Shareholders should re-elect the following five nominees who retire by rotation to be directors of the Company for another term. The information on proposed directors is enclosed herewith. (Enclosure no. 4)

Proposed directors		Position	No. of shares As at Dec. 31, 2013	%of total voting shares
1. Mr. Prasert	Jarupanich	Director	0	-
2. Mr. Narong	Chearavanont	Director	304,802	0.00339
3. Mr. Pittaya	Jearavisitkul	Director	1,634,518	0.01820
4. Mr. Piyawat	Titasattavorakul	Director	82,770	0.00092
5. Mr. Umroong	Sanphasitvong	Director	0	-

#### Resolution

*This matter shall be passed by the affirmative resolution of a majority vote 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.*



*For this election, it shall consider and appoint an individual to be director in each position by exercising all votes of each shareholder but not splitting votes. The person receiving the highest number of votes of each position will be appointed as a director of that position.*

**6. To consider and approve the remuneration for directors.**

Facts and Reasons

According to the Company's Articles of Association, Article 24, stipulated that a Director is entitled to have compensation from the Company in the form of salary, reward, meeting allowance, gratuity, bonus or other form of remuneration in accordance with the Articles of Association or as determined or laid down as a rule or fixed from time to time or until further change by the shareholders in meeting and is entitled to allowance and welfare benefits according to the regulation of the Company.

The remuneration for directors approved from the Meeting of Shareholders in year 2013 were as follows:

**1. Monthly Remuneration**

(Baht/person)

Position	Salary	Meeting allowance
1. Chairman of Audit Committee and Independent Director	100,000	None
2. Audit Committee and Independent Director	90,000	None
3. Independent Director	60,000	None
4. Chairman	100,000	None
5. Vice Chairman	90,000	None
6. Director	40,000	None

**2. Bonus**

At the rate of 0.50% of the dividend paid to the Shareholders. The Chairman of the Board allocated the appropriate amount of bonus to each director. The total bonus was Baht 40.423 million.

Board's Opinion

The process to consider the remuneration of directors did not run by the Remuneration Committee, due to the Company does not have the Remuneration Committee. However, the remuneration of directors was carefully considered by the Board of Directors' Meeting by taking into account the following matters: conformity with the market in the same industry; former performance, experiences, duties, role and responsibilities, including the business expansion and the Company profit. It is of the opinion that the Meeting of Shareholders should approve the remuneration of directors which are still at the same rate as approved by the Annual General Meeting of Shareholders for the year 2012, on April 26, 2012 as follows:



## 1. Monthly remuneration

	Baht/person
1. Chairman of Audit Committee and Independent Director	100,000
2. Audit Committee and Independent Director	90,000
3. Independent Director	60,000
4. Chairman	100,000
5. Vice Chairman	90,000
6. Director	40,000

## 2. Bonus at the rate of 0.50% of the dividend paid to the Shareholders. The Chairman of the Board will allocate the appropriate amount of bonus to each director.

In case of the Meeting of Shareholders considered and approved the dividend payment, according to agenda 4, at Baht 0.90 per share, total dividend payment to Shareholders should be Baht 8,084.791 million. The bonus payment to directors in year 2014 would be Baht 40.424 million.

### Resolution

*This matter shall be passed by the affirmative resolution of vote of not less than two-thirds of the total number of votes of the shareholders who are present at the Meeting. The shareholders who are directors shall not entitle to vote.*

## 7. To consider and appoint the Company's auditors and fix their remuneration.

### Facts and Reasons

In the accounting period of 2013, the Company's auditor was Mr. Charoen Phosamritlert, C.P.A. (Thailand) Registration No. 4068 of KPMG Phoomchai Audit Ltd. The remuneration was Baht 2,730,000 for annually auditing the separate financial statements and consolidated financial statements and Baht 1,575,000 for 3-quarterly reviewing the above mentioned financial statements, totaling Baht 4,305,000 per year. In addition, KPMG Phoomchai Audit Ltd. was also the auditor of 15 Subsidiaries of the Company in Thailand and 2 foreign Subsidiary - Lotus Distribution Investment Limited and Albuera International Limited. For other foreign Subsidiary companies, Successor Investments Limited had paid audit fee to KPMG, Hong Kong in the approximate amount of Baht 0.1 million per year. The other two companies which are Successor (China) Investments Limited and Nanjing Zheng Yi Xin Trading Co., Ltd. had paid to KPMG, Shanghai in the approximate amount of Baht 0.2 million per year.

