

Minutes of the 2019 Annual General Meeting of Shareholders

Ekarat Engineering Public Company Limited

Tuesday April 30, 2019

At Bu-Nga Room, Golden Tulip Sovereign Hotel, Bangkok

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The meeting started at 14.00 hrs.

Mr. Vichit Yamboonruang, Chairman of the Board of Directors, welcomed the shareholders, Proxies, Stock Exchange of Thailand's officers and stakeholders.

There were 6,320 shareholders with the right to attend the meeting on Friday 22nd March 2019, with a total number of 1,343,289,404 shares. At the moment, there were a total of 82 persons attended the meeting, with totaling 559,830,616 shares, accounted for 41.6761% of the total paid-up capital, which reach the meeting's quorum in accordance with the Company's regulations. The 82 attended meeting participants included 42 shareholders attended the meeting in person, with a total of 44,542,282 shares, and 40 shareholders by proxy with a total of 515,288,334 shares. The 2019 Annual General Meeting of Shareholders began. The invitation letters for the meeting was already published on the Company's website on 29th March 2019.

Before the meeting, the Chairman introduced the attended Board of Directors about:

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|------------------------------|---|
| 1. Mr. Vichit Yamboonruang | Independent director
Chairman of the Board of Directors |
| 2. Mr. Vinai Vittavasarnvej | Independent director
Chairman of Audit Committee |
| 3. Mr. Pitak Chaicharoen | Independent director
Audit Committee
Chairman of Nomination and Remuneration Committee |
| 4. Mr. Wara Tongprasin | Independent directors
Audit Committee |
| 5. Ms. Urawee Kanokpruk | Director
Nomination and Remuneration Committee |
| 6. Mr. Wiwat Sangtian | Director |
| 7. Mr. Danucha Noichaiboon | Director
Chairman of Risk Management Committee
Nomination and Remuneration Committee
and Managing Director |
| 8. Mr. Anan Santichewasatian | Director
Risk Management Committee
and Chief Financial Officer |

9. Mrs. Daranee Kantamara

Director

and Deputy Managing Director of General Administration

In this meeting, Mr. Chatree Siriphanichakorn, Nomination Committee, leaved the meeting, so there were 9 directors of 10 directors, accounted for 90%, attended the meeting.

Before the meeting, Mr. Danucha Noichaiboon, Managing Director, was invited to further introduce rules and regulations. The Managing Director introduced

1. Mr. Niti Yimyan, legal advisor from Thepniti Law Office to check the vote count.
2. Ms. Yupin Chumjai, Certified Public Accountant from SP Audit Company Limited.

The rules of the today meeting would be considered according to the agenda stated in the invitation letter respectively. The shareholders were allowed to ask questions before finish the voting for each agenda by identify yourself and status of either Shareholders or Proxy before asking and discussing on the content according to that agenda.

Voting Method

- Voting by 1 share for 1 vote.
- Election for directors by shareholders voting for directors individually. The voting cards for the election of all 3 directors would be collected at the same time by staffs.
- In case when shareholders or proxies disapprove or abstain the vote, would be filled in the disapprove / abstain boxes in the voting card. The voting cards would be sent to staff. If the shareholders / proxies did not submit voting cards to the company's staff, it will be considered that you agree with the agenda.
- In case of unclear vote markings or amendments in the voting cards without signatures, the cards would be considered as voided voting ballots.
- For vote counting, the staff would count only disapproval, abstention and voided ballot, and then deducted from the total number of votes of the shareholders attended in the meeting. Thus, the remaining votes were the agreement of the agenda, which would be announced as soon as the vote is completed.

Then, the Managing Director invited the Chairman to lead the meeting as according to the agenda.

Agenda 1 To consider and adopt the Minutes of the 2018 Annual General Meeting of Shareholders, held on April 30, 2018.

The Chairman requested the meeting to consider approving the Minutes of the 2018 Annual General Meeting of Shareholders on 30th April 2018, which the Board of Directors certified that the minute was recorded correctly by preparing the meeting minutes, publishing it on the Company's website and sending the meeting minutes to the shareholders in advance, while requesting the meeting to consider approving the mentioned minutes.

