

A large, abstract network diagram is overlaid on the right side of the page. It features a series of blue and green circular nodes connected by thin lines, forming a complex web of connections. The nodes are arranged in a roughly triangular pattern, with the top nodes being blue and the bottom nodes being green.

**Invitation to  
Annual General Meeting  
of Shareholder**

**2020**

**Friday 26 June 2020  
Time 14.00 hours**

At SiS Headquarter Meeting Room 15 - 16  
9 Pakin Building, 9th Floor, Room No.901,  
Ratchadaphisek Road, Din Daeng, Bangkok 10400

[www.sisthai.com](http://www.sisthai.com)

## Guidance for Annual General Meeting For Shareholders 2020 attendance among the Covid-19 Epidemic

The company highly concerns about the shareholders and public health and safety among the outbreaks of Corona Virus or Covid-19. Then, this guidance is conducted according to the guidance to prevent Covid-19 for seminar and meeting which published by Ministry of Public Health in order to reduce the outbreaks during the AGM 2020 as followings:

1. The company reserves the right to not allow the shareholders, proxies and attendees who is classified as risky group for examples, who has been back from risk country less than 14 days, who should be in quarantine period, who has fever or any symptoms about respiratory getting into the meeting room. In these cases, the shareholders, proxies and attendees can give a proxy to the independent directors who are assigned to be the proxies as the attachment no. 4. Also, it is able to send questions and recommendations about the AGM 2020 in advances at [investorinfo@sisthai.com](mailto:investorinfo@sisthai.com)
2. The company promotes the giving a proxy to independent directors who are assigned to be the proxies. However, the meeting will be livebroadcasted in order to be convenience for shareholder. For the live channel, shareholders can register for watching at <http://www3.sisthai.com/AGM2020> from June 15-19, 2020.
3. The company also provides the video conference for this AGM. To join the meeting via video conference, shareholders can register for watching at <http://www3.sisthai.com/AGM2020> from June 15-19, 2020. After complete of registration, the instruction will be sent to shareholder's email.
4. Please kindly be coordinated and accepted the screening for fever before the meeting.
5. In case of high temperature as more than 37.5 degrees, the company reserves the right to not allow getting into the meeting room, however, it is able to give the proxy to independent directors who are assigned to be the proxies.
6. The medical masks will be prepared for each attendees. Please wear the medical masks when being in the meeting venue.
7. Alcohol gel will be provided around the meeting room in order to be convenience for attendees in washing hands.

Please be informed accordingly and kindly be followed the guidance to reduce the outbreaks of Covid-19.

May 28, 2020

Subject Invitation to the 2020 Annual General Meeting of Shareholders

To Shareholders of SiS Distribution (Thailand) Public Company Limited

Attachments

1. QR Code for 2019 Annual Report and 2019 Audited Financial Statements downloading
2. Profile of nominated candidates for directors election to replace who retired by rotation
3. The definition of the Independent Director
4. Profile of independent director nominated by the company to act as proxy for shareholders
5. The Articles of Association of the Company related to the meeting
6. Description of Voting and Counting
7. Description of document and evidences for meeting attendance
8. QR Code instruction
9. Map of Head Office of SiS Distribution (Thailand) Public Company Limited
10. Proxy Form B
11. Proxy Form C

SiS Distribution (Thailand) Public Company Limited would like to invite you to attend The 2020 Annual General Meeting of Shareholders on June 26, 2020 at 2.00 p.m. at Head Office, Meeting Room No. 15 - 16, 9 Pakin Building, 9<sup>th</sup> Floor, Room No.901 Ratchadapisek Road, Dindaeng, Bangkok 10400 for considering the following agendas:

**1. To acknowledge the matters announced by the Chairman.**

**Reason and Detail:** To announce general information to Shareholders

**Opinion of the Board of Directors:** It is appropriate for the Shareholders to acknowledge general matters from the Chairman.

**2. To acknowledge the 2019 Company's Performance Report and the 2019 Annual Report.**

**Reason and Detail:** To comply with the Article No. 44 of the Company's Articles of Association that the Board of Directors have to provide the Annual Report and report to the Shareholders. Also, the detail of operational performance is presented in the 2019 Annual Report that has been sent together with this letter.

