

22nd April 2013

Subject Invitation to the 2013 Annual General Meeting of Shareholder
To Shareholders of SiS Distribution (Thailand) Public Company Limited
Attachments 1. A copy of the minute of the 2012 Annual General Meeting of Shareholders held on April 20, 2012
2. The 2012 Annual Report and the 2012 Audited Financial Statement in CD-ROM
3. Capital Increase Report Form (F53-4)
4. The definition of the Independent Director
5. The biography of Directors proposed to be the Company's Directors
6. The biography of person proposed to be elected as Non- Executive Director
7. The Articles of Association of the Company relevant to the meeting
8. Map of the meeting's venue
9. The biography of the Independent Directors who is assigned to be a proxy for Shareholders
10. Guideline for documents and evidences to be declared before attend the meeting
11. Proxy Form B, Form A & Form C

SiS Distribution (Thailand) Public Company Limited would like to invite you to attend The 2013 Annual General Meeting of Shareholders, on 26th April 2013 at 14.00 hours at Sakura Room, L Floor, Jasmine City Hotel, No.2 Soi Prasammitr (Sukhumvit 23), Klongtoey - Nua, Wattana, Bangkok for considering the following agendas:

1. Acknowledgement of the matters announced by the Chairman.

Reason and Detail: announcement of general information to Shareholders.

Board of Directors' comment: It is considered appropriate for the Shareholders Meeting to acknowledge general matters from the Chairman.

2. Consideration and approval of the minute of the 2012 Annual General Meeting of Shareholders on Friday, 20th April 2012

Reason and Detail: The Company held the 2012 Annual General Meeting of Shareholders on Friday, 20th April 2012 and the minutes of meeting has been submitted to the Stock Exchange of Thailand and the Ministry of Commerce and also posted in the company's website within 14 days from the date of meeting in compliance with the law and regulations. (The copy of the minute is enclosed in Attachment 1.)

Board of Directors' comment: agreed to propose such to the Shareholders' Meeting for approval of the minute of the 2012 Annual General Meeting held on Friday, 20th April 2012, which the Board of Directors have considered and agree with its correctness and completeness.

3. Acknowledgement of the 2012 Board of Director's operations report and approve the 2012 Annual Report.

Reason and Detail: According to Article No.44 of the Company's Articles of Association that the Board of Directors must provide the annual report and report to Shareholders. The summary of operating results is in annual report and has been sent together with this letter

Board of Directors' comment: It is considered appropriate for the Shareholders' Meeting to acknowledge the operations of the year 2012 and the 2012 Annual Report. (Details are in 2012 Annual Report).

4. Consideration and approval of the Statement of Financial Position and the Statement of Comprehensive Income for the year ended 31st December 2012 which have been audited by the CPA with the Auditor's Report.

Reason and Detail: According to the Section 112 of the Public Limited Companies Act B.E. 2535, which stipulate that the Board of Directors shall prepare the Balance Sheet and the Statement of Income as of the end of the accounting period of the Company, and report to Shareholders Meeting in the Annual General Meeting of Shareholders for consideration and approval. The financial statements have been audited by CPA and considered by the Audit Committee before propose to the Shareholder's Meeting.

Board of Directors' comment: It is considered appropriate for the Shareholders' Meeting to approve the Statement of Financial Position and the Statement of Comprehensive Income for the year ended 31st December 2012 which have been audited by the CPA with Auditor's Report and also considered by the Audit Committee and the Board of Directors. (Details are in 2012 annual report)

5. Consideration and approval of no dividend payment for the operating results of the year 2012.

Reason and Detail: According to Section 115 of the Public Limited Companies Act B.E. 2535 and Article 45 of the Company's Articles of Association that the Board of Directors have the authority to propose dividend payment from net profit of the current year or retain earning to the Shareholders of the Company and the payment of dividend shall be made within one month from the date of Shareholders' Meeting or of the resolution of the Board of Directors, as the case may be.

According to Section 116 of the Public Limited Companies Act B.E. 2535, The Company must allocate part of the annual net profit as legal reserve in an amount not less than five percent of the annual net profits, less the sum of accumulated loss brought forward (if any), until the reserved fund reaches the amounts not less than ten percent of the registered capital, unless the articles of association of the company or other law provides for a greater amount of the legal reserve.