The Chairman then allowed the shareholders to ask questions and share their opinions.

When there was no further questions or comments from the shareholders, the Chairman asked the meeting to resolve the voting card for those who disapprove and abstain.

Meeting resolution: With the votes of shareholders attended the meeting with the right to vote and certify the Minutes of the 2018 Annual General Meeting of Shareholders on 30th April 2018, the meeting resolution was unanimously as follows:

Approved	559,931,616	votes, equivalent to	100.0000 %
Disapproved	00	votes, equivalent to	0.0000 %
Abstained	00	votes, equivalent to	0.0000 %
Voided Ballot	00	votes, equivalent to	0.0000 %

Agenda 2 To consider the Company's performance and approve the financial statement and the auditor's report for the year ended December 31, 2018.

The Chairman invited the Managing Director to report the Company Performance with details.

The Managing Director presented the Company Performance on the screen clarifying to the shareholders by reporting the comparison of Company's Performance between 2018 and 2017, which was summarized as follows.

	<u>2018</u>	<u>2017</u>
<u>Operation Performance (Million Baht)</u>		
- Revenue from sales of goods	1,113.97	1,398.98
- Revenue from services and maintenance	197.86	193.63
- Revenue from installation of solar electric generating system	107.06	41.36
- Revenue from sales of electricity current	45.30	47.42
- Other Revenue	28.39	54.98
- Total Revenue	1,492.60	1,736.37
- Gross Profit	272.43	329.08
- Net Profit	(276.47)	50.87

Managing Director explained about the decrease in revenue as a cause when the transformer, which is the main product, cannot compete with other companies due to a very low bid price, resulting in about 20% decreased sales from government sector. Meanwhile, the private sector still had the same amount of sales as the previous year. There was also a decrease in other revenue, resulting in lower gross profit with the net loss of 276.47 Million Baht. The cause was due to the impairment of factory assets in Rayong. If not including the impairment of assets, the company gained a profit from the Company performance of approximately 4.12 Million Baht.

In regard to the impairment, Mr. Anan, CFO, was invited to clarify the information. The CFO summarized 3 main factors in asset impairment as follows:

1. Due to the price competition by dumping price of China made Solar cells price down, the solar cells produced in Thailand could not compete with the price. Since there was no set of tariffs to discourage products from China, like in Europe or America, so the product produced in the country had higher production cost compared to the finished product imported from China. As a result, the production could not compete on the price term, causing the reduction in production capacity.

2. The factory in Rayong had been constructed since 2004, and the machinery and production equipment needed to be repaired. Also, with the rapid change of current technology, the improvement would require a very high budget. Therefore, the production had to be stopped.

3. From the new accounting standard system for asset impairment, the assessment of all used assets was required to be assessed by the assessor who is registered with the Stock Exchange of Thailand. The result of the assessment showed that the asset impaired approximately 346 Million Baht.

Due to these factors, there was a very high asset impairment, which impacted the Company with a loss of 276 Million Baht. For the solution, the Company's Board of Directors had an opinion to sell the assets, including factory and land, in order to cut further cost. All of these were the impairment of assets to be shared to the shareholders.

Then, Managing Director shared financial information to the meeting.

	<u>2018</u>	<u>2017</u>
<u>Financial Position</u>		
- Total Assets (Million Baht)	1,609.05	2,001.70
- Total Liabilities (Million Baht)	730.89	806.78
- Shareholders' Equity (Million Baht)	878.15	1,194.92
- Par value per share (Baht)	0.80	0.80
- Earnings per share (Baht)	(0.206)	0.038
- Book value per share (Baht)	0.66	0.89
- Paid-in capital (Million Baht)	1,074.63	1,074.63
<u>Financial Ratio</u>		
- Gross Profit Margin (%)	19.35	20.20
- Operating Expenses to Total Revenue Ratio (%)	18.40	16.75
- Net Profit Margin (%)	(18.52)	2.93
- Return on Asset (%)	(17.86)	4.53
- Return on Equity (%)	(26.67)	4.29
- Debt to Equity Ratio (times)	0.83	0.68

All was important financial information, and was summarized to shareholders.

