



Minutes of Annual General Meeting for the Year 2020
Sappe Public Company Limited

Time and Place

The meeting was held on Monday, 3 August 2020, 1.30 p.m. at Ballroom, 3rd Floor of Grand Four Wings Convention Hotel, No. 333 Srinakarin Road, Hua Mak Sub-District, Bang Kapi District, Bangkok.

Directors present at the Meeting

1.	Mr. Natee	Onin	Chairman
2.	Mr. Adisak	Ruckariyaphong	Vice Chairman and Chairman of Executive Committee
3.	Mr. Anan	Ruckariyapong	Director and President
4.	Ms. Piyajit	Ruckariyapong	Director and Chief Executive Officer
5.	Mr. Arnupap	Ruckariyapong	Director and Chief Operating Officer
6.	Mr. Padungdej	Indralak	Independent Director and Chairman of Audit Committee
7.	Ms. Kunnigar	Triyangkulsri	Independent Director and Audit Committee
8.	Mr. Surath	Pralongsil	Independent Director and Audit Committee
9.	Mrs. Niratchara	Siriamphunkul	Independent Director
10.	Mr. Thana	Thienachariya	Independent Director

Executives of Sappe Public Company Limited

1.	Mr. Anak	Lapsuksatit	Chief Financial Office
2.	Mr. Worapong	Kietdumrongwong	Chief Sales and Marketing Officer
3.	Mrs. Yata	Onin	Chief Innovation Officer
4.	Ms. Kanlayaphorn	Sakutalakul	Senior Vice President - International Business
5.	Mr. Chinnavit	Lertbannaphong	Vice President - Strategy & Finance
6.	Ms. Saranya	Thanawadee	Vice President Accounting and Chief Financial Officer of All Coco Group Company Limited
7.	Ms. Sutatip	Chantharangsee	Assistant Vice President - Finance New Business Partnership and Corporate Secretary

Executive of All Coco Group Company Limited

1.	Mr. Kemtas	Manusrungsri	President
2.	Mrs. Waraporn	Manusrungsri	Chief Executive Officer

Auditors from KPMG Phoomchai Audit Company Limited

1.	Ms. Sureerat	Thongarunsang	Audit Administration Director
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Legal Adviser from Wissen & Co Limited (Lawyers)

1. Ms. Thanvaporn Dittasorn Senior Legal Advisor

As of the Meeting date, the Company had 10 directors in total. All attended the Meeting. Therefore, the proportion of the Company directors, attending the Meeting was 100%. In addition to the Audit Committee and the Executive Committee. Currently, the Company has no other sub-committees.

The Meeting started at 1.30 p.m.

Ms. Sutatip Chantharangsee, Corporate Secretary (“Ms. Sutatip”) greeted Shareholders and proxy holders in attendance and explained voting procedures to the Meeting as follows:

1. Votes would be cast based on the ratio of one (1) share to one (1) vote, therefore Shareholders’ votes came from their respective numbers of shares they held. Proxies must cast votes in manner specified in the proxy forms authorized by the Shareholders whom they represented only.

2. Suggestions or questions raised must be relevant to agenda presented at the particular moment. For comments on any other issues irrelevant to the agenda, such comments may be raised at the end of the Meeting. In order for the Meeting to be concise and efficient, it would be proceeded and focused on topics the Company considered essential and a priority as it deemed appropriate.

3. Casting the votes in each agenda shall be in a transparent manner whereupon Shareholders would be asked by the Chairman to confirm whether they would disagree or abstain. In case of disagreement or abstention being purported, Shareholders were required to clearly mark their votes on the ballot and raised their hands for ballot collection. Ballots that were collected after the voting system has been closed would be deemed as approval for such agenda. For Agenda 6: to consider the election of directors in place of those retiring by rotation, it is required to cast the vote to agree, disagree or abstain to each person one by one.

4. To count votes cast for each agenda, “disagreement”, “abstention” including those that were “void” (if any) would be deducted from total numbers of the votes passed by Shareholders present at each agenda presentation with the remaining votes counted as “agreement”.

5. Void ballots were the ones that were unclear, for example, a vote was marked in multiple checkboxes or a vote was struck out without a certifying initial or in case of vote splitting (except for custodians) etc.

6. Any Shareholders with conflict of interests to any agenda matter being discussed would not be allowed to cast their votes for such agenda, except for Agenda 6: to consider the election of directors in place of those retiring by rotation, on which all Shareholders were entitled to vote as such matter did not bring them into conflict with others.

7. In addition, Ms. Sutatip Announced to the meeting that on July 16, 2020, the Company informed the amendment of the voting messages in Agenda 9 and Agenda 10 through the news system of the Stock Exchange of Thailand In order to complete the message according to the material essence, The chairman will announce the revised resolution for voting on such an agenda.



8. For the interest of time, votes that were processed at the end of each agenda presentation would be declared during the presentation of subsequent agenda.

9. Before leaving the Meeting room, Shareholders were requested to return the remaining ballots to the Company's staff at the exit areas.

Next, Ms. Sutatip explained the Precautionary measures and guidelines for attending the 2020 Annual General Meeting of Shareholders under the circumstance of COVID-19 as follows:

1. All attendees must put face mask on at all time.
2. Please sit according to the seat number provided by the company and are not allowed to move the arranged seats.
3. The company does not provide a microphone for asking questions. If attendees wish to inquire or make comments, please write them in the question form provided by the company. By specifying the name, surname, number of shares, who attend the meeting in person or get a proxy for the accuracy in recording the minutes of the meeting and sent to the company officers for send to the president

When the voting procedures were clearly explained to the Meeting and Guideline to Prevent the Pandemic of COVID-19, the Chairman then welcomed the Shareholders and the proxy holders again and announced that at that very moment of the Meeting, there were 36 Shareholders attending by themselves and 202 by proxy, together 238 Shareholders in total which represented a total number of 272,636,301 shares or 89.5716% of the total number of sold shares, thus constituting a quorum pursuant to the Company's Articles of Association. And asked 1 individuals among the Shareholders and proxy holders in attendance be witnesses for the vote counting process of each agenda. Ms. Arunee Suriyanrattakorn, a shareholder who attended the Meeting by herself, showed intention to carry out the said duty.

