

Translation

Kulthorn Kirby Public Company Limited
Minutes of the Ordinary Shareholders Meeting No. 41/2020
On 22 July 2020

The meeting was held at the company's meeting room, No. 126 Soi Chalong Krung 31, Chalong Krung Road, Khwaeng Lam Pla Thio, Khet Lat Krabang, Bangkok.

Mr Sumeth Simakulthorn, the Chairman of the board of directors who presided over the meeting, assigned Mrs Supanee Chantasawat, the Company Secretary to introduce the company's directors, other executives and the auditors present at the meeting which their names are, as follows:

DIRECTORS in attendance

1. Mr Sumeth	Simakulthorn	Chairman of the board of director/Acting President
2. Mr Tawatchai	Jaranakarun	Independent Director/Chairman of Audit Committee
3. Vice Admiral Naruedom	Sa-ardyen	Independent Director/Audit Committee
4. Mrs Benjawan	Ratanaprayul	Independent Director/Audit Committee
5. Mr Somlak	Jiamtiranat	Independent Director
6. Mr Sutee	Simakulthorn	Director
7. Mr Titisak	Simakulthorn	Director/Executive Vice President (Marketing)
8. Mr Kanok	Suriyasat	Director
9. Mr Abhijit	Simakulthorn	Director
10. Mr Surath	Pralongsil	Director/Executive Vice President (Finance)

In total 10 persons present at the meeting, representing 66.67 % of total number of directors.

THE EXECUTIVES in attendance


1. Mrs Supanee	Chantasawat	Executive Vice President (Administration)/ Company Secretary
2. Mr Somchai	Chaiyasit	Executive Vice President (Manufacturing)
3. Ms Penpak	Assarat	Manager (Finance and Controlling Division)
4. Ms Narin	Sakwichit	Deputy Manager (Accounting Department)

AUDITORS in attendance

Auditors from EY Office Limited :

Ms Satida Ratananurak and Ms Monwipa Engkagul

The Company Secretary then informed the meeting that there were 12 shareholders and 34 proxies, in total 46 persons present at the meeting, representing 1,099,702,805 shares or 73.31 % which is not less than one-third of the total 1,500,000,000 issued and sold shares and there were shareholders and proxies attended the meeting of not less than 25 persons. It constituted a quorum according to the company's Articles of Association.



The Chairman further stated that during proceeding on each meeting agenda if any shareholders had any question, they might raise the question. As for the voting in each agenda, to counting votes from every ballot would be time consuming and the Chairman asked the Company Secretary to give details on this matter.

The Company Secretary stated that in each agenda the Chairman would propose resolution for the meeting's approval. Any shareholders who disapproved with the chairman's proposal or abstained vote, could cast his/her vote and signed his/her name on the distributed ballot and raised his/her hand, so that the company's staff would collect his/her ballot and counted the votes. Other shareholders who did not raise their hands would be assumed that they approved with the proposed resolution in the agenda. Thus, if there were no hand raised, let it be agreed that the meeting unanimously approved with the chairman's proposal.

The Company Secretary stated before the meeting started that for the 2020 Ordinary Shareholders Meeting the Company was aware of the shareholders' rights and equitable treatment to the shareholders under the good corporate governance. The Company allowed the shareholders to propose the matter for consideration as agenda, submitted the enquiries and name of the person to be elected as the company's director in advance since 1 October 2019 to 15 January 2020, notified and disclosed contact channels and period for proposing agenda and enquiries via SET and also provided details of the procedures on the company's website (www.kulthorn.com) and found that shareholders neither proposed the matter for consideration as agenda nor submitted the enquiries and name of the person to be elected as the company's director to this meeting.

The Chairman therefore declared the meeting opened and proceeded the meeting according to the agenda.

The Meeting was opened at 10.05 hours

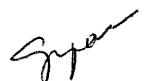
Agenda 1 To certify the Minutes of the Extraordinary Shareholders Meeting No. 1/2019 held on 4 September 2019

The Chairman assigned the Company Secretary to propose the meeting to certify the minutes of the Extraordinary Shareholders Meeting No. 1/2019 held on 4 September 2019 which the copy of the minutes was sent to all shareholders for considering in advance and had been already posted on the company's website.