Other important operations in the last year included;

1. The Company has signed a contract for the construction of a Solar Rooftop (EPC) with Toyota Motor Thailand Co.,Ltd., with a size of 2.6 megawatts, worth about 100 Million Baht, which was completed in 2018, and already started operating by the client.

2. The Company invested in the construction of a solar power plant (additional) on the roof of the factory in Bang Pakong sized 417 kilowatts. The investment value was approximately 19 Million Baht. The project took 2 years for construction for a size of 777 kilowatts with a total construction value of 36 Million Baht. The project could save electricity cost for 4.2 Million Baht per year. The investment was supported by BOI as follows;

- 50% of the investment could be used to deduct from corporate income tax that must be paid within 3 years.
- Being able to save the electricity cost about 10% per year.
- The investment could be used to deduct depreciation for 20 years.

- Being able to pay back within 4 years.

3. The Company was certified green label project certification standards for 8 items from Thailand Business Council for Sustainable Development (TBCSD), in order to participate in the government auction in 2019. The auction criteria has changed from the lowest price to use the Price Performance as the criteria, which was 40% price criteria and 60% quality criteria. The green label project was for environmentally safe product that reduces electricity costs, so the green label transformer had better quality than normal transformer.

4. The Company had continuously developed CSR projects. Most of the projects was about supporting the budget for education and children's day activities for many schools, as well as supporting the budget for building electrical systems in schools in Nakhon Pathom.

5. The Company had reviewed the policy on Anti-Corruption and organized training to educate employees.

The Company performance report had been shown in the 2018 Annual Report, which had already been submitted to the shareholders. Shareholders please ask your question.

Mr. Thitipong Sophonudomporn, shareholder

From the case of 300 Million Baht asset impairment, many years ago, during the major liabilities restructure, the Company informed that to sell this part of the property. Over years, it had not yet been sold. I would like to ask, for this time, if the Company really sell the asset, will this impairment occur again or not? Also, selling only machines or the whole factory? Because, in the past, it was hard to sell when the production is not worth it, so no one would probably want it. In terms of assessment, perhaps it was not able to evaluate the price. I would like to ask, if the asset could not be evaluated, what is the value of the machinery and factory? When there was a sale opportunity, you would know how much is the impaired cost you have to pay.

The Chairman explained that the shareholders would understand about the Disruptive Technology. This is what happened when this kind of production seemed to be good and very effective at first, but when new Technologies were introduced, the technology was changing fast, so this was the problem. In the past, there have been attempts to sell the asset. There were people who interested from both inside and outside the country. However, when buyers actually see and think about updating new technologies, the investment would not be worth the upgrade. Therefore, with all the attempts to sell, there had not yet been any agreement. The committee discussed that if there is a new technology, will the operation continue or be sold to auction? If the asset could be sold with good price, there would be a return to the shareholders. In conclusion, the mentioned asset, both the factory and land, would be sold. Any progress would be updated to you.

When there was no shareholder asking any question or giving comment, the Chairman requested the meeting to vote by voting in the voting card, only for those who disapprove and abstain.

Meeting resolution: The meeting unanimously resolved with the votes of shareholders attended the meeting with the right to vote. The Company's performance results report was acknowledged, and the audited financial statements of the auditor for the year ended on 31st December 2018. The resolution results were as follows:

Approved	559,949,610	votes, equivalent to	100.0000 %
Disapproved	00	votes, equivalent to	0.0000 %

Abstained	00	votes, equivalent to	0.0000 %
Voided Ballot	00	votes, equivalent to	0.0000 %

Agenda 3 To consider and approve the suspension of dividend payment in respect of the Company's business operations for the year 2018

The Chairman stated that according to Section 115 of the Public Limited Companies Act in 1992 and Clause 56 of the Articles of Association stating that no dividend shall be paid from other types of money other than profit. Therefore, in case when the Company still has accumulated losses, no dividend shall be paid. In 2018, the Company had accumulated losses of 221.66 Million Baht, so the Board of Directors considered and agreed on this term, and proposed the shareholders' meeting to approve the omission of dividend payment for the 2018 Company Performance.

