



## Minutes of Annual General Meeting of Shareholders for the year 2023

### AppliCAD Public Company Limited

AppliCAD Public Company Limited (“the Company”) arranged the Annual General Meeting of Shareholders for the year 2023 on Wednesday 26 April 2023 at 10.00 am. at the Auditorium on the 6<sup>th</sup> floor, True Digital Park, 101, Sukhumvit road, Bangchak, Phrakonong, Bangkok. There were 44 participants attending the meeting as being shareholders attending of 37 persons, totaling 181,957,356 shares and 7 proxies, totaling 12,191,700 shares, as the total of 194,149,056 shares, representing 69.34% of the total issued shares.

#### Board of Directors attending the meeting (representing 100 percent of the total number of directors)

- |    |                                     |  |
|----|-------------------------------------|--|
| 1. | Asst. Prof. Dr. Prasert Kanthamanon | Chairman and Independent Director                    |
| 2. | Dr. Isra Akrapitak                  | Director and Chief Executive Officer                 |
| 3. | Miss Thitiporn Chartaisong          | Director and Chief Financial Officer                 |
| 4. | Mr. Somsak Worraraksa               | Director and Director of CI Business                 |
| 5. | Miss Siriporn Tangadulrat           | Director   |
| 6. | Mrs. Bongkot Rungkornpaisarn        | Chairman of Audit Committee and Independent Director |
| 7. | Mr. Thanin Pornsiritivet            | Audit Committee and Independent Director             |
| 8. | Dr. Niti Nuengchamnong              | Audit Committee and Independent Director             |

#### Executives of the Company attending the meeting

- |    |                              |   |
|----|------------------------------|---|
| 1. | Mr. Jeerawat Kulsapudom      | Executive Committee and Chief Growth Officer            |
| 2. | Mr. Krirkrit Jearnkamonchuen | Director of MI Business                                 |
| 3. | Mr. Chayo Petcharat          | Director of Research and Development Department         |
| 4. | Mr. Wiruch Punsiroj          | Deputy Director for Educational and Government Business |
| 5. | Mr. Patipat Klampracha       | Deputy Director of MI Hardware                          |
| 6. | Mr. Tanongsak Promden        | Deputy Director of Marketing                            |
| 7. | Mrs. Nusara Milindamana      | Deputy Director of Human Resources                      |
| 8. | Mrs. Khwanchai Viriyasumon   | Accounting Manager of AppliCAD                          |

#### Auditor from Karin Audit Company Limited attending the meeting

1. Mr. Komin Linprachaya
2. Mr. Thanathit Raksathienrapab

#### Legal Advisor attending the meeting

1. Mr. Benjapon Phokaew

#### Starts the meeting at 10.03 am.

Mr. Sorawat Nakmanee, Company Secretary, acted as the secretary of the meeting and the host of the meeting (“the Secretary”) and informed shareholders attending the Annual General Meeting of Shareholders for



the year 2023, in accordance with the resolution of the Board of Directors' meeting No. 1/2023 held on 17 February 2023. The Company scheduled the record date to determine the list of shareholders who are entitled to attend the Annual General Meeting of Shareholders for the year 2023 on 24 March 2023 and the basic information of the Company had been informed in the meeting as follows;

- The registered capital of 140,000,000 baht
- The paid-up capital of 140,000,000 baht
- The ordinary shares of 280,000,000 shares
- The par value of 0.50 baht per share

At the beginning of this Annual General Meeting of Shareholders, there were 38 shareholders attending the meeting, consisting of 31 shareholders attending in person, representing 176,214,656 shares and 7 proxies, representing 12,191,700 shares, as a total of 188,406,356 shares representing 67.29% from the total of 280,000,000 shares. The number of shareholders and proxies exceeded 25 persons and the total number of shares exceeded 1/3 of the total issued shares of the Company. Therefore, the meeting was constituted a quorum in accordance with the Articles of Association of the Company.

The Company provided the opportunity to shareholders to propose agenda for the meeting's agenda and nominate candidates to be elected as directors in advance from 21 December 2022 to 31 January 2023 by publishing to the information system of the Stock Exchange of Thailand and the Company's website. As a result, no shareholders nominated candidates to be elected as directors and no shareholders proposed any additional agenda.

In addition, the company will publish the minutes of the meeting through the information system of the Stock Exchange of Thailand and on the Company's website within 14 days from the meeting date and the Company will give the shareholders an opportunity to ask questions or comment on such minutes of the meeting within 30 days from the date the minutes are published. For the previous Annual General Meeting of shareholders, the Company gave the shareholders the opportunity to ask questions or expressing opinions on such minutes of the meeting. It appeared that no shareholders inquired or commented on such minutes of the meeting.