The Chairman therefore proposed that the Shareholders consider each Agenda items according to the notice of the Meeting delivered to every Shareholder as followings:

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

The Chairman informed the Meeting that in compliance with the good corporate governance, the Company asked the shareholders to propose the meeting agendas in advance between 1 November and 31 December 2019 and announced information via the Stock Exchange of Thailand. However, no shareholder proposed the meeting agendas via the channel specified by the Company. This agenda is for the Meeting's acknowledgement and there is no voting. No shareholder had further enquiry.

Agenda 2 **To consider and approve the Minutes of the 2019 Annual General Shareholders' Meeting, held on 18 April 2019**

The Chairman proposed the Meeting to consider and approve the minutes of the 2019 Annual General Shareholders' Meeting, held on 18 April 2019, details of which were contained in the copy of the minutes of the Meeting sent to the Shareholders together with the notice of the Meeting.



The Chairman encouraged any inquiries and suggestions from the Shareholders.

As there were no inquiries or suggestions from other Shareholders, the Chairman then proposed to the Meeting to consider and approve the minutes of the 2019 Annual General Shareholders' Meeting, held on 18 April 2019.

Resolution The Meeting passed the Resolution by the majority of the Shareholders who attended the Meeting and are eligible for casting the vote to approved the minutes of the 2019 Annual General Shareholders' Meeting, held on 18 April 2019. The result of the vote casting of the Shareholders presented at the Meeting was as shown below:

Agreement	Amount	268,287,301	Votes equivalent to 98.4045%
Disagreement	Amount	-	Votes equivalent to 0.0000%
Abstention	Amount	4,350,000	Votes equivalent to 1.5955%
Void Ballot	Amount	-	Votes equivalent to 0.0000%

Agenda 3 To acknowledge the Company's operating results for the year 2019

The Chairman informed the Meeting that the Company's operating results in 2019 as appeared in the Company's annual report and Management discussion and analysis (MD&A) were delivered to the shareholders in the form of QR Code along with the invitation letter for the meeting. Prior to reporting the Company's operating results, the Chairman reported to the Meeting the anti-corruption policy which is always emphasized by the Company. As the Company announced its intention to participate in Thailand's Private Sector Collective Action Coalition Against Corruption, it extended submission for certification for another 6 months and at the same time it reviewed all relevant policies to prepare for assessment. Now the Company has already submitted required assessment documents of the project and is in the process of pending for the result which is expected in the near future.

Then Ms.Piyajit Ruckariyapong, Director and Chief Executive Officer ("Ms. Piyajit"), assigned Mr. Anak Lapsuksatit, Chief Financial Officer ("Mr. Anak"), to present the Company's annual operating results for the year 2019 to the Meeting. It can be summarized as follows:

1. 2019 Financial Performance

○ **Sales** In 2019, sales reached 3,299.5 million Baht, rising from the previous year by 16.7%. Domestic and International sales accounted for 42% and 58%, respectively.

○ **Net Profit Margin** In 2019, the Company's net profit was 402.7 million Baht or 11.9% of total sales, up 14.6% from the same period in the previous year at 351.4 million Baht.



- **Cost of Goods** In 2019, the Company's cost of goods remained low at 63.2%. Excluding B'lue and All Coco Group, cost of goods and total revenue ratio was 59.5%, lower than the previous year at 63.7%
- **Selling Expenses** In 2019, selling expenses/sales ratio was 14.5%, slightly higher than the previous year, contributed by an increase in sales and marketing activities for new product like B'lue and merger of All Coco Group.
- **Administrative Expenses** In 2019, administrative expenses/sales ratio was 8.6%, lower than 9.2% in the previous year.

Mr. Anak further reported that in 2019, the Company still has 5 core product lines and sales ratio is divided in such 5 core product lines that are 1) Juice Drink which had the sales ratio of 61% of total sales, 2) Functional Beverage which had the sales ratio of 16.6% of total sales, reinforced by B'lue, 3) Functional Powder which had the sales ratio of 9% of total sales, 4) Ready to Drink which had the sales ratio of 1% of total sales and 5) Healthier Snack which had the sales ratio of 4.8%, continually growing.

For geographic sales ratio, in 2019 the Company exported its products to more than 90 countries all over the world. Sales were mostly in Thailand accounting for 42.4%, followed by exports to Asia of 38.5%, European countries and the US of 9.9% and the Middle East of 9.1%, respectively.

2. Domestic Market

○ In 2019, the Company launched New product development (NPD) for 24 SKUs contributed by collaboration with SMEs, Global Brands, expansion of existing brands with new products, creation of new flavors and products derived from new ideas. In addition, the Company expanded the Out of Home distribution channel which showed a continued growth. These factors contributed to sales increase compared to the previous year.

3. International Business

○ Overall international business slightly grew by 2% from the previous year.
○ Asia region had the highest sales growth of 7%, followed by Europe and the US at 0.1% and the Middle East where sales growth declined by 19%.

4. All Coco Group

○ Total sales declined by 20% and net profit was 4.89 million Baht, slightly lower than the previous year at 5.73 Baht. A decline in sales was due to lower coconut price which affected revenues in the industry sector relying on Cost Plus pricing that makes it unable to foresee the cost. However, the Company was still able to manage its profit to nearly the same level as the previous year.

