

ED-MD2020-0022

June 25th, 2020

Subject: Information Memorandum regarding the approval and ratification of the purchase land
3 plots

Attention: Directors and Managers
The Stock Exchange of Thailand

Attachment: Information Memorandum 1

Eureka Design Public Company Limited ("the Company") would like to notify the resolutions of the Board of Directors' meeting, No. 8/2020, 25th June 2020, considered and approved the ratification of the Land Purchase Agreement of 3 plots, consisting of 27-2-30 Rai in the amount of 46,441,350 baht (forty six million four hundred and forty one thousand three hundred and fifty baht), which effective on June 17, 2020 for the water supply project as well as assigning the management of the Company to study information if wanting to buy the rest of the land for the project. To reduce the risk of the Provincial Waterworks Authority project and bring it to the Board of Directors for consider next meeting.

However, when including the transactions occurring in the past 6 months, it is considered an acquisition of assets with a transaction size according to the total value of consideration criteria of 27.402%, having the type 2 transactions (transaction size having a value equal to 15 percent or Higher than but lower than 50%) The transaction under the method of calculation of the transaction size by using the total value of consideration according to the Notification of the Capital Market Supervisory Board No. Tor Chor. 20/2551 regarding the criteria for making important land transactions entered Network is the acquisition or disposition of assets dated 31 August 2008 and the announcement of the Stock Exchange of Thailand Subject: Disclosure of information and practices of listed companies regarding the acquisition or disposition of assets, 2004 dated October 29, 2004 as follows:

- The value of the transaction size of the Water Supply project at the Pim pha water distribution station is equal to 45,000,000 baht, signed on February 14, 2020 (the resolution of board of directors, No.1/2020 on January 30, 2020 has approved the investment transaction in the meeting) The total assets of the company as of December 31, 2019 equals to 337,736,000 baht. The calculation criteria of the transaction size is based on the total value of consideration. Which the formula is calculated as follows

$$\frac{\text{Value of paid or received transaction} \times 100}{\text{Total assets of the company}}$$

Transaction size can be calculated as follows

$$\frac{45,000,000 \times 100}{337,736,000} = 13.324\%$$

- The value of the transaction size of this land purchase is equal to 46,441,350 baht. The total assets of the company as at March 31, 2020 is 329,886,000 baht. The calculation criteria of the transaction size is the total value of consideration criteria. Which the formula is calculated as follows

$$\frac{\text{Value of paid or received transaction} \times 100}{\text{Total assets of the company}}$$

Transaction size can be calculated as follows

$$\frac{46,441,350 \times 100}{329,886,000} = 14.078\%$$

The company has a duty to prepare an information disclosure report of the disclosure to the Stock Exchange of Thailand. And circulating circulars to shareholders within 21 days from the date of notifying the Stock Exchange of Thailand

Please be informed accordingly,

Yours faithfully,

(Mr. Lissapat Kraikruan)

Director

**Information Memorandum regarding the asset acquisition transaction
Of Eureka Design Public Company Limited**

The meeting of the Board of Directors of Eureka Design Public Company Limited no. 8/2020 held on 25 June 2020 passed a resolution approving and ratifying the land purchase transaction. In Chonburi province, consisting of 3 plots, for use in the water supply project. The said transaction is considered an asset acquisition with the transaction size value of type 2 (the transaction size is equal to 15 percent or higher but less than 50 percent) according to the calculation method of the transaction size. Using the total value criteria of consideration According to the Notification of the Capital Market Supervisory Board No. Thor.Jor. 20/2551 regarding the criteria for making significant transactions that are considered as an acquisition or disposal of assets And the announcement of the Stock Exchange of Thailand regarding disclosure and operation of listed companies for the acquisition or disposal of assets, 2004

The company has a duty to prepare an information disclosure report of the disclosure to the Stock Exchange of Thailand. And circulating circulars to shareholders within 21 days from the date of notifying the Stock Exchange of Thailand

