

**Minute of the 2020 Annual General Meeting of Shareholders of**  
**City Steel Public Company Limited**  
**Held on Friday, November 27, 2020, at 15:00 PM.**

**Place** J Plaza Room, 2<sup>nd</sup> Floor, J Park Hotel Chonburi, 99/8, 99/9 Moo.9, Napa, Muang, Chonburi.

**Directors and Executives presented at the meeting**

In the 2020 Annual General Meeting of Shareholders held on Friday, November 27, 2020, the Company had 6 directors. There were 6 directors attended the meeting, equaled to 100% of all directors. The directors and executives attended the meeting were as follows;

1) Mrs. Boontip	Changnil	Chairman / Chief Executive Officer
2) Miss Chatsuman	Thanomjit	Director / Deputy Managing Director
3) Miss Kingkan	Pipitpreechakul	Director / Accounting and Financial Manager
4) Mr. Anutara	Tantraporn	Independent Director / Chairman of the Audit Committee
5) Mr. Pattarathon	Thatsanasuwan	Independent Director / Audit Committee
6) Mr. Harirak	Chamarakula	Independent Director / Audit Committee

The Company has no other subcommittee.

**Auditor's Representative at the meeting**

1) Miss Potjanarat	Siripipat	Auditor of Dharmniti Auditing Co., Ltd.
2) Miss Suteera	Phanudomsak	Auditor of Dharmniti Auditing Co., Ltd.

**The Meeting Commenced at 15:00 PM.**

Mrs. Boontip Changnil Chairman was Chairman of the Meeting.

**Matters to be informed**

1. There were 34 shareholders and proxies attending the 2020 Annual General Meeting of Shareholders on November 27, 2020 with total shares of 221,902,985 shares equivalent to 73.97 percent of the Company's total outstanding shares. The attended shareholders consisted of the shareholders who attended the meeting in person of 8 shareholders comprised of 38,847,840 shares and the shareholders who attended by proxies of 26 shareholders comprised of 183,055,145 shares. According to the Law no. 103, the general meeting must comprise of either at least 25 shareholders and proxies or not less than half of the total shareholders, which total shares not less than one third of the Company's total outstanding shares in order to complete the quorum.
2. The voting method for shareholders who attend the meeting in person, the shareholders have votes equal to the number of shares hold by the shareholders. Once casting the votes, the votes will be equal to the total shares hold by those particular shareholders and must not be split. For the proxy granter, the votes will equal to the number of shares granted to the

proxy. For the proxy granting using Proxy Form B, the submitted votes will be combined with the votes that casting in this meeting in each agenda.

3. The meeting shall proceed according to the predetermined agenda. Shareholders who have conflict of interest in each agenda shall cast abstain votes except for Agenda 5: Appoint the directors to replace those whose tenure has ended.
4. The Shareholders can express their comments or raise questions during the opinion and discussion session after the moderator finish the informative session.
5. In considering each meeting agenda, the shareholders shall cast agree, disagree, or abstain votes. The shareholders who cast disagree or abstain votes shall raise their hands for the officers to collect their ballots. For those who do not raise their hands shall cast agree vote. The moderator shall inform amount and percentage of votes after the counting has been completed. In case, there is no disagree and abstain votes, the agenda shall be deemed unanimously resolves.
6. In casting votes, the shareholders shall use pen to write down their votes in the ballots together with the shareholders' signatures for accuracy and correctness as well as for preventing someone else from manipulating or changing the ballots.
7. Collecting of the Ballots
  - 7.1 All Shareholders must be casting vote and submitting the ballots themselves.
  - 7.2 After the Chairman informed to cast vote in each agenda, the officers will collect all ballots.
8. The company had invited the Company's auditor, Dharmniti Auditing Company Limited to be an independent representative of shareholders to count the votes and monitor the counting process for transparency.

