



## THORESEN THAI AGENCIES PUBLIC COMPANY LIMITED

26/26-27 Orakarn Bldg., 8<sup>th</sup> Floor, Soi Chidlom, Ploenchit Road, Kwang Lumpinee, Khet Pathumwan, Bangkok 10330, Thailand. Tel : (662) 254-8437, 250-0569 Fax : (662) 655-5631 E-Mail Address : thores@thoresen.com

### **Notice Calling For The 1/2011 Annual General Meeting (“1/2011 AGM”) Of The Shareholders of Thoresen Thai Agencies Plc (the “Company”) (rescheduled)**

To: All Shareholders of the Company

- Enclosures:
1. Copy of the Minutes of the 1/2010 Annual General Meeting of the Shareholders (“1/2010 AGM”) that was held on 29 January 2010
  2. Policy on dividend payments, proposed dividend payment ratio compared to net profits, and comparison of dividend payments
  3. Profiles of the proposed directors
  4. To consider and approve the directors’ fee and to approve an amendment to the policy of directors’ remuneration
  5. List of auditors and details of auditors’ fees
  6. Information about the new strategic investors of ISS Thoresen Agencies Ltd. (“ITA”) and the proposed sale of ITA shares
  7. Form of Capital Increase Report
  8. Indicative terms for the issue of up to 4,000,000 warrants to the directors and employees (including any employee who is a director) of Mermaid Maritime Public Company Limited and its subsidiaries under ESOP Scheme.
  9. Articles of Association in relation to the agenda of AGM
  10. Document or evidence showing an identity of the shareholder or a representative of the shareholder entitled to attend the AGM
  11. Place of AGM
  12. Proxy form and details of independent directors which are proposed as proxy holders
  13. Envelope for returning proxy forms

NOTICE IS HEREBY GIVEN: That by virtue of the resolutions of the Board of Directors of the Company, the 1/2011 AGM (rescheduled) will be convened on Wednesday, 2 March 2011, at 2:00 P.M., at the Arnoma Grand, Arnoma Hotel, No. 99 Rajdamri Road, Lumpini, Pathumwan, Bangkok 10330, Thailand to consider the following agenda:

- 1. To certify the minutes of the previous 1/2010 Annual General Meeting of the Shareholders held on 29 January 2010.**

Rationale:

The 1/2010 AGM was held on Friday, 29 January 2010, and a copy of the Minutes is provided in Attachment 1.

Opinion of the Board of Directors:

The shareholders should certify the Minutes of the 1/2010 AGM.

**2. To consider and acknowledge TTA's performance for the financial year that ended on 30 September 2010 and the 2010 Annual Report.**

Rationale:

To report the Company's performance and the 2010 Annual Report for the financial year that ended on 30 September 2010 to shareholders for acknowledgement.

Opinion of the Board of Directors:

The Company's performance for the financial year that ended on 30 September 2010 and the 2010 annual report be acknowledged and certified by the shareholders.

**3. To consider and approve the audited balance sheet and the profit and loss statements for the financial year that ended on 30 September 2010 together with the Auditor's report thereon.**

Rationale:

The Company's balance sheet, the profit and loss statement, and the statement of retained earnings for the financial year that ended on 30 September 2010, together with the Auditor's report thereon, which was audited by the Company's auditor and approved by the Audit Committee, is presented in the 2010 Annual Report.

Opinion of the Board of Directors:

The Company's balance sheet, the profit and loss statement, and the statement of retained earnings for the financial year that ended on 30 September 2010, together with the Auditor's report thereon, which was audited by the Company's auditor and approved by the Audit Committee, should be approved by the shareholders.

**4. To consider and approve the payment of cash dividends for the fiscal year that ended on 30 September 2010.**

Rationale:

According to the audited financial statements of the Company for the financial year that ended on 30 September 2010, the Company reported net profits of Baht 795,573,570. The Company has a policy to pay annual dividends of not less than twenty-five per cent of its consolidated net profit excluding unrealised exchange gains or losses subject to the Company's investment plans and other relevant factors.