1. Date, month, year of the transaction

The Eureka UU Joint Venture Company Limited entered into a sale and purchase transaction of land ownership in the amount of 3 Plots approximately 27-2-30 rai, valued at 46,441,350 baht on 17 June 2020 in order to install a water supply system in the company's water supply project

2. Related contract parties

Buyer: Eureka UU Joint Venture Limited

Seller: Mrs. Wilai Rojanai

Relationship between buyers and sellers: None

Note: The seller is an unrelated person. And / or connected with the company Major shareholders, directors, and executives of the company

3. General characteristics of the transaction, value and size of the transaction

The management received an expedited letter from the landlord dated 8th June 2020, with an expedited letter to the company, proceed to buy some of land and enter into a lease agreement by June 17, 2020, otherwise the landlord will consider the company waiver of negotiation for land use. The landlord will immediately consider the proposal received from third party because third party have submitted and confirmed the land purchase amount to 3 plots in value of 46,441,350 baht which the said land is the area where the company has the water treatment system construction project and is the main raw water source of the water supply project for the Provincial Waterworks Authority

Management opinion

The management considers that appropriate to proceed with the demand from the landlord because if the landlord agrees to purchase and/or enter into any other contract that will cause the company all rights have been exercised this will be a high risk that the company will not be able to find new land and water resources in time. As a result, unable to produce tap water to the Provincial Waterworks in time, as at 9 June 2020, the company has received an appointment to sign a contract for the water supply project at Nong Ka kha Distribution Station and the water supply project at Phan Thong water distribution station by specifying the date of signing the contract between the Company and the Provincial Waterworks Authority, which is June 25th, 2020. The management considers that in a limited time, unable to find the project location and new raw water sources Therefore, the implementation of the demand from the landlord is the right choice. Reduce the risk that the company will be forfeited. The bidding bond still bound with the Provincial Waterworks Authority.

Additional management considerations

The management has considered that the said land is adjacent to the main raw water source in the two water distribution projects for the Provincial Waterworks Authority as proposed by the management. The management considers that the acquisition of land in this area will make the Company Able to manage the water supply system easily and has the flexibility to expand production capacity in the future.

Considering the current high demand for water in the project site can be expected to increase a lot in the future Since it is an area in the Eastern Economic Corridor area. There is a high rate of growth in the industrial sector. The management sees the opportunity to expand the tap water distribution business in the area. Therefore, preparation for production capacity expansion is important.

The management therefore resolved to approve the said land purchase transaction on June 15th, 2020. After combining the 6 month transaction, the maximum transaction size was 27.402% according to the total value of consideration criteria (the Company has Acquisition of assets occurred during the previous 6 months, the date the Board of Directors resolved to approve this transaction, consisting of 1 transaction, namely investment in the water supply project at Pim pha water distribution station. With the transaction size equivalent to the value of consideration 13.324%), considered as the acquisition of assets with the value of the transaction size as Transaction type 2 (transaction size with a value equal to 15 percent or higher but lower than 50 percent) according to the calculation method of the transaction size by using the total value of consideration criteria under the Notification of the Capital Market Supervisory Board No. 20/2551 Re: Rules for making significant land transactions that are considered as an acquisition or disposal of assets dated 31 August 2008 and the announcement of the Stock Exchange of Thailand Disclosure of Information and Actions of Listed Companies Regarding Acquisition or Disposal of Assets B.E. 2547 dated October 29, 2004, which must be submitted to the board for approval and inform the information to the Stock Exchange of Thailand Along with circulating the shareholders within 21 days from the date of the announcement to the Stock Exchange of Thailand.