The meeting acknowledged and proceeded with the following agendas

**Agenda 1 Certify the minutes of the 2019 Annual General Meeting of Shareholders held on November 29, 2019.**

The moderator informed that the 2019 Annual General Meeting of Shareholders was held on November 29, 2019, and an 8-page copy of the minutes of meeting had been provided as an attachment and sent to all shareholders.

Board of Directors' opinion: The shareholders should certify the minutes of the 2019 Annual General Meeting of Shareholders. If the shareholders had any questions or comments, please asked and expressed opinions.

No shareholder had further questions or comments, then casting votes.

During this agenda, these was an additional shareholder attended the meeting himself with number of shares of 1 share. So, there were total of 35 shareholders with 221,902,986 shares.

**Resolution The meeting had resolution to certify the minutes of the 2019 Annual General Meeting of Shareholders with;**

Agreed votes of 35 shareholders accounted for 221,902,986 votes, equivalent to 100%.

There was no disagree vote, no abstain vote, and no spoiled ballot.

**Agenda 2 Be informed of the Company's operating results for the year 2019/2020**

The moderator informed that the Company's operating results and Management Discussion and Analysis (MD&A) for the year ended July 31, 2020 were presented in the 2020 Annual Report. In summary, for the operating results, during the year 2019/2020, the Group's total revenues were THB 277.85 million decreased from THB 394.03 million

in 2018/2019 by THB 116.18 million or 29.49%. The decrease in total revenues was primarily due to a decline in demands for the Group's products that impacted by the Corona Virus outbreak (COVID-19). The Group's customers had delayed their orders, postponed the delivery, as well as temporarily stopped the production. Since the Group's products are capital goods, during economic crisis, the customers are less likely to invest or increase their production capacity. As the Group's total revenues significantly decreased and some costs and expenses were fixed, the Group had incurred an operating loss of THB 4.03 million in the year 2019/2020, which decreased from a profit of THB 9.90 million in the year 2018/2019. The Group had struggled to cope with this crisis by reducing several costs and expenses but the impact from this economic crisis had been so severe that the Group had suffered the operating loss. For financial positions as at July 31, 2020, the Group's total assets dropped by 1.25% from a depreciation expenses in Property, Plant, and Equipment items. Total liabilities decreased by THB 14.22 million or 46.67% as trade accounts payable and income tax payable decreased. Total equities decreased by 0.21% due to a decrease in retained earnings since the year 2019/2020, the Group incurred an operating loss. The detailed report of the Management Discussion and Analysis (MD&A) could be found in the 2020 Annual Report that had been sent to all shareholders. The report had been certified by the Board of Directors as correct and adequate. The Board of Directors would like to acknowledge the shareholders of the result of the Company's operation for the accounting period 2019/2020.

The moderator further informed about the Group's operation according to the Anti-Corruption Policy. The Company had been a member of "Partnership Against Corruption for Thailand" (PACT) arranged by Thaipat Institute. And during the past year, the Company had constantly and strictly followed the determined Anti-Corruption Policy and had declared intention, imposed penalties, as well as communicated the Anti-Corruption Policy to all of the staffs and relevant persons. For the Collective Action Coalition Against Corruption (CAC) Program of The Thai Institutes of Directors (IOD), the Company had already joined the program and currently was in the process of preparing related documents and self-assessment report.

Since this agenda was an informative agenda, there was no voting for this agenda. If the shareholders had any questions or comments, please asked and expressed opinions.

No shareholder had further questions or comments.

The meeting acknowledged the result of company's operation for the year 2019/2020.

**Agenda 3 Certify and approve the Company's Separated and Consolidated Financial Statements for the accounting period ended July 31, 2020.**

The Board of Directors had reviewed the Company's Separated and Consolidated Financial Statements including Statement of Financial Position, Statement of Comprehensive Income, Statement of Changes in Shareholders' Equity, and Statement of Cash Flows for the accounting period ended July 31, 2020 as shown in the 2020 Annual Report, which had been audited by the Company's auditor, Dharmniti Auditing Company Limited.

