

23rd March 2016

Subject: Invitation Letter to the 2016 Annual General Shareholders' Meeting

To: Shareholders of Sappe Public Company Limited (the "Company")

- Enclosures:
1. Copy of the Minutes of the 2015 Annual General Shareholders' Meeting
 2. The 2015 Annual Report (CD-ROM)
 3. The profiles of retiring directors proposed for re-election and the qualifications of Independent director
 4. The profile of Independent Director who may be granted a Proxy
 5. Proxy Form (B)
 6. Proxy Form (C)
 7. Conditions, rules and procedures to attend the meeting
 8. The Company's Articles of Association concerning the Shareholders' Meeting
 9. Map of the venue of the meeting

According to the Board of Directors' Meeting of the Company No. 2/2016 held on Wednesday, 16th March 2016 had resolved to hold the 2016 Annual General Shareholders' Meeting on Thursday 21st April 2016 at 13.30 hours, at Ballroom, 3rd Floor, The Grand Fourwings Convention Hotel, 333 Srinakarin Rd., Huamark, Bangkapi, Bangkok. The meeting agendas are as follows:

Agenda 1 To consider and approve the Minutes of the 2015 Annual General Shareholders' Meeting which held on 24th April 2015

Fact and Reason: The secretary of the meeting took the 2015 Annual General Shareholders' Meeting which held on 24th April 2015. The Company's Board of Directors has considered that the minutes were taken accurately according to the resolutions of the meeting (Enclosure 1).

The Board of Directors' Opinion: The minutes were taken accurately according to the resolutions of the meeting. Thus, the board deemed it appropriate to propose to the Shareholders' Meeting to approve the minutes of the 2015 Annual General Shareholders' Meeting which held on 24th April 2015.

Vote: The resolution of this agenda shall be passed by majority votes of shareholders who are present at the meeting and cast their votes.

Agenda 2 To acknowledge the Company's performance results for the year 2015

Fact and Reason: The Company has prepared the performance results and the important changes of the year 2015, which were disclosed in the 2015 Annual Report (Enclosure 2).

The Board of Directors' Opinion: The Board of Directors has considered and deemed it appropriate to propose to the Shareholders' Meeting to acknowledge the 2015 performance results.

Vote: This agenda is for acknowledgement, therefore there is no vote casting.

Agenda 3 To consider and approve the Company's Financial Statements for the year 2015, ended 31st December 2015

Fact and Reason: Pursuant to the Public Limited Company Act B.E.2535 and Article 45 of the Company's Articles of Association of the Company, the Annual General Meeting of shareholders shall consider and approve the Company's statements of financial position and statements of income for the preceding year.

Board of Directors' Opinion: The Board of Directors has considered and deemed it appropriate to propose to the Shareholders' Meeting to approve the financial statements for the year 2015, ended 31st December 2015 which were audited by the Auditor and reviewed by the Audit Committee and also endorsed by the Board of Directors (Enclosure 2).

Vote: The resolution of this agenda shall be passed by majority votes of shareholders who are present at the meeting and cast their votes.

Agenda 4 To consider and approve dividend payment for the year 2015

Fact and Reason: According to the dividend payment policy of the Company provided that the Company will pay dividend to shareholders of not less than 40 percent of net profit, from the separate financial statements, after corporate income tax and any legal reserves. And pursuant to the Articles of Association of the Company, Article 54, dividends shall not be paid other than out of profits, including retained earnings. If the Company still has an accumulated loss, the Company is prohibited from paying dividends. Dividends shall be distributed according to the number of shares, with each share receiving an equal amount of dividends. Dividends payment shall be made by approval from the general meeting of shareholders, unless the interim dividends payment.

The Board of Directors' Opinion: The Shareholders' Meeting should pay the dividend for year 2015 at the rate of 0.42 Baht per share from net profit of the Company's performance during 1st January 2015 to 31st December 2015, totaling 126.56 Million Baht or 40.3 percent of the net profit from the separate financial statements. The dividend will be paid to those shareholders who are entitled to receive the dividend as listed on the Record Date on 3rd May 2016 and fixed the share registration book closing date on 4th May 2016 for gathering shareholders' names under the Section 225 of the Securities and Exchange Act B.E. 2535. The Company shall pay the dividend on 19th May 2016 after obtaining approval from the 2016 Annual General Shareholders' Meeting.

Information of the dividend payment from previous year

Details of the dividend payment	Year 2015	Year 2014*	Remark
Net Profit from the separate financial statements (million Baht)	313.92	364.16	
Dividend for the year (Baht per shares)	0.42	1.53	
-Interim Dividend (Baht per shares)	-	1.22	Interim dividend paid from the Company's performance for 1 st quarter of 2014 and retained earnings as of 31 st March 2014 (<i>Net profit of 1st quarter of year 2014 was 134.3 million Baht</i>)
-The remaining Dividend (Baht per shares)	-	0.31	The remaining dividend paid from net profit of the Company's performance during 1 st April 2014 to 31 st December 2014 (<i>Net profit of 2nd quarter – 4th quarter of year 2014 was 229.9 million Baht</i>)
Total amount of the dividend (million Baht)	126.56	367.73	

Remark *The Company's securities registered to be a listed company in the Stock Exchange of Thailand on 25th June 2014.

