

December 12, 2018

Subject : Acquisition of 84.50% shares of WPS (Thailand) Co., Ltd.

Attention : Director and Manager
Stock Exchange of Thailand

Enclosure : 1. Memorandum of the Acquisition of Asset of the Company.

The Board of Directors of Eastern Printing Public Company Limited (the "Company") No. 13/2018 held on December 12, 2018 has approved the Company to purchase shares of the WPS (Thailand) Co., Ltd. ("WPS"), which is a company that is in printing business of newspapers, books and other printing material in the amount 42.25 million shares or 84.50% of registered ordinary shares of WPS from the Nation Multimedia Group PCL. ("Seller") at a price of Baht 9.645 per share, amounting to Baht 407.50 million. The acquisition of WPS shares will result in the WPS being a subsidiary of the Company.

The Company shall sign the share purchase agreement and/or other relevant agreements and will complete the transfer of WPS shares within December 21, 2018.

However, the transaction is the acquisition of assets under the Notification of the Capital Market Supervisory Board No. Tor Jor. 20/2551 Re: Rules on significant transactions constituting acquisition or disposal of assets ("Rule of Acquisition and Disposition) and the announcement of the stock exchange of Thailand Re: Disclosure and the operations of listed companies in the acquisition or disposal of assets B.E. 2547. The calculated size by the total value of consideration equivalent is 14.57%, calculated by the net tangible assets method according to the consolidated financial statements of the Company as of September 30, 2018 and when combined with the acquisition of assets in the period of 6 months occurred before the date of the BOD has approved the acquisition of the WPS is the acquisition of Solar Power Projects with capacity of 99.216 MW in Vietnam which have maximum size of 31.95% based on gross value of reward according to the consolidated financial statements for the period of 6 months ended June 30, 2018, so all the transactions in the past six months have maximum value of 46.52% which falls under category 2 which is more than 15% but less than 50% of total assets.

Therefore, the Company must disclose the transaction to the Stock Exchange of Thailand and provide information to the shareholders within 21 days from the date of notification to the stock exchange. Details of such items appear in Attachment 1: Acquisition of assets of the Company.

Please be informed accordingly.

Respectfully yours,

-Weera Louwitawas-

(Mr. Weera Louwitawas)

Chief Executive Officer

Information Memorandum
Regarding the Acquisition of Assets of
Eastern Printing Public Company Limited

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The Company would inform the details of transaction as specified in the announcement of the acquisition as follows,

1. Date of Events

As of December 12, 2018, which is the Company’s BOD has approved the transaction and shall sign the share purchase agreement and/or other relevant agreements and will complete the transfer of WPS shares from seller within December 21, 2018.

2. Signing Parties and relationship with the Company

The share purchase agreement of WPS (Thailand) Co., Ltd.	
Buyer	Eastern Printing Public Company Limited (“EPCO”)
Seller	Nation Multimedia Group Public Company Limited (“NMG”), which involved bear no relationship and are not related persons of the Company.
Details of the assets acquired	Ordinary shares of 42,250,000 shares, representing 84.50% of the paid up ordinary shares of WPS.
The purchase price	Baht 9.645 per share, totaling Baht 407.50 million. The Company has the right to inspect and accept a production related inventory, such as raw materials, spare parts and other materials including other WIP of the printing jobs of the group of the seller’s companies. The Company also has the right to calculate the prices of inventories.
The compulsory conditions	<p>1) The seller must obtain the written consent of the Kasikornbank PCL., as the credit to the seller to exceptions to the requirements under the terms of the loan that was made between the Kasikornbank PCL., and the company involves replacing the principal shareholder and director of the seller’s</p> <p>2) The seller must obtain the written consent of the Kasikornbank PCL., on the subject (1) To cancel the memorandum (Negative Pledge) that</p>

	<p>seller has made to the Kasikornbank PCL., on January 27, 2014 related to provide financial support to NBC next vision Co., Ltd. (2) To cancel the memorandum (Negative Pledge) that seller has made to the Kasikornbank PCL., on February 3, 2014 related to provide financial support to Bangkok business broadcasting Co., Ltd. and (3) Discharging the share pledge agreement, which the seller has pledged to the Kasikornbank PCL., under a contract of pledge dates May 18, 2017.</p>
<p>Conditions to the repayment of the Company and WPS</p>	<p>The seller and the subsidiary of the seller will continue to pay the outstanding balance of all overdue trade to the WPS and WPS will pay the outstanding balance of all overdue to the seller and the subsidiary of the seller. According to the balance as shown in the detailed financial statement of WPS as at November 30, 2018.</p>