**Board of Director's opinion:** The shareholders should approve the audited Company's financial statements for the accounting period ended July 31, 2020.

If the shareholders had any questions or comments, please asked and expressed opinions.

**Shareholders' Opinion**

- Mr. Nara Sripetch, shareholder, had inquired about the causes of increases in non-current assets and advance payment paid for goods from the previous year, and asked the Company to provide explanation.
- Mrs. Boontip Changnil, Director / Chief Executive Officer had answered that the increase in the non-current assets derived from the payment of security deposits of utilities, while the increase in advance paid for goods was the advance payment for materials used in production.
- Mr. Yutthana Wiphasawat, shareholder, had asked about a sizable amount of cash and cash equivalent whether the Company had considered to keep in fixed deposits. Were there any new projects or plans in managing these cash?
- Mrs. Boontip Changnil, Director / Chief Executive Officer had explained that these amounts of cash will be used as working capital and reserved for liquidity. For the saving in fixed deposits, currently the savings deposits that the Company had kept these cash, provided higher interests than fixed deposits and better liquidity. In addition, in recent situation, the demands for the Group's products had declined significantly, resulted in intensified competition. For flexibility, the Group had to reserve these cash for purchasing of raw materials to use in manufacturing made-to-order products for the customers, as well as for making early payment of these raw materials to get discounts. Moreover, during the COVID-19 pandemic in these past several months, many companies that did not have strong financial positions and lack liquidity, had to close down their businesses. Therefore, the Company believed that having the reserved cash on hand would be benefited to the Company.

**Resolution**

The meeting had resolution to approve the Company's Separated and Consolidated Financial Statements for the accounting period ended July 31, 2020 with;

Agreed votes of 35 shareholders accounted for 221,902,986 votes, equivalent to 100%.

There was no disagree vote, no abstain vote, and no spoiled ballot.

**Agenda 4**

**Consider and approve of no allocation of net profits and omission of the dividend payment for the accounting period 2019/2020**

The moderator informed that the Board of Directors proposed to not allocate profits and omit the dividend payment for the accounting period 2019/2020 since the Group had incurred an operating loss. The Group had consolidated net loss of THB 4,029,537 or equaled to net loss per share of THB 0.01. According to the Company's dividend policy of paying no more than 40% of the net profits after tax and legal reserves, since the Company has net loss, the Company has proposed to omit the dividend payment for the year 2019/2020. As there will be no dividend payment, the net profits will not be allocated. Therefore, the Company has proposed to the shareholders to consider and certify the omission of the dividend payment and no allocation of the net profits.

Board of Director's opinion: The shareholders should approve the no allocation of net profits and the omission of dividend payment for the accounting period 2019/2020 as proposed by the Board of Directors.

If the shareholders had any questions or comments, please ask and express opinions.

#### **Shareholders' Opinion**

- Mr. Yutthana Wiphasawat, shareholder, had suggested the Board of Director to amend the dividend policy of only paying dividends when the Company has profits. Since the Company still has excess retained earnings and a lot of cash, the Company should use such retained earnings and cash to pay dividend to the shareholders.
- The directors acknowledged and would consider the suggestion.
- Mr. Nara Sripetch, shareholder, had suggested other alternatives to rewards the shareholders such as issuing and giving warrants to the shareholders.
- The directors acknowledged and would consider the suggestion.

#### **Resolution**

The meeting had resolution to approve not to allocate the net profits and omit the dividend payments for the accounting period ended July 31, 2020 as proposed by the Board of Directors with;

Agreed votes of 34 shareholders accounted for 220,316,986 votes, equivalent to 99.29%.

Disagree votes of 1 shareholder accounted for 1,586,000 votes, equivalent to 0.71%

There was no abstain vote, and no spoiled ballot.

