

Ref. No. HARN 002/2020

28 February 2020

**Subject:** Resolutions of the Board of Directors' Meeting regarding dividend payment proposal for the year 2019 and the determination of the date and agendas of 2020 Annual General Meeting of Shareholders (AGM)

**To:** Directors and Manager  
The Stock Exchange of Thailand

The Board of Directors of Harm Engineering Solutions Public Company Limited ("the Company") at the meeting No. 1/2020 on Thursday, 27 February 2020 has passed a resolution to propose to the Annual General Meeting of Shareholders (AGM) to approve the dividend payment for the year 2019, and has passed a resolution to determine the date and agendas for 2020 AGM as follows:

1. Determine the shareholders who are entitled to attend and vote in the 2020 AGM and receive the dividend payment on Friday, 13 March 2020, and set the date of dividend payment on Friday, 15 May 2020. (However, the right to receive dividend is not confirmed until the approval is granted by the 2020 AGM.)

2. Setting the schedule for convening the 2020 AGM on Friday, 24 April 2020 at 14.00 hrs., at Parichart Hall, 3<sup>rd</sup> Floor, Golden Tulip Sovereign Hotel, Bangkok, No. 92 Soi Saengcham, Rama 9 Road, Huaykwang District, Bangkok, as following agendas items:

**Agenda no. 1 To consider adopt minutes of the 2019 Annual General Meeting of Shareholders**

**Board of opinion:**

The minutes of the 2019 Annual General Meeting of Shareholders held on 25 April 2019 are correct and complete. It is thus deemed appropriate for the shareholders to adopt such minutes.

**Agenda no. 2 To acknowledge the Company's operating results for the year 2019**

**Board of opinion:**

After due consideration, the Board found it appropriate to propose to the AGM to acknowledge the 2019 operating results.

**Agenda no. 3 To consider approve the Separate Financial Statements and consolidated financial statement for the year ended 31 December 2019**

**Board of opinion:**

After due consideration, the Board found it appropriate to propose to approve the audited Separate Financial Statements and consolidated financial statements for the year ended December 31, 2019 of the company and the subsidiaries' of which were audited and certified by the Auditor and reviewed by the Audit Committee that they were accurate.



**Agenda no. 4 To consider approve the appropriation of profit and dividend payment for the 2019 operating's results**

**Board of opinion:**

After due consideration, the Board found it appropriate to propose to the AGM to approve the dividend payment from the Company's operating results from January 1, 2019 to December 31, 2019 which will be paid to shareholders of total 584,500,000 shares at Baht 0.18 per share, totaling payment dividend Baht 105,210,000 (one hundred and five million two hundred and ten thousand baht) representing a dividend payment ratio of 69.86% of net profit, the Company has appropriated 5% of its annual net profit to the statutory reserve, amounting to Baht 2,156,169 (two million one hundred and fifty-six thousand one hundred and sixty-nine baht). The total to the statutory reserve is equal to 10 percent of the registered and paid-up capital.

The Board has resolved to set the Record Date to determine the shareholders who are entitled to attend and vote in the AGM and receive the dividend payment on Friday, 13 March 2020 and set the date of dividend payment on Friday 15 May 2020.

The Board has resolved to set the Record Date to determine the shareholders who are entitled to attend and vote in the AGM and receive the dividend payment on February 28, 2020, and set the date of dividend payment on April 21, 2020.

However, The Company has a policy to allocate dividend to shareholders at a rate of at least 40% of its net profit after income tax and all legally required reserves and the right to receive dividend is not confirmed until the approval is granted by the 2020 AGM.

**Agenda no. 5 To consider approve election of directors in Replacement of those who complete the terms by rotation in 2020**

**Board of opinion:**

After due consideration, the Board, excluding the Directors who have interests in this matter, careful consideration and screening of qualifications of nominated person in who complete their another term, which is suitable to the Company's business, Also consideration nominated person who proposed to take in the position of independent director, he/she could give opinion independently in comply with relevant law, Resolved agreed with the Nomination and Remuneration Committee's proposal, found it appropriate to propose to the AGM to consider the appointment of directors due to retire in 2020 was re-elected as a director for another term, whose name are as follows:

- |                  |              |                                    |
|------------------|--------------|------------------------------------|
| 1. Miss Voranuch | Supabulpipat | Re-elected as Independent Director |
| 2. Mrs. Sirima   | Iamsakulrat  | Re-elected as Director             |
| 3. Dr. Ja in     | Chamnarong   | Re-elected as Director             |
| 4. Mr. Parkphum  | Wongpaition  | Re-elected as Director             |

Since Dr. Supattara wut has resigned from the Independent Director position and all other positions in the company, which shall be effective from January 1, 2020 onwards. Therefore, the composition of the Board of Directors of nine (9) person, consisting of three (3) Independent Directors, is still in accordance with the Articles of Association, and regulations of the Office of the Securities and Exchange Commission (SEC) and sufficient for management, there is no need to appoint a replacement committee at this time.

