

Translation

Kulthorn Kirby Public Company Limited
Minutes of the Ordinary Shareholders Meeting No. 43/2022
On 20 April 2022

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

Mr. Sutee 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 auditor present at the meeting which they are names as follows:

DIRECTORS in attendance

1. Mr. Sutee	Simakulthorn	Chairman of the board of director/ Acting Executive Vice President (Finance)
2. Mr. Tawatchai	Jaranakarun	Independent Director/Chairman of Audit Committee
3. Mrs. Benjawan	Ratanaprayul	Independent Director/Audit Committee
4. Mr. Somlak	Jamtiranat	Independent Director/Chairman of the Nomination and Remuneration Committee
5. Mr. Titisak	Simakulthorn	Director/President
6. Mr. Prasan	Tanprasert	Director
7. Mr. Kanok	Suriyasat	Director
8. Mr. Abhijit	Simakulthorn	Director
9. Mr. Prommarat	Simakulthorn	Director
10. Mr. Sutas	Simakulthorn	Director/Nomination and Remuneration Committee

In total 10 persons present at the meeting, representing 90.91 % of total number of directors.

THE EXECUTIVES in attendance

1. Mrs. Supanee	Chantasawat	Executive Vice President (Marketing)/ Company Secretary
2. Mr. Somchai	Chaiyasit	Acting Executive Vice President (Manufacturing)
3. Ms. Araya	Simakulthorn	Vice President (Administration)/ Acting Executive Vice President (Administration)/ Nomination and Remuneration Committee

AUDITORS in attendance

Auditors from EY Office Limited:

Ms. Natteera Pongpinitpinyo, Ms. Fasuay Wongwacharakarn and Mr. Warat Sirijirapatana



The Company Secretary then informed the meeting that there were 14 shareholders and 16 proxies, in total 30 persons present at the meeting, representing 964,087,827 shares or at 64.27% 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 shareholder has any question, please raise the question. As for the voting in each agenda, to counting votes from every ballot would be time consuming and he asked the Company Secretary to give detail on this matter.

The Company Secretary stated that in each agenda the Chairman would propose resolution for the meeting's approval. Any shareholder who disapprove with the chairman's proposal or abstain vote, could cast his/her vote and sign his/her name on the distributed ballot and raise his/her hand, so that the company's staff would collect his/her ballot and count 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 2022 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, submit the enquiries and name of the person to be elected as the company's director in advance since 1 October 2021 to 17 January 2022, notified and disclosed contact channels and period for proposing agenda and enquiries via SET and also provide details of the procedures on the company' website (www.kulthorn.com) and found that no shareholders proposed the matter for consideration as agenda, submit 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 10.00 hours

Agenda 1 To certify the Minutes of the Ordinary Shareholders Meeting No. 42/2021 held on 28 April 2021

The Chairman assigned the Company Secretary to propose the meeting to certify the minutes of the Ordinary Shareholders Meeting No. 42/2021 held on 28 April 2021 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 Meeting, after considering unanimously certified the minutes of the Ordinary Shareholders Meeting No. 42/2021 held on 28 April 2021 with the following votes:

Approved	964,087,827 votes,	equal to 100 %
Disapproved	– none –	
Abstained	– none –	
Void ballot	– none –	



Agenda 2 To acknowledge the report of the company's business operation for the year 2021

The Chairman proposed the meeting to acknowledge the company's results of business operations in 2021 and the Board of Directors' report, details as appeared in the 56-1 One Report 2021 which was sent to all shareholders for considering in advance.

The meeting acknowledged the report of the company's business operation for the year 2021.