3. General characteristics of the transaction size and the transaction details of the asset.

3.1 Transaction Details

The Company will purchase shares of the WPS (Thailand) Co., Ltd. (“WPS”), which is the company that is in printing business of newspapers, books and other printing materials in the amount 42.25 million shares or 84.50% of registered ordinary shares of WPS from the Nation Multimedia Group PCL. (“Seller”) at a price of Baht 9.645 per share amounting to Baht 407.50 million. The acquisition of WPS shares will result in the WPS being a subsidiary of the Company.

3.2 Calculation of the Transaction Size

The details calculations of the transaction size according to the announced acquisition based on the consolidated financial statements review for the period 9 months ended September 30, 2018 of the Company and the latest audited financial statement for the period 6 months ended June 30, 2018 of the WPS as follows,

▪ **Financial information used in the calculation**

(Unit: Baht Million)	The Company As at Sep 30,2018	WPS As at June 30,2018
Total Assets	8,915.85	522.84
Intangible assets	0.00	0.00
Total Liabilities	6,287.52	142.64
Non-controlling interests	423.05	0.00
Net tangible assets (NTA)	2,205.28	380.20
Net profit for the last 4 quarters	218.97	(240.70)
Proportion	84.50%	84.50%
NTA of proportion	-	321.27
Net profit of proportion	-	NA

▪ **The calculation of transaction size as detailed:**

3.2.1 Book value of net tangible assets method

$$\begin{aligned}
 \text{Transaction size} &= \frac{\text{NTA of investment in the Company} \times \text{The acquired proportion} \times 100}{\text{NTA of the Company}} \\
 &= \frac{(380.20 \times 84.50\%) \times 100}{2,205.28} \\
 &= 14.57\%
 \end{aligned}$$

3.2.2 Net Profit from Core business after tax

$$\text{Transaction size} = \frac{\text{Net profit from the acquiring assets} \times 100}{\text{Total net profit of the Company}}$$

Cannot be calculated because there is no net income from operations.

3.2.3 Gross value of reward

$$\text{Transaction size} = \frac{\text{Total investment cost} \times 100\%}{\text{Total assets of the Company}}$$

$$= \frac{407.50 \times 100}{8,915.85}$$

$$= 4.57\%$$

3.2.4 Value of securities a listed company issues to pay for asset acquisition

$$\text{Transaction size} = \frac{\text{Number of shares issued by the Company to pay for the assets} \times 100\%}{\text{Number of issued and paid-up shares of the company}}$$

Cannot be calculated because the Company does not issue new shares.

From the above calculation, the maximum transaction is 14.57%, calculated by the net tangible assets method according to the consolidated financial statements of the Company as of September 30, 2018 and when combined with the acquisition of assets in the period of 6 months occurred before the date of the BOD has approved the acquisition of the WPS is the acquisition of Solar Power Projects with capacity of 99.216 MW in Vietnam which have maximum size of 31.95% based on gross value of reward according to the consolidated financial statements for the period of 6 months ended June 30, 2018, so all the transactions in the past six months have maximum value of 46.52% which falls under category 2 which is more than 15% but less than 50% of total assets. Therefore, the Company must disclose the transaction to the Stock Exchange of Thailand and provide information to the shareholders within 21 days from the date of notification to the stock exchange.

3.3 The reason of the acquisition

The behavior of consumers has changed to e-commerce, so the company has a policy to expand the business to packaging, which will require more space to produce corrugated boxes and other packaging, whereby the executives of the Company has more than 20 years of experience. Therefore, the WPS will help the company into full packaging business with enough space for expansion.