**Comment of the Board of Directors:** It is appropriate for the Shareholders to acknowledge the performance of the year 2019 and the 2019 Annual Report in order to comply with article 44 of company's article of association. (Detail is in the 2019 Annual Report or attachment 1.)

**3. To consider and approve the Financial Statements for the year ended December 31, 2019**

**Reason and Detail:** To comply with the Section 112 of the Public Limited Companies Act B.E. 2535 that the Board of Directors shall prepare the Balance Sheet and the Statement of Income as of the accounting period of the Company, and

report to Shareholders Meeting in the Annual General Meeting of Shareholders for consideration and approval. The Board of Directors have to provide an auditing on the Balance Sheet and the Statement of Income by the CPA then propose to the Audit Committee for consideration before propose to the Shareholders' Meeting.

**Comment of the Board of Directors:** It is appropriate for the Shareholders' Meeting to approve the Financial Statement for the year ended December 31, 2019 which have been audited by the CPA and the Auditor's Report from EY Office Limited. Also, they have been considered by the Audit Committee and the Board of Directors. (Detail is in the 2019 Annual Report or attachment 1.)

4. To consider and approve the election of the Company's Directors to replace who will be retired by rotation in 2020.

**Reason and Detail:** To comply with the Article 37 of the Company's Article of Association, which stipulate that in the Annual General Meeting, one-third of Directors have to retire from their position but they can be re-appointed. In the year 2019, there are 3 directors who would be retired by rotation, Asst.Prof.Dr. Rojanasak Chomvilailuk, Mr. Lim Kia Hong and Mr. Lim Hwee Hai. For the benefit of all Shareholders and in accordance with the principle of Good Corporate Governance, the Company provided an opportunity for shareholders to nominate qualified persons to be elected as the Company's Directors in advance under the channel and the criterion of nomination of the Company and disclosed on the website of the Company from November 26, 2019, to December 31, 2019. There are no shareholders proposing the qualified nominee to the Board of Directors for consideration. The criteria of directors' selection are as follows:

Shareholders appoint Company Director in the Annual General Meeting of Shareholders. The company's regulations state that there must be no less than 5 directors, and that they shall be elected through a process of majority voting in accordance with the following criteria and methods:

1. The vote of each shareholder is equal to the number of shares he or she holds
2. In electing directors, it is possible to elect directors either on an individual basis or to elect several individuals simultaneously as a team, or to elect directors by any other method as deemed appropriate by the shareholder meeting. In passing resolutions, shareholders must use all their votes simultaneously as stated 1 (above) and cannot separate their votes among individuals or teams.
3. The election of Directors shall be conducted through majority voting. If the number of votes is equal, the chair of the meeting shall hold the casting vote.

**Comment of the Board of Directors:** According to the suggestion of the Remuneration and Nomination Committee, The Board of Directors considered on the basis of knowledge, capability, experiences, management participation and met the qualifications as specified in the Public Limited Companies Act B.E. 2535 and Article 30 of the Company's Article of Association. For the candidate of independent directors, the qualification is appropriate and in accordance with the all regulations. Then, it is appropriate to propose the Shareholders' Meeting to re-elect all three directors as the Company's Directors for another term as Asst.Prof.Dr.Rojanasak Chomvilailuk as the Independent Director, Chairman of Audit

Committee, Remuneration and Nomination Committee and Corporate Governance Committee, Mr. Lim Kia Hong as the Non-Executive Director and Risk Management Committee, Mr. Lim Hwee Hai as the Non-Executive Director, Chairman of Risk Management Committee, Remuneration and Nomination Committee and Corporate Governance Committee. (The biography of nominated Directors are shown in Attachment 2).

5. To consider and approve the Remuneration of Company's Directors and Sub-Committee member for the year 2020.

**Reason and Detail:** To comply with the Section 90 of the Public Limited Companies Act B.E. 2535 specifies that "the company will not be allowed to pay money or any other assets to its directors unless for remuneration payment according to the Articles of Association of the company".