Agenda 3 To consider approving the company's financial statements for the year ended 31 December 2021

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 2021 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 56-1 One Report 2021, 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	6,721.70	million
Total liabilities	Baht	6,220.08	million
Total shareholder's equity	Baht	501.62	million
Total revenues	Baht	6,714.36	million
Profit (loss) for the year	Baht	(521.32)	million
Basic earnings per share	Baht	(0.35)	

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

Total assets	Baht	6,076.16	million
Total liabilities	Baht	5,272.51	million
Total shareholder's equity	Baht	803.65	million
Total revenues	Baht	3,452.53	million
Profit (loss) for the year	Baht	(465.28)	million
Basic earnings per share	Baht	(0.31)	

After Company Secretary presented to the meeting, the Chairman then asked whether the shareholders had any questions or comments. It appeared that no question from the meeting, the Chairman then requested for resolution on this matter from the meeting.

The Meeting, after considering unanimously approved the company's financial statements for the year ended 31 December 2021 with the following votes:

Approved	964,087,827 votes, equal to 100 %
Disapproved	– none –
Abstained	– none –
Void ballot	– none –



Agenda 4 To consider approving the dividend omission for 2021'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 2021 was affected from the world fluctuated economic situation resulted the company revenues from sales and the operation profit were lower than the target. Then in order to secure the liquidity for 2022's operations the dividend payment for 2021's operational results should be omitted.

After reporting, the Chairman proposed the meeting to approve the omission of dividend payment for 2021's operational results.

The Meeting, after considering unanimously approved the dividend omission for 2021's operational results with the following votes:

Approved	964,087,827 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 in accordance with Clause 14 of the Articles of Association, at every ordinary shareholder meeting one-third of the directors shall retire from office and a director who retire from office may be re-elected.

This year one-third of all the 11 directors shall be 4 persons are as follows:

- | | | |
|------------------|--------------|--|
| 1. Mr. Tawatchai | Jaranakarun | Independent Director/Chairman of Audit Committee |
| 2. Mr. Titisak | Simakulthorn | Director/President |
| 3. Mr. Somlak | Jamtiranat | Independent Director/
Chairman of the Nomination and Remuneration Committee |
| 4. Mr. Sutas | Simakulthorn | Director/Nomination and Remuneration Committee |

The Board of Directors with the recommendation of the Nomination and Remuneration Committee proposed to re-elect all of the 4 retiring directors to succeed those retired by rotation.

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.

After reporting, the Chairman proposed the meeting vote to elect each director individually.

The Company Secretary informed the meeting that at present, there were 15 shareholders and 16 proxies in total 31 persons present at the meeting, representing 966,203,307 shares



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. Mr.Tawatchai Jaranakarun	966,203,307	100	None	-	None	-	None
2. Mr.Titisak Simakulthorn	966,203,307	100	None	-	None	-	None
3. Mr. Somlak Jiamtiranat	966,203,307	100	None	-	None	-	None
4. Mr. Sutas Simakulthorn	966,203,307	100	None	-	None	-	None

After the meeting had elected 4 directors, the Company Secretary had announced the list of company's board of directors which consists of 11 persons as follows:

- | | |
|--------------------------------|-------------------------------------|
| 1. Mr. Sutee Simakulthorn | 2. Mr. Titisak Simakulthorn |
| 3. Mr. Sutas Simakulthorn | 4. Mr. Abhijit Simakulthorn |
| 5. Mr. Prommarat Simakulthorn | 6. Mr. Kanok Suriyasat |
| 7. Mr. Prasan Tanprasert | 8. Mr. Tawatchai Jaranakarun |
| 9. Mr. Somlak Jiamtiranat | 10. Vice Admiral Naruedom Sa-ardyen |
| 11. Mrs. Benjawan Ratanaprayul | |

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

The Company Secretary stated further that as for the directors' authority the meeting of shareholders should fix their authority as follows: "Mr Sutee Simakulthorn or Mr Titisak Simakulthorn or Mr Sutas Simakulthorn or Mr. Abhijit Simakulthorn or Mr. Prommarat Simakulthorn or Mr. Kanok Suriyasat or Mr. Prasan Tanprasert signs together, in total two persons and affix with the company's seal."