#### **Agenda 5**

##### **To appoint the directors to replace those whose tenure has ended**

The moderator informed that, according to the Company's articles of association, it is required that every annual general meeting of shareholders, one-third of the company directors must be retired. In this year, there were 2 directors that would be retired as follows;

- |                 |                 |  |
|-----------------|-----------------|--|
| 1) Miss Kingkan | Pipitpreechakul | Director / Executive Director                          |
| 2) Mr. Anutara  | Tantraporn      | Independent Director / Chairman of the Audit Committee |

**Board of Directors' opinion:** The Board of Directors proposed to re-appoint the 2 directors to serve as directors for another term as they possessed qualifications that suitable for the Company's business operation and recommended the shareholders to re-appoint the 2 directors whose tenure had ended as follows;

- |                 |                 |  |
|-----------------|-----------------|--|
| 1) Miss Kingkan | Pipitpreechakul | Director / Executive Director                          |
| 2) Mr. Anutara  | Tantraporn      | Independent Director / Chairman of the Audit Committee |

Mr. Anutara Tantraporn who was nominated as Independent Director, could provide independent judgement and had qualifications according to criteria of relevant rules and regulations.

The moderator invited the directors whose tenure had ended to leave the meeting. The moderator also informed that in this meeting, the Company had posted on the Company's website to allow the shareholders whose names appeared in the share registrar on the book closing date, October 15, 2020, to nominate the qualified persons to be the Company's directors to act as representatives for the shareholders by the following methods;

1. Postal mail to 88/3 Moo 4, Bypass Road, Nongmaidaeng, Muang, Chonburi 20000
2. E-mail to [city@wkpgroup.com](mailto:city@wkpgroup.com)
3. Telephone to 038-214530-31

The nomination period had started on September 1, 2020 and ended on September 23, 2020. There was no nomination through the Company's proposed channels.

In Agenda 5, the moderator requested to vote for each director. If the shareholders had any questions or comments, please ask and express opinions.

No shareholder had further questions or comments, then casting votes.

**Resolution** The meeting had resolution to re-appoint the 2 directors whose tenure had ended to serve as directors for another term as per following details;

1) Miss Kingkan Pipitprechakul Director / Executive Director

There were 35 shareholders accounted for 221,902,986 votes had resolved the following resolution;

- Agreed 35 shareholders 221,902,986 Votes Equivalent to 100 %.
- There was no disagree vote, no abstain vote, and no spoiled ballot.

2) Mr. Anutara Tantraporn Independent Director / Chairman of the Audit Committee

There were 35 shareholders accounted for 221,902,986 votes had resolved the following resolution;

- Agreed 35 shareholders 221,902,886 Votes Equivalent to 100 %.
- Disagree 1 shareholder 100 Votes Equivalent to 0.00 %.
- There was no abstain vote, and no spoiled ballot.

**Agenda 6 Consider and determine the director remuneration for the accounting period 2020/2021**

The moderator informed that according to a decrease in the Group's operating results, together with the sluggish economic condition, it was appropriate to determine the director remuneration for the year 2020/2021 to be equal to last year remuneration, which were as follows;

- Meeting Remuneration for Chairman of the Board of Directors will be THB 18,500 per meeting.
- Meeting Remuneration for Chairman of the Audit Committee will be THB 18,500 per meeting.
- Meeting Remuneration for Audit Committee will be THB 14,500 per meeting.

Meeting Remuneration for Executive Directors would not be given since they would be given remuneration in the form of salaries and bonuses. If the shareholders had any questions or comments, please ask and express opinions.

No shareholder had further questions or comments, then casting votes.

**Resolution** The meeting had resolution to determine the director remuneration for the accounting period 2020/2021 according to the proposal of the Board of Directors with;

Agreed votes of 35 shareholders accounted for 221,902,986 votes, equivalent to 100%.

There was no disagree vote, no abstain vote, and no spoiled ballot.

