

Ref. Simat AGM-2020-1

Date April 10, 2020

Subject: Invitation to the Annual General Meeting of Shareholders for the Year 2020

Attn.: The Shareholders of Simat Technologies Public Company Limited

- Enclosure:
1. A Copy of Minutes of the Annual General Meeting of Shareholders for the Year 2019
 2. A Copy of Annual Report 2019 (CD)
 3. Profile of the Person(s) Nominated to Be Director(s) of the Company
 4. Explanation of the Method to Register, Proxy and Evidence(s) to Be Presented for Meeting Attendance
 5. Proxy Form A and B
 6. Profile of Independent Director(s) Nominated by the Company to Receive Proxy from Shareholders
 7. The Company's Articles of Association in Part of Shareholders Meeting
 8. Location Map of the Meeting Venue for AGM 2020

Whereas the Board of Directors Meeting No.2/2020 of Simat Technologies Public Company Limited dated March 12, 2020 resolved to convene the Annual General Meeting of Shareholders for the Year 2020 on Thursday 30th April 2020 at 9.00 a.m., Rajapruek Room, Simat Technologies Public Company Limited, No. 123, Soi Chalongkrung 31, Ladkrabang Industrial Estate, Chalongkrung Road, Lamplatew Sub-district, Ladkrabang District, Bangkok 10520 to consider the following Agenda(s):

Agenda 1 To Certify Minutes of the Annual General Meeting of Shareholders for the Year 2019

Fact and Rational: The Company held the Annual General Meeting of Shareholders for the Year 2019 on April 26, 2019 as well as submitted the minutes to The Stock Exchange of Thailand and Ministry of Commerce within the time specified by laws including disseminated the aforesaid minutes via corporate website (<https://www.simat.co.th/>), which details appear on a copy of the minutes – Attachment 1 enclosed this Letter.

The Board's Opinion: The Minutes of the Annual General Meeting of Shareholders for the Year 2019 held on April 26, 2019 had been correctly and completely recorded, and deemed appropriate to propose the Meeting to consider and certify the aforesaid minutes accordingly.

Voting to Pass Resolution: This Agenda must be passed approval resolution by majority votes of Shareholders attend the Meeting and obtain the right to exercise their votes

Agenda 2 **To Acknowledge The Board's Report regarding Operating Performance for the Year 2019**

Fact and Rational: The Company summarized operating performance for the Year 2019 ended December 31, 2019 for the Shareholders to acknowledge operating performance of the Company for the Year 2019 by details appear on a copy of Annual Report 2019 - Attachment 2 enclosed this Letter.

The Board's Opinion: The Board deemed appropriate to propose the Meeting to acknowledge operating performance of the Company for the Year 2019 accordingly.

Voting to Pass Resolution: This Agenda is the agenda for acknowledgement, therefore, there is no exercise to vote

Agenda 3 **To Consider and Approve Balance Sheet and Profit and Loss Statements for the Year Ended December 31, 2019 and the Auditor's Report**

Fact and Rational: In order to comply with Public Limited Company Act B.E. 2035 (and the Amendment), Section 112 and Claus 46 of the Company's Articles of Association prescribed that the Company must prepare balance sheet, and profit and loss statements as on the date ended fiscal year of the Company to propose the Meeting to consider for approval. In this regard, the Company had prepared statements of financial position, and profit and loss statements ended December 31, 2019 audited by certified auditor as well as already consented by Audit Committee and the Board of Directors by details appear on section "Financial Statements" in Annual Report – Attachment 2 enclosed this Letter.

The Board's Opinion: Balance sheet and profit and loss statements for the Year ended December 31, 2019 are statements for financial position, and profit and loss statements already audited by certified auditor as well as consented by Audit Committee and the Board of Directors that the statements are correct, complete and reliable including sufficiently disclosed; therefore, deemed appropriate to propose the

Meeting to consider and approve balance sheet, and profit and loss statements for the Year ended December 31, 2019 accordingly.