The Company has its policy specifying for the dividend payment about 40 percentage of net profit depend on situation of economy and future project of the Company

In the Year 2012, the Company has its annual net loss in the amount of 738.7 MB.

Board of Directors' comment: It is considered appropriate for the Shareholders' Meeting to approve no dividend payment from the 2012

Company's operating result ending 31 December 2012 because the Company had loss in 2012 and need a working capital for the business, and no legal reserve appropriation because the such loss.

6. Consideration and approval of the appointment of Company's Auditor and the 2013 Auditor Fee.

Reason and Detail: According to the Public Limited Companies Act B.E. 2535, which state that the General Shareholders' Meeting shall appoint the Auditor of the Company and fix the Auditor Remuneration every year by the recommendation of the Audit Committee.

Audit Committee's comment: Audit Committee considered on the basis of knowledge, capability and experienced in international standard audit with satisfactory performance. The Audit Committee has considered the appointment of Company's Auditor and proposed to the Board of Directors for consideration to proposing the Shareholder's Meeting to appoint auditors from KPMG Phoomchai Audit Limited as the Company's auditor for the year 2013. One of the following auditors can conduct the audit and provide opinions on the Company's financial statement.

Name	Registration Number	Number of Audited Year
Mr. Vichien Thamtrakul	3183	Never signed the financial statements
Ms. Vannaporn Jongperadechanon	4098	Never signed the financial statements
Ms. Sureerat Thongarunsang	4409	Signed for the year 2010
Mr. Ekasit Chuthamsatit	4195	Signed for the year 2005 – 2009 and 2012

KPMG Phoomchai Audit Limited and the four auditors mentioned above have no relationship and / or conflict of interest with the Company, Subsidiary Companies, the Executives, Major Shareholders or related persons of the those parties, there are independent in auditing and express an opinions on the Company's financial statement report. The proposed auditors also are not shareholders of the Company.

The Audit Committee proposed the Board of Directors to consider approving the audit fees for 2013 at the total amount of Baht 1,255,000 that the amount same as the last year exclude the out of pocket expenses. The proposed annual audit fees are reasonable when compared with the increment of audit work to comply with the requirements of new regulations of International Financial Reporting Standards (IFRS). The Company did not have non-audit fee in 2011, and to fix the same accounting policy and accounting audit standard including any financial report of the Company and subsidiary companies, Also, KPMG Phoomchai Audit Limited is the auditor of the subsidiary companies as follows:

1. SiS Venture Company Limited.
2. Qool Distribution (Thailand) Company Limited.

Table of audit fee comparison (only the company)	2013 (Proposed Year)	2012
Fee for the annual audit report	700,000.00	700,000.00
Fee for the quarterly review report	480,000.00	480,000.00
Fee for the reporting Package	75,000.00	75,000.00
Total	1,255,000.00	1,255,000.00
Amount change, increment (decrement)	0	96,000.00
Percentage change, increase (decrease)	0	8.28

Board of Directors' comment: The Board of Directors has considered and found it appropriate to propose the General Shareholders' Meeting to appoint Mr.Vichien Thamtrakul or Ms.Vannaporn Jongperadechanon or Ms.Sureerat Thongarunsang or Mr.Ekasit Chuthamsatit of KPMG Phoomchai Audit Limited as the Company's Auditor for the year 2013. In additional, The Board of Directors also found it appropriate to propose the Shareholder's meeting to approve the audit fee of the Company for 2013 in total amount of Baht 1,255,000 by recommendation of the Audit Committee

7. Consideration and approval of the election of Company's Directors to replace the Directors who have to retire by rotation, Mr.Somchai Sirivichayakul, Mr.Sombati Pungsrinon and Mr.Lim Kia Hong.

Reason and Detail: According to Article 37 of the Company's Article of Association, which stipulate that in the Annual General Meeting, one-third of Directors have to retire from their position but they can be re-appointed. In the year 2013, there are 3 directors who would be retired by rotation, Mr.Somchai Sirivichayakul, Mr.Sombati Pungsrinon and Mr.Lim Kia Hong.

