

**Subject:** Invitation for the 2021 Annual General Meeting of Shareholders

**To:** The Shareholders of Forth Corporation Public Company Limited

**Attachments:**

1. Copy of the Minutes of 2020 Annual General Meeting of Shareholders (Attachment 1)
2. Annual Report 2020 (Attachment 2)
3. Biography of the nominated candidates as the directors of the Company for another term (Attachment 3)
4. The Company's Articles of Association, Procedures and Conditions regarding the 2021 Annual General Meeting of Shareholders (Attachment 4)
5. Proxy 3 forms (Form A, B, and C) and Biography of independent director (Attachment 5)
6. Map of Meeting Venue (Attachment 6)

Notice is hereby given to our shareholders that the 2021 Annual General Meeting of Forth Corporation Public Company Limited ("the Company") will be held on Thursday 22<sup>nd</sup> April 2021, at 02:00 p.m. at 256, Forth Smart Service Office Building, 7<sup>th</sup> Floor, Phaholyothin Road, Samsennai, Phayathai, Bangkok. The agenda are as follows:

**1<sup>st</sup> Agenda: To certify the minutes of the 2020 Annual General Meeting of Shareholders**

**Facts and reasons** The Company arranged the 2020 Annual General Meeting on 31<sup>st</sup> July 2020. The minutes of the meeting had been prepared and submitted to the Stock Exchange of Thailand within the specified by relevant regulators, including disclosure on the Company's website. The minutes of meeting is enclosed in the 2020 AGM invitation document package (Attachment 1).

**The BOD's opinion** After due consideration, the Board found it appropriate for the meeting to certify the minutes which had been accurately and completely recorded.

**2<sup>nd</sup> Agenda: To acknowledge the operating results for the year 2020.**

**Facts and reasons** The significant changes and annual operating results demonstrated in the Company's annual report for 2020 (Attachment 2), which can be summarized as follows:

| (Unit: Million Baht)            | 2021  | 2020  | Increase<br>(decrease) | %     |
|---------------------------------|-------|-------|------------------------|-------|
| Total assets                    | 7,822 | 7,617 | 205                    | 2.69  |
| Total liabilities               | 5,594 | 5,171 | 423                    | 8.18  |
| Total shareholders' equity      | 2,228 | 2,446 | (218)                  | 8.91  |
| Total revenues                  | 7,082 | 6,803 | 279                    | 4.10  |
| Net profit                      | 439   | 331   | 180                    | 32.63 |
| Earnings per share (Baht/Share) | 0.47  | 0.35  | 0.12                   | 34.29 |

**The BOD's opinion** After due consideration, the Board found it appropriate for the meeting to acknowledge the annual operating results for 2020.

3<sup>rd</sup> Agenda: To consider and approve the statement of financial position and the statement of comprehensive income for the year ended 31<sup>st</sup> December 2020.

**Facts and reasons** The financial statements for the year ended 31<sup>st</sup> December 2020 were audited and certified by the auditor and presented under the section of “Financial Statements” in the Company’s annual report for 2020, which were distributed to the shareholders in the 2021 AGM invitation document package.

**The BOD’s opinion** After due consideration, the Board found it appropriate for the meeting to approve the statement of financial position and the statement of comprehensive income for the year ended 31<sup>st</sup> December 2020 that have been audited by the auditor.

4<sup>th</sup> Agenda: To consider and approve the allocation of profit and the dividend payment for the year 2020.

**Facts and reasons** The Company has a policy to pay dividends to the shareholders at the rate of not less than 40% of the net profit after corporate income tax and accumulated loss brought (if any) in accordance with the separate financial statements. However, the Board of Directors might set the rate of dividend payout less than the one mentioned above depending on the operating results, financial position, liquidity and the need to expand its operations as well as the working capital requirements.

**The BOD’s opinion** After due consideration, the Board found it appropriate for the meeting to approve the allocation of the profit and the dividend payment for the year 2020 as follows:

- 1) The Company has already fully set aside the statutory reserve of Baht 48,000,000.
- 2) Approval for a dividend payment for 2020 at the rate of Baht 0.32 per share, a total of Baht 299 million. The dividend will be paid from the net profit for the year 2020 derived from the promoted operations at the rate of Baht 0.03 per share, which individual shareholders are not subject to withholding tax and shall not be entitled to a tax credit. The remaining amount of Baht 0.29 per share will be paid from the profit for the year 2020 derived from 20% corporate income tax-paid business, which individual shareholders are subject to 10% withholding tax and shall be entitled to a tax credit. When including with an interim dividend payment for the first six-month period of 2020 at the rate of Baht 0.12 per share, totaling Baht 112 million, the balance of dividend payment in this period will be paid at the rate of Baht 0.20 per share, amounting to Baht 187 million. The dividend will be paid from the net profit for the year 2020 derived from the promoted operations at the rate of Baht 0.03 per share, which individual shareholders are not subject to withholding tax and shall not be entitled to a tax credit and the remaining amount of Baht 0.17 per share will be paid from the profit for the year 2020 derived from 20% corporate income tax-paid business, which individual shareholders are subject to 10% withholding tax and shall be entitled to a tax credit.

