

Translation

Minutes of the 2023 Annual General Meeting of Shareholders

Kang Yong Electric Public Company Limited

Wednesday 26th July 2023 at 02:00 p.m.

via electronic media according to the Emergency Decree on Electronic Meeting B.E.2563

The meeting system and broadcast live were at Kang Yong Electric Public Company Limited, located at No.67 Moo 11, Debaratna Road Km. 20, Banchalong, Bangplee, Samutprakarn 10540.

Meeting called to order: 02:00 p.m.

Preliminary proceedings:

Ms. Yanisa Phankasem, Meeting Secretary, informed the meeting that as at the record date of 30 June 2023 determined by the board of directors, there are totaling 2,260 shareholders, representing a total of 19,800,000 shares. On the meeting day, there were 11 shareholders attending the meeting in person, representing 1,275,588 shares, and 23 attending the meeting by proxy, representing 13,821,366 shares, making up a total of 34 shareholders and proxies attending the meeting, holding an aggregate of 15,096,954 shares or 76.2472%. The meeting was constituted a quorum according to the Company regulation.

Directors attending the meeting

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|----|---------------|----------------|--|
| 1. | Mr. Keiji | Oya | Vice Chairman of the Board of Directors /
Vice Chairman of the Board of Executive Directors /
Member of the Nomination and Remuneration
Committee / Member of the Product Pricing Committee |
| 2. | Mr. Yasuhito | Negishi | Director / Executive Director /
Member of the Product Pricing Committee |
| 3. | Mr. Chayanind | Phodhivorakhun | Director / Executive Director |
| 4. | Mr. Hitoshi | Maruyama | Director |

Directors attending the meeting via electronic media

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|----|--------------------------|----------------|---|
| 1. | Mr. Praphad | Phodhivorakhun | Chairman of the Board of Directors /
Chairman of the Board of Executive Directors /
Member of the Nomination and Remuneration committee |
| 2. | Mr. Arthakrit | Visudtibhan | Independent Director / Chairman of the Audit Committee /
Member of the Product Pricing Committee |
| 3. | Mr. Manu | Leopairote | Independent Director / Chairman of the Nomination
and Remuneration Committee / Member of the
Product Pricing Committee |
| 4. | Pol. Maj. Gen. Sahaschai | Indrasukhsri | Independent Director / Chairman of the Product Pricing
Committee / Member of the Audit Committee |
| 5. | Mr. Pumipat | Sinacharoen | Independent Director / Member of the Nomination
and Remuneration Committee |

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|----|--------------|--------------|----------|
| 6. | Mr. Kunihiko | Seki | Director |
| 7. | Mr. Praphon | Potivorakhun | Director |

Directors absent from the meeting

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|----|-------------|---------------|--|
| 1. | Dr. Apichai | Boontherawara | Independent Director / Member of the Audit Committee / Member of the Nomination and Remuneration Committee |
| 2. | Mr. Osamu | Sugimoto | Director |
| 3. | Mr. Tatsuo | Ono | Director |

Remarks: Out of 14 directors, 11 attended the meeting, 3 absent, representing 78.57% of the board.

Management members attending the meeting

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|----|--------------|----------------|--|
| 1. | Mr. Aniwat | Sae-Lim | Finance Department Manager / Corporate Secretary |
| 2. | Mr. Naohiro | Muta | Finance Department Deputy Manager |
| 3. | Ms. Siriporn | Jullavateelert | General Accounting Section Manager |

Meeting Secretary

Ms. Yanisa	Phankasem	Corporate Strategic Planning Office
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Auditors from KPMG Phoomchai Audit Ltd.