**Agenda 7 Consider and appoint the auditors and determine the auditor remuneration for the year 2020/2021**

The moderator informed that, in accordance with the Public Company Act and the Company's Articles of Association, it is required that in every annual general meeting of shareholders, the shareholders shall appoint the auditors and determine the auditor remuneration. The Board of Directors had proposed to appoint auditors of

Dharmniti Auditing Company Limited to serve as the Independent Auditors of the Company and its subsidiaries for the accounting period 2020/2021, whose names were as follows;

- 1) Miss Potjanarat Siripipat Certified Public Accountant No. 9012, or
- 2) Mr. Thanawut Piboonsawat Certified Public Accountant No. 6699, or
- 3) Miss Roongnapha Saengchan Certified Public Accountant No. 10142, or
- 4) Miss Techinee Pornpenpob Certified Public Accountant No. 10769

Dharmniti Auditing Company Limited had no relationship or conflict of interest with the Company, subsidiaries, executives, major shareholders, and other related parties. Therefore, they could independently perform their auditing tasks and express their opinion on the Company's and the subsidiaries' financial statements. The proposed auditing fee would be THB 1,292,000, which equaled to the fee for the year 2019/2020. If the shareholders had any questions or comments, please ask and express opinions.

No shareholder had further questions or comments, then casting votes.

**Resolution**

The meeting had resolution to appoint the auditors of Dharmniti Auditing Company Limited to be the Company's auditors for the accounting period 2020/2021 and determined the auditing fees to be THB 1,292,000, as proposed by the Board of Directors with;

Agreed votes of 35 shareholders accounted for 221,902,986 votes, equivalent to 100%.

There was no disagree vote, no abstain vote, and no spoiled ballot.

**Agenda 8**

**To consider other issues (if any)**

According to the Public Company Act 1992, in case the shareholders proposed additional agenda, the shareholders must have shares of not less than one third of the Company's total outstanding shares that are 100,000,000 shares and shall attend the meeting to request the meeting to consider other issues. The Company had posted on the Company's website to allow the shareholders whose names appeared in the share registrar on the book closing date, October 15, 2020, to propose additional agenda by the following methods:

1. Postal mail to 88/3 Moo 4, Bypass Road, Nongmaidaeng, Muang, Chonburi 20000
2. E-mail to [city@wkpgroup.com](mailto:city@wkpgroup.com)
3. Telephone to 038-214530-31

The period to propose additional agenda in the 2020 Annual General Meeting of Shareholders had started on September 1, 2020 and ended on September 23, 2020. None of the shareholder proposed additional agenda to be considered in this meeting via the proposed channels. If the shareholders had any questions or comments, please ask and express opinions.

– No shareholder proposed additional agenda to be considered. –

The shareholders had additional questions and opinions as follows;

**Shareholders' Opinion**

- Mr. Nara Sripetch, shareholder, had asked that the COVID-19 pandemic causing many companies to go out of businesses such as the hotel that the Company had held the Annual General Meeting of Shareholders every year, the Company had any policies or plans to generate more revenues and profits or had any chances to invest in other businesses that will benefit the Company?
- Mrs. Boontip Changnil, Director / Chief Executive Officer had answered that currently the Company had closely monitored the situation, tried to maintain and continue the business operation, and still had no plan on new investment.
- Mr. Yutthana Wiphasawat, shareholder, had inquired whether the Company had lay off any employees and how many employees the Company currently hired? The shareholder also proposed the directors to consider the dividend payment.
- Mrs. Boontip Changnil, Director / Chief Executive Officer had explained that currently the Company had approximately 300 employees and had no policy to lay off any employees. For the dividend issue, the directors had acknowledged and will be consider in the future.

The Chairman expressed his gratitude to the shareholders for attending the meeting and declared the meeting closed.

**The meeting was adjourned at 16:15 PM.**

Mrs. Boontip Changnil (Chairman of the Meeting)

Certified by                                 -Boontip Changnil-  
(Mrs. Boontip Changnil)