However, by virtue of Section 116 of the Public Limited Companies Act B.E. 2535 and Article 43 of the Articles of Association of the Company, the Company shall allocate not less than five per cent of its annual net profit less the accumulated losses brought forward (if any) to a reserve fund until this fund attains an amount not less than ten per cent of the registered capital.

Opinion of the Board of Directors:

The Board of Directors has considered and resolved that the Company had set aside a reserve fund up to the ten per cent of the registered capital; therefore, no additional reserve fund is required. As for the dividend payment, the Board proposes the shareholders to consider and approve the dividend payment of Baht 0.26 per share be paid to the 708,004,413 ordinary shares, totalling Baht 184,081,147.38. The details of the dividend policy are provided in Attachment 2.

The above dividend payment will be paid to shareholders whose names appear on TTA's share register book on 9 March 2011. This date is considered the "Record Date" to receive dividend payments. The share register book closing date for collecting shareholders names under Section 225 of the Securities and Exchange Act is scheduled to be 10 March 2011. The final dividend payment shall be made on 23 March 2011.

## **5. To consider and approve the appointment of directors.**

### Rationale

Pursuant to Section 71 of the Public Limited Companies Act B.E. 2535 and Article 14 of the Articles of Association of the Company, one-third, or the nearest number, of the Board of Directors, shall retire from office each year. The retired directors may be re-elected.

The following directors will retire by rotation with effect from the date of the 1/2011 AGM:

- M.R. Chandram S. Chandratat (who passed away in November 2010)
- M.L. Chandchutha Chandratat
- Dr. Pichit Nithivasin
- Mr. Sak Euarchukiati

The Nomination Committee considered the following three persons, namely M.L. Chandchutha Chandratat, Dr. Pichit Nithivasin and Mr. Sak Euarchukiati as suitable candidates for re-election and Mr. Oral W. Dawe as a suitable candidate for election to replace M.R. Chandram S. Chandratat, all with the effect from the date of the 1/2011 AGM.

Brief resumes of the four candidates to be proposed at the 1/2011 AGM are as follows:

**M.L. Chandchutha Chandratat** has played an active and positive role, particularly as the President & Chief Executive Officer of the Company. He has shown his strategic thinking as well as his efforts to diversify the Company in order to lessen the volatility of the Company's earnings. He has a clear vision of the Company's future and places great effort to change the Company in the best interests of shareholders. Currently, he is also executive Chairman in two main subsidiaries, Mermaid Maritime Public Company Limited and Unique Mining Services Public Company Limited.

**Dr. Pichit Nithivasin** is a versatile businessman. He combines strong management skills with broad vision. Dr. Pichit has shown his contribution to the Board in many roles, for example, as the Chairman of the Remuneration Committee and as a member of Nomination Committee. He contributes his time and experiences to the Company's Board and has an extensive knowledge of the coal/power sectors. From the past, he has proven that he shares his opinions that are beneficial to the governance of the Company and deserves to be re-appointed as a director.

**Mr. Sak Euarchukiati** is highly experienced in banking, finance, business affairs, and internal audit He was President of the Institute of Internal Audit of Thailand. He also worked in the areas of international banking, treasury operations, and trade finance operations in Bank of Asia Plc. in the position of Executive Vice President. Mr. Sak has contributed his experience and devotes his time to the Board. He is also a member of various committees: the Nomination Committee, the Remuneration Committee and recently he has

been appointed as an Audit Committee member to replace Mr. Aswin Kongsiri. His experience continues to serve the interests of the Company.

**Mr. Oral W. Dawe** was the Managing Director and Chief Executive Officer of Asia Pacific Commodities for J.P. Morgan. Based in Singapore, he was responsible for all aspects of J.P. Morgan's commodity business in the region. His previous experience includes leading the finance division of an Asian petrochemical company and a lecturer on corporate finance and strategic planning. The Board believes that his experience in management as well as his background in commodities will be beneficial to the Company's Board.

The Board of Directors therefore proposes the following persons for re-election as directors with the term effect from the date of the 1/2011 AGM:

- M.L. Chandchutha Chandratat
- Dr. Pichit Nithivasin
- Mr. Sak Euarchukiati

and also approved to propose Mr. Oral W. Dawe for election as director to succeed M.R. Chandram S. Chandratat with the term effect from the date of the 1/2011 AGM.

