

No. SNC 2021/011

1 March 2021

Subject Invitation for the Annual General Meeting of Shareholders No. 27/2021

To Shareholders of SNC Former Public Company Limited

The Board of Directors of SNC Former Public Company Limited (“the Company”) passed a resolution to hold the Annual General Meeting of Shareholders No.27/2021 on 31 March 2021 at 14.00 at a meeting room of SNC Former Public Company Limited, 333/3 Moo 6, Bangreang District, Amphur Bangbo, Samutprakarn 10560 to consider matters in accordance with agenda as follows:

**Agenda 1 Acknowledgement the minutes of the Extraordinary General Meeting of Shareholders No. 1/2021**

Objective and reason: to acknowledge the shareholders for the minutes of Extraordinary General Meeting of Shareholders No. 1/2021 held on 26 January 2021.

Opinion of the Board: The minutes of the Extraordinary General Meeting of Shareholders No.1/2021 held on 26 January 2021 were duly and accurately recorded and it is appropriate to acknowledge the shareholders’ meeting. (Details as shown in Enclosure 1)

**Agenda 2 Acknowledgment the operating result of 2020**

Objective and reason: to acknowledge the shareholders for the operating result of 2020.

Opinion of the Board: It is appropriate to acknowledge the operating result of 2020 to shareholders’ meeting.

**Agenda 3 Consideration and approval of financial statements of 2020**

Objective and reason: According to the Public Limited Company Act, the Board of Directors has to prepare the financial statements at the end of each fiscal year which were audited by certified auditor and propose to the annual general shareholders’ meeting for the approval.

Opinion of the Board: It is appropriate to propose to shareholders’ meeting to consider and approve the financial statements for the year 2020 which were audited and verified by auditor. (see financial statements in the Annual Report part 3, attached with this invitation letter)

**Agenda 4 Consideration and approval of dividend payment for year 2020**

Objective and reason: According to the Public Limited Company Act, the dividend payment has to be proposed to shareholders’ meeting for an approval.

Opinion of the Board: It is appropriate to propose to shareholders’ meeting to consider and approve the dividend payment for the year 2020 for last portion at 0.40 Baht per share. The dividend will be paid on 27 April 2021. After including the interim dividend payment at 0.35 Baht per share, the total dividend is equal to 0.75 Baht per share. The information for dividend payment is as follows:

Dividend	Year 2020	Year 2019
Net profit (Baht)	407,665,268	722,110,002
Number of shares	287,777,339	287,777,339
Dividend per share:		
Interim dividend (Baht/share)	0.35	0.50
Final dividend (Baht/share)	0.40	0.35
Total (Baht/share)	0.75	0.85
Total dividend payment (Baht)	215,833,004	244,610,738
Dividend payout	52.94%	33.87%*

The interim dividend of 0.35 Baht per share and the final dividend of 0.40 Baht per share was paid from dividend income that was tax exemption so the shareholders will not be allowed for a tax credit in calculation of personal income tax dividend and will be deducted 10% withholding tax.

Such dividends were paid in accordance with the Company's policy which stated that the Company shall pay dividend not less than 50% of net profit after tax and legal reserve.

\*Net profit of 2020 was derived from the special profit from the sale of plant in the amount of Baht 420 million that the company kept this money for business expansion. On the other hand, there were extra expenses amounting to Baht 37 million incurred during the year such as write-off leasehold improvement from the factory relocation, payment for staff compensation, and additional reserve employee benefit for the employee who have 20 years employment according to the new labor law, so the actual operating profit was Baht 339 million. Dividend payout ratio was 72%, calculated based on operating profit.

The Company must allocate for legal reserve not less than 5% of net profit for the year until the reserve is not less than 10% of its registered capital of Baht 400,000,000. Therefore, considered as a legal reserve that has to be allocated in the amount of Baht 20,383,263.