Mr. Thitipong Sophonudomporn, shareholder,

This agenda had no problem at all. However, from the case of asset impairment, causing the accumulated losses of over 200 Million Baht for many years, this would take many years to solve the balance until the dividend can be paid. I would like to ask that for the next years, will this be warrant instead?

The Chairman clarified that the Company had considered the interests of minor shareholders for sure. If it was possible, we would try to make that happen. It was believed that the loss of over 200 Million Baht will not take too long time to be solved.

When there was no shareholder asking any question or giving comment, the Chairman requested the meeting to vote by voting in the voting card, only for those who disapprove and abstain.

Meeting resolution: The meeting unanimously resolved with the votes of shareholders attended the meeting with the right to vote for the approval for the omission of dividend payment for the 2018 Company Performance. The resolution results were as follows.

Approved	560,049,610	votes, equivalent to	100.0000 %
Disapproved	00	votes, equivalent to	0.0000 %
Abstained	00	votes, equivalent to	0.0000 %
Voided Ballot	00	votes, equivalent to	0.0000 %

Agenda 4 To consider and elect the directors to replace the directors who will retire by rotation for year 2019

The Chairman invited Mr. Pitak Chaicharoen, Chairman of Nomination and Remuneration Committee to serve in the Chairman place by all interested committee had left the meeting room, in order to comply with good corporate governance principles.

According to Section 71 of the Public Limited Companies Act in 1992 and Clause 22 of the Articles of Association, the Chairman of the Nomination and Remuneration Committee informed the meeting that, every annual general meeting of shareholders, one-third of the total number of committee shall be removed from the position. If the number of committee could not be divided into exactly three parts, just considered by the closet number of the one-third of the total number of committee. Directors who retired by this term might be re-elected again.

There were 3 directors who completed the position term in 2019, including

1. Mr. Vichit Yamboonruang

2. Mr. Danucha Noichaiboon
3. Mr. Chatri Siripanichakorn

The Company allowed shareholders to propose persons for the committee election in advance from 1st – 31st December 2018, and appeared that no shareholder proposed any suitable person to be selected as committee.

The Nomination and Remuneration Committee, excluded interested committee, considered that the three committee were knowledgeable and qualified as according to the criteria of SEC in all respects. Therefore, the Board of Directors should nominate the suitable persons to the shareholders' meeting to consider the election of committee who were retired by position term to hold the position for another term.

When there was no shareholder asking any question or giving comment, the Chairman requested the meeting to vote by voting in the voting card, only for those who disapprove and abstain.

Meeting resolution: The meeting unanimously resolved with the votes of shareholders attended the meeting with the right to vote to approve the appointment of 3 committees to be re-elected as the Company's committee for another term. The resolution results were as follows:

1. Mr. Vichit Yamboonruang

Approved	558,642,300	votes, equivalent to	100.0000 %
Disapproved	00	votes, equivalent to	0.0000 %
Abstained	00	votes, equivalent to	0.0000 %
Voided Ballot	00	votes, equivalent to	0.0000 %

2. Mr. Danucha Noichaiboon

Approved	560,049,610	votes, equivalent to	100.0000 %
Disapproved	00	votes, equivalent to	0.0000 %
Abstained	00	votes, equivalent to	0.0000 %
Voided Ballot	00	votes, equivalent to	0.0000 %

3. Mr. Chatri Siripanichakorn

Approved	560,049,610	votes, equivalent to	100.0000 %
Disapproved	00	votes, equivalent to	0.0000 %
Abstained	00	votes, equivalent to	0.0000 %
Voided Ballot	00	votes, equivalent to	0.0000 %

Agenda 5 To consider and approve the remuneration of Directors for the year 2019

The Chairman invited Mr. Pitak Chaicharoen, Chairman of the Nomination and Remuneration Committee, to clarify the agenda to the meeting.

The Chairman of the Nomination and Remuneration Committee stated that the Nominating Committee had been assigned to consider the remuneration of committee, and proposed to the Board of Directors. It was agreed to approve the committee's remuneration, including meeting fees for committee and sub-group committee and annual reward within 6,000,000 Baht as equal as the rate of previous year since 2013, according to the details informed to the shareholders.