Voting to Pass Resolution: This Agenda must be passed approval resolution by majority votes of Shareholders attend the Meeting and obtain the right to exercise their votes

Agenda 4 To Consider and Approve the Issuing and Offering for Sales of Debentures of the Company

Fact and Rational: Since the Company required funding for performing the loan repayment, using as working capital of the Company and using to support business operation of the Company, that loan from financial institution shall cause the Company obtains high financial cost. Whereas the Company foresees that the issuing of debentures shall make financial cost of the Company more appropriate than other methods. Therefore, in order to comply with Public Limited Company Act B.E. 2535 (and the Amendment), Section 145; the Company is shalling to propose the Meeting to consider and approve the issuing and offering for sales of debentures total amount not exceeding 200 MB by the following details:

Objective(s) of Issuing the Debentures	In order to repayment for loan and/or short-term debt instrument and/or long-term debt instrument, all amount or some part of the Company as well as in order to use in operating business or working capital and supporting business of the Company.
Type of the Debentures	All types of the Debentures: Name or Un-name the Holder, Secured or Unsecured, Treasury or Non-treasury, Subordinated or Unsubordinated; depend on properness of market condition at each present time while issuing and offering the Debentures for sales and other relevant factors.
Currency	Baht currency and/or Foreign currency at equivalent amount.
Total Value of the Debentures	Within limit not exceeding 200 MB or other currency at equivalent amount. So that the Company can issue and offer for sales additional the Debentures and/or issue and offer for sales Debenture as replacement of primary the Debentures already released within the aforesaid limit by means that the Debentures issued for sales already at each moment of time must obtain amount not exceeding the aforesaid limit.

Maturity	No longer than 2 years as from the date of each Debenture issuing so as to be under regulations of The Capital Market Supervisory Board and/or The Securities and Exchange Commission "SEC".
Offering for Sales	In-shore and/or Off-shore Offering, One-time or Multiple Time Offering and/or Project and/or Revolving Offering to Public and/or Private Placement and/or Institutional Investors and/or Major Investors at the same or different time according to Notification of SEC and/or SEC's Office and/or other relevant regulations enforcing at the time while issuing and offering the Debentures for sales.
Interest Rate	Depend on market condition while issuing and offering the debentures for sales or according to agreement and condition of the Debentures issued at that time.
Release before Maturity	The Shareholders and/or the Company may be or may be not entitled to release the Debentures before maturity so as to depend on condition of the Debentures issued each time.
Secondary Market	The Company may register the Debentures with The Thai Bond Market Association or any other secondary market as deemed appropriate.
Authority to Determine Other Details	<p>Delegate the Board of Directors, or Person(s) granted authority to sign by the Board of Directors to obtain authority as follows:</p> <ol style="list-style-type: none"> 1 . Determine all details relevant to the Debentures including type, name, type of collateral, currency, amount, interest rate, maturity, par value, offering price, project term, limit line, treasury appointment covering determine details relevant to offering, which include but not limit the method and period of issuing, offering for sales and allocation, and any other relevant execution as deemed appropriate under regulations of laws and criteria prescribed. 2 . Appoint Financial Advisor and/or Underwriter and/or Credit Rating Institute of the Issuer and/or the Securities, and/or any other persons in case must be appointed in accordance with relevant regulations or any other case(s) as deemed appropriate. 3 . Bring the aforesaid Debentures to be registered with The Thai Bond Market Association or any other secondary market as deemed appropriate covering obtain authority to apply for permission to disclose information and any other executions with relevant entity(s).

	4 . Contact, negotiate, enter into, sign, amend contract(s) and/or all documents including contact, give information, submit documents, evidence to SEC Office and/or any other entity(s) relevant to the aforesaid issuing and offering for sales covering execute any other relevant or necessary acts in all aspects as deemed appropriate.
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The Board's Opinion: The Board deemed appropriate to propose the Meeting to consider and approve the issuing and offering for sales of debentures total amount not exceeding 200 MB by the details mentioned above

Voting to Pass Resolution: This Agenda must be passed approval resolution by not less than 3/4 votes of Shareholders attend the Meeting and obtain the right to exercise their votes.

Agenda 5 To Consider and Approve Non-dividend Payment for Operating Performance for the Year 2019

Fact and Rational: The Company obtains policy to pay dividend to the Shareholders at the rate 50% of net profit, notwithstanding, depend on economic condition and project for business expansion of the Company in the future as well as not be conflict against Public Limited Company laws pertaining to dividend payment

For operating performance for the year 2019 ended December 31, 2019; the Company gained net profit according to consolidated financial statements amounting 101.63 MB and net profit according to financial statements of the Company amounting 268.66 MB. However, the Company still obtains accumulated deficit of 424.31 MB, which Clause 48 of the Company's Articles of Association, as well as Section 115 of Public Limited Company Act B.E. 2535 (and the Amendment) prescribed that in case the Company still obtains accumulated deficit, dividend payment is prohibited. Therefore, the Company cannot pay dividend for operating performance for the Year 2019 accordingly.