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

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

Approved	966,203,307 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 for the year 2021 the meeting of shareholders approved the remunerations to the directors at the same rates of the previous year. For the year 2022 the company's Board of Directors with the recommendation of the Nomination and Remuneration Committee resolved to propose the meeting of shareholders to approve the remunerations to the directors also at the same rates of the previous year, details are as follows:



To the company's directors (11 persons)

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

To member of the Audit Committee (3 persons)

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 –

And as in 2022 the company's Board of Directors appointed the Nomination and Remuneration Committee in total of 4 persons and proposed the meeting of shareholders to approve the remunerations as follows:

To member of the Nomination and Remuneration Committee (4 persons)

Monthly fee, Chairman of the Committee	Baht 12,000/month
Member (each)	Baht 8,000/month
Meeting allowance	– None –
Bonus /Incentive	– None –
Other privileges	– None –

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 Company Secretary informed the meeting that at present, there were 16 shareholders and 16 proxies in total 32 persons present at the meeting, representing 1,001,974,085 shares

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

Approved	1,001,974,085 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 2022

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

The Company Secretary stated that in the year 2022, 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:

Mrs. Sarinda Hirunprasurtwutti	Certified public accountant no. 4799 and/or
Ms. Siriwan Suratepin	Certified public accountant no. 4604 and/or
Ms. Natteera Pongpinitpinyo	Certified public accountant no. 7362

Along with the company's annual auditing fee at Baht 1,640,000 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 2,240,000 which is the same rates as the previous year.

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 2022 and approved the annual auditing fee, the reviewing fee for the interim financial statements, altogether 3 quarters as proposed with the following votes:

Approved	1,001,974,085 votes, equal to 100 %
Disapproved	– none –
Abstained	– none –
Void ballot	– none –

Agenda 8 To consider other businesses

There were no suggestions for additional subjects, so the Chairman provided this opportunity for any questions and answers. There were some questions from the floor.

Mr. Klywan Katawanich, a shareholder, suggested that the ATK for the Covid-19 procedure should be announced in advance so the shareholder can prepare sufficient time to come before the meeting starts. Shareholders also recommended providing QR CODE to access the Company's annual report.

The Chairman acknowledged and indicated that the pandemic is a new measure that we have to practice our new normal, and will make sure to better handle the procedures for the next meeting.

Mr. Nara Sripatch, the representative from the Thai Investor Association, raised the issue of SET "C" sign for insufficient equity ratio. Does the Company consider any plans to raise the capital, or what is the solution to correct this continuous loss?

The Chairman said the Company has identified to shareholders regarding the solutions and processes that correct and reduce the continuous losses. For the past two years, the Company has conducted the appraisal valuation to update the equity ratio and passed the C remark. However, in 2021, the operation P/L for Q3 has gone down lower than 750 MB, so the Company is planning to conduct SALES AND LEASE BACK of our machine and equipment to regain the cash position that should help to solve C remarks.



Ms. Jannate Matarweewinit, a shareholder, asked if there was any interest from the public to purchase the asset to help resolve the C remark.

The Chairman responded that the Company assets such as the warehouse will be put on the market for lease, and land will be sold to any real estate investors. The Company already acquired service of a professional real estate agent firm to manage and market such a property.

Ms. Jannate Matarweewinit, a shareholder, questioned the increasing price for raw materials in this Q1, how did the Company handle this situation?

The Chairman responded that due to the unrest circumstance in Ukraine and Russia and the increasing cost of raw materials especially copper and steel shortage, the Company is searching for additional alternate sourcing along with a price structure increasing policy. The Company received many orders from customers, but the cash flow is prohibited us from fulfilling those orders. The Company must first select and choose to sell to the Grade A customers and also continue to make price adjustments according to the increase in raw material costs.

Mr. Surasit Pitisuwanarat, a shareholder, raised the question referring to the plan and solution to remove the C remark. Does the Company consider selling the subsidiary overseas to make up for the cash flow positioning?