The record date to determine shareholders’ name for the right to receive the dividend is scheduled on 15<sup>th</sup> March 2021. The dividend will be paid on 30<sup>th</sup> April 2021. The grant of this right is subjected to the approval by the shareholders’ meeting.

The comparison of dividend payment over the past 3 years was as follows:

|  | Operating results              |                                |                                |
|--|--------------------------------|--------------------------------|--------------------------------|
|  | 2020 (Proposed)                | 2019                           | 2018                           |
| Common stock (Million Shares)                                      | 935 <sup>(3)</sup>             | 958 <sup>(2)</sup>             | 960                            |
| Net Profit as per the separate financial statements (Million Baht) | 396                            | 280                            | 302                            |
| Net Profit (Baht/Share)  | 0.43                           | 0.30                           | 0.31                           |
| Total dividend per share (Baht/Share)                              | 0.32                           | 0.42                           | 0.55                           |
| Interim dividend No. 1 (Baht/Share)                                | 0.12                           | 0.12                           | 0.25                           |
| Dividend payment's date  | 9 <sup>th</sup> September 2020 | 5 <sup>th</sup> September 2019 | 6 <sup>th</sup> September 2018 |
| Interim dividend No. 2 (Baht/Share)                                | -                              | 0.30                           | -                              |
| Dividend payment's date  |                                | 10 <sup>th</sup> April 2020    |                                |
| Annual dividend (Baht/Share)                                       | 0.20                           | -                              | 0.30                           |
| Dividend payment's date  | 30 <sup>th</sup> April 2021    |                                | 2 <sup>nd</sup> May 2019       |
| Total dividend payment (Million Baht)                              | 299.3                          | 395.7                          | 528.0                          |
| Dividend payment rate (%)  | 76 <sup>(1)</sup>              | 141 <sup>(1)</sup>             | 175 <sup>(1)</sup>             |

Remark <sup>(1)</sup> The dividend payment rate shall be paid in accordance to the Company's dividend policy at the rate of not less than 40% of the net profit after corporate income tax and accumulated loss brought (if any) in accordance with the separate financial statements.

<sup>(2)</sup> Weighted average number of ordinary shares (excluding treasury shares)

<sup>(3)</sup> Excluding treasury shares

**5<sup>th</sup> Agenda: To consider the re-election of directors who will be retired by rotation to be the Company's directors for another term.**

#### Facts and reasons

According to the Article 18 of the Company's Article of Association stipulates that at the Annual General Meeting of Shareholders in every year, one-third of the directors must retire from the position. In 2021, 3 directors who shall retire by rotation are as follows:

- 1) Mr. Kaelic Amatanon                      Position: Director
- 2) Mr. Boonya Tantipanichapun      Position: Director/ Executive Committee/  
Risk Management Committee
- 3) Mrs. Matinee Wandeepirom        Position: Director/ Nomination and Remuneration Committee

The Company announced the proposal of nomination and agenda through the website of the Company at [www.forth.co.th](http://www.forth.co.th) in order to propose the candidates for the election of directors as well as agenda issues for AGM but there are not any proposals of candidates and agenda to the Company. The selection process for directors is appropriately considered by the Nomination and Remuneration Committee. The Nomination and Remuneration Committee considered the qualification in terms of qualifications, knowledge, ability, experience that is beneficial to the business as well as performance as a director during the past year.

#### The BOD's opinion

The Board of Directors, without 3 retired directors who have conflict of interest in this agenda, found it appropriate for the meeting to approve the reappointment of 3 directors which are

Mr. Kaelic Amatanon, Mr. Boonya Tantipanichapun and Mrs. Matinee Wandeepirom to prior position on the Board of Directors. Please see the biography of the nominated candidates as the directors of the Company for another term (Attachment 3).