The Company Secretary informed the meeting that at present, there were 16 shareholders and 34 proxies in total 50 persons present at the meeting, representing 1,138,939,543 shares

The Meeting, after considering unanimously certified the minutes of the Extraordinary Shareholders Meeting No. 1/2019 held on 4 September 2019 with the following votes :

Approved	1,138,939,543 votes, equal to 100 %
Disapproved	– none –
Abstained	– none –
Void ballot	– none –



Agenda 2 To acknowledge the company's Annual Report and the Board of Directors' report for 2019

The Chairman proposed the meeting to acknowledge the company's and subsidiaries results of business operations in 2019 and the Board of Directors' report, details as appeared in the Annual Report 2019 which was sent to all shareholders for considering in advance.

The meeting acknowledged the company's Annual Report and the report of the Board of Directors for the year 2019.

Agenda 3 To consider approving the company's financial statements for the year ended 31 December 2019

The Chairman assigned the Company Secretary to present the matter to the meeting.

The Company Secretary stated that the Chairman requested the meeting to approve the company's financial statements for the year ended 31 December 2019 which was audited and certified by the company's auditor and was consented by the audit committee, and also was approved by the board of directors, details as appeared in the Annual Report 2019, the section of "Report of Independent Auditor and Financial Statements" which was sent to all shareholders for considering in advance.

The consolidated statements of the financial position and the income of the company and its subsidiaries are as follows:

Total assets	Baht	6,262.74	million
Total liabilities	Baht	5,523.69	million
Total shareholder's equity	Baht	739.05	million
Total revenues	Baht	5,961.56	million
Profit (loss) for the year	Baht	(1,123.73)	million
Basic earnings per share	Baht	(0.875)	

The statements of the financial position and the income of the company are as follows:

Total assets	Baht	5,764.29	million
Total liabilities	Baht	4,618.06	million
Total shareholder's equity	Baht	1,146.24	million
Total revenues	Baht	2,984.95	million
Profit (loss) for the year	Baht	(1,223.58)	million
Basic earnings per share	Baht	(0.953)	

After Company Secretary presented to the meeting, the Chairman then asked whether the shareholders had any questions or comments.

Mr Jerdsak Jerngklinchan, shareholder, asked whether the company has implementation plan to resolve the company's situation.

The Chairman stated that the company has been impacted mainly from the FTA between Thailand and China resulting in a decrease in import tax for air conditioner and refrigerator from 60 percent to 5 percent. As a result, local manufacturers could not produce air conditioner and refrigerator due to uncompetitive cost comparing to China. Moreover, there was import tax exemption for motor compressor from China from 30 percent to zero. Thus, manufacturers import directly from China because of lower price which affects the company's sales revenue. In order to solve this problem, the company has studied and reported to the government via the Ministry of Industrial, Ministry

of Finance, Ministry of Commerce and all other related parties. There were several meeting with the government bodies but no conclusion until there's the situation of Coronavirus disease (COVID-19) outbreak. The company considered another type of motor compressor that can compete with China which is Bristol compressor. The company purchased production line and moved from the United States of America to Thailand as there are markets in the United States of America and Middle East region because Bristol compressor is reciprocating type which is durable and no other manufacturer produces the same product. In addition, the installation of the production is almost a 100 percent complete. The company is able to produce sample compressors and expect to officially commence within this year. This will help to recover the company's performance. Shareholders can be assured that the company is trying all possible ways in order to continually operate.

Mr Surath Pralongsil, Director/Executive Vice President (Finance) clarified further that the company's operating performance for Q1/2020 began to have the positive gross profit of Baht 62 million comparing to the first quarter of last year that had negative gross profit. The positive turnaround came from not only product portfolio adjustment to generate more profit but also cost reduction. The second quarter of this year is expected to continue a good trend. Shareholders' equity for Q1/2020 declined to Baht 565 million, short-term liabilities of Baht 4,485 million and long-term liabilities of Baht 1,293 million, the company has implementation plan to solve these problems as follows;

1 To execute business plan and performance improvement plan in order to generate more sale revenue and profit, increase production efficiency, reduce cost of production and operating expenses.