○ In addition, All Coco products have been already on shelf at Suvarnabhumi Airport and Don Mueang Airport. Although there is an impact of COVID-19, the Company believes in sales growth of All Coco Group in the future.

5. Danone Sappe Beverage Co., Ltd.

○ In 2019, sales of B'lue beverage product exceeded 200 million Baht and after B'lue beverage product shared the Water Plus market, Functional Beverage sales growth rose by 50 folds.



Then Ms. Piyajit reported **overall significant performance in Q1/2020 and impact of COVID-19**. It can be summarized as follows:

- **Sales** in Q1/2020 reached 830 million Baht, up 7% from the previous year. Domestic sales were 372 million Baht, up 1.5%, and international sales were 458 million Baht, up 11.9% from the corresponding quarter in the previous year.

- **Cost of Goods** in Q1/2020 accounted for 64.3% of total revenues, up 1.6 pts from the same period in the previous year, due to an increase in sales ratio of B'lue and All Coco which had high cost of goods and also impact of excise tax.

- **Selling Expenses** In Q1/2020, selling expenses/sales ratio was 12.8%, comparable to the previous year.

- **Administrative Expenses** In Q1/2020, administrative expenses/sales ratio was 8.9%, up from 8.4% in the previous year, due to merger of All Coco Group.

- **Net Profit Margin** In Q1/2020, net profit was 83 million Baht, falling 29.5% from the same period in the previous year. Excluding special items such as profit from change in associated company's equity in Q1/2019 due to purchase of additional shares in All Coco, foreign exchange losses and rising excise tax, the Company's net profit rose 8.5% from the same period in the previous year.

Following COVID-19 outbreak, many countries, including Thailand, announced the lockdown measure and there were other factors including the baht fluctuation, economic slowdown and delayed or interrupted cargo transportation system. The Company had adjusted its plans in response to the situation. In the short-term plan, the Company has distributed its products as much as possible in Thailand and overseas to prepare for any hoarding, manufactured more reasonable price products to conform to a decline in consumer spending, reduced production cost, enhanced effectiveness of its manufacturing plants, reduce selling expenses and focusing more on online market. In the long-term plan, the Company will emphasize on Health and Wellness products through a joint venture with its business partners. Ms. Piyajit also reported the operating direction in 2020 to the Meeting.

Then the Chairman invited Mr. Adisak Ruckariyaphong, Vice Chairman and Chairman of Executive Committee ("Mr. Adisak"), to present the issue of Corporate Social Responsibility (CSR) to the Meeting.

Mr. Adisak presented video concerning CSR activities performed by the Company in 2019 such as 1) **90 days My Fat for You Project #2** to seek funds and make donation of tools and equipment to improve drinking water quality for schools facing a shortage of clean drinking water, 2) **Learning Promotion Beyond the Classroom Activity** via My Leader Inside Project aiming at making donation for toilet and roof renovation, water cooler, drinking water system development and donation of sports equipment to schools in needs, 3) **Learning and Sharing Community Activity** via the Second-Hand Clothes Donation Project #5 and promotion of skin gel making from Aloe Vera and fish release to Khlong 13, and 4) **Supporting activity to fight COVID-19** by donating necessary tools and equipment, food and beverage to more than 30 communities and hospitals and Sappe Special Wellness Product Prices Campaign aiming at helping Thai people to move forward.



After the Company's 2019 operating results report, the Chairman asked the shareholders to write down their questions and opinions on the enquiry form. Some questions were redundant, so the Chairman summarized those questions in the key issues as follows:

The shareholders personally attending the Meeting included Mr. Woraphot Ketaram, Mr. Thiwa Chinthadaphong, Mr. Therdsak Wangset, Mr. Wasan Phongphutthamon, Mr. Wat Chomchoeywong, and Mr. Pratya Tiewcharoen. **The proxy of Mr. Som Jansuthirangkun** was Ms. Natthita Jansuthirangkun. **They asked about the following issues:**

1. Growth plan in the second half after COVID-19 outbreak
2. Cost Reduction plan in the second half and how cost of PET affects the cost.
3. New product launch plan in the second half and Vitamin C beverage product launch plan (if any)
4. Selling point or advantage of Functional Jelly of the Company from other brands
5. Loss of ability to find new customers who are affected by postponed or cancelled global food fairs
6. Interest in selling products via Vending Machine
7. Apart from the licensee fee, if the Company has any other revenue by sales volume after selling the license to South Korea
8. Impact on All Coco Group if monkey is used to pick coconuts and solutions
9. Danone product distribution agreement in CLMV countries and revenue or sales sharing structure
10. International product transportation problems during COVID-19 outbreak
11. Interest in penetrating into the elderly market with Healthier Snack product to serve the aging society
12. Rising excise tax in Q2 and total excise tax estimate in 2020 as well as plan to cut such excise tax and tendency of excise tax increase in 2021

In this regard, Ms. Piyajit, Mr. Anak and Mr. Worapong Kietdamrongwong, Chief Sales and Marketing Officer ("Mr. Worapong"), together replied to the shareholders' enquiries as follows:

1. Question Growth plan in the second half after COVID-19 outbreak

Answer Ms. Piyajit said that although the Company usually expected a double-digit growth for its annual operation, 2020 was a difficult and challenging year and the Company affected by COVID-19 outbreak, especially in Q2 after many countries including Thailand announced the lockdown measure. However, the team put its best effort in closing sales to nearly the same level as the previous year. In the second half of this year, the Company has seen better prospects in both domestic market especially for Functional drink which has obtained positive feedback from consumers and confirmation of product effectiveness, and international market where there is a recovery sign on the back of the eased lockdown measure and business partners are more confidence in placing orders. The Company will conduct more marketing activities such as product tasting and In-store promotion. However, it still has to monitor the second wave of COVID-19 outbreak, so all activities will be carefully conducted.