The Board's Opinion: The Board deemed appropriate to propose the Meeting to consider and approve non-dividend payment for operating performance for the Year 2019.

Voting to Pass Resolution: This Agenda must be passed approval resolution by majority votes of Shareholders attend the Meeting and obtain the right to exercise their votes

Agenda 6 To Consider and Approve Transfer of Reserve to Compensate Accumulated Deficit of the Company

Fact and Rational: Whereas Section 119 of Public Limited Company Act B.E. 2535 (And the Amendment) prescribed that when got approval from the Shareholders Meeting, the Company may transfer reserve according to Section 51, reserve according to Section 116, or other reserve(s) to compensate accumulated deficit of the Company. In this regard, the said accumulated deficit compensation shall be deducted from other reserve(s) first; then, deducted from reserve according to Section 116 and reserve according to Section 51 respectively.

Whereas financial statements of the Company for the Year 2019 ended December 31, 2019; the Company gained net profit amounting to 268.66 MB and the accumulated deficit amounting to 424.31 MB in order to prepare for the Company can pay dividend in the future when the Company gains sufficient net profit and cash flow. The Company, therefore, is willing to propose the Shareholder's Meeting to consider to transfer of legal reserve amounting to 15.14 MB and reserve from share premium amounting to 409.17 MB (The Company not obtain other reserve) to compensate the accumulated deficit of the Company.

Transfer of legal reserve and reserve from share premium to compensate accumulated deficit of the Company is the execution in accordance with criteria of laws by details according to the following table:

Item	Amount (Baht) (<u>Before</u> Transaction)	Amount (Baht) (<u>After</u> Transaction)
Registered Capital	816,618,970	816,618,970
Paid-up Capital	525,513,051	525,513,051
Other Reserve	0	0
Legal Reserve	15,140,545	0
Reserve from Share Premium	477,262,360	68,089,398
Accumulated Deficit	424,313,507	0
Shareholders' Equity	595,262,765	595,262,765

The Board's Opinion: This Transfer shall cause statements of financial position of the Company not get accumulated deficit; and if operating performance of the Company as from Quarter 1/2020 gain profit, it shall result in statements of financial position of the Company begin to show profit that lead to contribute reliability to Shareholders and investors as well as contribute confidence of the Management in further

performing according to business plan in the future. And if operating performance of the Company for the Year 2020 gains profit, the Company can consider dividend payment to the Shareholders. The Board, therefore, deemed appropriate to propose the Meeting to consider and approve transfer of legal reserve and reserve from share premium to compensate accumulated deficit of the Company accordingly.

Voting to Pass Resolution: This Agenda must be passed approval resolution by majority votes of Shareholders attend the Meeting and obtain the right to exercise their votes

Agenda 7 To Consider and Approve the Amendment of Articles of Association of the Company

Fact and Rational: Since Clause 37 of Articles of Association of the Company prescribed that numbers or names of authorized directors to sign to bind the Company must be determined by Shareholders Meeting. In order to be flexible in performing business and decrease expenses may arise from convening Shareholders Meeting in case change of numbers or names of authorized directors to sign to bind the Company. The Board, therefore, deemed appropriate to propose the Meeting to consider and approve the amendment of Articles of Association of the Company in relation to the said matter by the following details:

<u>The Company's Articles of Association</u> (Current)	<u>The Company's Articles of Association</u> (New Version Proposed to Amend)
Clause 37 Number or name of authorized director(s) to sign to bind the Company shall be determined by the Shareholders Meeting.	Cluase 37 Authorized director(s) to sign to bind the Company be two directors sign with the Company's seal affixed by the Board of Directors obtains authority to consider, determine, and rectify the number or name of authorized director(s) to sign to bind and act on behalf of the Company.

The Board's Opinion: The Board deemed appropriate to propose the Meeting to consider and approve the amendment of Articles of Association of the Company according to details stated above.

Voting to Pass Resolution: This Agenda must be passed approval resolution by not less than 3/4 votes of Shareholders attend the Meeting and obtain the right to exercise their votes.

Agenda 8 To Consider and Approve the Election of Directors for the Year 2020

Fact and Rational: In order to comply with Section 71 of Public Limited Company Act B.E. 2535 (and the Amendment) as well as Clause 25 of Articles of Association of the Company prescribed that every Annual General Meeting of Shareholders "AGM", 1/3 (or nearly 1/3) of Director(s) must be retired by rotation; and such retired Director(s) may be elected to be Director for another term. Whereas the Company obtains 3 Directors retiring by rotation in the AGM for the Year 2020 as follows:

- 1) Gen. MD Vidhya Chovichien
- 2) Ranchana Rajatanavin, Ph.D.
- 3) Mr. Narongrit Rerkpattanapipat

The Company, therefore, necessary to consider Director(s) replacing Director(s) retiring by rotation, which profiles in brief of the said 3 Directors appear on [Attachment 3](#) enclosed this Letter.