4. Details of acquired assets

Details of WPS are as follows:

4.1 General information

Company Name	WPS (Thailand) Co., Ltd (“WPS”)
Company registration no.	0115548002146
Type of business	The business of printing books and journals
Head office	1854 Bangna-Trad Road, Bangna, Bangkok.
Registered capital	Baht 500,000,000
Paid-up capital	Baht 500,000,000
Number of ordinary shares	50,000,000 Shares
Number of preferred shares	- None -
Par value per share	Baht 10 per share

4.2 The shareholding structure before and after acquisition

List of shareholders	Before the transaction As of December 12, 2018		After the transaction	
	Number of shares	Proportion (%)	Number of shares	Proportion (%)
Nation Multimedia Group PCL.	422,500,000	84.50	-	-
Eastern Printing PCL.	-	-	422,500,000	84.50
Aksorn Sombat Co., Ltd	50,000,000	10.00	50,000,000	10.00
Mr.Surapol Tewa-aksorn	10,000,000	2.00	10,000,000	2.00
Kilane Printing Co., Ltd	6,250,000	1.25	6,250,000	1.25
Ms.Supha Hongtong	6,250,000	1.25	6,250,000	1.25
Amarin Printing and Publishing PCL.	2,500,000	0.50	2,500,000	0.50
Mr.Vorasit Tewa-aksorn	2,500,000	0.50	2,500,000	0.50
Total	500,000,000	100.00	500,000,000	100.00

4.3 List of the directors before and after the transaction

Director before the transaction As of December 12, 2018		Director after the transaction		
1. Mr.Tawan	Tewa-aksorn	1.Mr.Yuth	Chinsupakul	(Director from EPCO)
2. Mr.Vorasit	Tewa-aksorn	2.Mr.Weera	Louwitawas	(Director from EPCO)
3. Ms.Supha	Hongtong	3.Mr.Prasong	Hanpiyavatanasakul	(Director from EPCO)
4. Mr.Somchai	Meesen	4.Mr.Thitipan	Phisutthanakanjana	(Director from EPCO)
5. Mr.Pana	Chantaravirot	5. Mr.Tawan	Tewa-aksorn	
6. Ms.Nutwara	Saengwarin	6. Mr.Vorasit	Tewa-aksorn	
		7. Ms.Supha	Hongtong	

5. Value of acquired assets

The Company will purchase shares of WPS amount 42,250,000 shares, representing 84.50% of the paid-up shares of WPS from Nation Multimedia Group PCL. (“NMG”) at the price Baht 9.645 per share in the amount Baht 407.50 million. The acquisition of WPS shares will result in the WPS being a subsidiary of the Company.

6. Basis for determination of value of reward

According to the share price agreed between the Company (“Buyer”) and the Seller at a price of Baht 9.645 per share in the amount Baht 407.50 million. The Company has determined the estimated value of assets by the WPS is worth more than book value, including the draft contract SPA that the seller and the group of the seller will continue to pay the outstanding balance and WPS will settle all outstanding debts to the seller and the group of the seller. The net balance of the WPS will receive a total amount of Baht 200.00 million. The price and terms of negotiation between the Company and the Seller will consider with the value and return on investment with the Discounted Cash Flow Methods with the rate of return on investment by 10% and the Company expects that after the acquisition the company will start the packaging as a policy to expand the business.

7. Benefit to the Company.

To support the expansion into packaging business from WPS with space and warehouse to be able to conduct packaging business effectively, including machinery and personnel.

8. Sources of funds

The Company will use the loan from the financial institutions 100% of the value of the investment of Baht 407.50 million (which has already been approved).

9. Terms of the transaction

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Therefore, The Company shall sign the share purchase agreement of the WPS and/or other relevant agreements and will transfer the shares of WPS from seller within December 21, 2018.

10. Opinion from Board of directors regarding the entry of transaction

The Board of Directors meeting No.13/2018 held on December 12, 2018, which has considered these transactions carefully and then by considering all the conditions, the appropriate value for trading and expansion of facilities to packaging. In addition, the Company has a deposit in the amount Baht 2.00 million to the seller to insurance transactions are completed according to the agreement between the seller and the Company on September 21, 2018 regarding the acquisition of WPS share. The Board of Directors had opinions that the acquisition of assets mentioned above is appropriate transaction and will benefit for the Company and shareholders.

11. Opinion from the Audit Committee and/or directors which is different from that of the Board of directors

Audit Committee has agreed with the opinion from the Board of Director and there is no different in opinion from any director.

Please be informed accordingly.

Respectfully yours,

-Weera Louwitawas-

(Mr.Weera Louwitawas)

Chief Executive Officer

Eastern Printing Public Company Limited.