Opinion of the Board of Directors:

The Board of Directors, on the recommendation of the Nomination Committee, is of an opinion that the three nominees should be re-elected as directors for another term and that Mr. Oral W. Dawe be appointed as director to succeed M.R. Chandram S. Chandratat. Details of Nomination Committee's opinion are provided in Attachment 3.

Details of the shareholdings, age, educational background, work experiences, and directorship in other companies are provided in Attachment 3.

**6. To consider and approve the directors' fees and to approve an amendment to the policy of directors' remuneration.**

Rationale:

In order to align with the Company's practices with the Director Compensation Best Practices of the Thai Institute of Directors Association ("IOD"), which also correspond to the roles and responsibilities of directors, the Board of Directors proposes to shareholders to consider and approve a remuneration policy for the Board of Directors, including directors' remuneration. The proposed remuneration policy and remuneration for the Board of Directors will become effective for the 2011 calendar year onwards until shareholders approve further changes.

Opinion of the Board of Directors:

The Board of Directors, by recommendation of the Remuneration Committee, is of an opinion that the shareholders are recommended to consider and approve the remuneration policy and fix the directors' remuneration according to the details provided in Attachment 4.

This agenda will be considered and approved as follows:

- 6.1 To consider and approve the monthly fees for directors
- 6.2 To consider and approve the travelling allowance for foreign directors

- 6.3 To consider and approve the attendance fees of the Nomination and Remuneration Committee, the Investment Committee and the Risk Management Committee members

As for the attendance fees of the Board of Directors, Audit Committee members and bonus scheme for directors remain the same rate as approved by the shareholders at the 1/2009 AGM.

In case the shareholders consider that the proposed remuneration policy for the Board of Directors and board committees should not be amended, then the present remuneration policy which was approved by the shareholders at the 1/2009 Annual General Meeting of Shareholders on 30 January 2009 will be applied. The details of present and proposed remuneration policy for the Board of Directors and committees are provided in Attachment 4.

**7. To consider and approve the appointment of auditors for the financial year that will end on 30 September 2011 and fix the auditors' fees.**

Rationale:

The appointment of auditors and determination of the auditors' fees for the financial year that will end on 30 September 2011 require shareholders approval in accordance with Section 120 of the Public Limited Companies Act B.E. 2535 and Article 37 of the Articles of Association of the Company.

Opinion of the Audit Committee:

The Audit Committee has considered and recommended to the Board of Directors to nominate three auditors, being Mr. Kajornkiet Aroonpirodkul, Mr. Chanchai Chaiprasit and Mrs. Nattaporn Phan-udom from PricewaterhouseCoopers ABAS Limited to be the Company's auditor for the financial year that will end on 30 September 2011, and to propose the auditors' fees to the shareholders to approve in an amount not exceeding Baht 3,160,000 for annual audit fee and quarterly review fee audits of for the Company's consolidated financial statement and non-consolidated financial statement for the financial year 2011, which is the same audit fee as for the last financial year.

Opinion of the Board of Directors:

In accordance with the Public Limited Companies Act B.E. 2535, the shareholders are required to appoint the Company's auditors and approve the auditors' fees. By recommendation of the Audit Committee, the Board of Directors is of an opinion that the shareholders approve the appointment of auditors from PricewaterhouseCoopers ABAS Limited as follows:

- |                                 |              |
|---------------------------------|--------------|
| 1. Mr. Kajornkiet Aroonpirodkul | CPA No. 3445 |
| 2. Mr. Chanchai Chaiprasit      | CPA No. 3760 |
| 3. Mrs. Nattaporn Phan-Udom     | CPA No. 3430 |

Any one of them will be authorised to conduct the audit and render an opinion on the financial statements of the Company, both on a consolidated and non-consolidated basis. The auditors' fees for the financial year that will end on 30 September 2011 will be Baht 3,160,000, which is the same audit fee as for the last financial year. Details of which are provided in Attachment 5.

The proposed auditors have no relationship or have benefits with the Company, subsidiary companies, management, and major shareholders, or other related persons.