The Article 43 of the Company's Article of Association specifies that the directors are entitled to receive the remuneration from the Company in the form of reward, attendance fee, bonus, or other benefits according to the Articles of Association or consideration of the shareholders' meeting and such remuneration may be specified in the certain amount of money, or in criterions for consideration from time to time, or in effective all the time until such has been changed. In addition, the directors will be entitled to receive allowance and other welfares according to the Company's rules.

The contents in the first paragraph will not affect to the right of staff or employee of the Company who is elected to be the director to receive the remuneration and benefit as the staff or employee of the Company

**Comment of the Remuneration and Nomination Committee:** The Remuneration and Nomination Committee stipulated the payment criterion of Directors remuneration clearly and appropriately, suitability in accordance with the best practices of Thai Institute of Directors (IOD) as followings.

1. The Director's remuneration is classified into 2 parts; monthly retaining fee and meeting attendance fee. The monthly retaining fee will be paid to only Non-Executive Directors and Independent Directors.
2. Consideration on duties, responsibilities and the performance of Directors as well as Sub Committee together with the Company's performance and the practices of the industry.
3. Consideration on Scope of duties of Directors and Sub Committees.

The Remuneration and Nomination Committee has defined the Directors' Remuneration clearly by considering the criterion above. In 2020, the total of the Directors' Remuneration will not exceed 8,000,000 Baht which is same as the previous year. Nevertheless, the Remuneration and Nomination Committee has considered as appropriate to propose this rate of Directors' Remuneration to the Board of Directors in order to propose to the Shareholders' meeting for approval. The detail of the remuneration is presented in the table below.

The table of Directors' Remuneration Comparison between 2020 and 2019

Compensation Structure	2020 (Proposed Year)	2019
Monthly Retaining Fee for the Board		
Chairman	36,000.00	36,000.00
Committee	18,000.00	18,000.00
Remark: Except Managing Director and Executive Director who get salary as the Executives		
Monthly Retaining Fee for the Audit Committee		
Chairman	32,500.00	32,500.00
Committee	25,000.00	25,000.00
Meeting Attendance Fee for the Board		
Chairman	33,000.00	33,000.00
Committee	22,000.00	22,000.00
Meeting Attendance Fee for the Audit Committee		
Chairman	20,000.00	20,000.00
Committee	15,000.00	15,000.00
Meeting Attendance Fee for the Remuneration and Nomination Committee		
Chairman	33,000.00	33,000.00
Committee	22,000.00	22,000.00
Meeting Attendance Fee for the Risk Management Committee		
Chairman	33,000.00	33,000.00
Committee	22,000.00	22,000.00
Meeting Attendance Fee for the Corporate Governance Committee		
Chairman	33,000.00	33,000.00
Committee	22,000.00	22,000.00
Remarks:		
<ol style="list-style-type: none"> <li>The yearly special reward will be rewarded to Non-Executive Directors once a year based on the Company's performance by the consideration of the Remuneration and Nomination Committee.</li> <li>The company has no policy to compensate Directors and Sub Committees in other forms beyond monthly retaining fee, meeting attendance fee and yearly special reward which mentioned above.</li> </ol>		

**Comment of the Board of Directors:** It is considered as appropriate for the Shareholders' Meeting to approve the total remuneration, monthly retaining fee, meeting attendance fee and yearly special reward for Directors and Sub Committees for the year 2020 which is in accordance with the criterion, totally not exceed 8,000,000 Baht as the recommendation by the Remuneration and Nomination Committee.

**6. To consider and approve the appointment of the Company's Auditor and the Audit Fee of the year 2020.**

**Reason and Detail:** To comply with the Section 120, Public Limited Companies Act B. E. 2535, which state that the Annual General Meeting of Shareholders shall appoint the Auditor of the Company and fix the Auditor Remuneration every year by the recommendation of the Audit Committee.