For the benefit of all Shareholders and in accordance with the principle of Good Corporate Governance, the Company provided an opportunity for shareholders to nominate qualified persons to be elected as the Company's Directors in advance under the channel and the criterion of nomination of the Company and disclosed on the website of the Company. There are no shareholders proposing the qualified nominee to the Board of Directors for consideration. The criteria of directors' selection are as follows:

Shareholders appoint Company Director in the Annual General Meeting of Shareholders. The company's regulations state that there must be no less than 5 company directors, and that they shall be elected through a process of majority voting in accordance with the following criteria and methods:

1. The vote of each shareholder is equal to the number of shares he or she holds
2. In electing directors, it is possible to elect directors either on an individual basis or to elect several individuals simultaneously as a team, or to elect directors by any other method as deemed appropriate by the shareholder meeting. In passing resolutions, shareholders must use all their votes simultaneously as stated 1 (above), and cannot separate their votes among individuals or teams.
3. The election of Directors shall be conducted through majority voting. If the number of votes is equal, the chair of the meeting shall hold the casting vote.

Board of Directors' comment: According to the suggestion of the Remuneration and Nomination Committee, The Board of Directors considered on the basis of knowledge, capability, experiences, management participation and met the qualifications as specified in the Public Limited Companies Act B.E. 2535 and Article 30 of the Company's Article of Association, considering it appropriate to propose the Shareholders' Meeting to re-elect all three directors as the Company's Directors for another term with Mr.Somchai Sirivichayakul as the Independent Director, Audit committee and Remuneration and Nomination Committee, Mr.Sombati Pungsrinon as the Management Director and Risk Management Committee, Mr.Lim Kia Hong as the Non-Executive Director. (The biography of nominated Directors are shown in attachment 5)

8. Consideration and approval of the Director's Remuneration for the year 2013.

Reason and Detail: According to Section 90 of the Public Limited Companies Act B.E. 2535 specifies that "the company will not be allowed to pay money or any other assets to its directors unless for remuneration payment according to the Articles of Association of the company" and The Article 43 of the Company's Article of Association specifies that the directors are entitled to receive the remuneration from the Company in the form of reward, attendance fee, bonus, or other benefits according to the Articles of Association or consideration of the shareholders' meeting and such remuneration may be specified in the certain amount of money, or in criterions for consideration from time to time, or in effective all the time until such has been changed. In addition, the directors will be entitled to receive allowance and other welfares according to the Company's rules.

The contents in the first paragraph will not affect to the right of staff or employee of the Company who is elected to be the director to receive the remuneration and benefit as the staff or employee of the Company

The Remuneration and Nomination Committees' comment: The Remuneration and Nomination Committee stipulated the payment criterion of Directors remuneration clearly and appropriately, suitability with the duties and responsibilities of Directors,. In the year 2013, the director remuneration will be not exceed Baht 6,000,000 and to remain at the same rate as 2012 director remuneration. The criterion and detail of remuneration are shown in Annual Report and conclude in the table below:

Compensation structure	2013 (Proposed year)	2012
Monthly Retaining Fee for the Board		
Chairman	20,000.00	20,000.00
Committee	10,000.00	10,000.00
Remark: except Managing Director and Executive Director who get salary as the Executive.		
Monthly Retaining Fee for the Audit Committee		
Chairman	32,500.00	32,500.00
Committee	25,000.00	25,000.00
Meeting Attendance Fee for the Board		
Chairman	30,000.00	30,000.00
Committee	20,000.00	20,000.00
Meeting Attendance Fee for the Audit Committee		
Chairman	10,000.00	10,000.00
Committee	7,500.00	7,500.00
Meeting Attendance Fee for the Remuneration and Nomination Committee		
Chairman	30,000.00	30,000.00
Committee	20,000.00	20,000.00

Meeting Attendance Fee for the Risk Management Committee		
Chairman	30,000.00	30,000.00
Committee	20,000.00	20,000.00
<p>Note 1. The Company will pay yearly special reward to non-executive directors once a year according to operating results with clearly criteria of the Remuneration and Nomination Committee.</p> <p>Note 2. In the future if there is more subcommittee, meeting attendance fee for a new subcommittee is 30,000 Baht /time for Chairman And 20,000 Baht/time for committee.</p>		

Board of Directors' comment: It is considered appropriate for the Shareholders' Meeting to approve the total remuneration, monthly retaining fee, meeting attendance fee and yearly special reward for Directors and Sub Committee for the year 2013, totaling not exceed Baht 6,000,000 as the recommendation by the Remuneration and Nomination Committee.

