



MISSION TO MARS 2023

INVITATION OF 2024 ANNUAL GENERAL SHAREHOLDERS' MEETING

Thursday 18th April 2024 1.30 pm

At Srinakarin 1 Room, 9th Floor, The Grand
Fourwings Convention Hotel

333 Srinakarin Road, Huamark, Bangkok, Bangkok



Date: 27 March 2024

Subject: Invitation Letter to the 2024 Annual General Shareholders' Meeting

To: Shareholders of Sappe Public Company Limited

Enclosures:

1. Copy of the Minutes of the 2023 Annual General Shareholders' Meeting
2. Form 56-1 One Report 2023 (QR code)
3. The profiles of directors to replace those who are due to retire by rotation
4. The profiles of Independent Directors who may be granted by a Proxy and the qualification of Independent Director
5. Proxy Form (B)
6. Proxy Form (C)
7. The Company's Articles of Association concerning the Shareholders' Meeting
8. Conditions, rules, and procedures to attend the Annual General Shareholders' Meeting
9. Privacy Notice for shareholders
10. Map of the meeting's venue

According to the Board of Directors' Meeting of the Company No. 3/2024 held on Friday 1st March 2024 has resolved to hold the 2023 Annual General Shareholders' Meeting on **Thursday 18th April 2024 at 13.30 hours**, at Srinakarin 1 Room, 9th Floor, The Grand Fourwings Convention Hotel, 333 Srinakarin Rd., Huamak, Bangkok, Bangkok.

The meeting agenda are as follows:

Agenda 1**Matter to be informed by Chairman****Vote:**

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

Agenda 2**To consider and approve the Minutes of the 2023 Annual General Shareholders' Meeting, held on 27 April 2023****Fact and Reason:**

The secretary of the meeting took the minutes of 2023 Annual General Shareholders' Meeting, held on 27 April 2023. 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 of Directors deemed it appropriate to propose to the Shareholders' Meeting to consider and approve the minutes of the 2023 Annual General Shareholders' Meeting, held on 27 April 2023.

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 3**To acknowledge the Company's operating results for the year 2023****Fact and Reason:**

The Company has prepared the performance results and the important changes of the year 2023, which were disclosed in the 2023 Annual Report (Form 56-1 One report) in 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 2023 performance results.

Vote:

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

Agenda 4**To consider and approve the Company's Financial Statements for the year 2023, ended 31 December 2023****Fact and Reason:**

Pursuant to the Public Limited Company Act B.E. 2535 and Article 45 of the Company's Articles of Association, 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, which were disclosed in the 2023 Annual Report (Form 56-1 One report) in Enclosure 2.

The Board of Directors' Opinion: The Board of Directors has considered and deemed it appropriate to propose to the Shareholders' Meeting to consider and approve the financial statements for the year 2023, ended 31 December 2023 which were audited by the Auditor and reviewed by the Audit Committee and also endorsed by the Board of Directors.

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 dividend payment from the Company's performance for the year 2023

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 Board of Directors has considered and deemed it appropriate to propose to the Shareholders' Meeting to consider and approve the dividends payment at 2.18 Baht per share from net profit of the Company's performance during 1 January 2023 to 31 December 2023, totaling 672.10 million Baht (or 60% of net profit for the year specified on the separate financial statements), paid to shareholders who are entitled to receive the dividends as listed on the Record Date on 25 April 2024, and the company will pay dividends on 17 May 2024, payable upon approval from the 2024 Annual General Meeting of Shareholders.

Information of the dividend payment from previous year

Details of the dividend payment	Year 2023	Year 2022
Net Profit from the separate financial statements (million Baht)	1,121.25	652.71
Dividend for the year (Baht per shares)	2.18	1.65
Total amount of the dividend (million Baht)	672.10	508.68

There is no additional appropriation of the net profit as the legal reserve since the Company has allocated the reserve of 30,843,808 Baht which is not less than 10% of the Company's registered capital as required by law.