**Agenda no. 6 To consider approve the 2020 remuneration for Board of Directors and Board Committees**

**Board of opinion:**

After due consideration, the Board has agreed with the proposal of Nomination and Remuneration Committee, found it appropriate to propose to the AGM to approve the Remuneration for the Company's Directors and Board-Committees for 2020 (effective May 1, 2020) as detailed in the below table, under which carefully considered the appropriateness of the remuneration by taking into account various related factors and criteria.

Types of Remuneration	2020 (Current Proposal)	Compared with year 2019
1. Monthly remuneration : Directors / Audit Committee / Risk Management Committee / Nomination and Remuneration Committee		
- Chairman of the Board	Baht 30,000 / month	Baht 30,000 / month
- Chairman of the Board-Committee	Baht 25,000 / month	Baht 25,000 / month
- Director/ Independent Director	Baht 20,000 / month	Baht 20,000 / month
- Director (working 3 days a week)	Baht 120,000 / month	Baht 120,000 / month
2. Meeting allowance : Directors / Audit Committee / Risk Management Committee / Nomination and Remuneration Committee		
- Chairman	Baht 15,000 / meeting	Baht 15,000 / meeting
- Director	Baht 10,000 / meeting	Baht 10,000 / meeting
3. Bonuses for director of the Board	None	None
4. Other Remuneration	None	None

**Remark:** 1. Director entitled to remuneration must not be the Company's employees who receive a regular salary.  
2. Director who held other positions in the Sub-committees will receive only the highest amount of monthly remuneration.

**Agenda no. 7 To consider approve the 2020 Annual Appointment of Auditors and Determination of their Remuneration**

**Board of opinion:**

After due consideration, with recommendation from the Audit Committee, the Board found it appropriate to propose to the AGM to appoint auditors from Dharmniti Auditing Co., Ltd., which is not a auditor with subsidiaries company, where by one of the following auditors may be appointed as the auditor of the Company for 2020.

1. Mr. Thanawut Piboonsawat Certified Public Accountant Registration No.6699 Auditing during the past 7 year: 3 Years (2017 and 2019), or
2. Miss Potjana Rat Siripipat Certified Public Accountant Registration No.9012 Auditing during the past 7 year: None, or
3. Miss Roongnapha Saengchan Certified Public Accountant Registration No.10142 Auditing during the past 7 year: None, or
4. Miss Techinee Pongpenob Certified Public Accountant Registration No.10769 Auditing during the past 7 year: None, or
5. Other auditors approved by the Office of the Securities and Exchange Commission. Assigned by the company as the responsible auditor.

The Board also found it appropriate to propose to the AGM to approve the remuneration of auditors for 2020 annually and quarterly review which is illustrated in the table below:

Types of Fees	2020 (Current Proposal)	Compared with year 2019	Change
Audit Fee			
- Annual audit fee and quarterly review fee	1,406,000	1,326,000	increase by 80,000 Baht or 6.03%
- Other expenses which cover miscellaneous expenses during work period such as traveling and telephone etc.	per actual of expenses	per actual of expenses	- None -

**Agenda no. 8 To consider approve appointment of the amendments / additions of the Company's Articles of Association**

**Board of opinion:**

After due consideration, the Board found it appropriate to propose to the AGM to approve the amendments / additions the Company's Articles of Association, Clause 18 to comply with the Company's charter, by repealing the existing wordings and replacing with the new wordings as per the below details, including any amendment, addition, change that may be recommended or required by the Ministry of Commerce without affecting the substance of the amendment of the Company's Articles of Association as proposed.

<u>Existing Wordings</u>	<u>New Wordings</u>
“Clause 18. In addition to retirement by rotation, a director shall vacate office upon (1) death; (2) resignation; (3) lack qualifications or possess characteristics that are prohibited under the Public Limited Company Or the law governing securities and stock exchange; (4) removal by resolution of the shareholders' meeting; (5) removal by order of the court.	“Clause 18. In addition to retirement by rotation, a director shall vacate office upon (1) death; (2) resignation; (3) lack qualifications or possess characteristics that are prohibited under the Public Limited Company Or the law governing securities and stock exchange; (4) removal by resolution of the shareholders' meeting; (5) removal by order of the court; <u>(6) Being 80 years old, but vacating office from the end of the accounting year.</u>

**Agenda no. 9 Other matters (if any)**

3. The Company will send a notice convening the 2020 Annual General Meeting of Shareholders containing the Board of Directors' opinions together with all meeting documents to the shareholders within the period specified by law, and post such notice together with all meeting documents on the website: [www.ham.co.th](http://www.ham.co.th) so that the shareholders can access and study the agenda and documents for the meeting.

Please be informed accordingly.

Sincerely yours,

(Mr. Wirat Sukhai)

Chief Executive Officer

Authorized to sign on behalf of the Company

Company Secretary

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