

30 August 2018

Subject: Interim Dividend Payment and Investment in Rubber Gloves Manufacturing Business

Attention: President

The Stock Exchange of Thailand / Singapore Exchange

Sri Trang Agro-Industry Public Company Limited (the “**Company**”) would like to inform that the Board of Directors Meeting No. 8/2018 held on 30 August 2018 approved the material matters which can be summarized as follows:

1. Approved the interim dividend payment at Baht 0.25 per share, totaling Baht 384 million, which was determined from the operating results of the first half period of the year ended 30 June 2018. The dividend will be paid from the portion of net profit after deduction of net loss carried forward for five years up to the present accounting period whereby individual shareholders shall not be entitled to a tax credit.

The record date of shareholders entitled to receive the interim dividend will be on 14 September 2018 and the interim dividend payment will be made on 28 September 2018.

2. With respect to the Board of Directors Meeting No. 5/2018 of the Company, held on 10 July 2018, resolving to have no objection to the proposed investment by Dr. Viyavood Sincharoenkul (“**Dr. Viyavood**”), the Chairman of the Board of Directors and Managing Director of the Company to invest in Thaikong Co., Ltd. (“**TK**”), which is in the rubber gloves manufacturing business, through the acquisition of shares in Thaikong Group Co., Ltd. (“**TKG**”), subject to the undertakings that Dr. Viyavood granted right to the Company to subsequently invest in TK in any appropriate form of structure within 31 December 2018. Such undertakings were exclusively granted to the Company either to directly or indirectly invest in TK in order to incorporate TK to be a part of the Company’s group at acquiring cost (including financing costs) in which Dr. Viyavood employed to acquire TK shares, and shall let the Company determine the appropriate structure for investment. During the period in which the Company was making decision on the investment, Dr. Viyavood undertakes that TK shall not make any dividend payment nor capital reduction.

After Dr. Viyavood had acquired TK shares (through a shareholding in TKG), the Company has conducted due diligence on TK’s business in accordance with the undertakings of Dr. Viyavood. In this regard, the Board of Directors Meeting No. 8/2018, held on 30 August 2018, considered the due diligence report of TK and relevant information, including the opinions provided by the financial advisor and legal advisor of the Company. The Board of Directors resolved to approve the investment in TK by the amalgamation of TK and Sri Trang Gloves (Thailand) Co., Ltd. (“**STGT**”), which is a subsidiary of the Company (at present, an aggregate amount of 90.23 percent of the total shares in STGT is held by the Company and Rubberland Products Co., Ltd. (“**Rubberland**”), another subsidiary of the Company, with the remaining 6.00 percent held by Sri Trang Holdings Co., Ltd., and an aggregate amount of 3.77 percent of total shares held by individuals). The Board of Directors opined that the amalgamation of businesses will substantially expand the capacity of the rubber gloves manufacturing business of the Company, as

well as enhance the efficiency in the utilization of resources, which will increase the value of the Company's rubber gloves business in the long run.

In this regard, after the amalgamation of TK and STGT, STGT will cease to be a subsidiary of the Company and the company formed by amalgamation will be a new subsidiary of the Company (the "**New Merged Co.**"). The New Merged Co., by virtue of law on the amalgamation, will assume all assets, liabilities, rights, duties, and responsibilities of both TK and STGT. The New Merged Co.'s manufacturing capacity will be approximately 21,200 million pieces per annum, which can be divided into the existing manufacturing capacity of STGT of approximately 17,200 million pieces per annum, and the existing manufacturing capacity of TK of approximately 4,000 million pieces per annum. After the amalgamation, the Company and Rubberland together will hold 81.08 percent of the total shares in the New Merged Co.; and 9.64 percent will be held by Dr. Viyavood (through TKG's shareholding); 5.39 percent will be held by Sri Trang Holdings Co., Ltd.; 3.86 percent will be held by the individuals who are not connected persons of the Company; and the remaining 0.03 percent of total shares will be held by the individuals who are connected persons of the Company. The Company expects that the amalgamation will be completed by 1 April 2019 and the Company will have the cost of entering into this transaction in the amount of THB 1,232.82 million, representing the cost of acquisition of Dr. Viyavood in the amount of THB 1,200 million and the financing costs to be payable for the loan for this acquisition in the amount of THB 32.82 million, calculated until 31 March 2019. In this regard, the Board of Directors has authorized the management of the Company to undertake any relevant acts in order to complete the amalgamation. The Company will further inform you of the completion of the amalgamation accordingly.

The transaction is neither a connected transaction nor an asset acquisition or disposal transaction of the listed company. The amalgamation of TK and STGT, which is a subsidiary of the Company, is not an asset acquisition transaction nor creates any rights as it is an assuming of all of the assets, liabilities, rights, duties, and responsibilities of the two companies under the amalgamation by virtue of law.

Please be informed accordingly.



Sincerely yours,

(Mr. Kitichai Sincharoenkul)

Director