The Chairman responded that The Company has only one overseas subsidiary which is SKMC, and there are some interests from outside investors. However, SKMC is currently at very minimal loss. It is only about 10 MB in loss, and does not contribute much to the Company's total loss. SKMC produced copper wire and motors for the Company and subsidiaries so we can keep our cost low. Our subsidiaries that performs well were seeking additional funding. Last year the Company has been provisioned from EXIM Bank and the repayment of 400 million baht on The Company syndicate loan has been postponed from now to March 2023.

Ms. Jannate Matarweewinit, a shareholder, raised the concerns over the Russia and Ukraine unrests that seems to be prolonged. Could this situation interfere with our sales and productions plan? What did The Company plan to handle this circumstance?

The Chairman replied that our production planning was working earnestly to match customer's orders with our current inventory. The Company is also trying to source locally in order to find cheaper and more reliable sources while informing the customers for the price increases. We want the shareholders to rest assured that from the sales standpoint we do not any issues since we have many sale orders. Additionally, our subsidiaries do not have the significant impacts to support the production of our compressor manufacturing.

Mr. Surasit Pitisuwanarat, a shareholder, indicated that the Bristol project is supposed to help with sales. Is there any problems with the Company sales forecast? What is the projection plan for this year?

The Chairman responded that the Bristol project has been coming along very well. The machine got installed and now we are producing the models that were on our priority list. If we need to increase the sales and additional models, we must install additional machines to handle those increasing demand. This project could require the additional operating cost of 1 billion baht. In the past, Bristol USA operated as the assembly productions by sourcing all of the components from suppliers. When we relocated Bristol's production line to Thailand, we have to resource the components from abroad plus additional cost of transportation. Some suppliers already stopped operating and some suppliers would not produce in small quantity. In order to produce at maximum capacity, we need 3 months of inventory which would require the additional working capital. Currently, Bristol compressors capacity is about 10,000 units per month.

The Director/President also added some comments that Bristol USA in 2018 had annual production around 600,000 units, and approximately 300,000 units went to the Middle East market.



Ms. Jannate Matarweewinit, a shareholder, raised the concern over the possibility to seek the outside investors. Did the Board of Director provide any advice to resolve the Company current situations?

Mr. Tawatchai Jaranakarun, Independent Director/Chairman of Audit Committee, replied that the Board of Directors is considering the action plan in case that we could not get support from our financial institutes. Those action plans are Sales and Leaseback and the short-term loan from major shareholders to support the cash flow.

The Chairman responded that there is the possibility that we could find outside investors to co-invest in the subsidiaries that maintain the good profits which we have several interests. For those subsidiaries that are not profitable, we are seeking co-investors as well. In the past few years, the Company had raised the capital of 300 million baht which the Company invested in the Bristol project. As a matter of fact, it will be quite difficult to further request additional funding. We will manage the financial operation with our best practice.

Mr. Surasit Pitisuwannarat, a shareholder, indicated the price of raw material has been increased drastically during the first half of the year. How will the Company handle this situation with customers?

The Chairman replied that our customers are mainly Japanese with a long-term relationship. Our sincere conductivity allowed us to have the confirmed price by the end of the year. However, in the past few years, the customers allow us to have the price adjustment regarding the raw material without any problems.

The Director/President added his comments that for those customers with long term relationship, the Company is able to re-negotiate and raise the price every quarter.

Mr. Suraporn Simakulthorn, a shareholder, suggested that the Company is in good standing at the moment, and should be able to continue this business. Financial management is an important task. Since the Company is listed in SET, we should consider increasing additional capital shares or getting a loan from our major shareholders to help with the operational cash flow.

There was no other business to be discussed. The Chairman then declared the meeting closed.

The Meeting was closed at 11.35 hours.

Sutee Simakulthorn

Signed

(Mr. Sutee 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.