When there was no shareholder asking any question or giving comment, the Chairman requested the meeting to vote by voting in the voting card, only for those who disapprove and abstain.

Meeting resolution: The meeting unanimously resolved with the votes of shareholders attended the meeting with the right to vote to approve the committee's remuneration in 2019 with a total amount not exceeding 6,000,000 Baht (Six Million Baht). The resolution results were as follows:

Approved	560,050,810	votes, equivalent to	100.0000 %
Disapproved	00	votes, equivalent to	0.0000 %
Abstained	00	votes, equivalent to	0.0000 %
Voided Ballot	00	votes, equivalent to	0.0000 %

Agenda 6 To approve the appointment and remuneration of the Company's Auditor for year 2019

The Chairman invited Mr. Vinai Witawaskaravech, Chairman of Audit Committee, to clarify to the agenda to the meeting.

The Chairman of Audit Committee informed the meeting that the Audit Committee had considered selecting 4 auditors from accounting offices by considering qualifications, including reputation of the audit office, performance as an auditor, readiness of the personnel, audit fees and other service fees. The Audit Committee had considered changing the audit office from the original one, and selected ANS Audit Company Limited as the Company's auditor in 2019 and nominated the auditor from ANS Audit Co., Ltd. as follows:

1. Mr.Atipong Atipongsakul	CPA License No. 3500
2. Mr.Vichai Ruchitanont	CPA License No. 4054
3. Mr.Sathien Vongsnan	CPA License No. 3495
4. Ms. Kultida Pasurakul	CPA License No. 5946
5. Mr.Yuttapong Chuamuangpan	CPA License No. 9445

The audit fee of the Company and subsidiaries in 2019 was determined as the amount of 1,800,000.00 baht (One million eight hundred thousand baht).

When there was no shareholder asking any question or giving comment, the Chairman requested the meeting to vote by voting in the voting card, only for those who disapprove and abstain.

Meeting resolution: The meeting unanimously resolved with the votes of shareholders attended the meeting with the right to vote to approve for the appointment of ANS Audit Co., Ltd. as the Company's auditor, and the determination of the audit fee in 2019 within the total amount of 1,800,000.00 Baht (One Million Eight Hundred Thousand Baht). The resolution results were as follows:

Approved	560,050,810	votes, equivalent to	100.0000%
Disapproved	00	votes, equivalent to	0.0000 %
Abstained	00	votes, equivalent to	0.0000 %
Voided Ballot	00	votes, equivalent to	0.0000 %

Agenda 7 To consider and approve the issuance and allocation of the right offering of the Company's Warrants No.1 (AKR-W1)

The Chairman informed the meeting that in order to raise funds without applying a loan, the Board of Directors resolved to propose the shareholders' meeting to approve the issuance of Warrants to purchase ordinary shares of Ekarat Engineering Public Company Limited No.1 (AKR-W1) within the amount of 671,644,702 units. The obtained funds from use of warrants were aimed to be used as working revolving funds for the Company's business expansion and investment in new upcoming projects, which had the opportunity to increase the Company's revenue. In return, the Board of Directors wanted to give back to shareholders who have been confidence in the Company for a long time by allocating the warrants for the existing shareholders in proportion to their shareholding (Right Offering) without charging, in the ratio, where 2 ordinary shares per 1 warrant (2:1). In addition, the price for using the warrants right was equal to 1.00 Baht per 1 share. The warrants were valid for 2 years from the date of issuance of warrants.

The Board of Directors, Managing Director or the authorized person assigned by the Managing Director, was required to determine the rules, conditions and other details of the warrants, including the allocation of warrants, negotiations and agreements, signing of relevant documents and contracts, various actions that are necessary or relevant to the warrants, the issuance and offering of warrants in this session, which included the registration as securities on the Stock Exchange of Thailand by using the Company's warrants and ordinary shares, as well as requesting permission from relevant agencies.

When there was no shareholder asking any question or giving comment, the Chairman requested the meeting to vote by voting in the voting card, only for those who disapprove and abstain.