2. **Question** Cost Reduction plan in the second half and how cost of PET affects the cost.

Answer Mr. Anak said that the Company plans to raise its production capacity without investing in machinery, but instead utilizing expertise of its employees who have been given continuous improvement. PET price which accounts for 35-40% of cost of goods is lowered by 20% from the previous year, and cost of other raw materials is reduced as well. Although the decline is not much high, the Company has lower pressure from cost of raw materials. In addition, the Company continues cutting costs in many products, so although it is facing sales fluctuation in the second quarter due to COVID-19 and excise tax impact, the cost reduction target will be achieved and offset the rising excise tax. Cost management this year will be nearly at the same level as in the previous year.

3. **Question** New product launch plan in the second half and Vitamin C beverage product launch plan (if any)

Answer Ms. Piyajit said that the Company still has new product launch plan in the second half of this year. As for Vitamin C beverage product launch plan, the Company thought that there are many players in the market and it may launch other types of product instead.

4. **Question** Selling point or advantage of Functional Jelly of the Company from other brands

Answer Ms. Piyajit said that Beauti Jelly helps create further success for the Company's Beauti Drink in health and beauty product line. Beauti Jelly brand is another jelly product which is not only effective for the beauty purpose, but also provides the feeling of satiety.

5. **Question** If the Company will lose its ability to find new customers due to postponement or cancellation of global food fairs.

Answer Ms. Piyajit said that it may be affected as some business partners are unable to immediately taste the Company's new products. However, it is a minor impact compared to other suppliers because the Company has relatively expanded its market base in international markets and Moku brand has been marketed in more than 90 countries all over the world.

6. **Question** If the Company is interested in selling its products via its own vending machine.

Answer Mr. Worapong, said that now the Company has sold its products through other entrepreneurs' vending machines as an alternative for consumers who prefer buying products from vending machines.

7. **Question** Apart from the licensee fee, if the Company has any other percentage of revenue by sales volume after selling the license to South Korea

Answer Ms. Piyajit said that the Company obtains percentage of revenue per sales volume after selling the license. Although it is not much high, the Company has seen the market opportunity to reinforce the Moku brand.



8. Question If the use of monkeys to harvest coconuts affects All Coco Group and any solutions for the issue

Answer Ms. Piyajit said that All Coco Group uses aromatic coconuts that have shorter trees, so there is no use of monkey to harvest coconuts and there is no impact.

9. Question What the type of distribution agreement with Danone is for CLMV countries and how the revenue or sales sharing structure is.

Answer Mr. Anak said that the Company is an exclusive distributor of Danone products in CLMV countries, like in Thailand. It acts as a product manufacturer for Danone and Danone sells these products to the Company for further distribution. Pricing structure is based on a common mechanism. Danone will be in charge of driving the market which is its strong point as it has considerable experiences and expertise in marketing. The Company will help push these products into the market as much as possible.

10. Question International product transportation problems during COVID-19 outbreak

Answer Mr. Worapong said that the Company faced such problem due to port closure on the back of COVID-19 outbreak in many countries and it resulted in international port management and inconvenience.

11. Question Interest in penetrating into the elderly market with Healthier Snack product to serve the aging society

Answer Ms. Piyajit said that the Company will further consider the issue.

12. Question Rising excise tax in Q2 and total excise tax estimate in 2020 as well as plan to cut such excise tax and tendency of excise tax increase in 2021

Answer Ms. Piyajit said that in October 2019, the Company started paying 10% excise tax for Beauti Drink and fruit juice products that are exempted from excise tax. Now the government announces a cut in excise tax for such products to 3%, and excise tax of Functional water products is cut from 14% to 10%. However, the Company tries to cut its cost and control its expenses as well as developing additional product lines to offset the excise tax expenses.

As there were no inquiries or suggestions from other Shareholders, the Chairman then proposed to the Meeting to consider acknowledging the Company's operating results for the year 2019.

Resolution The Meeting acknowledged the Company's operating results for the year 2019.



Agenda 4 **To consider and approve the Company's Financial Statements for the year 2019, ended 31 December 2019**

The Chairman requested Mr. Padungdej Indralak, Independent Director and Chairman of Audit Committee ("Mr. Padungdej") to report to the Meeting, and Mr. Padungdej reported that the Financial Statements for the Year 2019, ended the 31 December 2019 has been audited by the Certified Public Accountant and reviewed by the Audit Committee to be accurate and also endorsed by the Company's Board of Directors, and that they are presented fairly, in all material respects, in accordance with Thai Financial Reporting Standards. The Financial Statements for the year 2019, ended 31 December 2019 appeared in the Annual Report for the year 2019 (in a form of QR Code), delivered to all the Shareholders together with the invitation letter of this Meeting.

The Chairman encouraged any inquiries and suggestions from the Shareholders.

As there were no inquiries or suggestions from the Shareholders, the Chairman then proposed to the Meeting to consider and approve the Company's Financial Statements for the year 2019, ended 31 December 2019, which has been audited by the Certified Public Accountant and reviewed by the Audit Committee to be accurate and also endorsed by the Company's Board of Directors.

Resolution The meeting unanimously approved for the Company's Financial Statements for the year 2019, ended the 31 December 2019, which has been audited by the Certified Public Accountant and reviewed by the Audit Committee to be accurate and also endorsed by the Company's Board of Directors. The result of the vote casting of the Shareholders presented at the Meeting was as shown below:

Agreement	Amount	272,673,301	Votes equivalent to 100.0000%
Disagreement	Amount	-	Votes equivalent to 0.0000%
Abstention	Amount	-	Votes equivalent to 0.0000%
Void Ballot	Amount	-	Votes equivalent to 0.0000%

Prior to Agenda 5, the Chairman announced a revision to the voting condition for Agenda 5 which was stated in the invitation letter for the meeting that the agenda must be approved by the shareholders' meeting with a majority of the shareholders attending the meeting and having the voting right. The revised condition was that no voting is required for the agenda because it is for the meeting's acknowledgement. No shareholder made any objection or provided opinion otherwise, so the Chairman continued to Agenda 5.