After that, the Secretary introduced the members of Board of Director of the Company and Asst. Prof. Dr. Prasert Kanthamanon, Chairman of the Board of Directors and Independent Director, acted as the chairman of the meeting ("the Chairman"), welcomed and thanked shareholders for attending the Annual General Meeting of the year 2023 and further explained to the meeting about the current situation that this meeting would be conducted in a concise way and would strictly comply with the guidelines and measures of the Annual General Meeting of Shareholders for the year 2023.

Moreover, the Secretary also introduced the auditor and legal advisor of the Company, including clarification of the voting, vote counting and the rights of shareholders in the meeting as follows:

#### Voting

- There are 7 general agendas for this meeting and the voting will be proceeded in order of the meeting agenda shown in the invitation letter.



- The voting shall be used for the lifting of hands, and 1 shareholder has the right to vote as 1 vote. Voting is not allowed to split.
- Shareholders attending in person and by proxy must vote only in the following cases;
  - Shareholders attending the meeting in person
    - Shareholders who would like to vote as disapprove, please raise your hand and mark the X in the disapprove box in the ballot.
    - Shareholders would like to abstain from voting, the voting method will be the same as those who disagree by putting X in the abstain box.
  - Attendees proxied by shareholders
    - Proxy Form A.: The proxies shall vote as in the method of shareholders attending the meeting in person
    - Proxy Form B.: In case that the grantor determines the voting in advance of each agenda, the Company has already recorded the votes. The proxy who has been proxied does not have to vote in the meeting again, except in the case that the grantor does not specify the intention of voting in any agenda, the proxy is able to vote in the meeting room, as shareholders attending the meeting in person.
    - Proxy Form C.: It is a proxy for foreign investors and has appointed a custodian in Thailand to be the custodian of shares as announced by the Department of Business Development, Ministry of Commerce. The voting will be the same as the form B., which is, if the grantor has already voted in advance. Proxy does not have to vote for the meeting again.
- For shareholders who would like to vote as agree, please mark the X in the agree box and put all ballots in the ballot box prepared in front of the meeting room after the meeting finishes and the resolutions of the meeting in each agenda used the votes as informed in the invitation to the Annual General Meeting of Shareholders for the year 2023.
- Invalid ballot
  - Correction or elimination of comments by the shareholder or the proxy holder is not signed.
  - The whole card is crossed out.
  - The damaged ballot is in an unreadable condition.
- Counting votes at the meeting will be counted as one by one of each agenda according to the ballot submitted to the staff in order to be combined with the votes of the proxies according to the Proxy Form B. or Form C. which the proxies have submitted to the Company. The votes of shareholders who disapprove and abstain would be deducted from the total votes of the meeting in each agenda.
- After collecting the ballot for each agenda, the Chairman will ask the meeting to consider the next agenda. When the voting results of the previous agenda are finished, the voting results will be announced to the meeting.
- For any shareholders who come after the meeting has begun, such shareholders are still entitled to attend the meeting and vote from the agenda for which shareholders attend the meeting onwards.

## Meeting Agenda

### Agenda 1: To acknowledge the operating performance of the Company for the year 2022

The Chairman assigned Dr. Isra Akrapitak, Director and Chief Executive Officer, to report such details of this agenda to the meeting as follows;

#### Major Changes and Development of 2022

- The Company has established AppliCAD Innovation Center: AIC, created from the vision of being the starting point of innovation to enhance the potential of Thai businesses, drive creativity and new innovations by promoting personnel development develop tools to be ready to develop the business to grow sustainably.
- The Company has launched a new product to meet the needs of more diverse work, namely JAKA Collaborative Robots (JAKA Cobots).

(Unit : Million baht)

| Important financial list | 2022   | 2021   | Change (%) |
|--------------------------|--------|--------|------------|
| Total revenue            | 888.34 | 798.91 | 11.19      |
| Total expense            | 830.18 | 717.37 | 15.73      |
| Net profit               | 46.50  | 58.73  | -20.82     |
| Net profit margin (%)    | 5.23   | 7.35   |            |

The Chairman provided the meeting the opportunity to inquire and express their opinions. It appeared that no shareholder had any further inquiries and comments on this agenda. This agenda is for acknowledgement and no casting vote is required from shareholders.