For new subsidiaries, Makro group, that the Company acquired shares from SHV Nederland B.V. on June 2013, had been audited for year 2013 in total of 3 companies by its original auditor.

In year 2013, the Company and its subsidiaries had not received any service from KPMG Phoomchai Audit Ltd.



For the accounting period of 2014, the Audit Committee and the management team had considered the matter about the performance, independence of auditor, the remuneration and other factors, then they had an opinion to appoint KPMG Phoomchai Audit Ltd. to be the Company's Auditor, due to their good working record. Besides, it was agreed to increase the audit fee to be in line with the business expansion.

Moreover, the Office of Securities and Exchange Commission (SEC) had announcement relating to the rotation of auditor of listed companies, if the former auditor has performed his/her duty in reviewing, auditing and expressing his/her opinion on the financial statements of the company in total of 5 consecutive years accounting period, such former auditor might not be re-appointed as the auditor of the Company. The Company may re-appoint such former auditor when it passed at least 2 consecutive years accounting period. The counting of service year of audit will be calculated only the year that he/she signed on the financial statements.

In compliance with laws, the Articles of Association of the Company, Article 33, and the SEC's announcement, the Meeting of Shareholders should consider and appoint the auditor(s) to audit and express an opinion on the financial statements of the Company and should also consider fixing the auditors' remuneration for the year 2014.

#### Board's Opinion

After considering the matter according to the opinion of the Audit Committee, the Board of Directors is of the opinion that the Meeting of Shareholders should appoint

1. Mr. Charoen Phosamritlert C.P.A. (Thailand) Register No. 4068  
(Being the auditor who expressed opinion and signed on the Company's financial statements for 5 years : 2006-2010 and year 2013)
2. Mr. Veerachai Ratanajaratkul C.P.A. (Thailand) Register No. 4323 and  
(Being the auditor who expressed opinion and signed on the Company's financial statements for 2 years : 2011-2012)
3. Mrs.Munchupa Singsuksawat C.P.A. (Thailand) Register No. 6112  
(Never been the auditor who sign on the Company's financial statements)

of KPMG Phoomchai Audit Ltd. as the company's auditors for the year 2014 by stipulating that any of the auditors has authority to audit and express opinion on the company's financial statements.

Besides, it was agreed to propose the Meeting of Shareholders to consider and approve the remuneration in services for auditing in year 2014 at Baht 2,875,000 for annually auditing the Company' separate financial statements and consolidated financial statements and Baht 1,725,000 for 3-quarterly reviewing the above mentioned financial statements, totaling Baht 4,600,000 per year, increase from the year 2013 at Baht 295,000 or increased 6.85%.

There is no relationship or conflicts of interest among the proposed auditor, the Company and its Subsidiaries, the executives, the major shareholders, or others related to those parties. The detail of auditor is enclosed herewith. (Enclosure no. 5)

Audit Fee: KPMG Phoomchai Audit Ltd.

(Million Baht)	2010	2011	2012	2013	2014 (proposed year)
Annually auditing fee	2.600	2.600	2.600	2.730	2.875
3-quarterly reviewing fee	1.500	1.500	1.500	1.575	1.725
Total per year	4.100	4.100	4.100	4.305	4.600
Other services	None	None	None	None	None



\* The above mentioned audit fee were not included miscellaneous related expenses such as document/printing, postage stamp, communication etc. The audit firm will collect such the expenses from the company based on actual payment.

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.

**8. To consider and approve the issuance and offering of debentures**

Facts and Reasons

In order to be flexible in financial management to repay short-term loan and to be used as working capital, it is necessary for the Company to raise fund by issuing and offering the debentures which detail as follows:

Type	All types of debentures, specify or not specify the name of debenture holder, secured or unsecured, with trustee or without trustee, subject to market condition at each time of issuing and offering the debentures.
Total amount	Each offering time, Issued size (face value) when aggregated with the amount of all type and kind of issued debentures of the Company (face value) which are not yet redeemed, at any given time, not to exceed Baht 90,000 million or its equivalent in any other currencies.
Currency	In Baht and/or any other currencies within total amount
Interest Rate	Subject to market condition at each time of issuing and offering the debentures.
Term	Subject to market condition at each time of issuing and offering the debentures, which the Company may redeem debentures prior to their maturity.
Offering Type	To offer in domestic and/or foreign market to the public and/or specific investors and/or high net worth investors and/or domestic institutional investors and/or foreign institutional investors. The debentures may be offered at once or divided into a series of allotments.