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 the appointment of directors to replace those who are due to retire by rotation

Fact and Reason:

Pursuant to Article 20 of the Company's Articles of Association, 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 2024 Annual General Shareholders' Meeting, 3 retiring directors are:

1. Mr. Natee Onin Direct and Chairman of
Board of Director
2. Mrs. Nirachara Siriamphankul Independent Director and
Audit Committee
3. Ms. Kunnigar Triyangkulsri Independent Director and
Audit Committee

On 10 August 2022, Ms. Kunnigar Triyangkulsri expressed her intention to resign from the position of company director, resulting in one vacant seat for company director at present. However, due to the company's inability to find a suitable person to fill the vacant director position in time to propose at the annual shareholders' meeting for the year 2024, this has resulted in the number of remaining company director seats being reduced to 9 seats (from the original 10 seats).

Furthermore, in the selection of individuals to serve as company directors, the Board of Directors will evaluate based on knowledge, abilities, expertise, and experiences that can contribute to the company's operations, including possessing qualifications and not being disqualified

under the Public Company Limited Act B.E. 2535 and any amendments thereto, the Securities and Exchange Act B.E. 2535 and any amendments thereto, and related announcements. Candidates proposed to hold the position of company director have already been approved through the screening process by the Board of Directors.

Additionally, Mrs. Nirachara Siriamphankul, the individual proposed for appointment as an independent director, also meets the qualifications as defined for independent directors of the company. She is able to provide independent opinions and adheres to relevant criteria. Additionally, she does not hold positions as company directors or executives in other businesses that may lead to conflicts of interest or compete with the company's business interests.

To comply with policy of good governance, the company announced on Website of the company and to Stock Exchange of Thailand during **9 October 2023 – 29 December 2023** to give rights to shareholders to propose agenda of Annual General Shareholders' Meeting and to nominate a qualified person to be selected as the company's director prior consideration of the Company's Board of Directors. No Shareholder proposed the agenda and nominated candidates to be elected as Directors.

The Board of Directors' Opinion:

The Board of Directors has considered and deemed it appropriate to propose to the Shareholders' Meeting to consider and approve the re-election of the 2 directors who are due to retire by rotation , comprising Mr. Natee Onin, and Mrs. Nirachara Siriamphankul, as the Company's directors for another term because their experiences, capabilities and good understanding in the business will be beneficial to the Company's performance.

The profile of each director was sent together with this Invitation Letter (Enclosure 3)

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 7**To consider and approve the remuneration for the Board of Directors and Sub-Committee for the Year 2024****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:

By considering the responsibilities and duties of the directors, the number of transactions expected to occur in 2023, proactive strategies made to generate sales, the Board of Directors has considered and deemed it appropriate to propose to the Shareholders' Meeting to consider and approve the remuneration of the Board of directors and Audit Committee including other remuneration paid to the Company's directors for the performance of duties assigned by the Board of Directors. for year 2024 at the aggregate amount of not exceeding **18,000,000 (eighteen million) Baht**, increase of 4,000,000 (four million) from the previous year, details as follow:

1. Annual fixed fee and attendance fee:

Details of remuneration	2024		2023	
	Annual fixed fee	Attendance fee	Annual fixed fee	Attendance fee
Chairman of Board of Directors	240,000 Baht/annum	27,000 Baht/attendance	240,000 Baht/annum	25,000 Baht/attendance
Director	240,000 Baht/annum	22,000 Baht/attendance	240,000 Baht/annum	20,000 Baht/attendance
Chairman of Audit Committee	-	27,000 Baht/attendance	- -	25,000 Baht/attendance
Member of Audit Committee	-	22,000 Baht/attendance	-	20,000 Baht/attendance

2. Director's bonus: considering from net profit for the year 2024 and being allocated subject to the Board of Directors' discretion

However, no any remuneration shall be paid to Directors and members of Audit Committee other than the proposed remuneration.

Details of remuneration for year 2023 were disclosed in the 2023 Annual Report (Form 56-1 One report) in Enclosure 2.

Vote:

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

Agenda 8

To consider and appoint the Company's auditor and determine remuneration of the auditor for the year 2024

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.

The Board of Directors' Opinion:

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

The Board of Directors has considered and deemed it appropriate to propose to the Shareholders' Meeting to consider and approve the appointment of KPMG Phoomchai Audit Limited ("KPMG") as Company's auditor and one of the following names, to be the auditor of the Company and give opinion to the Company's financial statements for the year 2024

Name	Certified Public Accountant No.	Service Year as the Company's auditor
Mr. Piyanat Singkhorn	11641	1 year (2023)
Ms. Marisa Tarathornbanpakul	5752	-
Ms. Sasitorn Pongadisak	8802	

For its direct and indirect subsidiaries' auditors, the Board of Directors has considered and deemed it appropriate to propose to approve the appointment of the following auditors.