**Resolution:** The meeting acknowledged the operating performance of the Company for the year 2022.

### Agenda 2: To consider and approve the financial statements for the year ended 31 December 2022

The Chairman assigned the Secretary to declared the regulations in this agenda and assigned Miss Thitiporn Chartaisong, Director and Chief Financial Officer, to report such details of this agenda to the meeting as follows;

#### Financial Statements

(Unit : Million baht)

| Important financial list | Consolidated financial statements 2022 | Consolidated financial statements 2021 | Change (%) |
|--------------------------|--|--|------------|
| Total assets             | 772.44                                 | 732.92                                 | 5.39       |
| Total liabilities        | 426.74                                 | 375.71                                 | 13.58      |
| Shareholders' equity     | 345.70                                 | 357.20                                 | -3.22      |

| Important financial list | Consolidated financial statements 2022 | Consolidated financial statements 2021 | Change (%) |
|--------------------------|--|--|------------|
| Total revenue            | 888.34                                 | 798.91                                 | 11.19      |
| Net profit               | 46.50                                  | 58.73                                  | -20.82     |
| Basic earnings per share | 0.17                                   | 0.21                                   | -19.05     |
| ROE (%)                  | 13.21                                  | 16.76                                  |            |
| ROA (%)                  | 7.82                                   | 11.75                                  |            |
| D/E (%)                  | 1.23                                   | 1.05                                   |            |

The Chairman provided the meeting the opportunity to inquire and express their opinions. It appeared that no shareholder had any further inquiries and comments on this agenda. Therefore, the Chairman proposed to the meeting to approve the financial statements for the year ended 31 December 2022, requiring a majority vote of shareholders attending the meeting and having the right to vote.

**Resolution:** The meeting approved the financial statements for the year ended 31 December 2022 with a majority vote of shareholders attending the meeting and having the right to vote as follows;

| Resolution                                     | Number of votes    | %             |
|--|--------------------|---------------|
| Approve  | 194,149,056        | 100.00        |
| Disapprove                                     | 0                  | 0.00          |
| Abstain  | 0                  | 0.00          |
| Invalid ballot                                 | 0                  | 0.00          |
| <b>Total number of votes (44 shareholders)</b> | <b>194,149,056</b> | <b>100.00</b> |

### Agenda 3: To consider and approve the dividend payment and allocation of profit from operating performance ended 31 December 2022

The Secretary informed to the meeting that the Company's operating performance for the period from 1 January 2022 to 31 December 2022, which had been audited by the auditor from Karin Audit Company Limited, the Company had total revenue of 888.34 million baht, which was net profit as the amount of 46.50 million baht, therefore, the Company has allocated profits as legal reserves according to the amount of legal reserves already and the Board of Directors proposed to shareholders to approve the dividend payment for the year 2022 of 0.14 baht per share as the total amount of 39,200,000 baht, which comply with the Company's dividend payment policy, which stipulates that the Company will pay dividends in the amount of not less than 40 percent of the net profit of the separate financial statements.

If it would be approved by the shareholders' meeting, the Company will pay the dividends for the year 2022 on 22 May 2023 to shareholders entitled to receive the dividends on 8 May 2023 or the Record Date for the dividend payment. The Company would appoint the Thailand Securities Depository Co., Ltd. to be as the operator of the dividend payment.

The Chairman provided the meeting the opportunity to inquire and express their opinions. It appeared that no shareholder had any further inquiries and comments on this agenda. Therefore, the Chairman proposed

to the meeting to approve the dividend payment and allocation of profit from operating performance ended 31 December 2022, requiring a majority vote of shareholders attending the meeting and having the right to vote.

**Resolution:** The meeting approved the dividend payment and allocation of profit from operating performance ended 31 December 2022 with a majority vote of shareholders attending the meeting and having the right to vote as follows;

| Resolution                                     | Number of votes    | %             |
|--|--------------------|---------------|
| Approve  | 194,149,056        | 100.00        |
| Disapprove                                     | 0                  | 0.00          |
| Abstain  | 0                  | 0.00          |
| Invalid ballot                                 | 0                  | 0.00          |
| <b>Total number of votes (44 shareholders)</b> | <b>194,149,056</b> | <b>100.00</b> |

#### Agenda 4: To consider and approve the appointment of directors replacing those retire by rotation

The Secretary declared the regulations in this agenda and informed to the meeting that there were 2 directors those retire by rotation in this meeting as the following names;

1. Dr. Niti Nuengchamnonng                      Audit Committee and Independent Director
2. Dr. Isra Akrapitak                              Director and Nomination and Compensation Committee

However, the Company provided the opportunity to shareholders to nominate the candidate to be considered for the election of the Company's Director in advance from 21 December 2022 to 31 January 2023. It appeared that no shareholder had nominated any candidate.