With details of calculation of the transaction size as follows

- The transaction size of the investment in the tap water distribution project at Pim Pao water distribution area is equal to 45,000,000 baht, signed on February 14th, 2020 (the board of directors Has approved the investment transaction in the meeting No.1 / 2020 on 30 January 2020). The total assets of the company at 31st December 2019 equals to 337,736,000 baht. The calculation criteria for the size of the transaction is based on the total value of consideration criteria. Which the formula is calculated as follows

$$\frac{\text{Value of paid or received transaction} \times 100}{\text{Total assets of the company}}$$

Transaction size can be calculated as follows

$$\frac{45,000,000 \times 100}{337,736,000} = 13.324\%$$

- The value of the transaction size of this land purchase is equal to 46,441,350 baht. The total assets of the company as at March 31, 2020 is 329,886,000 baht. The calculation criteria of the transaction size is the total value of consideration criteria. Which the formula is calculated as follows

$$\frac{\text{Value of paid or received transaction} \times 100}{\text{Total assets of the company}}$$

Transaction size can be calculated as follows

$$\frac{46,441,350 \times 100}{329,886,000} = 14.078\%$$

Therefore, the transaction size according to the total value of consideration criteria is 27.402%, which appears to be classified as type 2 transaction.

In addition, the management has been hastened by the landlord to rush to transfer the ownership of the said land within June 17, 2020, causing the board meeting to not be held before the transaction date. Therefore, it is necessary to request ratification of the Board of Directors to certify the above transaction.

Calculation of transaction sizes based on comparative criteria

Criteria	Calculation	Value (percent)
1. Net asset value	$\frac{\text{NTA assets to be acquired}}{\text{NTA Company}}$	Cannot be calculated because it is the acquisition of real estate assets.
2. Net profit criteria	$\frac{\text{Net profit from operations of assets to be acquired}}{\text{Company net profit}}$	Cannot be calculated because it is the acquisition of property which is real estate
3. Criteria of value of consideration	$\frac{\text{The total value of all consideration}}{\text{Total assets of the company}}$	27.402
4. Value of securities criteria	No new shares issued	Cannot be calculated because no shares have been issued for the transaction.

4. Details of the acquired assets

- Land with buildings, consisting of 3 plots, approximately 27- 2 -30 rai details as follows

1. Land Title Deed No. 1853, Section 5235 IV 2880, Land No. 33, Nong Hong Subdistrict, Phan Thong District, Chon Buri Province, with an area of 5-1-50 rai

2. Land Title Deed No. 1867, Section 5235 IV 2880, Land No. 39, Nong Hong Subdistrict, Phan Thong District, Chon Buri Province, with an area of 13-3-5 Rai

3. Land Title Deed No. 16409, Land No. 5235 IV 2880, Land No. 236, Nong Hong Subdistrict, Phan Thong District, Chon Buri Province, area 8-1-75 Rai

5. Source of funds

- Funds received from the capital increase in the Joint venture UREKA UU Co., Ltd. for the water production and distribution project to the Provincial Waterworks Authority

6. Expected benefits for the company

- For close the risk of the company in the water supply project and support the operation in the said project for long-term stability

- For implementation of the company's strategic plan by expanding the company's operations on public utility infrastructure projects in the EEC area to cover

7. The opinion of the Board of Directors

- The Board of Directors Meeting No. 8/25563, held on 25 June 2020, passed a resolution approving and ratifying the 3 land plots in Chonburi Province, which occurred on 17 June 2020, in the value of 46,441,350 baht. As proposed it was an urgent matter failure to do any of these transactions may result in the tap water sale project. the Board of Directors assign the management of the Company to study information and gather benefits if need to buy the rest of the land in the whole project. To reduce the risk of selling tap water to the Provincial Waterworks Authority then propose and present to the Board of Directors for consideration on the next agenda

The transaction size, the acquisition of assets with value, the transaction size is Transaction type 2: The company is responsible for preparing the information memorandum disclosure to the Stock Exchange of Thailand and circulating to shareholders within 21 days from the date of notifying the Stock Exchange of Thailand.

8. The opinions of the audit committee and / or directors of the company which are different from the opinions of the board of directors under item 7

-None-

Please be informed and disseminate to investors accordingly.

Best regards

Mr.Lissapat Kraikruan

Director

Mr.Ulit Jaturasangpairoj

Director