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|----|-------------------|-----------|-----------------------------|
| 1. | Ms. Sophit | Prompol | Certified Public Accountant |
| 2. | Ms. Preeyanuntana | Anomasiri | Audit and Assurance Manager |

Independent Financial Adviser from Silom Advisory Company Limited

Mr. Nuttawat	Kittiakarasatien	Senior Financial Advisor
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Executive in charge of vote count examination

Mr. Pensak	Plavuthithothai	Internal Audit Control Office Department Manager
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KYE Legal advisor

Mr. Prachak	Dokphut
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Translator

Ms. Pannee	Mannil
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Shareholder right protection volunteer a proxy of the Thai Investors Association

Ms. Punsri	Karnchareonkoonwong
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The Meeting Secretary clarified the meeting procedure and counting the quorum via electronic media or E-AGM. The meeting proceedings will proceed according to the agendas specified in the meeting invitation. In casting votes, each shareholder shall be entitled to one share for one vote. There's no ballot for voting as this year is E-AGM. To vote, shareholders shall go to the E-Voting tab to vote in each agenda within the specified time (1 minute), then press OK to confirm the vote. If shareholders wish to change their vote, it can be done by voting the new score again. If the agenda has been closed for voting, shareholders will not be able to vote or change the vote any further. Shareholders who attend via mobile phone or tablet shall switch from App Zoom (the live meeting broadcast) back to App Chrome to vote in the E-Voting window. Once you've voted, please return to App Zoom to continue watching the live meeting broadcast. The system will collect voting scores by counting the total votes from E-Voting and advance votes via proxy.

The shareholders who wish to have questions shall use the chat function; the staff will read the questions to the meeting.

The Meeting Secretary then invited Mr. Keiji Oya, Vice Chairman of the Board of Directors, to be a chairman of the meeting to conduct the meeting according to the invitation to the 2023 Annual General Meeting of Shareholders (AGM) set forth as follows:

Agenda No. 1 To acknowledge the Board of Directors' report on operational results for the fiscal year 2022

The Chairman of the meeting informed the meeting that, according to the Company's Articles of Association, the Board of Directors had prepared the Annual Report 2022 in QR code by Thailand Securities Depository Company Limited (TSD). TSD developed the system for the listed Company to deliver the invitation to the Annual General Meeting of Shareholders and the annual report in the pattern of the electronic file as the QR code.

The Chairman of the meeting presented a summary report on the Company's performance in the fiscal year 2022 ended 31 March 2023, via PowerPoint presentation to the shareholders as follows:

- ❖ The Company's financial and operational highlights for the fiscal year 2022 as compared with a year earlier (ended 31 March 2022 and 2023):
 - The revenue from the sale of goods and rendering of services in the fiscal year 2021 was 7,898 MB compared to the fiscal year 2022, which was 8,399 MB. It increased by 501 MB, or 6%, due to the decrease in COVID-19 infections worldwide, the relaxation of countermeasures, and the progress of the market recovery.
 - The total revenues were 8,484 MB in 2021 and 8,765 MB in 2022. Sales increased by 501 MB; however, total revenues increased only by 281 MB, or 3%, from the previous year due to fewer foreign exchange gains and lower investment income.
 - The net profit was 160 MB in 2022, which decreased 177 MB, or 53%, compared to the fiscal year 2021, which was 337 MB, as the Company endured more costs and expenses from the parts and material and energy price soaring situation.
- ❖ Comparison of the sales revenue and net profit for five years; New products with high added value and efficient spending led the Company to gain more profit year by year. In 2022, sales increased due to the decrease in COVID-19 infections, the relaxation of countermeasures, and the progress of the market recovery. However, the parts and raw materials prices soared, and unfavourable exchange rates continued in recent years; therefore, the profit for the fiscal year 2022 became 160 MB or 1.9% of sales.
- ❖ The sales proportion by products: the sales ratio of water pumps increased in FY2022.
- ❖ The sales proportion by market comprises: the ratio of the Thai market increased due to the sales expansion of the water pump.
- ❖ An analysis of the net profit variation for 2021 versus 2022 has shown a net profit decrease of 177 MB from 337 MB in 2021 to 160 MB in 2022, with analytical details below:
 - Profit decreased by 487 MB from the parts and materials price soaring.

- Profit decreased by 201 MB from the reduction of dividend receipt.
- Profit decreased by 19 MB from the unfavourable exchange rate.
- Product price adjustment and sales expansion of profitable products increased the profit by 498 MB.
- The effectiveness of expense controlling increased the profit by 32 MB.

The Chairman of the meeting informed the meeting that votes shall not determine this agenda since it was only a report for shareholders' acknowledgement.