The Board of Directors has considered to propose to the Annual General Meeting of Shareholders for the year 2023 to consider and approve the re-election of the 2 directors who retired by rotation to be re-elected for another term. The directors who were nominated this time has undergone a thorough consideration process has been cautious of the Board of Directors. Therefore, Members of the Nomination and Compensation Committee held the meeting on 17 February 2023 to consider and screen the list of directors to replace those who retired by rotation. The resolution was approved to be proposed to the Board of Directors' meeting. The Board of Directors considered and agreed to propose to the Annual General Meeting of Shareholders for the year 2023 to consider and approve the re-election of the two directors who retired by rotation for another term. which the directors who were nominated this time has passed a careful consideration process of the Board of Directors.

The Chairman provided the meeting the opportunity to inquire and express their opinions. It appeared that no shareholder had any further inquiries and comments on this agenda. Therefore, the Chairman proposed to the meeting to approve the appointment of directors replacing those retire by rotation, requiring a majority vote of shareholders attending the meeting and having the right to vote.

**Resolution:** The meeting approved the appointment of directors replacing those retire by rotation with a majority vote of shareholders attending the meeting and having the right to vote as follows;



#### 4.1 Dr. Niti Nuengchamnong

| Resolution                                     | Number of votes    | %             |
|--|--------------------|---------------|
| Approve  | 194,149,056        | 100.00        |
| Disapprove                                     | 0                  | 0.00          |
| Abstain  | 0                  | 0.00          |
| Invalid ballot                                 | 0                  | 0.00          |
| <b>Total number of votes (44 shareholders)</b> | <b>194,149,056</b> | <b>100.00</b> |

#### 4.2 Dr. Isra Akrapitak

| Resolution                                     | Number of votes    | %             |
|--|--------------------|---------------|
| Approve  | 194,149,056        | 100.00        |
| Disapprove                                     | 0                  | 0.00          |
| Abstain  | 0                  | 0.00          |
| Invalid ballot                                 | 0                  | 0.00          |
| <b>Total number of votes (44 shareholders)</b> | <b>194,149,056</b> | <b>100.00</b> |

#### Agenda 5: To consider and approve the remuneration of Directors

The Secretary clarified the regulations in this agenda and informed the details of the directors' remuneration for the year 2023, which in this year there was no remuneration for any other benefits and the same rate as 2022 with details as follows:

Unit: baht/person/One time

| Meeting allowance                            | 2023   |
|--|--------|
| <b>Board of Directors</b>                    |        |
| • Chairman                                   | 30,000 |
| • Non-executive Directors                    | 17,500 |
| • Executive Directors                        | 10,000 |
| <b>Audit committee</b>                       |        |
| • Chairman of Audit Committee                | 30,000 |
| • Member of Audit Committee                  | 17,500 |
| <b>Nomination and Compensation Committee</b> |        |
| • Chairman                                   | 20,000 |
| • Non-executive Directors                    | 10,000 |
| • Executive Directors                        | 5,000  |

The Chairman provided the meeting the opportunity to inquire and express their opinions. It appeared that no shareholder had any further inquiries and comments on this agenda. Therefore, the Chairman proposed to the meeting to approve the remuneration of Directors, requiring the two – third of vote from shareholders attending the meeting and having the right to vote.

**Resolution:** The meeting approved the remuneration of Directors for the year 2023 with the two – third of vote from shareholders attending the meeting and having the right to vote as follows;

| Resolution                                     | Number of votes    | %             |
|--|--------------------|---------------|
| Approve  | 194,149,056        | 100.00        |
| Disapprove                                     | 0                  | 0.00          |
| Abstain  | 0                  | 0.00          |
| Invalid ballot                                 | 0                  | 0.00          |
| <b>Total number of votes (44 shareholders)</b> | <b>194,149,056</b> | <b>100.00</b> |

**Agenda 6: To consider and approve the appointment and remuneration of auditor for the year 2023**

The Secretary clarified the regulations in this agenda and informed to the meeting that the Board of Directors resolved to approve the opinion of the Audit Committee, which considered appropriate to propose Karin Audit Company Limited to be the auditor of the Company to audit and express an opinion on the Company's financial statements for the year 2023 and Karin Audit Co., Ltd. has been as an auditor for the Company for 6 years as following names;

- Mr. Jesada                      Hangsapruerk                      CPA registration No. 3759 or
- Ms. Kannika                      Wipanurat                      CPA registration No. 7305 or
- Mr. Jirote                      Sirirorote                      CPA registration No. 5113 or
- Ms. Nonglak                      Pattanabundit                      CPA registration No. 4713 or
- Mrs. Sumana                      Senivongse                      CPA registration No. 5897 or
- Mr. Komin                      Linprachaya                      CPA registration No. 3675 or
- Mr. Woraphon                      Viriyakulpong                      CPA registration No. 11181 or
- Mr. Poj                      Asawasantichai                      CPA registration No. 4891 or
- Mr. Wichien                      Prungpanich                      CPA registration No. 5851 or
- Ms. Kochamon                      Soonhuan                      CPA registration No. 11536 or
- Mr. Supoj                      Mahantachaisakul                      CPA registration No. 12794 or
- Ms. Kanwarat                      Saksriborworn                      CPA registration No. 13273 or
- Ms. Bongkocharat                      Saumsiri                      CPA registration No. 13512 or
- Mr. Thanathit                      Raksathianraphap                      CPA registration No. 13646





