



Ref.No.1905/026EN

July 16, 2019

Subject Inform about The Connected Transaction

Attention President of the Stock Exchange of Thailand

According to the Board of Directors Meeting No.9/2019 of UBIS (Asia) Public Company Limited (“the Company”) held on July 16, 2019, it was resolved that the Company enter into a connected transaction of the contact of land lease with factory building and office buildings and the Machinery purchase agreement with Golden Arrow Coating Co., Ltd. of which Mr. Arkran Termritikulchai and Mr. Pasithphol Termritikulchai who are its Directors and are sons of Mr. Prachnon Termritikulchai therefore a connected person under the Notification of the Capital Market Supervisory Board No. TorChor. 21/2551 regarding the rules on connected transactions (as amended) and the Notification of The Stock Exchange of Thailand in the subject of disclosure of information and practices of listed company on the connected transaction in 2003 (as amended) (as called “Connected Transaction Notification”).

In order for the transaction to be in accordance with the connected transaction announcement, the company would like to inform the information of the connected transaction in the contract of land lease with factory and office building and the machinery purchase agreement with the following details.

1. Information

1.1 Land Lease Agreement with Factory and Office Building

1	Transaction date	:	After the approval of the Board of Directors meeting.
2	Related Parties		
	Lessee	:	UBIS (Asia) Public Company Limited
	Lessor	:	Golden Arrow Coating Co., Ltd.*
	Relationship	:	Golden Arrow Coating Co., Ltd.* - Mr. Arkran Termritikulchai and Mr. Pasithphol Termritikulchai who are Directors and sons of Mr. Prachnon Termritikulchai who is a Director and CEO of UBIS (Asia) Public Company Limited.
	General Information	:	Land Lease contract with Factory and Office Building
3	Size		
	Rental Contract	:	Land Lease contract with Factory and Office Building
	Total Area, Rental Fee, and Service Charge	:	Factory area 750 square meters with monthly rental fee of 150 THB per square meter



1.1 Land Lease Agreement with Factory and Office Building (cont.)

		:	Office building area 200 square meters with monthly rental fee 150 THB per square meter
	Lease Term	:	2 years
	The Cost of Rental and Service for 2 years	:	3,420,000 THB
	Bail	:	427,500 THB
	Total of Payment as Agreement	:	3,847,500 THB
	Payment	:	Monthly

1.2 Machinery Purchase Agreement

1	Transaction date	:	After the approval of the Board of Directors meeting.
2	Related Parties	:	
	Buyer	:	UBIS (Asia) Public Company Limited
	Seller	:	Golden Arrow Coating Co., Ltd.*
	Relationship	:	Golden Arrow Coating Co., Ltd.* - Mr. Arkran Termitikulchai and Mr. Pasithphol Termitikulchai who are Directors and sons of Mr. Prachnon Termitikulchai who is a Director and CEO of UBIS (Asia) Public Company Limited.
3	Information	:	Purchase of 6 machineries for manufacturing
	Size of transaction	:	It is considered as the Transaction Category 1 of Thailand ("SET") regarding the Disclosure of Information and Other Acts of Listed Companies concerning the Connected Transactions.
	Items	:	1. 1 unit of Water Chiller and Tank 2. 4 units of NETZSCH Machineries 3. 1 unit of Vacuum Cleaner with Jet Pulse System 4. 1 unit of Air Pump with Suspension Tank and Air Drier
	Price as Agreement	:	Total 2,200,000 Baht

Remark: \* The information of Golden Arrow Coating Co., Ltd.