Resolution: The meeting acknowledged the Company's report on operational results for the fiscal year 2022.

Agenda No. 2 To consider and approve the annual financial statements 2022 ended 31 March 2023

The Chairman of the meeting informed the meeting that, to comply with the Company's Articles of Association, the Board must prepare balance sheets and income statements as of the end of its fiscal years and duly audited by the auditor to the AGM for consideration and approval. The Board deemed it expedient to propose for the shareholders' consideration and approval the Company's financial reports for the fiscal year 2022 ended 31 March 2023 duly audited by the auditor and reviewed by the Audit Committee. The Chairman of the meeting then provided the information of the financial statement as of 31 March 2023 to the meeting, which appeared in the Annual Report 2022 in the statement of financial position.

Statement of financial position

- Total Assets were 9,645 MB, decreased by 608 MB or 6% as the Company reduced the bank deposits, account receivables, and cash.
- Other Non-current financial assets decreased by 132 MB as the Company re-evaluated the market value of equity financial assets according to the standard 'TFRS9'.
- Total Liabilities was 1,746 MB, decreased by 495 MB or 22%. The trade and other accounts payable decreased from the previous year as Thailand determined that the payment deadline for SMEs would be within 45 days.
- Total Equity was 7,899 MB, which decreased by 113 MB or 1% because there was a reduction in the other component of equity affected by 'TFRS9'.

Statement of profit and loss

- The explanation was in Agenda 1, the Company's report of operating results for 2022.

Statement of cash flows

- Cash flows from operating activities were -123 MB due to unfavourable business operations.
- Cash flows from investing activities increased by 193 MB as the Company withdrew the money from fixed deposits to use in the Company operations.
- Cash flows from financing activities decreased by 178 MB, mainly due to the dividend payment.

- As a result, cash and cash equivalents of 31 March 2023 were 631 MB, a decrease of 109 MB from the previous year.

The Chairman of the meeting invited the shareholders to raise questions and voice their opinions.

Ms. Punsri Karnchareonkoonwong, a proxy of the Thai Investors Association, questioned as below:

Question 1: What strategy does the Company have to increase gross profit, net profit, and earnings per share that have been decreasing?

Question 2: What measure does the Company have to resolve the negative cash flows from operating activities?

Answer: Mr. Keiji Oya, the Chairman of the meeting, answered both questions as follows:

The Company will improve production efficiency, reduce direct labour and fixed costs. The Company also developed products with a higher profit margin per unit to increase profitability.

Question 3: Please explain a write-off of golf course membership shown in notes to the financial statements No.12.

Answer: Mr. Aniwat Sae-Lim, the Finance Department Manager, explained as follows:

The Company renewed the membership every five years to support customers; the latest was in 2019. However, due to the recent severe business situation, the Company wrote off membership this year.

Question 4: Please explain what products that provision warranties paid for 66.14 MB as shown in notes to the financial statements No.13.

Answer: Mr. Aniwat Sae-Lim, the Finance Department Manager, explained as follows:

The refrigerator products have the highest provisions warranties according to their sales amount.

Question 5: Please explain why the profit from Japan market decreased while the revenue from sales increased, as shown in notes to the financial statements No.16.

Answer: Mr. Keiji Oya, the Chairman of the meeting, explained as follows:

The revenue from sales in Japan market increased because the Company adjusted the product price. Still, the profit decreased because raw material prices soared and the damaging exchange rate between the Japanese Yen and Thai Baht.

Resolution: After consideration, the meeting resolved by a majority vote of the shareholders attending the meeting and casting their votes to approve the financial statements for the year 2022 ended 31 March 2023. The voting results were as follows:

Resolution	Number of votes (shares)	As % of total number of votes of shareholders attending the meeting and casting their votes
Approved	15,097,054	100.0000
Disapproved	0	0.0000
Abstained	380	Not counted in voting base
Total shares	15,097,054	100.0000

Remark: During the consideration of this agenda item, there were 2 additional shareholders that attended the meeting, holding 480 shares, thereby bringing the total number of attending shareholders and proxies to 36 persons representing 15,097,434 shares.