However, such company that is the auditing firm and the auditors listed above have no relationship or interest with the Company, subsidiaries, executives, major shareholders or those related to such person and approved the audit fee for the year 2023 in the amount 2,050,000 baht.

The Chairman provided the meeting the opportunity to inquire and express their opinions. It appeared that no shareholder had any further inquiries and comments on this agenda. Therefore, the Chairman proposed to the meeting to approve the appointment and remuneration of auditor for the year 2023, requiring a majority vote of shareholders attending the meeting and having the right to vote.

**Resolution:** The meeting approved the appointment and remuneration of auditor for the year 2023 with a majority vote of shareholders attending the meeting and having the right to vote as follows;

| Resolution                                     | Number of votes    | %             |
|--|--------------------|---------------|
| Approve  | 194,149,056        | 100.00        |
| Disapprove                                     | 0                  | 0.00          |
| Abstain  | 0                  | 0.00          |
| Invalid ballot                                 | 0                  | 0.00          |
| <b>Total number of votes (44 shareholders)</b> | <b>194,149,056</b> | <b>100.00</b> |

#### Agenda 7: To consider any matters (if any)

The Secretary clarified the regulations in this agenda and informed to the meeting that the Company has given shareholders the opportunity to propose agendas for the Annual General Meeting of Shareholders. In advance from 21 December 2022 to 31 January 2023, the Company has notified the news through the information system of the Stock Exchange of Thailand and published on the Company's website. It appeared that no shareholder proposed any additional agenda.

The Chairman provided the meeting the opportunity to inquire and express their opinions.

#### Questions/Comments/Answers

1. **Mr. Pavaris Surakittidamrong (shareholder)** – inquired about the impact of increasing the price of the product from the product owner, whether this year the Company has raised the price for customers or not and how can the Company offset the impact from such issues?

**Dr. Isra Akrapitak** clarified that in the matter of raising prices, the Company has already negotiated with the product owner that product has been the main income of the Company. The reason for the price increase has been due to the change in the sales model from perpetual license to term license, which has the advantage of making the Company's income stable in the long run. However, the disadvantage in the short term is that the revenue will decrease. From negotiations, the Company has requested for more additional discounts which received a good cooperation from the product owner that will reduce the cost of the Company. It's good for the Company within this year, but not now. In summary, the Company's remedial measures during this period is to negotiate with the product owner to request a discount, which has been well received.



2. **Mr. Pavaris Surakittidamrong (shareholder)** – inquired that after the sales model has been changed, must the Company immediately change the model?

**Dr. Isra Akrapitak** clarified that this model change has already been prepared and implemented which will have a lot of details. On 1 July 2023, the model will be significantly changed which we have known in advance since last February and we have been negotiating with the product owner since then and have communicated to the Company's customers.

3. **Mr. Pavaris Surakittidamrong (shareholder)** - inquired that from question number 2, how has the Company's profit changed after the product owner has given a discount to the Company? But in terms of adjusting the net price received by the Company, how will it increase or decrease compared to last year?

**Dr. Isra Akrapitak** clarified that for Profit margins, if compared to individual, significantly from receiving discounts from product owners will increase from the previous year.

4. **Mr. Pavaris Surakittidamrong (shareholder)** - inquired that from question number 3, will it cover currency?

**Dr. Isra Akrapitak** clarified that it will not cover in terms of currency due to currency fluctuations. But if you look at the situation that the currency is stable and no significant change, profit numbers will increase instead.

5. **Mr. Pavaris Surakittidamrong (shareholder)** - inquired that from question number 4, how many percentages will it increase?

**Dr. Isra Akrapitak** clarified that because the software has a variety and each version will have a different percentage. But the ones that the Company has negotiated will be around 10-15% at least.

6. **Mr. Pavaris Surakittidamrong (shareholder)** - from question number 5, not all of them but some of them too?

**Dr. Isra Akrapitak** clarified that that's right, only the main one has been negotiated.

7. **Mr. Pavaris Surakittidamrong (shareholder)** - inquired that from question number 6, are other software affected as well?