Company	Audit Firm
Direct Subsidiaries	
1. Sappe Holding (Thailand) Co., Ltd.	KPMG
Indirect Subsidiaries	
1. All Coco Group Co., Ltd.	KPMG
2. K Best Farm Co., Ltd.	KPMG
3. All Coco Co., Ltd.	Peak Audit Co. Ltd.
4. Sappe Hong Kong Co., Ltd.	Stephen YS Chan & Co.
5. Sappe Trading (Hong Kong) Co., Ltd.	Stephen YS Chan & Co.
6. Sappe Trading (Shanghai) Co., Ltd.	Shanghai LiXn JiaCheng DongShen
7. Sappe Philippines Corporation	KPMG R.G. Manabat & Co.

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 auditors' remuneration for the year 2024

The auditors' remuneration of the Company and its direct and indirect subsidiaries for the year 2024 is totaled in an amount of not exceeding **4,500,000 Baht**, which is the same amount as in 2023. The 2024 remuneration includes audit fee (details per below table), related expenses, for examples, transportation, document/ printing, postal, communication expenses which shall not exceed 10% of the audit fee.

(Unit: Thai Baht)

Company name	Audit Firm	Audit Fee (Unit: Baht)		Remark
		2023	2024	
Sappe Public Company Limited	KPMG	1,905,000	2,000,000	Increase 5%
Sappe Holding (Thailand) Co., Ltd.	KPMG	155,000	160,000	Increase 3%
All Coco Group Co., Ltd.	KPMG	590,000	600,000	Increase 2%
K Best Farm Co., Ltd.	KPMG	210,000	215,000	Increase 2%
All Coco Co., Ltd.	Peak Audit Co. Ltd.	8,000	8,000	-
Sappe Hong Kong Co., Ltd.	Stephen YS Chan & Co.	49,500*	49,500*	-
Sappe Trading (Hong Kong) Co., Ltd.	Stephen YS Chan & Co.	49,500*	49,500*	-
Sappe Trading (Shanghai) Co., Ltd.	Shanghai LiXn JiaCheng DongShen CPAs	55,000**	55,000**	-
Sappe Philippines Corporation	KPMG R.G. Manabat & Co.	133,000***	140,000***	Increase 5%
Total		3,155,000	3,155,000	Increase 4%

Remark: Exchange rate *2023 & 2024 HKD 11,000 x 4.5), ** 2023 & 2024 (CNY 11,000 x 5) **2023 (PHP 190,000 X 0.7) and 2024 (PHP 200,000 x 0.7) The actual remuneration for the year 2023 was less than the audit remuneration for the year 2023 approved by 2023 Annual General Shareholders' Meeting as specified in Annual report 2023 (form 56-1 One report).

Although the Company has had its subsidiaries overseas and appointed auditors of subsidiaries from other firms, 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' remuneration for the year 2024 were approved by Audit Committee Meeting No. 1/2024 held on 22 February 2024 as the proposed auditors performed their audits properly in accordance with the accounting standards.

For 2023, the company incurred other expenses for providing services (Non-Audit Fee), which include investment promotion from the Office of the Board of Investment (BOI) to receive tax benefits totaling 80,000 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.

The Company invites all shareholders to attend the meeting on date, time and venue as aforementioned. The Company has fixed the Record Date on which shareholders have the right to attend the 2024 Annual General Shareholders' Meeting **on 18th March 2024**. The registration counters will be open 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 8 and Barcode Registration Form to declare at the meeting's registration.

In case of shareholders appoint the Company's independent director, as per details in Enclosure 4, to be their proxy holder, please return the proxy form, affixed duty stamp in amount of 20 Baht and voted for each agenda together with all required documents and evidences as stated in Enclosure 8 and Barcode Registration Form to the Company Secretary, **Sappe Public Company Limited No.71 SP Arcade Building, Ramkhamhaeng Road, Huamark, Bangkok, 10240 within Friday 5th April 2024**.

If any Shareholder has a query about the agenda, you can contact the Company through the Company secretary at address mentioned above or via email address at ir@sappe.com

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: +662 319 4949

Yours sincerely,



Mr. Natee Onin
Chairman