Agenda 5 **To acknowledge interim dividend payment from the Company's performance for the year 2019**

The Chairman reported that according to the dividend payment policy, the Company will pay dividend to its shareholders not less than 40% of net profit after corporate income tax and all types of provisions as stipulated by the law, by taking into consideration the separate financial statements. At the Meeting of the Board of Directors No. 3/2020 on 26 March 2020, the Meeting resolved to postpone the General Meeting of Shareholders and



pay interim dividend instead in accordance with Article 54 of the Articles of Association, namely, the Company is prohibited from paying dividend from other kinds of monies than profit, including retained profit. In case that the Company has any retained loss, it is prohibited to pay such dividend. The dividend must be equally paid by the number of shares and must be approved by the shareholders' meeting. The Board of Directors may pay interim dividend to the shareholders from time to time when it determines that the Company has enough profit to do so. After paying such dividend, it shall report to the shareholders during the next shareholders' meeting. This conforms to the guideline specified in the letter of the Office of Securities and Exchange Commission No. SEC Jor Thor.-1.(Wor) 9/2020 on General Meeting of Shareholders of Listed Company During COVID-19 Pandemic dated 6 March 2020.

At the Meeting of the Board of Directors No. 3/2020 on 26 March 2020, the Meeting resolved to pay interim dividend at 0.83 Baht per share from net profit in the operating period of 1 January-31 December 2019 in the sum of 252.63 million Baht (or 60% of net profit of the separate financial statements). Such dividend was paid to the eligible shareholders listed on the record date on 10 April 2020. The Company has already paid such dividend on 24 April 2020. Payment of interim dividend is aimed at avoiding any impact on the shareholders' right due to postponement of the General Meeting of Shareholders which was previously scheduled on 30 April 2020. The Board of Directors will no longer propose for dividend payment for the year 2019.

Information of the dividend payment from previous year

Details of the dividend payment	Year 2019 (Interim Dividend)	Year 2018
Net Profit from the separate financial statements (million Baht)	418.89	335.26
Dividend for the year (Baht per shares)	0.83	0.66
Total amount of the dividend (million Baht)	252.63	200.88

The Chairman encouraged any inquiries and suggestions from the Shareholders.

As there were no inquiries or suggestions from the Shareholders, the Chairman then proposed to the Meeting to consider acknowledging interim dividend payment from the Company's performance for the year 2019.

Resolution The Meeting acknowledged the interim dividend payment for the 2019 operating results at 0.83 Baht per share from net profit in the operating period of 1 January-31 December 2019 in the sum of 252.63 million Baht (or 60% of net profit of the separate financial statements) for the eligible shareholders listed on the record date on 10 April 2020. The Company has already paid such dividend on 24 April 2020. The Board of Directors will no longer propose for dividend payment for the year 2019.



Agenda 6 **To Consider and Re-Elect the Directors, Who Are Due to Retire by Rotation**

The Chairman announced to the Meeting that according 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 nearest to one-third (1/3) shall retire. Retiring directors may be re-appointed.

At present, the Company has 10 directors. At the 2020 Annual General Meeting of Shareholders, one-third of directors required to be retired by rotation was in total of four directors who were:

Mr. Padungdej	Indralak	Independent Director and Chairman of the Audit Committee
Mr. Anan	Ruckariyapong	Director and President
Ms. Piyajit	Ruckariyapong	Director and Chief Executive Officer
Mr. Arnupap	Ruckariyapong	Director and Chief Operating Officer

The Chairman further explained that for transparency in considering and casting of votes in this Agenda, the four directors were to be invited to leave the Meeting's room until the vote casting completed. Regarding the nomination of directors, the Company invited all Shareholders to nominate candidates with suitable qualification to be elected as Directors for the period from 1 November to 31 December 2019 through the news system of the Stock Exchange of Thailand and published on its website. However, there was no Shareholder nominated any candidate.

The Chairman also informed the Shareholders that the Board of Directors have considered the qualifications, experiences and expertise of the four retiring directors with his/her occupation and performance as the Company's director, the Board of Directors deemed appropriate to approve the re-election of the four retiring directors as the Company's directors for another term. The profiles of the four retiring directors were delivered together with the invitation letter of this Meeting

The Chairman encouraged any inquiries and suggestions from the Shareholders.

As there were no inquiries or suggestions from the Shareholders, the Chairman then proposed to the Meeting to consider and re-elect the directors, who were due to retire by rotation.

Resolution The Meeting passed the Resolution by the majority of the Shareholders who attended the Meeting and were eligible to cast the vote, re-electing the four directors who were due to retire by rotation, who were Mr. Padungdej Indralak, Mr. Anan Ruckariyapong, Ms. Piyajit Ruckariyapong, and Mr. Arnupap Ruckariyapong, to be the Company's directors for another term. The result of the vote casting of the Shareholders presented at the Meeting was as shown below:



Director's Name	Agreement	Disagreement	Abstention	Void Ballot
Mr. Padungdej Indralak	272,673,301 Votes 100.0000%	- 0.0000%	- 0.0000%	- 0.0000%
Mr. Anan Ruckariyapong	270,393,001 Votes 99.1637%	2,280,300 Votes 0.8363%	- 0.0000%	- 0.0000%
Ms. Piyajit Ruckariyapong	272,636,501 Votes 99.9865%	36,800 Votes 0.0135%	- 0.0000%	- 0.0000%
Mr. Arnupap Ruckariyapong	270,393,001 Votes 99.1637%	2,280,300 Votes 0.8363%	- 0.0000%	- 0.0000%