The amount of issued debentures in this time, not to exceed Baht 90,000 million when aggregated with the amount of issued debentures, not to exceed Baht 90,000 million, which was approved from the Extraordinary Meeting of Shareholders No. 2/2013 held on September 19, 2013, the total amount of issued debenture will not to exceed Baht 180,000 million.

Board's Opinion

After considering the matter, the Board of Directors is of the opinion that the Shareholders' Meeting should approve the issuance and offering of debentures. And should authorize Mr. Korsak Chairasmisak and Mr. Umroong Sanphasitvong, Directors, to be a group of persons to have the authority to perform any act and thing necessary for and in relation to carrying out the issuance and offering of the debentures in compliance with the applicable law including, but not limited to, the determination of the terms and conditions of debentures to be issued each time, such as face value, offering price, interest rate, allotment method, details of the offering, etc. as well as the entering into any relevant agreement and document, and to submit the application for approval from the relevant authorities, etc.



#### Resolution

This matter shall be passed by the affirmative resolution of vote of not less than three-fourths of the total number of votes of the shareholders who are present at the meeting and are entitled to vote.

#### **9. To consider other business (if any).**

The Company had invited all shareholders to propose the meeting agenda in advance on the website of the Company, but the Company has not received any proposed meeting agenda.

According to the law, a request to the Shareholders' Meeting to consider other matter in addition to those specified in the invitation notice can be done if the affirmative resolution of vote is not less than one-thirds of total number of shares sold.

The Company has scheduled the record date on March 10, 2014 to determine the shareholders entitled to attend the Annual General Meeting of Shareholders for year 2014. The Shareholders' name shall be collected according to the Section 225 of the Securities and Exchange Act. by closing the share registration book on March 11, 2014.

The Shareholders of CP ALL Public Company Limited are cordially invited to attend the meeting at the date, time and place mentioned above. Shareholders are requested to bring document for attending the Meeting as details appear in Guidelines for Proxy appointment, registration and identification documents required to attend and vote in the General Meeting of Shareholders (Enclosure no. 6). The Company will conduct the meeting in accordance with the Company's Articles of Association enclosed herewith (Enclosure no. 8).

**In order to speed up and facilitate the registration process, the Shareholders and/or the proxies are request to bring registration form having the barcode (Enclosure no. 1), together with identification documents for meeting attendance, and present them to the registration staff on the Meeting date.**

For Shareholders' right and benefit, in case the shareholders are unable to attend the Meeting but wish to appoint the Company's Director to vote on your behalf, please select the Company's director whose names and detail appeared in "The detail of directors (proxy for shareholders)" enclosed herewith (Enclosure no. 7). The completed and executed proxy should be submitted together with the required documents to **the Company Secretary Office, CP ALL Public Co., Ltd., 16<sup>th</sup> Floor, Tarasathorn Bldg., 119 South Sathorn Road, Kwang Tungmahamek, Khet Sathorn, Bangkok 10120** before April 18, 2014.

For arrangement a convenient time for the proxy who are the Financial Institute or Mutual Fund or Custodian and have a lot of the completed and executed proxy forms, the sending of such documents to our Company Secretary Office in advance before April 18, 2014 for checking would be highly appreciated.



To obtain high benefit from the Meeting, and to be valuable data for directors and the Company's management to prepare the answers, the shareholders may forward questions in advance to the Company Secretary via e-mail : [utsanee@cpall.co.th](mailto:utsanee@cpall.co.th) or fax no. 0-2679-0057.

Sincerely yours,

- *Korsak Chairasmisak* -

(Mr. Korsak Chairasmisak)

Vice Chairman

\*The Company's Annual Report and Corporate Governance and Social Responsibility Report for year 2013 in printed form will be available for Shareholders at the front of the Meeting Room on the date of Annual General Meeting of Shareholders or contact the Company's Investor Relations Office at fax. 0-2679-0050.

The Company Secretary  
**CP ALL Public Co., Ltd.**  
16<sup>th</sup> Tarasathorn Bldg., 119 South Sathorn,  
Tungmahamek, Sathorn, Bangkok 10120  
Tel. 0-2648-2764-7 Fax. 0-2679-0057