Besides, on 20th, 21st and 25th February 2020; there were Shareholders propose the names of 5 persons nominated to be Directors of the Company as followings:

- 1) Mr. Tanawat Ueasiripan
- 2) Asst. Prof. Thanate Pattanatadapong, Ph.D.
- 3) Mrs. Piyachat Techasuntharawat
- 4) Mr. Chumpon Montreepiriyaporn
- 5) Mr. Sawat Homcha-em

Details of profiles in brief of the 5 persons appear on [Attachment 3](#) enclose this Letter.

The Board' s Opinion: In case 3 Directors, who are Directors shall retire by rotation namely 1) Gen. MD Vidhya Chovichien, 2) Ranchana Rajatanavin, Ph.D., 3) Mr. Narongrit Rerkpattanapipat; they obtain competency, knowledge, potential, skill and experience including complete, appropriate and profitable qualification for performing business and operation of the Company, thoroughly perform duty with responsibility, carefulness and fiduciary in accordance with laws, objectives, the Company's articles of association and resolutions of the Board of Directors covering resolutions of Shareholders Meeting. Furthermore, they can dedicate their time and competency for utmost benefit of the Company, Shareholders and all stakeholders. The Board, therefore, deemed appropriate to propose the Meeting to consider and approve the re-election of the said Directors shall retire by rotation to be Directors for another term.

In case Shareholders proposed the names of persons nominated to be additional Directors. The Board received comment from Independent Director, then, deemed that in order to grant the right of Shareholders to propose the names of persons nominated to be Directors of the Company. The Board, therefore, deemed appropriate to propose the said 5 persons to the Meeting for consideration accordingly.

Voting to Pass Resolution: This Agenda must be passed approval resolution by majority votes of Shareholders attend the Meeting and obtain the right to exercise their votes

Agenda 9 To Consider and Approve Director Remuneration for the Year 2020

Fact and Rational: According to Section 90 – paragraph 2 of Public Limited Company Act B.E. 2535 (and the Amendment) prescribe that "Director remuneration must be in accordance with resolution of Shareholders Meeting, which comprise not less than 2/3 of the entire votes of Shareholders attend the Meeting"

The Board of Directors considered and determined director remuneration for the year 2020 by determining meeting allowance and bonus as follows:

1. Director Remuneration

Position	Director Remuneration 2020	Director Remuneration 2019
Chairman of the Board	10,000 Baht / Meeting	-None-
Chairman of Audit Committee	10,000 Baht / Meeting	10,000 Baht / Meeting
Director	7,000 Baht / Meeting	7,000 Baht / Meeting

2. Bonus for Director

Bonus for Director shall not exceed 100,000 Baht each person per year

In addition, any Director(s) receive remuneration in type of salary or other remuneration as Management or employee of the Company and/or Subsidiary or Affiliate Company shall not receive the aforesaid remuneration.

The Board's Opinion: The amount of the afore proposed is appropriate remuneration by considering and screening of properness of remuneration consistent with duty and the assigned responsibility including comparing with business in the same industry with similar business and size thoroughly considering business expansion and growth of operating performance of the Company. The Board, therefore, deemed

appropriate to propose the Meeting to consider and approve director remuneration for the Year 2020 accordingly.

Voting to Pass Resolution: This Agenda must be passed approval resolution by not less than 2/3 of the entire votes of Shareholders attend the Meeting

Agenda 10 To Consider and Approve the Appointment of Auditor and Determination of Audit Fee for the Year 2020

Fact and Rational: According to Section 120 of Public Limited Company Act B.E. 2535 (and the Amendment) prescribed the Annual General Meeting of Shareholders “AGM” appoints the auditor and determine the amount of audit fee of the Company every year. The appointment of auditor can appoint the former auditor. Whereas the Company propose to appoint Mr. Atipong Atipongsakul, CPA license no. 3500 or Mr. Sathien Vongsanan, CPA license no. 3495 or Mr. Vichai Ruchitanont, CPA license no. 4054 or Miss Kulthida Phasurakul, CPA no. 5946 or Miss Patcharee Siriwongsilp, CPA no. 9037 from ANS Audit Co., Ltd. or other auditor of the same firm, certified according to notification concerned with certified auditor to be the auditor of the Company for the year 2020; and determine audit fee for the Year 2020 not exceeding 4.13 MB and other actual expenses as the details below:

Item	Year 2020	Year 2019
Audit Fee	Not exceeding 4.13 MB	3.13 MB

In this regard, the afore proposed auditors neither be not Directors, employees or obtain any other position of the Company and ANS Audit Co., Ltd. nor obtain any relationship and conflict of interest with the Company , subsidiary(s), management(s), major shareholder(s) or any person(s) related to the said person(s).