Agenda 7 To Consider and Approve the Remuneration for the Board of Directors and Sub-Committee for the Year 2020

The Chairman informed the Meeting regarding the remuneration of the Board of Directors and Audit Committees by taking into account of their responsibility and duty as well as the increase of the transactions in the year 2020. As a result, the Chairman proposed remuneration for the Board of Directors and Audit Committees for the year 2020 at the aggregate amount not exceeding 9,000,000 Baht (Nine Million Baht) with the following details:

1. Annual fixed fee and attendance fee:

(Unit: Thai Baht)

Details of remuneration	2020		2019	
	Annual fixed fee	Annual fixed fee	Annual fixed fee	Attendance fee
Chairman of Board of Directors	216,000 Baht/annum	25,000 Baht/attendance	168,000 Baht/annum	25,000 Baht/attendance
Director	216,000 Baht/annum	20,000 Baht/attendance	168,000 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 2020 and being allocated by the Board of Directors.

The Chairman encouraged any inquiries and suggestions from the Shareholders. In response, some shareholders raised question on the enquiry form as follows.



1. Mr. Wasan Phongputthamon, the shareholder personally attending the Meeting, asked about the following issues:

1.1 Actual remuneration of the directors in the previous year

Answer The Chairman said that in 2019, total compensation of the directors was 7,712,270 Baht, which consisted of remuneration and meeting allowance of the directors and the audit committee members of 3,685,000 Baht and director commission of 4,027,270 Baht.

As there were no additional questions or suggestions from the Shareholders, the Chairman then proposed to the Meeting to consider and approve the remuneration for the Board of Directors and Audit Committee for the year 2020. In this agenda, the directors who are the Shareholders of the Company and the independent directors who cast their votes on behalf of the proxy may deemed appropriated to cast their votes which would not be considered as conflict of interest because the remuneration is for every directors and not a compensation to a specific person.

Resolution The resolution was passed by not less than two-thirds of the total number of votes of the Shareholders who attended the Meeting and approved the remuneration for the Board of Directors and the Audit Committee for the year 2020 in the amount not exceeding Baht 9,000,000 (Nine Million Baht) by the votes of Shareholders who attended the Meeting and voting were as follows:

Agreement	Amount	258,573,301	Votes equivalent to 94.8290%
Disagreement	Amount	14,100,000	Votes equivalent to 5.1710%
Abstention	Amount	-	Votes equivalent to 0.0000%
Void Ballot	Amount	-	Votes equivalent to 0.0000%

Agenda 8 To consider and appoint the Company's auditor and determine remuneration of the auditor for the year 2020

In compliance with Section 120 of the Public Company Act B.E. 2535 specifying that the Shareholders' Meeting shall appoint the auditor and fix the auditor's remuneration annually. According to Article 53 of the Company, the auditor shall be appointed by the Annual General Meeting as well as determining his/her remuneration, and the appointed auditor shall not be the Company's director, employee, staff, or hold any position in the Company.

Thereby the Board of Directors proposed to the Meeting to approve the appointment of the auditors both of the Company and its subsidiaries as well as the auditor's remuneration for the year 2020 as follows:

1. The Appointment of the Company's Auditor and its Subsidiaries' Auditors: It was deemed appropriate to propose to the 2020 Shareholder's Annual General Meeting to consider appointing auditors from KPMG Phoomchai Audit Ltd. to be the auditors for Sappe Public Company Limited. One of the following names below shall be authorized to conduct the audit and express an opinion on financial statements of the Company for the year 2020.



<u>Name</u>	<u>Certified Public Accountant No.</u>	<u>Service Year as the Company's auditor</u>
1. Ms. Sureerat Thongarunsang	4409	3 years (2017-2019)
2. Mr. Banthit Tangpakorn	8509	-
3. Ms. Marisa Tharathornbunpakul	5752	-

Regarding the Company's direct subsidiaries, the Board of Directors deemed it appropriate to appoint the auditors as follows:

1. BDR Consult Spol. s.r.o. as the auditor of Sappe Europe s.r.o.
2. KPMG as the auditor of Sappe Holding (Thailand) Company Limited

Regarding the Company's indirect subsidiaries, the Board of Directors deemed it appropriate to appoint the auditors as follows:

1. KPMG as the auditor of All Coco Group Company Limited and K Best Farm Company Limited
2. Peak Audit Company Limited as the Auditor of All Coco Company Limited
3. Stephen YS Chan & Co. as the auditor of Sappe Hong Kong Company Limited and Sappe Trading (Hong Kong) Company Limited
4. Shanghai LiXin JiaCheng DongShen CPAs as the auditor of Sappe Trading (Shanghai) Company Limited

Nevertheless, none of the proposed auditors has relationship or conflict of interests with the Company, subsidiaries, executives, major shareholders or any person related to such persons in any way that would affect their independent performance.

2. The Auditor's Remuneration for the Year 2020 : It was proposed to the Meeting to approve the auditor's remuneration of the Company and its subsidiaries for the year 2020 in a total amount not exceeding 4,500,000 Baht (details as shown in the table below). The 2020 annual remuneration of auditor is equivalent to the rate of the year 2019. Herewith, it was proposed to approve other expenses such as transportation, document/printing, postal, communication costs but not exceeding 10% of the remuneration.