2 Bristol Project has already started product testing. Production is expected to commence in 2020. In the future, with the total capacity at 1,200,000 units, it will generate sales revenue at two folds, approximately. In addition, the Company has continuously participated exhibitions in the US in order to build up potential customers' confidence. Some of them had already visited the Company's Bristol production base in Thailand.

3 To work with financial institution in order to adjust financial and capital structure, increase liquidity and minimize financial cost of Kulthorn Group.

4 As the Company's shareholder's equity being less than 50% of paid-up capital, the Stock Exchange of Thailand posted C sign on KKC's securities. In order to solve this problem, the company reviewed the suitability and impacts from the change of Thai Accounting Standard No. 16 (Revised 2018), Property, Plant and Equipment in order to make the financial statements of the company reflects the fair value of land, land improvement, building and building improvement.

Mr Sutee Simakulthorn, Director explained further that half of the loss of last year's separate financial statements came from one time cut loss on subsidiaries which should no longer occur this year.

Mr Jerdsak Jerngklinchan, shareholder, asked further that Bristol compressor can be sold in Thailand or not.

The Chairman replied that some models of Bristol compressor can be sold in Thailand. Bristol compressor with higher capacity can be sold in the United States of America and Middle East market which Chinese manufacturers do not pay much attention as sales volume is not high.

Mr Titisak Simakulthorn, Director/Executive Vice President (Marketing) clarified further that before Bristol's shutting down, sales volume was about 600,000 units a year which divided into 300,000 units in the United States of America and 300,000 units in Middle East region. From the total production capacity of 1,200,000 a year, the Company plans to manufacture and sell to the United States of America and Middle East region. For Asian market, there is also existing market for air conditioner segment, but not commercial refrigeration which will be one of the new targeted market, as well as, the European market.



Mr Jerdsak Jerngklinchan, shareholder, asked further that after cutting loss on investment in subsidiaries, does the company still have burden/obligation with the subsidiary outside Thailand.

Mr Sutee Simakulthorn, Director explained that investment in Suzhou Kulthorn Magnet Wire Co., Ltd. (SKMC) in China has been set allowance for impairment loss on investments last year about Baht 300 million. Actually, SKMC has net loss about Baht 20-30 million each year but the auditor set allowance for the whole amount. In addition, SKMC still operates and manufactures copper wire and motor for compressor and sells to Kulthorn Kirby Public Company Limited. Currently, SKMC rarely has any obligation. If the company can sell SKMC, proceed from sale shall turn Kulthorn Kirby Public Company Limited's performance to be positive. In addition, in order to minimize the operating expenses of Kulthorn Metal Products Co., Ltd. (KMP), it had been sold to Kulthorn Steel Co., Ltd. and set allowance for impairment loss on investment. Currently, KMP does not operate and not have any transactions, thus, there should be no more allowance for impairment loss on investment which will be different from last year.

No other question from the meeting, the Chairman then requested for the resolution on this matter from the meeting.

The Company Secretary informed the meeting that at present, there were 17 shareholders and 34 proxies in total 51 persons present at the meeting, representing 1,138,952,268 shares.

The Meeting, after considering unanimously approved the company's financial statements for the year ended 31 December 2019 with the following votes :

Approved	1,138,952,268 votes,	equal to 100 %
Disapproved	– none –	
Abstained	– none –	
Void ballot	– none –	

Agenda 4 To consider approving the dividend omission for 2019's operational results

The Chairman assigned the Company Secretary to present the matter to the meeting.

The Company Secretary stated that the business operation in the year 2019 was affected from the fluctuated economic situation and the high competition resulted the company revenues from sales and the operation profit were lower than the target. Then in order to secure the liquidity for 2020's operations the dividend payment for 2019's operational results should be omitted.

After reporting, the Chairman proposed the meeting to approve the omission of dividend payment for 2019's operational results.

The Meeting, after considering unanimously approved the dividend omission for 2019's operational results with the following votes :

Approved	1,138,952,268 votes,	equal to 100 %
Disapproved	– none –	
Abstained	– none –	
Void ballot	– none –	



Agenda 5 To consider electing the directors to succeed those retired by rotation and fix their authority.

The Chairman assigned the Company Secretary to present the matter to the meeting.