9. Consideration and approval of additional one more position of director, by increasing the number of directors from currently 7 to be 8 persons

Reason and Detail: The Company proposed the shareholders to consider and approve the increasing the number of directors from 7 to 8 persons and elect 1 additional director.

The Remuneration and Nomination Committees' comment: The Remuneration and Nomination Committee considered the increasing duties of committee especially subcommittees have to more consideration before submitted to company committees, it is considered appropriate for the Shareholders' Meeting to approve for 1 election director as the Remuneration and Nomination Committee present Mr. Lim Kia Meng (The biography are shown in attachment 9)

10. Consideration and approval of the amendment of director's authorization to sign on behalf of the Company

Reason and Detail: The Company proposed the Shareholders' Meeting to consider and approve the amendment to the signing of authorized directors of the Company as follows:

From "Mr.Somchai Sittichaisrichart or Mr.Sombati Pungsiront signs together with Mr.LIM Hwee Hai or Mr.LIM Kia Hong, totaling 2 persons and affix with the Company's seal"

To "Mr.Somchai Sittichaisrichart or Mr.Sombati Pungsiront signs together with Mr.LIM Hwee Hai or Mr.LIM Kia Hong or Mr.LIM Kia Meng, totaling 2 persons and affix with the Company's seal"

Board of Directors' comment: The Board of Directors agreed to propose to the Shareholders' Meeting for consideration and approval the amendment to the signing of authorized directors of the Company as detail above.

11. Consideration and approval of the decrease of the Company's registered capital at 16,534,230 shares and amend Clause 4 of the Company's Memorandum of Association to be according the decrease of the registered capital.

Reason and Detail: The Company considered decreasing the Company's registered capital from 250,000,000 baht by cancelling 16,534,230 baht due to

- Some employees did not exercise their ESOP at 826,675 shares
- Remain from share dividend at 18 shares
- The Company did not increase registered capital under General Mandate within 1 year at 15,707,537 shares

And new registered capital will be 233,465,770 baht and approve the amendment to Clause 4 of the Company's Memorandum of Association regarding the registered capital to reflect the reduction of the Company's registered capital.

Board of Directors' comment: The Board of Directors agreed to propose to the Shareholders' Meeting for consideration and approval reducing the Company's registered capital from 250,000,000 baht to be 233,465,770 baht by cancelling 16,534,230 baht as the reason on above and the amendment to Clause 4 of the Company's Memorandum of Association regarding the registered capital to reflect the reduction of the Company's registered capital as follows:

Previous:

"Clause 4"	Registered capital	: 250,000,000 Baht (Two hundred and fifty Million Baht)
	Divided into	: 250,000,000 Shares (Two hundred and fifty Million Shares)
	Par value of	: 1 Baht(One Baht)

Separated into:

Ordinary shares	: 250,000,000 Shares (Two hundred and fifty Million Shares)
Preference shares	: - Share (-)"

New:

“Clause 4”	Registered capital	: 233,465,770 Baht (Two hundred thirty-three million four hundred sixty-five thousand seven hundred and seventy Baht)
	Divided into	: 233,465,770 Shares (Two hundred thirty-three million four hundred sixty-five thousand seven hundred and seventy Shares)
	Par value of	: 1 Baht (One Baht)
Separated into:		
	Ordinary shares	: 233,465,770 Shares (Two hundred thirty-three million four hundred sixty-five thousand seven hundred and seventy Shares)
	Preference shares	: - Share (-)”

Voting Procedure

The resolution for this agenda according to the Article No.4 of the Company’s Article of Association, the Company’s capital increased or decreased by the resolution of shareholders meeting based on the number of votes not less than three-fourth (3/4) of the total number of votes attending the meeting with voting right.

12. Consideration and approval of the increase of the Company’s registered capital at 116,732,885 shares and amend Clause 4 of the Company’s Memorandum of Association to be according the decrease of the registered capital.