Agenda No. 3 To consider and approve the profit appropriation and annual dividend payment

The Chairman of the meeting reported to the meeting that the Company had a policy to pay dividends to the shareholders at approximately 50% of net profit after corporate income tax as presented in financial statements in which investments were accounted for by the equity method and subject to the Company's operating results and economic conditions. In the fiscal year 2022, the Company posted a net profit after corporate income tax of 159.6 MB. Given the Company's financial position, it had retained earnings available for appropriation for dividend payment. After consideration, the Board of Directors deemed it appropriate to propose to the shareholders' meeting to consider and approve the annual profit appropriation for dividend payment at a rate of 4.10 Baht per share, totalling 81.2 MB or 50.87% of the Company's net profit after corporate income tax, which would be in line with its dividend payment policy. The Company had determined the names of shareholders eligible for dividend payment on Friday, 4 August 2023 (record date), with the date of dividend payment scheduled for Tuesday, 22 August 2023.

Moreover, the individual shareholders who would gain the dividend be able to credit a tax at the rate of 20%.

The Chairman of the meeting invited the shareholders to raise questions and voice their opinions.

Ms. Punsri Karnchareonkoonwong, a proxy of the Thai Investors Association, questioned as below:

Question 1: Why does the Company not pay dividends using the unappropriated retained earnings that accounted for 4,906.33 MB?

Answer: Mr. Keiji Oya, the Chairman of the meeting, explained as follows:

The Company decided to secure the unappropriated retained earnings for developing new products, especially improving machinery to increase production efficiency.

Resolution: After consideration, the meeting resolved, by a majority vote of the shareholders attending the meeting and casting their votes to approve the profit appropriation and dividend payment at a rate of 4.10 Baht per share, totalling 81.2 MB as proposed. The voting results were as follows:

Resolution	Number of votes (shares)	As % of total number of votes of shareholders attending the meeting and casting their votes
Approved	15,097,054	100.0000
Disapproved	0	0.0000
Abstained	380	Not counted in voting base
Total shares	15,097,054	100.0000

Agenda No. 4 To consider the election of Directors in place of those retiring by rotation

The Chairman of the meeting informed the meeting that in accordance with Clause 15 of the Company's Articles of Association, stipulating that "at every annual general meeting of shareholders, one-third of Directors shall vacate office. If the number of vacating Directors cannot be equally divided into three, then the number nearest to one-third shall apply," four Directors shall retire by rotation at this 2023 Annual General Meeting of shareholders are as follows.

1. Mr. Arthakrit Visudtibhan
2. Mr. Kunihiko Seki
3. Mr. Tatsuo Ono
4. Mr. Yasuhito Negishi

The Nomination and Remuneration Committee had considered the candidates to replace the full term of the directors. The Committee resolved to propose the re-election of the three retiring directors for another term: Mr. Kunihiko Seki, and Mr. Tatsuo Ono, Mr. Yasuhito Negishi. The Committee also considered re-electing the retiring independent director, Mr. Arthakrit Visudtibhan; in this regard, the qualifications of independent directors were evaluated based on the definition of independent directors of companies. The Company duly sent profiles of the nominated persons presented in Enclosure 3 to the meeting notice to the shareholders to support their consideration. The Company has allowed the shareholders to nominate persons with appropriate qualifications to be appointed as directors of the Company from 18 January - 18 March 2023. Still, no shareholder nominated any person to be a director of the Company.

The Chairman of the meeting invited the shareholders to raise questions and voice their opinions.

Ms. Punsri Karnchareonkoonwong, a proxy of the Thai Investors Association, questioned as below:

Question 1: Does the Company determine criteria for appointing an independent director, such as serving years and numbers of Company that the independent director appointed?

Answer: Mr. Chayanind Phodhivorakhun, the director, explained as follows:

The Company has no regulations in this respect. Some independent directors serve the position for a long term because they are knowledgeable and capable of their roles and responsibilities. Also, the Company needs their knowledge and ability to give opinions at the Board of Directors level.

The Chairman of the meeting requested the meeting to cast their votes on the election of directors in place of those retiring by rotation through a casting of votes for the individual directors respectively.