The Company will be no additional appropriation as the legal reserve due to the Company has allocated the reserve of 30,462,000 Baht which is 10 percent of the registered capital and reach the requirement of the Public Company Act B.E.2535.

Vote:

The resolution of this agenda shall be passed by majority votes of shareholders who are present at the meeting and cast their votes.

Agenda 5 To consider and approve re-election of the directors who are due to retire by rotation**Fact and Reason:**

Pursuant to Article 20 of the Company's Articles of Association of, at every annual general meeting, one-third (1/3) of directors shall retire from the company. If the number of retiring directors is not a multiple of three (3), the number of directors that is the nearest to one-third (1/3) shall retire. Directors who retire from the company in the first year and the second year after the registration of the company shall be determined by way of drawing lots. In subsequent years, directors who have remained in the company for the longest term shall retire. Retiring directors may be reappointed. In the 2016 Annual General Shareholders' Meeting, 3 retiring directors are;

1. Mr. Adisak Ruckariyaphong Vice Chairman of Board of Directors and Chairman of Executive Committee
2. Mr. Thana Thienachariya Independent Director and Chairman of Audit Committee
3. Mr. Surath Pralongsil Independent Director and Audit Committee

The Board of Directors' Opinion:

The Board of Directors deemed it appropriate to propose to the Shareholders' Meeting to approve the re-election of the 3 retired directors as the Company's directors for another term because their experiences, capabilities and good understanding in the Company's business could enhance the Company's performance. The profile of each director was sent together with this Invitation Letter (Enclosure 3). However the Board of Directors considered persons who are nominating candidates as Independent Director shall able to give their independent opinions on the compliance with the relevant law.

For the director nomination, the Company had invited the shareholders to propose the names of qualified candidates in advance for the selection of the Company's directors during 6th January 2016 until 6th February 2016 through both SET Portal and the Company's website but there were no nominees proposed by any shareholders.

Vote:

The resolution of this agenda shall be passed by majority votes of shareholders who are present at the meeting and cast their votes.

Agenda 6 To consider and approve proposed remuneration for the Board of Directors and subcommittee for the year 2016

Fact and reason: Pursuant to Section 90 of the Public Limited Company Act B.E.2535, the company shall not pay money or give any property to a director, unless it is a payment of remuneration under the Articles of Association of the company and Article 33 of the Company's Articles of Association, the Company may not pay any money or distribute such other assets to directors except for remunerations of directors. Directors are entitled to receive remunerations, attendance fee, allowance and such other benefits in the form of commission, bonus or benefits of similar nature in accordance with the Articles of Association of the Company or with the resolution of general meetings of shareholders.

The Board of Directors' Opinion: In order to make the remuneration of the Board of Directors and Audit Committee be appropriate and comparable to other leading companies, with concerning to the increase of business transactions those shall be incurred in year 2016; the Board of Directors deemed it appropriate to propose to the 2016 Annual General Shareholders' Meeting to approve the remuneration of the Board of Directors and Audit Committees for 2016 at the aggregate amount of not exceeding 7,000,000 (seven million) Baht, details as follow;

1. Annual fixed fee and attendance fee:

Details of remuneration	2016		2015	
	Annual fixed fee	Attendance fee	Annual fixed fee	Attendance fee
Chairman of Board of Directors	144,000 Baht/annum	25,000 Baht/attendance	120,000 Baht/annum	25,000 Baht/attendance
Director	144,000 Baht/annum	20,000 Baht/attendance	120,000 Baht/annum	20,000 Baht/attendance
Chairman of Audit Committee	-	25,000 Baht/attendance	-	25,000 Baht/attendance
Member of Audit Committee	-	20,000 Baht/attendance	-	20,000 Baht/attendance

2. Director's bonus: considering from net profit for the year 2016 and being allocated by the Board of Directors.

However, there are no any remuneration will be paid to Directors and member of Audit Committee other than the proposed remuneration.

Vote: The resolution of this agenda shall be passed by a vote of no less than two-third (2/3) of the total number of votes of shareholders who are present at the meeting.

Agenda 7 To consider and approve the appointment of the Company's auditor and remuneration for the year 2016

Fact and Reason:

Pursuant to Section 120 of the Public Limited Company Act B.E.2535, the annual general meeting of shareholders shall appoint an auditor and determine the auditing fee of the company every year. In appointing the auditor, the former auditor may be re-appointed and Article 53 of the Company's Articles of Association provided that the Annual General Meeting of Shareholders shall appoint auditors and determines auditors' fees. The appointed auditor shall not be director, employee or any person holding a position in the Company.

