

No. 15 / 2017

November 15, 2017

President  
The Stock Exchange of Thailand  
93 Ratchadapisek Road,Dindaeng, Bangkok 10400

Dear sir,

Subject: Resolution of The Board of Director Meeting No.4/2017 (Additional)

The Board of Directors of Unimit Engineering Co., Ltd No. 4/2017 dated 13 November 2017 passed the resolution as following;

- Approved the investment in Unimit Engineering ( Myanmar) Company Limited amount not exceeding 225 million Baht, partial by increasing capital through Unimit (Hong Kong) Co., Limited and other by loan.
- Designated Mr. Young Tai Lu , President of the Company , to have the authorities to engage in all activities to complete the mentioned subject base on the best interest of the Company.
- The transaction above constitutes the acquisition of assets pursuant to the Notification of the Capital Market Supervisory Board stated in Thor Chor 20/2551 Re: Rules on the Significant Acquisition of Disposition of Assets dated on August 31, 2008, and the Notification of the Stock Exchange of Thailand Re: Disclosure of Information and Other Acts of Listed Companies Concerning the Acquisition and Disposition of Assets B.E.2547 dated on October 29, 2004 ("Notification on Acquisition and disposal of Assets"). In this regard, the said transaction size is calculated based on total investment amount of the Project, at which the highest result is equivalent to 13.54% as per the method of total value of consideration; which is calculated based on the information from the reviewed 9-month period financial statements of the Company ended September 30, 2017, and since the Company did not enter into any acquisition transaction during the past 6 months, therefore, such transaction is classified as a class 3 transaction (additional detail of the transaction appears in the attachment 1).

Please be informed accordingly.

Yours sincerely,

(Ms.Vilai Siripoonkiatikul)

Authorized Signature

**Information Memorandum of Uimit Engineering Company Limited in relation to Acquisition of Asset: Additional Investment in Uimit Engineering (Myanmar) Co., Ltd**

The Board of Directors Meeting No.4 /2017 of Uimit Engineering Public Company Limited held on November 13, 2017 passed the resolutions to expand investment in Uimit Engineering ( Myanmar) Company Limited for construction of factory and purchase of equipment and machinery for an amount not exceeding 225 million Baht, partial by increasing capital through Uimit (Hong Kong) Co., Limited and by loan. Detail as following :

**1. Date of Transaction**

The Company plan to construct fabrication plant mainly for LPG storage tanks and non-pressure tanks on a leased land, located in Thilawa Special Economic Zone near Yangon, Myanmar. Expected project schedule is one year start from early next year and finished at the end same year (2018).

**2. Parties involves in the transaction**

*2.1 Investment*

Contractors : Uimit (Hong Kong) Co., Limited , wholly-owned subsidiary of Uimit Engineering Pcl. Ltd ( hold 100% share) established in 2014 at Hong Kong , business type is a holding company  
: Uimit Enginnering (Myanmar) Company Limited, wholly-owned subsidiary of Uimit (Hong Kong) Co., Limited. established in 2014 at Thilawa Special Economic Zone , business type is a shop fabrication, field installation and erection of steel products. .  
Relationship to the Company : direct and indirect subsidiary company respectively.

*2.2 Factory building*

Contractors : In process of selection the main contractors(s)  
Relationship to the Company : The main contractor(s) shall not be a person who has relationship with the Company, major shareholders, director and executives of the Company

*2.3 Procurement of machine*

Contractor : In process of selection the supplier (s)  
Relationship to the Company : The supplier (s) shall not be a person who has relationship with the Company, major shareholders, director and executives of the Company

**3. General Characteristics of the Transaction**

The Company had establish subsidiary company and leased land area 13.17 Rai at Thilawa Special Economic Zone near Yangon, Myanmar, lease period 49.2 years, contract value 54.2 million Baht for factory building since 2015 .

With Myanmar's population size, its riches in natural resources, and geographical advantage to India/Middle East/Europe markets, Company deems Myanmar a potential market for Company's products (pressure vessels including LPG storage and lorry tanks, chemical tanks, machinery parts, steel structure). With its growing demand for LPG and the up and coming expansion of LPG storage and receiving terminals, it is expected that the LPG demand will accelerate.

Therefore, the board considers the potential of the market is worth the risk to enter now.

Additional investment consists of

|                                       |         |              |
|---------------------------------------|---------|--------------|
| Constructing factory approximately    | 150-175 | million Baht |
| Equipment and machinery approximately | 35-50   | million Baht |
| Total approximately                   | 185-225 | million Baht |

The transaction does not constitute a connected person transaction, however, the highest calculated transaction size based on total project value is equal to 13.54% according to a total value of consideration basis, using reviewed financial statement for the 9-months period ended September 30, 2017. The calculation method is per detail below:

**CALCULATION METHOD PURSUANT TO THE NOTIFICATION OF THE CAPITAL MARKET  
SUPERVISORY BOARD STATED IN Thor Chor 20/2551 Re : Rules on the Significant Acquisition of  
Disposition of Assets dated on August 31,2008 , as following;**