Resolution: After consideration, the meeting resolved by a majority vote of the shareholders attending the meeting and casting their votes to elect the four directors due to retirement by rotation; Mr. Arthakrit Visudtibhan, Mr. Kunihiko Seki, Mr. Tatsuo Ono, and Mr. Yasuhito Negishi. The individual voting results are as below:

Director name	Approved (As %)	Disapproved (As %)	Abstained Not counted in voting	Total shares (As %)
4.1 Mr. Arthakrit Visudtibhan	15,094,454 (99.9803)	2,980 (0.0197)	0 -	15,097,434 (100.0000)
4.2 Mr. Kunihiko Seki	15,094,554 (99.9809)	2,880 (0.0191)	0 -	15,097,434 (100.0000)
4.3 Mr. Tatsuo Ono	15,094,554 (99.9809)	2,880 (0.0191)	0 -	15,097,434 (100.0000)
4.4 Mr. Yasuhito Negishi	15,094,554 (99.9809)	2,880 (0.0191)	0 -	15,097,434 (100.0000)

After the meeting's resolution re-electing the four retiring directors as directors for another term, the Chairman of the meeting invited all directors to return to the meeting room.

Agenda No. 5 To consider and approve Directors' remuneration for the fiscal year 2023 (April 2023-March 2024)

The Chairman of the meeting informed the meeting that the Nomination and Remuneration Committee has stipulated criteria for payment of Directors' remuneration commensurate to the duties and responsibilities assigned to them and comparable to those of peers in the same industry, of the same size and under the same circumstances. The Committee accordingly proposed to the Board of Directors for consideration and determination of Directors' remuneration for the fiscal year 2023 at 6,500,000 Baht, the same rate as in the fiscal year 2022.

The Board of Directors deemed it appropriate to propose to the Shareholders' meeting to approve the Directors' remuneration for the fiscal year 2023 in the form of a retainer fee and meeting allowance in a total amount not exceeding 6,500,000 Baht, the same rate as in the fiscal year 2022.

The Chairman of the meeting invited the shareholders to raise questions and voice their opinions.

Ms. Punsri Karnchareonkoonwong, a proxy of the Thai Investors Association, questioned as below:

Question 1: If directors hold more than one position, will they get paid for every position or just one position?

Answer: Mr. Keiji Oya, the Chairman of the meeting, explained as follows:

Directors will get paid for their roles and responsibilities in every position.

Resolution: After consideration, the meeting resolved by affirmative votes of no less than two-thirds of the total number of votes of the shareholders attending the meeting and having the right to cast their votes to approve the Directors' remuneration for the fiscal year 2023 in a total amount of not exceeding 6,500,000 Baht as proposed. The voting results were as follows:

Resolution	Number of votes (shares)	As % of total number of votes of shareholders attending the meeting and having the right to cast vote.
Approved	15,096,954	99.9968
Disapproved	480	0.0032
Abstained	0	Not counted in voting base
Total shares	15,097,434	100.0000

Agenda No. 6 To consider the appointment of auditors and fix of audit fee of the fiscal year 2023

The Chairman of the meeting informed the meeting that, pursuant to the Public Limited Companies Act B.E. 2535 and the Company's Articles of Association, the annual general meeting of shareholders shall consider the appointment of the Company's auditor and fixing of audit fee every year, and the same auditors may be re-appointed.

The Audit Committee considered and viewed that, as KPMG Phoomchai Audit Ltd. had consistently been the Company's auditor, with changes in certified public accountants regularly (every five years) in accordance with the Notification of the Capital Market Supervisory Committee and without any reasonable grounds for the change of auditor, the Committee accordingly proposed to the Board of Directors for consideration of the appointment of auditors from KPMG Phoomchai Audit Ltd. as the Company's auditor and fixing of audit fee for 2023.