**8. To consider and approve Naxco as ITA's new partner by selling 51% stake in ITA to Naxco Asia Pte. Ltd. and Naxco Shipping and Logistics (Thailand) Ltd.**

Rationale:

Given the potentially limited growth of the ship agency business in Thailand, and following extensive studies and discussions with the Company's advisers, the Board of Directors has decided to broaden the business opportunity of ISS Thoresen Thai Agencies Ltd. ("ITA"), our wholly-owned subsidiary engaging in ship agency business, by accepting an offer from the Naxco Group to become our strategic partner in ITA. The transaction will result in Naxco Asia Pte. Ltd. and Naxco Shipping and Logistics (Thailand) Limited acquiring an aggregate number of 255,000 shares, representing 51% of the total issued share capital of ITA from the Company. The Company will continue to hold 245,000 shares, representing 49% of the total issued share capital of ITA.

With more than 22 subsidiaries all over the world and its growth-oriented strategy, we believe Naxco will be in a position to provide us with an excellent network that would complement ITA's existing client base which will likely assist ITA in expanding its role as a comprehensive services and logistics provider not only in Thailand but also in South East Asia. In addition, the entry of Naxco will allow TTA to more extensively focus on its core businesses for the optimum benefit of the Company's shareholders. The background of Naxco and other relevant information and details concerning the transaction are provided for further consideration of the shareholders in Attachment 6.

Opinion of the Board of Directors:

The Board of Directors recommends that the shareholders consider and approve the new strategic partners in ITA by approving the Company to sell to Naxco Asia Pte. Ltd. and Naxco Shipping and Logistics (Thailand) Limited the aggregate number of 255,000 ordinary shares representing 51% of the total issued share capital of ITA at the price of Baht 120 per share, totalling Baht 30,600,000.

**9. To consider and approve the issue and offering of the convertible bonds.**

Rationale:

Given the upturn of the worldwide economy and following the extensive discussions and evaluation with the financial advisors, the Company has planned to proceed with a capital fund raising plan, which will not only enhance its ability to expand its existing business and to refinance some of its existing debts, especially those stemming from the US dollar denominated convertible bonds issued in 2007, but will also strengthen its financial base. In this connection, it was proposed that the Company proceed with the issue and offering of (i) US dollar (or other currency) denominated convertible bonds (the "CBs") to either or both Thai and non Thai investors within or outside Thailand with terms described below and (ii) new ordinary shares by way of private placement. Details of the placement of new ordinary shares would be further proposed for consideration and approval of the shareholders in a subsequent agenda item.

Type : Name-registered and unsecured CBs with or without bondholders' representatives / trustees

Offering	:	CBs to be offered to either or both Thai and non Thai investors within or outside Thailand
Amount	:	Not exceeding USD 140 million or an equivalent amount in any other currency
Tenor	:	Not exceeding 5 years from the issue date
Maturity Date	:	The date falling on the fifth anniversary of the issue date
Conversion Period	:	On any business day after the date falling 40 days from the issue date throughout the term of the CBs
Initial Conversion Price	:	To be calculated from the prevailing market price of the Company's shares traded on the Stock Exchange of Thailand during the period before the pricing date plus conversion premium, provided that the Initial Conversion Price shall not be less than 90 per cent of the weighted average closing price during the period between 7 and 15 consecutive business days before the offering date.
Early Redemption	:	The CBs may be redeemed prior to their maturity.
Subscription Price	:	The Subscription Price may be paid in cash and/or in kind by exchanging the existing convertible bonds of the Company issued in 2007.
Cash/Stock Settlement Option	:	On redemption, at the Company's option, it may elect to redeem the CBs either in cash or by settling in the form of new ordinary shares (in lieu of a cash payment) to the bondholders or a combination of the cash payment and the share settlement.
Events to issue additional reserved shares for conversion	:	Events specified in Clause 17 of the Notification of the Capital Market Supervisory Board No. Tor.Jor. 16/2552 entitled Rules, Conditions and Procedures for Application for Approval and Granting of Approval for an Offer for Sale of Newly-Issued Bonds to Offshore Investors.
Effects to Shareholders Resulting from Conversion	:	<p>If the bondholders exercise their right to convert the CBs in their entirety, the Company expects that:</p> <ul style="list-style-type: none"> <li>• impact on the market price of the shares will not occur or will be minimal, because the Initial Conversion Price is expected to be at premium to the prevailing market price at the time the CBs are issued;</li> <li>• impact on existing shareholders' voting rights and profit sharing (control dilution) will be diluted not more than 21 per cent at the Initial Conversion Price.</li> </ul>

Secondary market : The CBs are expected to be listed on the Singapore Exchange Securities Trading Limited (SGX-ST).