**Dr. Isra Akrapitak** clarified that the software that the company is declaring is the core software which is the world leader in design software. Other software has an impact as well. Because this is a Global Trend, but because other software's revenue proportion is not as high. And the software itself in the world is still not known or used much in Thailand, so doing this is dangerous for the software owner as well. Therefore, this matter has been postponed. But the replacement model has already existed. The transformational model that I'm learning is that every software model will be changed to term license for the most part. Therefore, it will be that we live, learn, adapt and teamwork like



adjusting the base in terms of income to be stable. This effect has the longest term about 3 years, meaning that from the day the income is 100 baht and then change the model. All those who have succeeded in less than 3 years will return to the same place. This is a single software. It means we have other software to support us, so don't worry.

8. **Mr. Pavaris Surakittidamrong (shareholder)** - inquired that in terms of the financial statements of 100 baht, what will be the amount of 100 baht when there is a significant change in the sales model in July?

**Dr. Isra Akrapitak** clarified that it will gradually progressive. In terms of other products, the Company has already prepared in advance. The Company's revenue is expected to be stable. Because the Company has other products that will be sold more, including other services that the Company has added. The Company has been aware of the events that will occur before. The Company has been cautious and hedging some risks. It also has a way to make the Company's growth. But the Company has forecasted and tried to maintain the sales figures that the Company has informed, so don't worry.

9. **Mr. Pavaris Surakittidamrong (shareholder)** - inquired that in terms of the bottom line, how will the whole year compare to the old and the new? And which one is better?

**Dr. Isra Akrapitak** clarified that the bottom line is slightly lower at first. The revenue that is falling is caused by the change to this model. And the recognition of revenue will change to be recognized gradually for 12 months (in the case of a 1-year contract) instead of 1 time, causing revenue, gross profit, net profit to decrease respectively. But as time passes, the revenue numbers will grow more and more. It will result in other numbers increasing as well. Therefore, according to the Company's forecast, the impact will be minor, however the Company has already prepared.

10. **Mr. Pavaris Surakittidamrong (shareholder)** - inquired that PTCAD, what is our strategy? And will there be an issue with the product owner?

**Dr. Isra Akrapitak** clarified that the Company has been a distributor and has expertise in distribution for a long time, but as it has been informed before that the competition will be higher in the future and being a distributor alone will not make the Company sustainable forever. Therefore, while today the Company's overall position is still good. The Company has a vision that the Company should be the manufacturer of the software itself. By doing that will give the Company more bargaining power and less price cuts. At the same time, if selling abroad, the Company will have a profit in terms of currency. This is the reason behind PTCAD, therefore, in principle, PTCAD will not be sold mainly in Thailand. The Company owns the products and has distributors in foreign countries. Therefore, answer the question whether there will be internal issues or not. I would like to inform you that there is no.



11. **Mr. Pavaris Surakittidamrong (shareholder)** - inquired that from question number 10, how much is PTCAD sold now?

**Dr. Isra Akrapitak** clarified that it is in the middle of marketing with a focus on online channel. Inquiries have begun to come in from the Platform, the Company will update the progress continuously. You can follow this update on the channels of the Stock Exchange of Thailand and the Company's channels.

12. **Mr. Pavaris Surakittidamrong (shareholder)** - inquired about the progress of Joint Venture in Indonesia and how is the situation in Indonesia?

**Dr. Isra Akrapitak** clarified that the Company's investment in Indonesia is not a joint venture, but a shareholding in PT. Indonesia AppliCAD, which is a subsidiary. As for the situation in Indonesia, the economy is currently recovering in which Indonesia is very strong in terms of Local Economic. As for the industrial sector here, it means that the factories are still slowing down like Thailand, while the construction sector is growing very fast because during the three-year break, the government invested a lot. Therefore, the sales in of Indonesia will continue to grow. In the past year 2022, the sales of PT. Indonesia AppliCAD were quite high, but the profit there is still not very high. The Company is about to improve to be better. Sales are currently around \$2.7 million and will continue to grow.

13. **Mr. Pavaris Surakittidamrong (shareholder)** – inquired that does the company have plans for joint ventures or mergers and acquisitions?

**Dr. Isra Akrapitak** clarified that in fact, Joint Venture can be considered as the Company's business expansion which the Company and the directors have agreed to expand the business to grow and be sustainable. Therefore, there is a way to recruit businesses or business associates to join in new businesses or support the original business of the Company. Currently, there are some discussions, but I'm sorry that it hasn't been disclosed at this time because it's still in the negotiation phase.

14. **Mr. Pavaris Surakittidamrong (shareholder)** - inquired about how the Company deal with the currency?