- 1.) Appointment of auditors from KPMG Phoomchai Audit Ltd. as the Company's auditor, with a designation of any one of the following certified public accountants to examine and give opinions on the Company's financial statements:

- Ms. Sophit Prompol, Certified Public Accountant, Registration No. 10042 or
- Ms. Pornthip Rimdusit, Certified Public Accountant, Registration No. 5565 or
- Ms. Kanokorn Phooriphanyawanit, Certified Public Accountant, Registration No. 10512

The auditors offered the position would be able to give opinions regarding the financial statement. Not involved and have no material business relation with the Company, associated Company, management, major shareholders or any relative with the mentioned parties. Besides, these auditors are also auditors for Mitsubishi Electric Kang Yong Wattana Company Limited, a sole sales company in Thailand, to prevent any conflict in benefit.

- 2.) Approval of the audit fee for the year 2023 in the total amount of 1,474,000 Baht, the same amount as the previous year.

The Chairman of the meeting invited the shareholders to raise questions and voice their opinions.

Resolution: After consideration, the meeting resolved by a majority vote of the shareholders attending the meeting and casting their votes to appoint the Company's auditor and determine the audit fee for the fiscal year 2023 as proposed. The voting results were as follows:

Resolution	Number of votes (shares)	As % of total number of votes of shareholders attending the meeting and casting their votes
Approved	15,097,054	99.9975
Disapproved	380	0.0025
Abstained	0	Not counted in voting base
Total shares	15,097,434	100.0000

Agenda No. 7 To consider and approve the connected transaction for products development fee

The Chairman of the meeting proposed the meeting to consider and approve the connected transaction regarding products development fee. The transaction is subjected to getting approval from the Annual General Meeting of Shareholders every five years.

The Company appointed Silom Advisory Company Limited as an independent financial advisor (IFA) to prepare an opinion report presented in Enclosure 7 to the meeting notice and duly sent to the shareholders to support their consideration.

- The transaction size of development fee: at most 4% of revenue from sales of goods and rendering of services shown in the Company's financial statement for each fiscal year. If the actual expenses exceed 4%, it will be approved at the next general meeting of shareholders.
- The transaction partner: Mitsubishi Electric Corporation "MELCO".
- The transaction period: 1 April 2024 – 31 March 2029.
- The benefit of the transaction is the acquisition of manufacturing and sales rights for home electronics appliances under the Mitsubishi Electric trademark, as well as development and production technology support from MELCO.

The Audit Committee considered and viewed the transaction as reasonable and advantageous to the Company as follows.

1. It can contribute added value for the Companies by increasing sales revenue.
2. It can maintain the Company's market share.
3. It can improve the Company's development capability through technology transfer.
4. The development fee-to-revenue ratio is comparable to other companies in the same industry; therefore, the price and transaction terms are deemed appropriate.

The Chairman of the meeting invited the shareholders to raise questions and voice their opinions.

Ms. Punsri Karnchareonkoonwong, a proxy of the Thai Investors Association, questioned as below:

Question 1: Does the Company consider decreasing the development fee limit to less than 4% as the actual payment of FY2020 and FY2021 was 2.8%, and FY2022 was 2.3%?

Answer: Mr. Keiji Oya, the Chairman of the meeting, explained as follows:

The Company accounted for the development fee in FY2021 and FY2022 lower than 4% because the outbreak of COVID-19 has slowed down product development. However, the situation has been eased recently; therefore, the Company expected product development to come back on a regular basis.

Resolution: After consideration, the meeting resolved by affirmative votes of no less than three-quarters of the total number of votes of the shareholders attending the meeting and having the right to cast their votes, excluding shareholders with conflict of interest, to approve the connected transaction with Mitsubishi Electric Corporation for product development fee for the period 1 April 2024 – 31 March 2029 as proposed. The voting results were as follows:

Resolution	Number of votes (shares)	As % of total number of votes of shareholders attending the meeting and casting their votes
Approved	6,049,034	99.9937
Disapproved	380	0.0063
Abstained	9,048,020	Not counted in voting base
Total shares	6,049,414	100.0000

Agenda No.8 Others

- None-

When there was no further question from the shareholders, the Chairman of the meeting announced that at the end of the meeting.

The meeting adjourned at 03:58 p.m.

Mr. Keiji Oya

Vice Chairman of the Board of Directors

Chairman of the Meeting

Mr. Aniwat Sae-Lim

Corporate Secretary and Minutes Recorder