(Unit : Thai Baht)

Company name	Audit Firm	Audit Fee		Remark*
		2019**	2020	
Sappe Public Company Limited	KPMG	1,900,000	2,070,000	Increase 9%
Sappe Europe s.r.o	BDR Consult spol.s.r.o	281,000 ¹ (EUR 7,020)	245,700 ⁴ (EUR 7,020)	Same as 2019
Sappe Holding (Thailand) Co., Ltd.	KPMG	170,000	170,000	Same as 2019



Company name	Audit Firm	Audit Fee		Remark*
		2019**	2020	
All Coco Group Co., Ltd.	KPMG	830,000	610,000	Decrease 27%
K Best Farm Co., Ltd.	KPMG	310,000	200,000	Decrease 35%
All Coco Co., Ltd.	Peak Audit Co. Ltd.	25,000	15,000	Decrease 40 %
Sappe Hong Kong Co., Ltd.	Stephen YS Chan & Co.	55,000 ² (HKD 11,000)	49,500 ⁵ (HKD 11,000)	Same as 2019
Sappe Trading (Hong Kong) Co., Ltd.	Stephen YS Chan & Co.	55,000 ² (HKD 11,000)	49,500 ⁵ (HKD 11,000)	Same as 2019
Sappe Trading (Shanghai) Co., Ltd.	Shanghai LiXn JiaCheng	62,500 ³ (CNY 11,000)	55,000 ⁶ (CNY 11,000)	Same as 2019
Total		3,688,500	3,464,700	Decrease 4 %

Remark: *Audit fees in foreign currency remain the same as previous year but different in Thai Baht currency due to exchange rates

**The actual remuneration for the year 2019 was less than the audit remuneration for the year 2019 approved by 2019 Annual General Shareholders' Meeting as specified in Company's 56-1 report.

¹Foreign exchange rate (EUR/THB) = 40.0 , ²Foreign exchange rate (HKD/THB) = 5.00 , ³Foreign exchange rate (CNY/THB) = 5.68

⁴Foreign exchange rate (EUR/THB) = 35.0 , ⁵Foreign exchange rate (HKD/THB) = 4.50 , ⁶Foreign exchange rate (CNY/THB) = 5.00

The determination of the auditor's remuneration for the year 2020 has been approved by the Audit Committee meeting. Even though, the Company has its subsidiaries in foreign countries and uses audit service from the other audit firms, the subsidiaries could deliver quarterly and annual financial statements to the Company in the required time. It can be assured that the Company will be able to prepare the consolidated financial statements within the time required by law.

The Chairman also informed the Meeting that in 2019 the Company did not pay the Non-Audit Fee to the Company's auditor.

The Chairman encouraged any inquiries and suggestions from the Shareholders.

As there were no inquiries or suggestions from shareholders, the Chairman proposed the meeting to consider appointing auditors to express opinions on the Company's and subsidiaries' financial statements for the year 2020, as well as to approve the remuneration of the regular auditors. Year 2020 in the total amount not exceeding 4,500,000 baht with approval of other expenses such as transportation, document / printing, postal communication cost but not exceeding 10% of the remuneration.



Resolution The meeting unanimously approved the appointment of KPMG Phoomchai Audit Limited as the Company's auditor. One of the following names below shall be the Company's auditor and express opinion on the Company's financial statements for the year 2020.

<u>Name</u>	<u>Certified Public Accountant No.</u>	<u>Service Year as the Company's auditor</u>
1. Ms. Sureerat Thongarunsang	4409	3 years (2017-2019)
2. Mr. Banthit Tangpakorn	8509	-
3. Ms. Marisa Tharathornbunpakul	5752	-

The Meeting resolved to approve such auditors for indirect subsidiaries of the Company as follows:

1. BDR Consult Spol. s.r.o. as the auditor of Sappe Europe s.r.o.
2. KPMG as the auditor of Sappe Holding (Thailand) Company Limited

The Meeting also resolved to approve such auditors for indirect subsidiaries of the Company as follows:

1. KPMG as the auditor of All Coco Group Company Limited and K Best Farm Company Limited
2. Peak Audit Company Limited as the Auditor of All Coco Company Limited
3. Stephen YS Chan & Co. as the auditor of Sappe Hong Kong Company Limited and Sappe Trading (Hong Kong) Company Limited
4. Shanghai LiXin JiaCheng DongShen CPAs as the auditor of Sappe Trading (Shanghai) Company Limited

It was also resolved to approve the Company's and its subsidiaries' auditors' remuneration for the year 2020 in a totaling amount not exceeding 4,500,000 Baht, and other related expenses such as transportation, document/printing, postal, communication costs but not exceeding 10% of the remuneration. The result of the vote casting of the shareholders presented at the meeting was as below:

Agreement	Amount	272,673,301	Votes equivalent to 100.0000%
Disagreement	Amount	-	Votes equivalent to 0.0000%
Abstention	Amount	-	Votes equivalent to 0.0000%
Void Ballot	Amount	-	Votes equivalent to 0.0000%

Agenda 9 **To consider and approve the amendment to the Company's objectives and Memorandum of Association of the Company**

The Chairman announced to the meeting that this amending the Company's objectives to cover the new businesses that the Company may expand in the future. The Board of Directors deems it appropriate to propose the shareholders' meeting to consider one additional item of the Company's objective, Article 46, with details of additional objectives as follows.



“46. To carry out technological research and development including basic research, basic industrial research, applied research and experimental research and to provide consultation regarding technological research and development for domestic and International, to individuals, groups of persons, juristic persons, state enterprises, government agencies, government organizations and the Company itself”

The Chairman encouraged any inquiries and suggestions from the Shareholders.

As there were no inquiries or suggestions from shareholders, the Chairman proposed the meeting to consider and approve the amendment to the Company’ objectives and Memorandum of Association of the Company.