The Board’ s Opinion: The Board considered according to comment of Audit Committee, who considered and screened the auditor from transparency, independency and good corporate governance including performance of the auditor in the previous year, reputation, reliability covering reasonability of audit fee. The Board, therefore, deemed that the person(s) proposed to be the auditor and audit fee as proposed above be appropriate; as well as deemed appropriate to propose the Meeting consider and approve the appointment of auditor and determination audit fee for the Year 2020 accordingly.

Voting to Pass Resolution: This Agenda must be passed approval resolution by majority votes of Shareholders attend the Meeting and obtain the right to exercise their votes

Agenda 11 **To Consider and Approve the Review of the Prohibition for Any Action considered as Business Takeover by Foreigner(s)**

Fact and Rational: Since the Company is a licensee to render service of internet type 3 from National Broadcasting and Telecommunication Commission ‘NBTC”, who must comply with the Notification of NBTC RE: “Determination of Prohibition for Any Action Considered as Business Takeover by Foreigner(s) B.E. 2555 (and the Amendment)”, which determined a licensee to review the aforesaid prohibition as well as must get approval from the Meeting.

The Board’s Opinion: The Company’s has complied with the determination of prohibition for any action considered as business takeover by foreigner(s); and obtain no any action within the scope of business takeover by foreigner(s). The Board, therefore, deemed appropriate to propose the Meeting to consider and approve the review of the determination of prohibition for any action considered as business takeover by foreigner(s) mentioned above.

Voting to Pass Resolution: This Agenda must be passed approval resolution by majority votes of Shareholders attend the Meeting and obtain the right to exercise their votes

Agenda 12 **To Consider Other Business (If Any)**

This Agenda is determined to open a chance for Shareholder(s) to raise question(s) and/or give advice(s) useful to the Board of Directors and/or for Director(s) to clarify question(s) or suspicion(s) (if any).

In this regard, the Company has set the record date to determine the list of Shareholder(s) who obtain the right to attend the Meeting and exercise their votes on March 27, 2020.

The Company has publicized the Invitation Letter including supportive documents on corporate website already. If any Shareholder(s) have question(s) required the Company to declare the issue(s) of Agenda(s) proposed to this Meeting, you can submit question(s) in advance at ir@simat.co.th or Fax. No. 0-2326-16666.

All Shareholders, therefore, would be invited to attend the Annual General Meeting of Shareholders for the Year 2020 as per the date, time and venue said above by details of the location map

appear on [Attachment 8](#). And the Company shall open for Shareholders to do registration as from 07.00 a.m. The Shareholders, who require attending the Meeting, can attend the Meeting in presence, and/or by Proxy granted to other person(s) reach their legal age to attend the Meeting and vote on their behalf in the Meeting. And in order to facilitate the Meeting to be convenient and quickly; the Shareholders or their Proxy, therefore, are requested to bring the evidences as per details on [Attachment 4](#) to show for the right to attend the Meeting.

In addition, any Shareholders require granting Proxy to other person(s) to attend the Meeting and vote on their behalf; please fill the content in only one Proxy Form by details appear on [Attachment 5](#). According to the Notification of Department of Business Development RE: “The Determination of Proxy Forms (No. 5) B.E. 2550, as well as put 20 Baht stamp duty by must confirm and/or show documents or evidences presenting their being Shareholder(s) or representative(s) of Shareholder(s), who obtain the right to attend the Meeting as specified on [Attachment 4](#). Besides, the Shareholders can grant Proxy to Independent Director(s) of the Company , whose name(s) and profile(s) appear on [Attachment 6](#) in order to attend the Meeting and vote on behalf of the Shareholder(s) by requesting for your co-operation to kindly return Proxy Form to the Company within April 29, 2020; or submit the said Proxy Form to our registration officer at the Meeting before the Meeting attendance.

Sincerely yours,



(Mr. Thawatchai Arunyik)

Chairman of the Board of Directors

Simat Technologies Public Company Limited