Reason and Detail: For support financing of business The Company proposed the shareholders to consider and approve the increase of registered capital of the Company from 233,465,770 Baht to be 350,198,655 Baht divided into 350,198,655 shares at par value of 1 Baht per share by issuing the new ordinary shares at the amount of 116,732,885 shares at par value of 1 Baht per share and the amendment to Clause 4 of the Company’s Memorandum of Association regarding the registered capital to reflect the increase of the Company’s registered capital.

Board of Directors’ comment: The Board of Directors agreed to propose the shareholders meeting for consideration and approval of increase the registered capital from the previous registered capital of 233,465,770 Baht to be the new registered capital of 350,198,655 Baht divided into 350,198,655 shares at the par value of 1 Baht per share. In this regard, the new ordinary share will be issued for 116,732,885 shares at the par value of 1 Baht per share, and Clause 4 of Memorandum of Association of the Company shall be amended to be in line with the increase of registered capital of the Company as follows:

“Clause 4”	Registered capital	: 350,198,655 Baht (Three hundred fifty million one hundred ninety-eight thousand six hundred and fifty-five Baht)
	Divided into	: 350,198,655 Shares (Three hundred fifty million one hundred ninety-eight thousand six hundred and sixty-five Shares)
	Par value of	: 1 Baht (One Baht)
Separated into:		
	Ordinary shares	: 350,198,655 Shares (Three hundred fifty million one hundred ninety-eight Thousand six hundred and sixty-five Shares)
	Preference shares	: - Share (-)”

Voting Procedure

The resolution for this agenda according to the Article No.4 of the Company’s Article of Association, the Company’s capital increased or decreased by the resolution of shareholders meeting based on the number of votes not less than three-fourth (3/4) of the total number of votes attending the meeting with voting right.

13. Consideration and approval of the new ordinary share that will be allotted to the existing shareholders of the Company in proportion to their shareholding ratio (Right Offering)

Reason and Detail: From the agenda no. 12 The Company has to allocate of 116,732,885 newly issued ordinary shares at the par value of 1 Baht per share to support new ordinary share that will be allotted to the existing shareholders of the Company in proportion to their shareholding ratio (Right Offering) at the rate of 2 existing ordinary share per 1 newly issued ordinary shares at the offer price of 3.25 Baht (Three Baht and twenty-five Satang), whereby any fraction of share shall be discarded. (The details (F53-4) are show in attachment 3)

Board of Directors’ comment: The Board of Directors agreed to propose to the Shareholders’ Meeting for consideration and approval the allocation of 116,732,885 newly issued ordinary shares at the par value of 1 Baht per share to support new ordinary share that will be allotted to the existing shareholders of the Company in proportion to their shareholding ratio (Right Offering) at the rate of 2 existing ordinary share per 1 newly issued ordinary shares at the offer price of 3.25 Baht (Three Baht and twenty-five Satang), whereby any fraction of share shall be discarded. The details show on the Capital Increase Report Form (F53-4 at No. 2)

13. Consideration of other matters (if any)

Reason and Detail: To provide the opportunity for shareholders to make the suggestion to the Company.

Board of Directors' comment: The Shareholders can make the suggestion or recommendation to the Company.

In order to promote the good Corporate Governance, the Company is providing the opportunity for the shareholders to propose matter to be included as an agenda, as well as propose qualified candidate to be consideration as the Company's director in the 2013 General Meeting of Shareholders, starting on 25th September 2012 until 31st December 2012. The detail of guideline and procedure has been disclosed in the Company's website name www.sisthai.com and notification at SET's news. There are no shareholders proposing matter to be included as an agenda and qualified nominee to be the Board of Directors for their consideration.

The Company therefore would like to invite all Shareholders to attend the meeting on the date, time and venue as indicated above. In case of the shareholders wish to authorize other person or the Independent director to attend the meeting and vote on his/her behalf. Please fill and sign in the proxy form and attach your personal document, and submit to company secretary or authority person before the meeting.

The Shareholders can submit their questions in advance for more information related to each meeting agenda or other information. That will benefit to the Board of Director and The Managements to provide clear information on shareholders' meetings or any Shareholders wishes to receive the annual report in book form please send the requirement to investorinfo@sisthai.com or companysecretary@sisthai.com or facsimile no. 0 2640 3590

Best Regards,



(Mr. Somchai Sittichaisrichart)

Managing Director

Company's Secretary

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Investor Relation Department

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