**6<sup>th</sup> Agenda: To consider and approve the directors' remuneration for the year 2021.**

**Facts and reasons** The determination of remuneration for directors is executed and considered through the Nomination and Remuneration Committee, ensuring that the amount is in line with industry benchmark and appropriate to the duty and responsibility. The consideration of business enhancement and profitability of the Company are included. The Nomination and Remuneration Committee considered the remuneration of directors for 2021 will be the same rate as the remuneration of 2020, as detailed below:

|  | <u>2021 (Proposed year)</u> | 2020   |                          |
|--|-----------------------------|--------|--------------------------|
| <b>- Meeting attendance fee</b>  |                             |        |                          |
| Chairman of the Board of Directors   | 33,000                      | 33,000 | Baht per each attendance |
| Member of the Board of Directors   | 22,000                      | 22,000 | Baht per each attendance |
| Chairman of Audit Committee  | 49,500                      | 49,500 | Baht per each attendance |
| Member of Audit Committee  | 46,200                      | 46,200 | Baht per each attendance |
| Chairman of Risk Management Committee  | 15,000                      | 15,000 | Baht per each attendance |
| Member of Risk Management Committee  | 10,000                      | 10,000 | Baht per each attendance |
| Chairman of Nomination and Remuneration Committee  | 15,000                      | 15,000 | Baht per each attendance |
| Member of Nomination and Remuneration Committee  | 10,000                      | 10,000 | Baht per each attendance |
| <b>- Annual gratuity fee</b>   |                             |        |                          |
| The amount of gratuity is not exceeding Baht 1.5 million (2020: Baht 1.5 million) and shall be allocated to the non-executive directors. |                             |        |                          |

**The BOD's opinion** The Board of Directors agreed to propose to the shareholders' meeting to consider and approve the remuneration of the Directors for 2021 as the Nomination and Remuneration Committee has considered and screened appropriately.

**7<sup>th</sup> Agenda: To consider and approve the appointment of auditors and determine the remuneration for the year 2021.**

**Facts and reasons** The Audit Committee has selected auditors for 2021 in accordance with the selection process defined and proposed to the Board of Directors to propose the meeting to appoint auditors from EY Office Limited to be the Company's auditor for 2021. EY Office Limited has been recognized both locally and internationally and has sufficient personnel with the knowledge and appropriate audit fee. In addition, there is no relationship or conflict of interest in the Company/the executives/major shareholders or related persons. Any one of the individuals below will be responsible to review or audit and provide the opinion on the Company's financial statements.

1. Ms. Isaraporn Wisuthiyani, Auditor License 7480 and/ or  
(Signing the Company's financial statements for the year 2020)
2. Ms. Supanee Triyanantakul Auditor License 4498 and/ or  
(Never signed off the Company's financial statements)

3. Mr. Preecha Arunnara Auditor License 5800

(Never signed off the Company's financial statements)

In case that the above-mentioned auditors could not be on duty, EY Office Limited will provide new auditors list of its office replacing them. Additionally, the auditors of EY Office Limited are still auditing our subsidiaries and associates in total of 14 companies (2020:13 companies).

The Audit Committee also determined the remuneration of the Company's auditors for 2021 at Baht 1,590,000 (2020: Baht 1,590,000).

The comparison of the auditors' remuneration is shown below:

|  | <u>2021 (Proposed year)</u> | <u>2020</u> |
|--|-----------------------------|-------------|
|  |                             | Unit: Baht  |
| Audit fee of the Company                 | 1,590,000                   | 1,590,000   |
| Audit fee of subsidiaries and associates | 5,405,500                   | 5,215,500   |
| Non-Audit fees                           | -                           | 70,000      |

**The BOD's opinion**

After due consideration, the Board found it appropriate for the meeting to consider the appointment of the auditors from EY Office Limited which are Ms. Isaraporn Wisuthiyon and/or Ms. Supanee Triyanantakul and/or Mr. Preecha Arunnara to be the auditors of the Company for 2021 and also fix their remunerations for 2021 in accordance to the appropriate consideration by Audit Committee.

**8<sup>th</sup>Agenda: To consider and approve the amendment of the Company's Objectives and the amendment to Article 3 of the Memorandum of Association regarding the Company's Objectives.**

**Facts and reasons**

As the Company plans to expand its business, the Board of Directors has proposed the Annual General Meeting of Shareholders to consider and approve the addition of the Company's Objectives for 7 clauses to support the expansion of the Company's business. Details of the Company's Objectives to be amended are as follows:

- Clause 59 To engage in business, trade, manufacture, distribution, import and export, consulting on installation, maintenance, design and development the AC power meter, water meter of all types, software system and related equipment, various signal receiving-sending devices and Automatic Meter Reading (AMR), Advanced Metering Infrastructure (AMI), electricity, water, gas, gasoline system and other utilities, both local and abroad for government agencies, state enterprises, or private companies/ departments/ stores.
- Clause 60 To operate a test laboratory to test the products in the company and provide testing services for products from outside the company such as electrical and electronic equipment, electric energy meter, AC electric energy meter, water energy meter, electric meter, digital meter, water meter and related accessories related according to TISI and ISO/ IEC standards.
- Clause 61 To operate a calibration laboratory to calibrate internal products and provide product calibration services for products outside the company such as electrical equipment, electric energy meter, AC electric energy meter, water energy meter, electric meter, digital meter, water meter and related accessories according to TISI and ISO/ IEC standards.