Use of proceeds : To refinance the existing convertible bonds and to finance medium-term business expansion plans.

As the final terms and conditions of the CBs depend largely on a number of factors including the price of the Company's shares, unexpected volatility of our economy and stock index and other equity and convertible bond market conditions, it is possible that certain terms and conditions of the CBs may need to be changed or different from those outlined above. Accordingly, it was proposed that the President and Chief Executive Officer or any person authorised by the Board of Directors is authorised to (i) amend the above terms and conditions as well as determine other conditions and matters pertaining to or necessary for the issue and offering of the CBs taking into account the best interests of the Company and applicable laws and (ii) discuss, negotiate and execute any relevant documents or agreements in respect thereof on behalf of the Company.

Opinion of the Board of Directors:

The Board of Directors is of the opinion that the shareholders should consider and approve the issue and offering of the CBs with details as stipulated above.

**10. To consider and approve the reduction of the registered share capital and the amendment to Clause 4 of the Memorandum of Association.**

Rationale:

Pursuant to Section 136 of the Public Limited Companies Act B.E. 2535, as amended, the Company is required to reduce its registered share capital by cancelling the authorised but unissued share capital prior to proceeding with any capital increase except for those shares which are reserved for convertible bonds and warrants.

Opinion of the Board of Directors:

The current registered share capital of the Company is Baht 933,004,413, divided into 933,004,413 ordinary shares with Baht 1 par value per share and the current paid-up share capital of the Company is Baht 708,004,413, divided into 708,004,413 ordinary shares. The 225,000,000 authorised but unissued shares are reserved for conversion of the existing convertible bonds issued in 2007 and the private placement offering in accordance with the resolution of the Extraordinary General Meeting of Shareholders of the Company No. 1/2007, held on 6 August 2007. Accordingly, the Board of Directors is of the opinion that the shareholders should consider and approve the reduction of its registered share capital by cancelling an aggregate number of (i) 100,000,000 authorised but unissued shares which have been reserved for the conversion of some portion of the existing convertible bonds issued in 2007 that have been repurchased and cancelled as well as redeemed by the Company; and (ii) 50,000,000 authorised but unissued shares which are reserved for the private placement prior to proceeding with the additional capital increase as contemplated in the proposed capital fund raising plan. In addition, the Board of Directors is of the opinion that the shareholders should consider and approve the amendment to Clause 4 of the Memorandum of Association as follows to reflect the above registered share capital reduction:



“Clause 4    The registered share capital        :    Baht 783,004,413  
                 Divided into                                        :    783,004,413 Shares  
                 Each has par value of                                :    Baht 1”

**11. To consider and approve the increase of the registered share capital and the amendment to Clause 4 of the Memorandum of Association.**

Rationale:

In order to achieve the Company’s proposed capital fund raising plan as discussed in Agenda 9, the Company needs to increase its registered share capital from Baht 783,004,413 to Baht 1,018,004,413 by issuing 235,000,000 new ordinary shares with Baht 1 par value per share. The allocation of these new ordinary shares would be proposed for consideration and approval in Agenda 12. Details are in the form of capital increase report attached to this convening notice as Attachment 7.

Opinion of the Board of Directors:

The Board of Directors is of the opinion that the shareholders should consider and approve the increase of the Company’s registered share capital as contemplated above as well as the amendment to Clause 4 of the Memorandum of Association as follows to reflect the above registered share capital increase:

“Clause 4    The registered share capital        :    Baht 1,018,004,413  
                 Divided into                                        :    1,018,004,413 Shares  
                 Each has par value of                                :    Baht 1”

**12. To consider and approve the allocation of new ordinary shares.**

Rationale:

In connection with the capital fund raising plan described earlier, it was proposed that the Company allocate the 235,000,000 new ordinary shares as follows:

12.1 To allocate up to 185,000,000 new ordinary shares with Baht 1 par value per share for conversion of the CBs as approved in Agenda 9.