Board of Directors' Opinion:

1) the Appointment of the Company's Auditor and its Subsidiaries' Auditors

The Board of Directors deemed it appropriate to propose to the 2016 Annual General Shareholders' Meeting to approve the appointment an auditor of the Office of KPMG Phoomchai Audit Limited, one of the following names below, to be the auditor of the Company and give opinion to the Company's financial statements for the year 2016

<u>Name</u>	<u>Certified Public Accountant No.</u>	<u>Service Year as the Company's auditor</u>
Ms. Sureerat Thongarunsang	4409	3 years (2012-2014)
Ms. Pornthip Rimdusit	5565	1 years (2015)
Mr. Banthit Tangpakorn	8509	-

For its subsidiaries' auditors, the Board of Directors deemed it appropriate to propose to appoint an auditor of the Office of BDR Consult Spol. s.r.o. to be the auditor of Sappe Europe s.r.o. and an auditor of the Office of RSM Indonesia to be the auditor of PT. Sappe Indonesia for the year 2016.

By this, the proposed auditors have no benefit and/or relationship with the Company/subsidiaries/executives/major shareholders or any related parties which may impact the independent responsibilities of auditors.

2) The audit remuneration for the year 2016

The auditors remuneration of the Company and its subsidiaries for the year 2016 is totaling in amount of not exceeding 2,500,000 Baht (details as table below), which is the same amount as in 2015. In addition, there will be other expenses occurred

during audits, for examples, transportation, document/printing, postal, communication costs which will not exceed 10% of the audit fee.

Company name	Audit Firm	Auditors' remuneration		Remark
		2016	2015	
Sappe Public Company Limited	KPMG	1,485,000	1,350,000	Increase 10%
PT. Sappe Indonesia	RSM Indonesia	216,000	187,500	Increase 15%
Sappe Europe s.r.o	BDR Consult spol.s.r.o	264,000	256,000	Increase 3%
Total		1,965,000	1,793,500	Increase 9.5%

Although the Company has had its subsidiaries in overseas and appointed auditors of subsidiaries from other firms but the subsidiaries were able to deliver their quarterly and annual financial statements on schedule. This could be ensured that the Company could prepare its financial statements within the timeline required by law.

The appointment of the Company's and its subsidiaries' auditors and the auditors' fee for the year 2016 were approved by the Board of Directors meeting No.1/2559 was held on 18th February 2016 due to the proposed auditors performed their audits properly in accordance with the accounting standards.

Furthermore, the appointment of auditors and remuneration for 2016 of Sappe Holding (Thailand) Company Limited and its subsidiaries held by Sappe Holding (Thailand) Company Limited shall be considered and approved by the shareholders' meeting of Sappe Holding (Thailand) Company Limited.

For 2015, the Company paid a remuneration of other services (Non-Audit Fee) for the service of Access Right Controls Review and Performance of Local Benchmarking Study to the related business of the Company's auditor for the year 2015 in total amount of 704,000 Baht.

Vote:

The resolution of this agenda shall be passed by majority votes of shareholders who are present at the meeting and cast their votes.

Agenda 8 Other matters (if any)

Fact and Reason: Pursuance to Section 105 paragraph 2 of the Public Limited Company Act B.E.2535 and Article 43 paragraph 2 of the Company's Articles of Association, shareholders holding in aggregate of no less than one-third (1/3) of total number of issued shares may request that the meeting consider other agenda than those prescribed under the notice of an invitation to such meeting.

The Board of Director's Opinion: The meeting should not consider any other matters proposed at the meeting. This is to comply with the Principles of Good Corporate Governance for Listed Companies B.E. 2555 and the Annual General Shareholders Meeting Assessment Project that the meeting should consider only the issues already informed in advance for fairness of the overall shareholders.

The Company invites all shareholders to attend the meeting on the date, time and venue aforementioned. The Company has fixed the Record Date on which shareholders have the right to attend the 2016 Annual General Shareholders' Meeting on 30th March 2016 and fixed the share registration book closing date on 31st March 2016 for gathering shareholders' names under Section 225 of the Securities and Exchange Act B.E. 2535 (Revised B.E. 2551) and the registration counters will be opened for shareholders' registration from 11.30 hours onwards. The Chairman has designated officers who register the meeting attendants to collect the proxy forms on his behalf. For greater convenience of all shareholders and proxy holders, please bring a proxy (Enclosure 5 or 6) with affixed duty stamp in amount of 20 Baht, all required documents and evidences as stated in Enclosure 7 and Barcode Registration Form to declare at the meeting's registration.

In case of shareholders appoint the Company's independent director as their proxy holders, please return the proxy form which affixed duty stamp in amount of 20 Baht and voted for each agenda together with all required documents and evidences as stated in Enclosure 7 and Barcode Registration Form to *the Company Secretary, Sappe Public Company Limited No.2 Soi Rama9 28, Rama9 Road, Huamark, Bangkok, 10240 within Tuesday, 12th April 2016.*

The Company reserves the right not to register shareholders in case where required documents and evidences are incomplete or inaccurate or do not meet the requirements and conditions specified.

If any inquiry, please contact Investor Relation Department or Company Secretary at Tel: +66 2319 4949 ext. 312 or ext. 4141.

Yours sincerely,



Mr. Natee Onin

Chairman