Resolution The meeting unanimously approved the amendment of the Company’s objectives and Memorandum of Association of the Company to be in line with the amendment of the objectives of the Company The results of counting the votes of the shareholders who attend the meeting and have the right to vote are as follows:

Agreement	Amount	272,673,301	Votes equivalent to 100.0000%
Disagreement	Amount	-	Votes equivalent to 0.0000%
Abstention	Amount	-	Votes equivalent to 0.0000%
Void Ballot	Amount	-	Votes equivalent to 0.0000%

Agenda 10 To consider and approve amendments to the Company’s Articles of Association of Article 27, Article 34 and Article 37

The Chairman announced to the meeting that the company intends to amend Articles of Association, Article 27 in Chapter 3 Board of Directors and Article 34 and Article 37 in Chapter 4 General Meetings to include the alternative to arrange Board of Directors’ Meetings and General Meetings by means of electronic communications equipment. The Board of Directors deemed it appropriate to propose to Annual General Shareholders’ Meeting to approve the amendments to the Company’s Articles of Association, Article 27 in Chapter 3 Board of Directors and Article 34 and Article 37 in Chapter 4 General Meetings to include the alternative to arrange Board of Directors’ Meetings and General Meetings by means of electronic communications equipment, which is in accordance with the Emergency Decree on Electronic Meetings, B.E. 2563 (2020) dated 18 April 2020. The Article 27, Article 34 and Article 37 shall be cancelled entirely and replaced with the followings:

“27. The Board of Directors shall hold a meeting at least once in every three (3) months at the local place in which the head office or the branch office of the Company is situated or any province nearby, or any other places as the Chairman deems appropriate, with the Chairman or person who has been assigned by the Chairman calling for a meeting.



Two directors or more may request for holding of the Board of Directors' meeting. The Chairman or the directors assigned by the Chairman shall determine the date of the meeting to be held within fourteen (14) days upon receipt of the request.

The Chairman or person assigned by the Chairman shall send a notice summoning the meeting to the directors not less than seven (7) days prior to the date of the meeting. However, in the case that there arises the necessity and urgency to safeguard the rights and interest of the Company, a meeting may be convened by other means and the date of the meeting may be scheduled sooner.

Subject to applicable laws, regulations, announcements, requirements or other relevant rules that are currently available or may be modified in the future, any director may attend and participate in a Board of Directors' meeting of the Company by means of electronic communications equipment whereby all attendees can hear and speak to each other, and the attendance and participation in a meeting in such manner shall be deemed to constitute presence at the Board of Directors' Meeting.

The notice of the meeting may be served via electronic means, subject to requirements under the applicable laws."

"34. The Board of Directors shall hold an Annual General Meeting of Shareholders within four (4) months after the end of a financial year at a locality of the principal place of business, in a neighboring province or at such other places as Chairman of the Board of Directors may consider appropriate.

Subject to applicable laws, regulations, announcements, requirements or other relevant rules that are currently available or may be modified in the future, the Company's General Meeting of Shareholders may be held by means of electronic communications equipment."

"37. To convene a general meeting of shareholders, both annual and extraordinary, the Board of Directors shall prepare a notice of invitation to indicate date, time and agenda items including matters to be proposed to the meeting and relevant opinion of the Board of Directors. The notice shall clearly indicate whether the matters, along with relevant opinion of the Board of Directors, are proposed to the meeting for acknowledgement, for approval or for consideration. The notice of invitation shall be submitted to shareholders and the registrar at least seven (7) days prior to the date of the meeting, and shall be published in a newspapers for at least three (3) consecutive days at least three (3) days prior to the date of the meeting.

Notice of invitation shall be submitted to shareholders via registered mail.

When a general meeting of shareholders is held by means of electronic communications equipment, the Board of Directors may submit a notice of invitation and a meeting-accompanied documents via an electronic mail. Rules and procedures regarding the submission of a notice of invitation via an electronic mail shall be in accordance with the relevant laws."



The Chairman encouraged any inquiries and suggestions from the Shareholders.

As there were no inquiries or suggestions from shareholders, the Chairman proposed the meeting to consider and approve amendments to the Company's Articles of Association of Article 27, Article 34, and Article 37.

Resolution The meeting unanimously approved the appointment amendments to the Articles of Association of the Company, Article 27, Article 34, and Article 37. The result of the vote casting of the Shareholders presented at the Meeting was as shown below:

Agreement	Amount	272,673,301	Votes equivalent to 100.0000%
Disagreement	Amount	-	Votes equivalent to 0.0000%
Abstention	Amount	-	Votes equivalent to 0.0000%
Void Ballot	Amount	-	Votes equivalent to 0.0000%

The Chairman informed that the Meeting completely considered Agenda 1 to Agenda 10. According to the good corporate governance for the listed companies in 2020 and the annual general meeting of shareholders quality assessment project, the Meeting should consider only the agendas notified to the shareholders in advance for fairness for all shareholders. The Chairman took the occasion to give the shareholders a chance to ask questions and present their opinions for the benefit of the Company. Questions in the shareholders' enquiry form were summarized as follows:

1. Mr. Therdsak Wangset, the shareholder personally attending the Meeting, asked about the following issues:

1.1 How the Company applies Artificial Intelligence (AI) Data Analytic and Big Data to consumer behavior analysis.

Answer Mr. Anak said that the Company has applied SAP system to analyze its internal data in terms of cost cutting or shortening operational procedures and also used domestic and international data collected by external agencies to analyze consumer behavior so that the Company is able to implement its marketing plan and develop its products to serve its consumers more effectively. The Company plans to use the automation system which is now in the studying process of the Company's IT division in order to manufacture higher quality products with lower production cost.

The Chairman further asked other Shareholders and proxy holders to raise questions or provide suggestions but there was no further question and suggestion. The Chairman thus expressed his appreciation to all participants for devoting their time in attending today's Meeting and stated that minutes of this Meeting will be prepared and submitted to the Stock Exchange of Thailand within the period required by law. He declared the Meeting adjourned.



Meeting adjourned at 4.20 p.m.

Signed _____ the Chairman
(Mr. Natee Onin)

Signed _____ the Company's Secretary
(Miss Sutatip Chantharangsee)