1) Directors' Name

1. Mr. Rioishi Hori
2. Mr. Arkran Termitikulchai
3. Mr. Pasithphol Termitikulchai

2) Shareholders' Name

Name	Numbers of Stocks	Percentage
1. Mr. Pasithphol Termritikulchai	500,000	33.30
2. Mr. Arkran Termritikulchai	500,000	33.30
3. Ms. Wannarat Termritikulchai	425,000	28.33
4. Mr. Rioishi Hori	75,000	5.00
Total	1,500,000	100.00

3) Statement of Financial Position

Company's Financial Statement (Unit: Thousand THB)

Assets	Dec 31, 2017	Dec 31, 2018
Current Assets	170,344.66	179,880.67
Non-Current Assets	8,587.57	20,097.13
Total of Assets	178,932.23	199,977.80
<b>Liabilities and Equity</b>		
Current Liabilities	80,478.47	93,490.33
Non-Current Liabilities	200.00	1,950.57
Equity	53,940.09	70,333.92
Total of Liabilities and Equity	178,932.23	199,977.80

Company's Statement of Income (Unit: Thousand THB)

	Dec 31, 2017	Dec 31, 2018
Total Revenue	179,704.12	138,594.13
Cost of Sales	141,814.49	108,039.77
Selling Expenses	10,594.75	199,977.80
Administrative Expenses	19,865.40	9,922.32
Other Expenses	672.22	12,862.59
Net Profit	1,828.38	1,393.83
Depreciation and Amortization	2,167.13	1,404.40
EBIDA	8,924.39	8,478.64

2. The Total Value of Consideration

The total value of consideration for entering the 2 transactions above is in the total value 6,047,500.00 THB . The Company will pay all consideration in cash.



3. The Criteria for Determining the Consideration value

Determining the consideration value is from negotiation and agreement between the Parties. The Company has taken seriously into account of the business plan and the Company's interest and benefit.

4. Calculation of the size of the Connected Transaction

The transaction is considered as a connected transaction with general commercial condition, with the factory building and office building located at Bangpoo Industrial Estate, Sukhumvit Road K.M.37, Praeksa, Muang Samutprakarn, Samutprakarn province, is a good location , convenient for transportation and contact, and the rental fee is at the level that is suitable with the area nearby, and the machineries for internal lacquer production. Total price of the transactions is 6,047,500 THB or percentage 1.43 of the Net Tangible Asset, which is greater than 0.03 percent and less than 3 percent of Net Tangible Asset (NTA) of the company, calculated from the consolidated financial statements of the Company and its subsidiaries company as of March 31, 2019 , and the said value exceeds 1 million THB but not more than 20 million THB , that is, it is a medium-sized item according to the announcement of the connected transaction. There are no connected transaction occurring in the past 6 months, therefore, the transaction must be approved by the Board of Directors and disclosed to Stock Exchange of Thailand.

The calculation of the transaction size according to the consolidated financial statements of the Company for the period ended 31 March, 2019 (Unit: Thousand THB) is as follows.

$$= \frac{\text{Gross Total} \times 100}{\text{Net Tangible Asset (NTA)}}$$

$$= \frac{6,047.5 \times 100}{422,715}$$

$$= 1.43 \%$$

Company's Net Tangible Asset (NTA) as 31 March, 2019 is as below.

Statement of Financial Position 1/2019 (Unaudited)	Thousand THB
Total Assets	680,813
Intangible Assets	4,502
Total Liabilities	253,596
Shareholders' Equity	-
Net Tangible Asset (NTA)	422,715



5. The Scope of Interest

Mr. Prachnon Termritikulchai, a Company's Director and CEO, is a related person therefore did not attend and did not vote in this BOD meeting.

6. Opinion of The Board of Directors in entering into this transaction

The Board of Directors Meeting No. 9/2019 resolved to approve the said transaction because it is considered that this transaction was the benefits to the Company as follows 1) the rental fee of land with factory building and office buildings for the production of products is comparable to similar areas nearby 2) the purchase price of machinery for production from 2 independent appraisers for comparison is consistent with the market price as the transaction date. The Board of Directors have considered that the land leasing with factory and office building and the purchase of machinery are in accordance with relevant regulations and announcements , therefore, reasonable in approving such transactions. With this, a related person did not attend in the meeting and had no voting rights about this related transaction.

7. Opinion of the Audit Committees and / or Company's Directors which is different from the opinion of the Board of Directors as the item of 6 above

The Audit Committee, after due consideration, had the opinions which were in line with those of the Board of Directors.

Please be informed accordingly.

Yours faithfully,

(Mr.Nawat Triyapongpattana)  
Managing Director