The Company Secretary stated that according to the Board of Directors Meeting No. 2/2020 held on 2 March 2020 resolved to propose the meeting of shareholders to reduce the number of directors from 15 to 12 persons as Pol. Gen. Pateep Tanprasert and Mr Katiya Greigarn resigned before the expiration of the director's term of office and the Board of Director resolved not to elect the substitute directors and also as Mr Suraporn Simakulthorn informed by the end of this director's term of office will not accept the nomination as director. The Board of Directors excluding the retiring directors then agreed to propose to the meeting of shareholders to re-elect the remaining 4 retiring directors to succeed those retired by rotation.

The Board of Directors Meeting No. 5/2020 held on 12 June 2020 acknowledged the resignation of Mr Prasan Tanprasert who is one of the remaining 4 retiring directors. And that the Board of Directors agreed to propose the meeting of shareholders to reduce the number of directors to 11 persons and the Board of Directors excluding the retiring directors agreed to propose to the meeting of shareholders to re-elect the remaining 3 retiring directors to succeed those retired by rotation as follows:

1. Vice Admiral Naruedom Sa-ardyen Independent Director and Member of the Audit Committee
2. Mr Kanok Suriyasat Director
3. Mr Sutee Simakulthorn Director

The company has sent the history of the person who has been proposed to be the director of the company for the shareholders for considering in advance. And in this resolution, it is a vote to elect each director individually.

The Meeting, after considering elected directors by voting in an individual election, respectively, with the following votes

Directors	Approved		Disapproved		Abstain		Void ballot
	Votes	%	Votes	%	Votes	%	
1. Vice Admiral Naruedom Sa-ardyen	1,138,952,268	100	None	-	None	-	None
2. Mr Kanok Suriyasat	1,138,952,268	100	None	-	None	-	None
3. Mr Sutee Simakulthorn	1,138,952,268	100	None	-	None	-	None

After the meeting had elected 3 directors, the Company Secretary had announced the list of company's board of directors which consists of 11 persons as follows:

1. Mr Sumeth Simakulthorn
2. Mr Sutee Simakulthorn
3. Mr Titisak Simakulthorn
4. Mr Abhijit Simakulthorn
5. Mr Praphad Phodhivorakhun
6. Mr Surath Pralongsil
7. Mr Kanok Suriyasat
8. Mr Tawatchai Jaranakarun
9. Vice Admiral Naruedom Sa-ardyen
10. Mr Somlak Jiamtiranat
11. Mrs Benjawan Ratanaprayul

As Mr Tawatchai Jaranakarun, Vice Admiral Naruedom Sa-ardyen, Mr Somlak Jiamtiranat, and Mrs Benjawan Ratanaprayul, in total 4 persons are the independent directors.

The Company Secretary stated further that for the directors' authority the meeting of shareholders should fix their authority as follows: "Mr Sumeth Simakulthorn or Mr Sutee Simakulthorn or Mr Titisak Simakulthorn or Mr Abhijit Simakulthorn signs jointly with Mr Praphad Phodhivorakhun or Mr Surath Pralongsil or Mr Kanok Suriyasat, in total two persons and affix with the company's seal."



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The Meeting, after considering approved the company to fix the directors' authority with the following votes :

Approved	1,138,952,268	votes,	equal to 100 %
Disapproved	– none –		
Abstained	– none –		
Void ballot	– none –		

Agenda 6 To consider approving the remunerations to the directors

The Chairman assigned the Company Secretary to present the matter to the meeting.

The Company Secretary stated that in the year 2019 the meeting of shareholders approved the remunerations to the directors as follows:

1. To the company directors

Monthly fee, Chairman of the Board	Baht 30,000/month
Director (each)	Baht 15,000/each
Meeting allowance (each)	Baht 3,000/each attendance
Bonus /Incentive	None
Other privileges	None

2. To member of the Audit Committee

Monthly fee, Chairman of the Committee	Baht 15,000/month
Member (each)	Baht 10,000/month
Meeting allowance	None
Bonus /Incentive	None
Other privileges	None

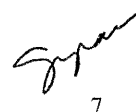
For the year of 2020 the company's Board of Directors resolved to propose the meeting of shareholder to approve the remunerations to the company directors and the member of the Audit Committee at the same rates of 2019. Due to the present situation of the company in business operating and financing, the Board of Directors therefore resolved not to receive any payment of remunerations to the company's directors and the member of the audit committee until the company's situation will be better, effective as from January 2020.