Meeting resolution: The meeting unanimously resolved with the votes of shareholders attended the meeting with the right to vote to approve for the issuance of Warrants to purchase ordinary shares of Ekarat Engineering Public Company Limited No.1 (AKR-W1) within the amount of 671,644,702 units, according to the presented details. The resolution results were as follows:

Approved	560,050,810	votes, equivalent to	100.0000 %
Disapproved	00	votes, equivalent to	0.0000 %
Abstained	00	votes, equivalent to	0.0000 %
Voided Ballot	00	votes, equivalent to	0.0000 %

Agenda 8 To consider and approve the increase of the Company's registered capital

According to Agenda 7, the issuance of Warrants to purchase newly issued ordinary shares of Ekarat Engineering Public Company Limited No.1 (AKR-W1), the Chairman informed that the Board of Directors agreed to propose the shareholders' meeting to consider and approve the increase of the registered capital of the Company from the original registered capital of 1,074,631,523.20 Baht to the new registered capital of 1,611,947,284.80 Baht by issuing 671,644,702 new ordinary shares at a par value of 0.80 Baht per share, in order to reserve for the exercise of Warrants to purchase ordinary shares of the Company.

When there was no shareholder asking any question or giving comment, the Chairman requested the meeting to vote by voting in the voting card, only for those who disapprove and abstain.

Meeting resolution: The meeting unanimously resolved with the votes of shareholders attended the meeting with the right to vote to approve the increase of the Company's registered capital as according to the presented details. The resolution results were as follows:

Approved	560,050,810	votes, equivalent to	100.0000 %
Disapproved	00	votes, equivalent to	0.0000 %
Abstained	00	votes, equivalent to	0.0000 %
Voided Ballot	00	votes, equivalent to	0.0000 %

Agenda 9 To consider and approve the amendment to Clause 4 of the Company's Memorandum of Association regarding the registered capital to reflect the increase of the Company's registered capital.

In order to comply with the increase of the Company's registered capital in Agenda 8, the Chairman informed that the Board of Directors agreed to propose the shareholders' meeting to consider and approve the amendment in Clause 4 of the Memorandum of Association by cancelled the old statement and using the following statement:

" Clause 4, Registered capital of 1,611,947,284.80 Baht (One thousand six hundred and eleven million nine hundred forty-seven thousand two hundred and eighty-four Baht eighty stang)

Divided into 2,014,934,106 shares (Two thousand and fourteen million nine hundred and thirty-four thousand one hundred and six shares)

With par value of 0.80 Baht (Eighty stang)

Divided into:

Ordinary shares 2,014,934,106 shares (Two thousand and fourteen million nine hundred and thirty-four thousand one hundred and six shares)

Preference shares - shares (None)

The Board of Directors, Managing Director or the authorized person assigned by the Managing Director were assigned to take any necessary action relating to the amendment in the Memorandum of Association, including any amendments recommended by the Registrar of Ministry of Commerce and/or any other involved government agencies.

When there was no shareholder asking any question or giving comment, the Chairman requested the meeting to vote by voting in the voting card, only for those who disapprove and abstain.

Meeting resolution: The meeting unanimously resolved with the votes of shareholders attended the meeting with the right to vote to approve for the amendment in Clause 4 of the Memorandum of Association, in order to be consistent with the increase of the Company's registered capital as according to the presented details. The resolution results were as follows:

Approved	560,050,810	votes, equivalent to	100.0000 %
Disapproved	00	votes, equivalent to	0.0000 %
Abstained	00	votes, equivalent to	0.0000 %
Voided Ballot	00	votes, equivalent to	0.0000 %

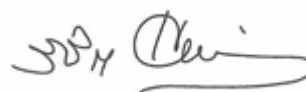
3. Inventory of the transformer business, according to the company size of 400 Million Baht, was suitable. However, there would be some years that the inventory reach to as high as 500 Million Baht due to the need to prepare product for the government auction.

In terms of the inventory, the academic analysis of the statements should be less than this to be suitable.

No more questions from shareholders.

The Chairman thanked the shareholders, authorized shareholders and all stakeholders for attend the meeting, and finished the meeting.

The meeting was adjourned at 15.20 hrs.



(Mr. Vichit Yamboonrueng)

Chairman of the meeting



(Mr. Danucha Noichaiboon)

Managing Director