**Comment of the Audit Committee:** The Audit Committee considered the qualifications consists of reputation, reliability, standardization, knowledge, expertise and experienced of the audit firm as well as the audit team, the audit committee agreed to propose to the Board of Directors for consideration to propose the meeting of Shareholders to appoint auditors from EY Office Limited as the Company's Auditor for the year 2020. One of the following auditors can conduct the audit and provide opinions on the Company's financial statements.

<u>Auditors</u>	<u>License No.</u>	<u>Number of Audited Year</u>
1. Mr. Wichart Lokatekrawee	4451	Never signed the financial statements
2. Ms.Satida Ratananurak	4753	-2-
3. Ms. Siriwan Nitdamrong	5906	Never signed the financial statements

EY Office Limited and the 3 auditors mentioned above have no relationship and/or conflict of interest with the Company, Subsidiary Companies, the Executives, Major Shareholders or related persons of those parties, there are independent in auditing and express opinions on the Company's financial statement report. The proposed auditors also are not shareholders of the Company. Also, it is appropriate to propose the Board of Directors to consider approving the audit fees for 2020 at the total amount of Baht 2,000,000 which increase from the previous year 60,000 Baht, excluding out of pocket expenses. The increasing of annual audit fees are due to the increment of audit work to comply with the requirements of new regulations of International Financial Reporting Standards (IFRS) and the more business transaction affected the audit work hours. To be consistency in accounting policy, accounting standards and financial reporting standards between the Company, its subsidiaries and associations, EY Office Limited will be the auditor of subsidiaries and associations as following:

Subsidiaries and Associates	Type of Company	Auditor/Audit Firm
1. SiS Venture Co. Ltd.	Subsidiary	One of the Auditor following who is under the same Audit Firm as the Company (SiS), EY Office Limited will be appointed to be the Auditor of these 3 Subsidiaries and Associate in 2020 (As the left Column)  Mr.Wichart Lokatekrawee or  Ms. Satida Ratananurak or  Ms. Siriwan Nitdamrong
2. Qool Distribution (Thailand) Co., Ltd.	Subsidiary	
3. Wiko Mobile (Thailand) Co., Ltd.	Association	
Subsidiaries and Associates	Type of Company	Auditor/Audit Firm
4. Nippon Pack Trading Co., Ltd.	Association	The Auditor will not be under the same Audit Firm as the Company (SiS) because its financial statements are not in the criterion to consolidate.

The table of Audit Fee Comparison

Audit Fee	2020 (proposing year)	2019	2018
Fee for the annual audit report	1,150,000.00	1,100,000.00	1,000,000.00
Fee for the quarterly review report (3 quarters)	600,000.00	600,000.00	540,000.00
Fee for the Package Report	250,000.00	240,000.00	240,000.00
<b>Total</b>	<b>2,000,000.00</b>	<b>1,940,000.00</b>	<b>1,780,000.00</b>
<b>Change Increase</b>	<b>60,000.00</b>	<b>160,000.00</b>	<b>240,000.00</b>
<b>Percentage Change Increase</b>	<b>3.09</b>	<b>8.99</b>	<b>15.58</b>
Non – Audit Fee	-	-	-
<b>Total</b>	<b>2,000,000.00</b>	<b>1,940,000.00</b>	<b>1,780,000.00</b>
<b>Change Increase</b>	<b>60,000.00</b>	<b>160,000.00</b>	<b>240,000.00</b>
<b>Percentage Change Increase</b>	<b>3.09</b>	<b>8.99</b>	<b>15.58</b>



The Table of Subsidiaries' Audit Fee Comparison

Audit Fee	2020 (proposing year)		2019		2018	
	SiS Venture	Qool Distribution (Thailand)	SiS Venture	Qool Distribution (Thailand)	SiS Venture	Qool Distribution (Thailand)
Fee for the annual audit report	120,000.00	120,000.00	120,000.00	290,000.00	120,000.00	450,000.00
Fee for the quarterly review report (3 quarters)	30,000.00	30,000.00	30,000.00	30,000.00	30,000.00	70,000.00
Total	150,000.00	150,000.00	150,000.00	320,000.00	145,000.00	520,000.00
Change Increase (Decrease)	0.00	(170,000.00)	0.00	(200,000.00)	10,000.00	50,000.00
Percentage Change Increase (Decrease)	0.00	(32.69)	0.00	(38.46)	7.14	10.64