In the event that the number of the reserved shares exceeds the number of shares required for conversion of the CBs for whatsoever reasons, the Company may offer for sale of the excess shares, whether in single or multiple offerings, by way of private placement in accordance with the relevant notifications issued by the Office of the Securities and Exchange Commission and/or the Capital Market Supervisory Board. The President and Chief Executive Officer or any person authorised by the Board of Directors is authorised to determine other details of the allocation, offer price, subscription period, market price, other conditions and matters pertaining to or necessary for the offering for sale of the excess shares by way of private placement in accordance with applicable laws as well as to discuss, negotiate and execute any relevant documents or agreements in respect thereof.

12.2 To allocate up to 50,000,000 new ordinary shares with Baht 1 par value per share by way of private placement, whether in single or multiple offerings.

The President and Chief Executive Officer or any person authorised by the Board of Directors is authorised to determine other details of the allocation, offer price, subscription period, market price, other conditions and matters pertaining to or necessary for the offering for sale of the new ordinary shares by way of private placement in accordance with applicable laws as well as to discuss, negotiate and execute any relevant documents or agreements in respect thereof.

The offering of the new or excess shares as mentioned above by way of private placement shall not constitute an offering for sale of shares at low price according to the Notification of the Capital Market Supervisory Board No. Tor.Jor. 28/2551 entitled Application for and Approval of the Offering for Sale of Newly Issued Shares (as may be amended), nor shall it be an offering for sale of shares to the connected persons pursuant to the SET Notification entitled Disclosure of Information and Other Acts of Listed Companies Concerning the Connected Transactions dated 19 November 2003 (as may be amended) or the Notification of the Capital Market Supervisory Board No. Tor.Jor. 21/2551 entitled Rules on Connected Transactions (as may be amended) or any relevant regulations.

Opinion of the Board of Directors:

The Board of Directors is of the opinion that the shareholders should consider and approve the allocation of 235,000,000 new ordinary shares as contemplated above.

**13. To consider and approve the issue of up to 4,000,000 warrants to the employees and directors of Mermaid Maritime Plc and its subsidiaries under an ESOP Scheme.**

Rationale:

Mermaid Maritime Public Company Limited (“Mermaid”), the Company's subsidiary, wishes to issue and offer up to 4,000,000 warrants to its directors and employees (including any employee(s) who is also a director) and its subsidiaries thereof, under an employee stock option plan (the “ESOP Scheme”). The ESOP Scheme has the objective of increasing the personal stake of such directors and employees in the continued success and growth of Mermaid and encouraging them to remain in the service of Mermaid.

Opinion of the Board of Directors:

The Board recommends that the shareholders consider and approve the issue of up to 4,000,000 warrants to directors and employees (including any employee(s) who is also a director) of Mermaid and its subsidiaries thereof, under an ESOP Scheme. The indicative terms of the ESOP Scheme are set out in Attachment 8.

**14. To transact any other business (if any)**

In this regard, the Company has fixed the record date on which shareholders have the right to attend the 1/2011 AGM as 29 December 2010 and fixing the share register book closing date for collecting shareholders names under Section 225 of the Securities and Exchange Act as 30 December 2010.

You are cordially invited to attend the 1/2011 AGM (rescheduled) on the date, time, and place as indicated above. **For a proxy holder, please use the new proxy form attached to this Notice.** To ensure a smooth registration, please bring a letter which contains the shareholder's name and barcode, together with the required evidence to attend the meeting on the meeting date.

**THIS NOTICE is issued on 9 February 2011 in Bangkok, Thailand**

By Authorities of the Board of Directors:



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Mr. Aswin Kongsiri

Chairman of the Board of Directors

Remarks: Any shareholder who is unable to attend the meeting in person may send the proxy form and supporting documents to the Company at least one business day prior to the meeting date by the enclosed envelope.