**Dr. Isra Akrapitak** clarified that with the Company's business, the products are imported but not exported causing the Company to not be able to do a natural hedge. It causes the effect of the exchange rate to be quite significant, the number of currencies that we lost last year was about 10 million baht. There are mainly 3 measures as follows:

1. Do forward 100%
2. If the currency at the counter is better, then buy at the counter.
3. Open an FCD USD account to accumulate money.

Among all three measures, the Company will have the staff to supervise the appropriate amount paid at that time.



15. **Mr. Pavaris Surakittidamrong (shareholder)** - inquired that from question number 14, What is the exchange rate management policy?

**Dr. Isra Akrapitak** clarified that based on the history of the Company, we spend a cost budget of 700,000 to 1,000,000 USD per month. The Company will monitor the average interest rate. If the average currency falls, the Company will retain the interest rate and have sufficient forward limits for expenses.

16. **Mr. Pavaris Surakittidamrong (shareholder)** - inquired that the Company has a number of cash, how does the Company plan to deal with this cash?

**Dr. Isra Akrapitak** clarified that the Company and board of directors have decided that the management team should choose the investment method or unit with the least risk in order to achieve a return of approximately 1% but over time, the rate of return will continue to decrease. However, the new investments that the management has negotiated are about 4-5 companies where the investment that the average figure is about 3 times higher than the current investment.

Asst. Prof. Dr. Prasert Kanthamanon has given additional clarification. The matter that the investor has inquired about It was an issue while the Company's directors were discussing on the aforementioned issue. Both investment strategies and new products, when the management came to report and bring strategies to present, the Company's directors have discussed together. Therefore, please be assured that everything that investors ask, such as in terms of cash flow management, is very available must inform that you have to wait for the strategy to be clear first. The Company will certainly be published because many of the issues that have been asked are sensitive matters. And there is no conclusion from the Board of Directors' meeting, so it cannot be disclosed to the public. But in matters that are already clear, for example, the world's software industry has changed from outright sales. The account was recorded at the time that the sale was made. When changing to term license which is like the gradual recognition of income, profits disappear When this happens, the software industry takes the recovery cycle to the same level as the CEO has pointed out earlier. The advantage is that the customer will stay with the Company until the contract expires. But the temporary disadvantage is that this is a clear story. But some matters are strategies that, when a clear conclusion is reached and the Board of Directors agrees, it can be disclosed to the public.

17. **Mr. Pavaris Surakittidamrong (shareholder)** - inquired that will the Company do the Treasury-Stock?

**Dr. Isra Akrapitak** clarified that in the current situation, the company has no plans to do the Treasury-Stock.

18. **Mr. Pavaris Surakittidamrong (shareholder)** - inquired that what is the current business situation of the Company?

**Dr. Isra Akrapitak** clarified that in the entire business, we divide the group into businesses that the Company is a distributor, whether it is software or hardware, including some services. It will



be a business group that the Company thinks will grow this year. Due to the positive force from the slowing down of the COVID situation in the view of the government sector or policy, there is some slowdown because it is a period of slowing down purchases, mainly due to the election period during this period. Therefore, the overall of this quarter may seem to slow down somewhat. But in the whole year, The Company believes that it will be a good opportunity for the Company. And another business group is that the Company has new products that are in the Company's plan. The new product is not related to the purchase and sale of which we are a distributor. The products that the Company is the manufacturer itself. The Company has been mentioned since the end of 2022, although such products do not generate a high percentage of revenue. But the Company believes that it can at least replace some products that the Company expects to decrease or remain stable.

19. **Khun Yard-Arun Lakshmiset (Right Protection Volunteer from the Thai Investors Association)** – Would like to ask the Company to record the last part of this question in the minutes of the meeting for the benefit of all shareholders who did not attend the meeting today.

**Asst. Prof. Dr. Prasert Kanthamanon clarified that** there will definitely be a record. So please be at ease. The question is very helpful.

20. **Mr. Witoon Ngammekchai (Shareholder)** – inquired that Is there anything to be updated about the ERP itself beside from Opportunity Day?

**Dr. Isra Akrapitak** clarified that ERP is very well-known software in the market, so ERP would not be further explained much. However, the Company would like to provide more details of our ERP that is not in the same segment with other ERPs. The Company has developed on ERP that focuses on Manufacturing. Therefore, ERP that the company has developed can work like those of competitors in the market but the Company has not focused on that point first. The Company will focus on segments where it has a customer base first and ERP will not focus on overpriced markets and does not look at the level where the price is 10 million baht, that is not the Company's initial customer group. The Company will start from SME customers to have access to the Company's products. The volume will be high, which will make startups and SMEs meet the vision of the Company that we will promote growth. Therefore, there have been in the current progress consisting two parts.