**Comment of the Board of Director:** The Board of Directors has considered and agreed that it is appropriate to propose to the Annual General Meeting of Shareholders to appoint Mr. Vichart Lokatekrawee or Ms. Satida Ratanurak or Ms. Siriwan Nitdamrong of EY Office Limited as the Company's Auditor for the year 2020. In addition, The Board of Directors also agreed that it is appropriate to propose the meeting of Shareholders to approve the audit fee of the Company for 2020 by recommendation of the Audit Committee in total amount of Baht 2,000,000 which increase precisely 60,000 Baht from 2019, excluding other expenses which might occur during auditing.

7. To consider and approve the company's objectives number 23, 30 and 31

**Reason and Detail:** To approve the amendment in company's objectives number 23, 30 and 31 in order to conform to the business plan as following

Number 23 (Original Version)

To purchase, sell, lease computer, computer equipment, office supplies and equipment for telecommunication

Number 23 (Proposed Version)

To purchase, import, sell, lease and maintain computer, computer equipment, equipment for telecommunication, electronics equipment and electrical machines for office and household

Additional Number 30

To manufacture, import, sell, lease and maintain medical instruments and equipment

Additional Number 31

To import and sell all type and categories of cosmetics.

**Comment of the Board of Director:** It is appropriate to propose shareholders to approve the amendment in company's objectives number 23, 30 and 31 in order to conform to the business plan

**8. To consider and approve the amendment of company's articles of association number 34**

**Reason and Detail:** To approve the amendment in company's articles of associations number 34 to be in accordance with EMERGENCY DECREE ON ELECTRONIC MEETINGS, B.E. 2563 (2020) which cancel the NATIONAL COUNCIL FOR PEACE AND ORDER ANNOUNCEMENT No. 74/2557, ELECTRONIC MEETINGS at June 27, 2014. This is to release the conditions and to facilitate the electronic meetings.

**Comment of the Board of Director:** It is appropriate to propose shareholders to approve the amendment in company's articles of associations number 34 which is in accordance with EMERGENCY DECREE ON ELECTRONIC MEETINGS, B.E. 2563 (2020), also to facilitate the electronics meetings.

**9. Questions and Answers**

**Reason and Detail:** To provide the opportunity for Shareholders to make the suggestions to the Company.

**Comment of the Board of Director:** It should provide the opportunity for shareholders to ask any question or make the suggestions as well as recommendations to the Company.

In order to promote the good Corporate Governance, the Company is providing the opportunity for the shareholders to propose matter to be included as an agenda, as well as propose qualified candidate to be consideration as the Company's director in the 2020 Annual General Meeting of Shareholders, starting on November 26, 2019 until December 31, 2019. The detail of guideline and procedure has been disclosed in the Company's website name [www.sisthai.com](http://www.sisthai.com) and notification at SET's news. There are no shareholders proposing matter to be included as an agenda and qualified nominee to be the Board of Directors for their consideration.

The Company therefore would like to invite all Shareholders to attend the meeting on the date, time and venue as indicated above. In case of the shareholders wish to authorize other person or the Independent director to attend the meeting and vote on his/her behalf. Please fill and sign in the proxy form and attach your personal document and submit to company secretary or authority person before the meeting.

The Shareholders can submit their questions in advance for more information related to each meeting agenda or other information. That will benefit to the Board of Director and The Managements to provide clear information on shareholders' meetings or any Shareholders wishes to receive the annual report in book form please send the requirement to [investorinfo@sisthai.com](mailto:investorinfo@sisthai.com) or [companysecretary@sisthai.com](mailto:companysecretary@sisthai.com) or facsimile no. 0 2020 3590

Best Regards,

A handwritten signature in blue ink, appearing to be 'Somchai Sittichaisrichart', written in a cursive style.

(Mr. Somchai Sittichaisrichart)

Managing Director

Company Secretary

Tel 0 2020 3219

Investor Relation Department

Tel 0 2020 3040