*1. NET TANGIBLE ASSETS (NTA) value method*

|  |  |
|--|--|
| Net tangible<br>asset(NTA) value<br>method | = $\frac{\text{NTA*of investment in company x Propoortion (increase/decrease)x100}}{\text{NTA of the Registered Company}}$<br>= Cannot be calculated due to Unimit Engineering (Myanmar) Co. Ltd not yet run |
|--|--|

*2. NET PROFIT METHOD*

|                   |  |
|-------------------|--|
| Net profit method | = $\frac{\text{(Net operating income of invest company x proportion of buy or sale x100)}}{\text{Net operating income of registered Company}}$<br>= Cannot be calculated due to Unimit Engineering (Myanmar) Co. Ltd not yet run |
|-------------------|--|

*3. TOTAL VALUE OF CONSIDERATION METHOD*

|   |   |
|---|---|
| Total value of<br>consideration<br>method | = $\frac{\text{Value of consideration paid or received x 100}}{\text{Value of assets of the Register Company}}$<br>= $\frac{225,000,000 \times 100}{1,662,171,000}$<br>= 13.54% |
|---|---|

*4. SECURITIES ISSUED TO PAY FOR ACQUIRED ASSETS VALUE METHOD*

|  |   |
|--|---|
| Securities issued to<br>pay for acquired<br>value method | = $\frac{\text{Value of securities issued x 100}}{\text{Valued of issued securities of the Registered Company}}$<br>= Cannot be calculated due to no securities issued to pay for acquired assets |
|--|---|

Conclusion of 4 calculation methods of the transaction size

| Calculation method   | Percentage |
|--|------------|
| 1. Transaction size based on Net tangible assets value method ((NTA)                   | N/A        |
| 2. Transaction size based on Net Profit method   | N/A        |
| 3. Transaction size based on Total consideration method                                | 13.54%     |
| 4. Transaction size based on securities issued to pay for acquired assets value method | N/A        |

Therefore, when calculating by means of Total value of consideration methods, the transaction size will be 13.54% of Value of assets of the Company which is calculated based on the information from the reviewed 9-month period financial statements of the Company ended September 30, 2017, and since the Company did not enter into any acquisition transaction during the past 6 months, therefore, the acquisition transaction of assets is considered a Class 3 comply with the mentioned Notification on Acquisition or Disposal of Assets. However, even value of the transaction size is less than 15% which no need to disclose but the Company would like to inform shareholders.

#### **4. Description of Assets to be acquired**

Project Characteristic

Additional investment for constructing factory for fabrication LPG Storage tanks and ambient storage tanks and purchasing equipment and machinery at Thilawa Special Economic Zone, Myanmar.

#### **5. Total value of consideration and payment condition**

5.1 Factory value approximately 150-175 million Baht payment term will be paid upon later agreed contract.

5.2 Machine and equipment value approximately 35-50 million, payment term will be later determined with each supplier.

#### **6. Value of acquires asset (approximately)**

Value of additional investments to no more than 225 million

6.1 Factory value approximately 150-175 million Baht

6.2 Machine and equipment value approximately 35-50 million Baht

#### **7. Criteria for determine of consideration value**

7.1 The reference of factory 150-175 million Baht valued by estimated from various quotation of subcontractors included material, labor, subcontractors cost, others pre-operating expenses, miscellaneous expenses.

7.2 The reference of Machinery and equipment valued by market price.

#### **8. Expected benefits from the transaction**

Expected benefits from the investment in the Project are as follows:

8.1 To increase long-term competitiveness of the Company's business

8.2 To increase sources of revenue in order to utilize risk diversification to other geography

8.3 To tap into the potential market demand in Myanmar.

## **9. Source of Fund for entering into transaction**

9.1 Cash reserve from retain earning and/or loans, proportion of loan will be subject to Myanmar Bank's regulation and approval.

Proportion as per 9.1 and 9.2 will subject to Myanmar Finance Regulation

Thus, the Board of Directions designated Mr. Young Tai Lu , President of the Company , to have the authorities to engage in all activities to complete the mentioned subject base on the best interest of the Company.

## **10. Condition of the Transaction**

The entering into the transaction is at the highest value of 225 million Baht , equaling to 13.54% of Company's total assets which is calculated based on information from the 9-month reviewed financial statements of the Company ended September 30, 2017, and since the Company have not entered into any acquisition transaction during the past 6 months, therefore, the acquisition transaction of assets is considered a Class 3 comply with the mentioned Notification on Acquisition or Disposal of Assets. However , even value of the transaction size is less than 15% which no need to disclose but the Company would like to inform shareholders.

## **11. Opinion of the Board of Directors on the Transaction**

The Board of Directors Meeting No. 4/2017 held on November 13, 2017 has considered the detail in relation to the transaction and have an opinion that the investment budget is reasonable. Reference is made to management evaluations and comparison of quotations from various contractors and suppliers' quotation with market prices, are appropriately priced. Moreover, considering the business opportunity of the Project, it is believed that the investment in the Project will benefit the Company in the long term and eventually the shareholders of the Company.

## **12. Opinion of the Audit Committee and/or the Director whose opinion is different from the Board of Directors' opinion**

After consideration, The Audit Committee have the opinions in line with the Board of Directors.