In addition, the Company has also brought the ERP system to trial within the Company already which is considered a success as well. However, there is still ongoing development in different modules. In view of sales, sales are growing steadily and the Company aims to continue to grow in the ERP business, the Company believes that it will be a business that grows moderately. In terms of sales, the Company will continue to update the progress on Opportunity Day and the customers mentioned on Opportunity Day of Q4 2022, it is during the implementation phase, the transaction is completed, the deal is closed, but the deal has not yet been completed.



21. **Mr. Witoon Ngammekchai (Shareholder)** – inquired that from the annual report, would the Company like to update the automatic drink mixer (Robotendy)?

**Dr. Isra Akrapitak** clarified that Robotedy is another business that is actually an effort to expand the business. It is not a buying and selling business. It is considered a true innovation. The Robotedy is currently in the marketing stage, and the Company will release activities during this period. This is the first time that the Company has launched such products to the public. However, this may be a business group where the company does not have a large customer base.

22. **Mr. Witoon Ngammekchai (Shareholder)** – would like to thank the management team and all employees for past operating results and dividends and thank you very much for consistently appearing on Opportunity Day (Opp Day).

23. **Mr. Boonchu Juramongkol (Shareholder)** - In 2022, the Company's gross profit margin in the machinery segment gradually decreased from 28% to 25% in the fourth quarter of 2022, despite the second half of 2022, the baht began to appreciate due to 38 baht to 34.5 baht, why and will the first quarter of 2023 be better?

**Dr. Isra Akrapitak** clarified that regarding the appreciation of the Thai baht at the end of the year, but the impact of actual orders is due to early orders, credit estimates 60-90 days. Therefore, the impact will continue until the fourth quarter of 2022. Therefore, due to the continuous improvement of the currency, there will be some improvement this year.

24. **Mr. Boonchu Juramongkol (Shareholder)** - inquired that from question number 22, are the higher cost of machinery the same cost during the currency depreciation? Or when will this cost still exist?

**Dr. Isra Akrapitak** clarified that the main reason is due to two parts:

1. caused by the machinery that the Company imported during the baht depreciation period. But at the same time, the Company has taken measures to prevent these matters. Since machinery is a product that has relatively high costs. Money management can be regarded as one of the measures.
2. The Company has efficient stock management, which will see results this year.

25. **Mr. Boonchu Juramongkol (Shareholder)** - inquired that as for hardware revenue, it hasn't grown at all. What plans does the company have?

**Dr. Isra Akrapitak** clarified that as for revenue from hardware sales during COVID-19, it was the most affected part. Since the Company's hardware products are Hi-End products in the world, the value is quite high, causing the Company to be affected a lot. The Company's products are part of the production process. And another part is in the process of research and development which is mostly advanced technology. Therefore, when the investment is tens of millions or more, then occur the economic impact or currency fluctuations. Customers will postpone their investment first. The



Company believes that this year there will be a return in the second quarter and the third quarter this year, but the impact is caused by what has been explained earlier.

26. **Mr. Boonchu Juramongkol (Shareholder)** - inquired that as for hardware revenue in the fourth quarter that was reported, it was 23.7 million baht due to what? How much has the Company received from the government sector and how will it be in the year 2023?

**Dr. Isra Akrapitak** clarified that hardware revenue in the fourth quarter was lower for reasons discussed in the previous question. In terms of revenue from the government, there is still a steady stream. But during this time, it will be the event of the last fiscal year and the new fiscal year might be a little complicated due to the changes.

27. **Mr. Boonchu Juramongkol (Shareholder)** - inquired that as for the software revenue in the fourth quarter, it was as high as 107.5 million baht. Why and will it continue to improve?

**Dr. Isra Akrapitak** clarified that higher income is due to the following 2 factors:

1. caused by the owner of the product will increase the price. The Company has negotiated with customers first. Before the price of the product is adjusted, the Company would like customers to buy this product to use first before the price increase. This is a good result in the short term.
2. caused by a change in sales model. Although sales in that quarter may not be very high. But the recognition of revenue is growing from the recurring accumulated as well. The increase in software revenue was not entirely due to the purchases in that quarter.

28. **Mr. Boonchu Juramongkol (Shareholder)** - inquired that as for software gross margins, the drop in 2022 is temporary on exchange rates or caused by increasing the price of foreign software and this year, can it return to the same level as 2021?

**Dr. Isra Akrapitak** clarified that actually it has been decreased by 2 reasons which we have explained earlier. Will it return as good as before? We must inform that it will gradually come back better and better need time.

The meeting was closed by the Chairman at 11.17 am.

Yours sincerely

AppliCAD Public Company Limited

(Asst. Prof. Dr. Prasert Kanthamanon)

Chairman

Note: The Company has recorded the meeting in the form of video media.

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