#### **Agenda 5 Consideration of election of directors to replace those directors who are retired**

Objective and reason: According to the Company's Articles of Association, one third (1/3) of the total directors shall be retired from the office. In case of vacancy for reasons other than retirement by rotation, the Board shall elect a person who is qualified and not disqualified by law to be a director instead there are 3 directors who have to retire from the office:

1. Mr. Satit Chanjavanakul
2. Dr. Somchai Thaisa-nguanvorakul
3. Mr. Sirote Swasdipanich

The company had announced on company's website inviting the shareholders to nominate name of the person whom he considered as qualified for the selection in advance since 2 November 2020 to 2 February 2021 but no any name was proposed to the

company. Therefore, the company considered the opinions of the Nomination and Remuneration Committee that the directors are fully qualified in accordance with in business related to the Company's business operation The Directors of the Company has been nominated for election as a Director at the Annual General Meeting of Shareholders was able to comment independently and in accordance with the relevant rules. It is thus deemed appropriate to reelect them be Director and Independent Director.

Details related to age, education, training, experience, shares holding, being director of other company, number of terms being director, board of directors' meeting attendance. (see details in Enclosure 2)

Opinion of Board: The Board considered based on opinion of the nomination committee and found that the directors who will retire from the office are knowledgeable and capable which are very useful to the Company. Therefore, the Board found it is appropriate to propose to the shareholders' meeting to elect those 3 directors to re-elect as the Company's board for another term.

#### **Agenda 6 Consideration and determination of directors' remuneration**

Objective and reason: According to the Public Limited Company Act requires that the shareholders' meeting has to approve the directors' remuneration every year.

Opinion of Board: The Board considered based on opinion of the remuneration committee, it is appropriate proposing to the shareholders' meeting to consider the directors' remuneration for year 2021 at the amount of Baht 4,515,000 (2020: Baht 4,390,000) which is at the same level of other listed companies in the same sector/industry and authorize the Board of Directors to manage this approved budget. The details of directors' remuneration are as follows:

Details	Year 2021 (Proposed year)			Year 2020		
	Chairman of the Board	Director	Total	Chairman of the Board	Director	Total
1. Remuneration	60,000 Baht/month	30,000 Baht/person/month	3,240,000 (12 months)	60,000 Baht/month	30,000 Baht/person/month	3,120,000
2. Meeting allowance of the	20,000 Baht/	10,000 Baht/	630,000 (6 times)	20,000 Baht/	10,000 Baht/	700,000
2.1 Independent Director	Person/time	person/time				
2.2 Non-executive directors	-	5,000 Baht/person/time		person/time	person/time	
3. Meeting allowance of the Audit Committee	20,000 Baht/person/time	10,000 Baht/person/time	160,000 (4 times)	20,000 Baht/person/time	10,000 Baht/person/time	150,000
4. Meeting allowance of the Nomination Committee and Remuneration Committee	20,000 Baht/person/ time	10,000 Baht/person/time	80,000 (2 times)	20,000 Baht/person/time	10,000 Baht/person/time	-
5. Meeting allowance of the ESG	None	None	-	None	None	-

Details	Year 2021 (Proposed year)			Year 2020		
	Chairman of the Board	Director	Total	Chairman of the Board	Director	Total
6. Meeting allowance of the Risk Management Committee	None	None	-	None	None	-
7. Assigned company vehicles	33,750 Baht/month	None	405,000 (12 months)	35,000 Baht/month	None	420,000
8. Other	None	None	-	None	None	-
<b>Total</b>			<b>4,515,000</b>			<b>4,390,000</b>

Remark

- 1) Monthly remuneration Non-executive directors do not receive compensation.
- 2) Remuneration other –None- i.e. bonus, pension, share of a business, warrant, fuel cost, accident insurance, life insurance, health insurance, medical fee myself and family, credit card and club members.

**Agenda 7 Consideration and appointment of the auditor and determination of the audit fee**

Objective and reason: Public Limited Company Act requires that the shareholders' meeting has to approve the appointment of the auditor and determination of the audit fee every year.

Opinion of Audit Committee: Having considered the reliability, knowledge, expertise, provision of services and audit fee for auditing, as well as timely certification of the financial statements, the Audit Committee deemed that the auditor of KPMG Phoomchai Audit Limited has served therefore, it is deemed appropriate to propose the Annual General Meeting of Shareholders to appoint Miss Marisa Tharathornbunpakul CPA No. 5752 and/ or Mr. Ekkasit Chuthamsatid CPA No. 4195 and /or Miss Vipavan Pattavanvivek CPA No. 4795 from KPMG Phoomchai Audit Limited as auditor Company as auditor Company of the same audit office to be the Company's auditor and agree with the proposed auditing fee. The details of the audit fee are as follows:

		Year 2020 (Proposed year)			Baht
		Yearly	Quarterly	Total	Year 2019
					Total
1	SNC Former Public Company Limited	580,000	300,000	880,000	830,000
2	SNC Cooling Supply Company Limited	335,000	15,000	350,000	400,000
3	Immortal Parts Company Limited	335,000	15,000	350,000	430,000
4	Paradise Plastic Company Limited	240,000	30,000	270,000	220,000
5	Meisou SNC Precision Company Limited	155,000	15,000	170,000	170,000
6	Odin Power Company Limited	50,000	-	50,000	50,000

Baht

The proposed auditors have no relationship or have an interest in the Company, subsidiary companies, management, and shareholders, or other related persons. If such auditors are appointed to be the external auditors for the year 2021, it is the second

**Opinion of Board:** Based on the opinion of the Audit committee, it is appropriate to propose to the shareholders' meeting to Miss Marisa Tharathornbunpakul CPA No. 5752 and/ or Mr. Ekkasit Chuthamsatid CPA No. 4195 and /or Miss Vipavan Wivek CPA No. 4795 from KPMG Phoomchai Audit Limited as auditor Company and (Background, education and experience of the auditor see details in Enclosure 3). The audit fee for year 2021 has set to be not more than Baht 3,750,000 (2020: Baht 3,750,000).

**Agenda 8 Amendment the Company's Article of Association clause 24 (3) and 25**

Objective and reason: in order to acknowledge and get the approval from shareholders for amendment the company's article of association clause 24 (3) Borrowing or financing from financial institution above Baht 300,000,000 should be approved by the board. Amendment the clause 25 by adding in the second paragraph that the board of director can hold the electronic meeting as convenience in conformity with the standard of the security of the Online Meeting media prescribed by law. (details in Enclosure 4)

Opinion of Board: The Board of Directors has considered and viewed that this amendment the Company’s Article of Association clause 24 (3) and 25 is appropriate and reasonable, and for the benefit of the Company and all shareholders; therefore, it is appropriate to propose to the shareholders’ meeting for an approval.

**Agenda 9 Approval of EJIP (Employee Joint Investment Program)**

Objective and reason: The EJIP is rewards to strengthen motivation and loyalty to the organization and also increase work efficiency for maximum benefit to the company and shareholders. The EJIP is created for the SNC employee, executive and executive directors whose employment term is longer than 3 years and for voluntary talent employee whose employment term is longer than 6 months. The company will deduct 5% of monthly salary and the company will contribute at same amount for purchasing SNC share in the Stock Exchange of Thailand. The EJIP member is entitled to sell SNC share when the securities holding period is more than one year from the purchase date. The EJIP program is 3 years.

The Board of Directors and/or the Executive Committee has the power to make further corrections and/or changing conditions and details which are necessary and appropriate related to the EJIP in all respects in order to complete the EJIP project.

Opinion of Board: The Board of Directors has considered and viewed that this EJIP (Employee Joint Investment Program) is appropriate and reasonable, and for the benefit of the Company and all shareholders; therefore, it is appropriate to propose to the shareholders' meeting for an approval.

**Agenda 10 Consideration of any other matters**

(if any)

For the right of shareholders to receive the dividend for the last portion and to attend the Annual General Meeting No. 27/2021, the Record Date was on 3 March 2021. It is noted that the right to receive dividend payment is subjected to the approval of the Annual General Meeting of Shareholders No.27/2021.

The Company would like to invite the shareholders to attend the Annual General Meeting No. 27/2021 as date, time and place stated above. The Company will open for registration for attending the meeting since 13.00 hrs.

If any shareholder cannot attend the meeting and wants to appoint any person or independent director (see details in Enclosure 5) to cast the vote in this meeting. Please fill out the details and sign in the proxy form (recommend Form B) or can download proxy form from [www.sncformer.com](http://www.sncformer.com). The Company would like to ask for your cooperation to submit the proxy which already filled in details and signed by grantor to the Company prior to meeting date 1 day in advance, therefore, the proxy can proceed according to shareholder's wish.

Yours Sincerely,

By order of the Board of Directors  
SNC Former Public Company Limited

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(Dr. Somchai Thaisa-nguanvorakul)  
Chairman of the Executive Committee