- Clause 62 To operate business, trade, production, distribution, import and export, consulting on, installation, maintenance, design and development on hardware equipment, software, spare parts and accessories related to power plants, power stations, power transmission system and power distribution system, Power Distribution Command Center System, Computer-Based Substation Control System – (CSCS), Supervisory Control and Data Acquisition -SCADA, Remote Terminal Unit – (RTU), radio communication system for remote data control and transmission system, Smart Grid, Micro Grid, renewable energy system, energy management and all types of power systems for government agencies, state enterprises, or private companies/ departments/ stores.
- Clause 63 To engage in business, trade, production, distribution, import and export, rental services, consulting, local training agency on installation, maintenance of digital radio communication system (Digital Trunked Radio) of all types of radio communication network, software system and related accessories for government agencies, state enterprises, or private companies/ departments/ stores.
- Clause 64 To engage in business, trade, production, distribution, import and export, rental, installation, maintenance, design and development, both hardware equipment, software, spare parts and related accessories, air Navigation Assist Systems ILS/ DME, DVOR/ DME, Automated Weather Instruments (AWOS), Weather Monitoring Systems or Wind Shear (LLWAS), Ground-Air Radios Stationary of UHF/ AM Multi Channel, stationary ground-air radio of VHF/ AM Multi Channel, stationary ground-air radio of UHF/ AM Multi Channel with HAVE QUICK feature, VHF/ UHF Ground-Air Radio Systems, Remote Control and Monitoring Systems (RCMS), Communications Control Systems (VCS), melee Communication Systems, for government agencies, state enterprises, or private companies/ departments/ stores.
- Clause 65 To engage in business, trade, production, distribution, import and export, rental, service in consulting, installation, maintenance, design and development for the Internet of Things (IoT) system, for government agencies, state enterprises, or private companies/ stores/ shops.

#### **The Board's Opinion**

The Board considered that the shareholders should approve the amendment of the Company's Objectives and the amendment to Article 3 Objectives of the Company's memorandum of association from 58 clauses to 65 clauses in order to describe the details and clarity with the current business of the Company and support new business operation in the future. Furthermore, the Executive Board or Chief Executive Officer or the person delegated by the Executive Board or Chief Executive Officer shall be authorized to register the amendment of the Company's Objectives at the Department of Business Development, Ministry of Commerce, and to take all other necessary actions in accordance with the order of the registrar in order to complete the registration.

#### **9<sup>th</sup>Agenda: To consider other business (if any).**

Please be informed accordingly, as well as inviting all shareholders to attend the 2019 Annual General Meeting of the Shareholders Thursday 22<sup>nd</sup> April 2021, at 02:00 p.m. at 256, Forth Smart Service Office Building, 7th Floor, Phaholyothin Road, Samsennai, Phayathai, Bangkok.

Because of the ongoing outbreak of COVID-19, the Company has a deep concern and a great care about safety and well-being of the shareholders, attendees and all participants in the meeting. Therefore, in this meeting, the Company needs to apply social distancing to all meeting areas. This will significantly reduce the number of seats available to be approximately 35 seats. Furthermore, gathering of many people in the same place for a long time is not permitted.

**In this regard, the Company needs to request the cooperation of the shareholders to consider authorizing the Company's Independent Director (Attachment 5) to vote on your behalf instead of attending in person. Please use one of proxy (Attachment 5) with the required documents (Attachment 4). The form should be affixed with a 20-baht duty stamp and send back to the Company within 20<sup>th</sup> April 2021.**

The Company will provide screening area in accordance with the guidelines of the Department of Disease Control, the Ministry of Public Health. In case of any persons having fever, or any of the following symptoms of respiratory infection illnesses such as fever, cough, sore throat, sneezing, runny nose, or risk of having respiratory infection illness, the Company reserves the right to deny participation of such persons in the meeting (in case the shareholder's present at the meeting venue, such shareholder can authorize the Company's Independent Director to vote on his/her behalf). Furthermore, **food or snack will not be served, and eating is not allowed in the meeting area** in order to reduce the risk of spreading the COVID-19.

Yours sincerely,



(Mr. Arin Jamnaree)

Corporate Secretary