The resolution on this subject shall have a vote of not less than two-thirds of the total number of votes of the shareholders attending the meeting according to Section 90 of the Public Limited Companies Act B.E. 2535.

After reporting, the Chairman requested for the resolution on this matter from the meeting.

The Meeting, after considering unanimously approved the remunerations to the company's directors, the members of the audit committee as proposed with the following votes:

Approved	1,138,952,268	votes,	equal to 100 %
Disapproved	– none –		
Abstained	– none –		
Void ballot	– none –		



Agenda 7 To consider approving the appointment of auditors and fixing the auditing fee for the year 2020

The Chairman assigned the Company Secretary to present the matter to the meeting.

The Company Secretary stated that in the year 2020, the Board of Directors with the recommendation of the Audit Committee proposed auditors from EY Office Limited to be the company's auditors as follows:

Ms Siriwan Suratepin	Certified public accountant no. 4604 and/or
Mrs Sarinda Hirunprasurtwutti	Certified public accountant no. 4799 and/or
Mr Wichart Lokatekrawee	Certified public accountant no. 4451

Along with the company's annual auditing fee at Baht 1,470,000 and the reviewing fee for the first 3 quarters of interim financial statements in total amount of Baht 600,000 or Baht 200,000 each quarter, in total amount of Baht 2,070,000.

EY Office Limited and the proposed auditors are independent persons and have no any conflict of interest with the company / the executives / the major shareholders, or other related to those parties.

After reporting, the Chairman requested for the resolution on this matter form the meeting.

The Meeting, after considering unanimously appointed the company's auditors for the year 2020 and approved the annual auditing fee, the reviewing fee for the interim financial statements, altogether 3 quarters as proposed with the following votes:

Approved	1,138,952,268	votes,	equal to 100 %
Disapproved	- none -		
Abstained	- none -		
Void ballot	- none -		

Agenda 8 To consider other businesses


For this agenda the Chairman asked the shareholders if they had any question.

Mr Jersak Jerngklinchan, shareholder, asked that as the company does not pay dividend for several years due to loss from operation, is there any a way around to help shareholders.

The Chairman clarified that in the future if the company can do any favours to the shareholders that do not exceed the company's limit and comply with the laws, the company will definitely do. In addition, the company will dedicate and does every possible way to improve the company's performance.

Mr Sutee Simakulthorn, Director explained further that long-term liabilities of Baht 1,000 million that planned to be re-financed is discontinued as the situation of Coronavirus disease (COVID-19) epidemic. Bank of Thailand has announced a policy of extending short-term moratoriums, financial institutions have approved the moratorium for one year as the company requested. The condition of the short-term moratorium is much better than re-financing which involves higher interest and other related expenses. In addition, Bank of Thailand has announced to lower interest rate that is beneficial to the company. Thus, dividend payment should be paid after repaying to the loans to the financial institutions. However, assets without obligation will be leased in order to secure more working capital.

The proxy representative asked about the status of Kulthorn Metal Products Co., Ltd. after selling assets to Kulthorn Steel Co., Ltd.



Mr Sutee Simakulthorn, Director explained that Kulthorn Metal Products Co., Ltd. received tax privilege from Board of Investment (BOI) for forging and machining businesses. Formerly, KMP had loss about Baht 20 million a year out of sales revenue of Baht 200 million. To have more agile management, KMP had sold assets to Kulthorn Steel Co., Ltd. which loss carry forward are set as cumulative loss. Currently, the company's objectives of KMP, Ltd. have been amended in order to operate electrical generation business by installing solar rooftop on the buildings of the group and sell electricity to the group. KMP will apply for BOI's tax privileges which causes KMP to have steady revenue. Once KMP's performance turns positive, dividend payment will be paid to Kulthorn Kirby Public Company Limited.

There was no other business to be discussed.

The Chairman then declared the meeting closed.

The Meeting was closed at 11.10 hours.

Sumeth Simakulthorn

Signed

(Mr Sumeth Simakulthorn)

Chairman of the Board of Directors

Note: The minutes of the meeting in English version has been translated from those in Thai, thus only the minutes in Thai will be used as reference.

