



- Translation -

No. TOA 24/2021

October 19, 2021

Subject: Notification of the Resolutions of the Board of Directors' Meeting regarding Acquisition of Ordinary Shares in Gympantech Company Limited, the Connected Transaction and the Invitation to the Extraordinary General Meeting of Shareholders through Electronic Means (e-EGM)

To: President
The Stock Exchange of Thailand

Attachment 1: Information Memorandum regarding the Connected Transaction and Acquisition of Assets of TOA Paint (Thailand) Public Company Limited

According to the Board of Directors' Meeting No. 8/2021 held on October 19, 2021, TOA Paint (Thailand) Public Company Limited (the "Company") would like to inform the significant resolutions without directors with vested interest as follows:

1. Approved the Company to convene and propose to the Extraordinary General Meeting of Shareholders to approve the acquisition of ordinary shares in Gympantech Company Limited ("GMT") from TOA Group Holding Company Limited ("TOAGH") for 2,626,500 shares with a par value of THB 100 per share, representing 51.0% of GMT's issued and paid-up capital. The purchase price values at THB 304.59 per share with the total amount of THB 800 million. GMT engages in the core business of manufacturing, importing, exporting, repacking, distributing gypsum powder, gypsum boards, and trading tools and equipment for installing all types of gypsum boards.

In this regard, TOAGH is the Company's major shareholder and controlling person. (The Tangkaravakoon Family). Therefore, it is considered as the connected transaction concerning the assets or services according to the Notification of Capital Market Supervisory Board No. TorChor. 21/2551 Re: Rules on Connected Transactions (as amended), and the Notification of the Board of Governors of the Stock Exchange of Thailand Re: Disclosure of Information and Other Acts of Listed Companies Concerning the Connected Transactions B.E. 2546 (2003) (as amended) (collectively, the "Connected Transaction Notification"). **The transaction size is equal to 7.63%** of the net tangible assets (NTA) subject to the Company's consolidated financial statements as at June 30, 2021 as reviewed by the auditor. **According to the calculation from such transaction and combining with all connected transactions made with the same persons or relevant parties of TOAGH occurring during the preceding 6 months, the**



transaction size is 10.55%. Therefore, the Company must comply with the Connected Transaction Notification as follows:

- 1) To prepare and submit an immediate report and disclosure of information memorandum on the Company's transaction to the Stock Exchange of Thailand ("SET") with the minimum necessary requirement of information pursuant to the Connected Transaction Notification (details in the Attachment).
- 2) To appoint an independent financial advisor to carry out the relevant functions, including providing required opinions under the Connected Transaction Notification. The opinion report of the independent financial advisor will be submitted to the shareholders for consideration together with the invitation to the shareholders' meeting.
- 3) To convene the shareholders' meeting of the Company, by delivering the invitation letter to the shareholders' meeting to the shareholders at least 14 days prior to the meeting date. The Company must obtain approval from the shareholders' meeting with not less than three-fourths of all votes of the shareholders present at the meeting and entitled to vote, excluding such votes of the shareholders with vested interest¹. Thus, names and number of shares held by shareholders who have no voting right must be specified in the invitation letter.

In addition, the above-mentioned transaction is also considered as the acquisition of assets according to the Notification of the Capital Market Supervisory Board No. TorChor. 20/2551 Re: Rules on Entering into Material Transactions Deemed as Acquisition or Disposal of Assets dated 31 August 2008 (as amended), and the Notification of the Board of Governors of the Stock Exchange of Thailand Re: Disclosure of Information and Other Acts of Listed Companies Concerning the Acquisition or Disposition of Assets B.E. 2547 (2004) dated 29 October 2004 (as amended) (collectively, the "Notification of Acquisition or Disposition of Assets"). As such, the transaction size is accounted at 4.35% subject to the calculation based on the total value of consideration paid or received under the Company's second-quarter consolidated financial statements ended June 30, 2021, as reviewed by the auditor. According to the calculation from such transaction and combining with all acquisition of assets occurring during the preceding 6 months, the transaction size is accounted at 10.43%. When considering the transaction size less than 15%, the transaction is not subject to the required disclosure of information to the SET pursuant to the Notification of Acquisition or Disposition of Assets.

In order to comply with good corporate governance and the right of shareholders to consider the entry into the transaction. This acquisition of ordinary shares in GMT is deemed as the purchase or acceptance of transfer of the business of other companies or private companies by the Company under the Section 107(2)(b) of the Public Limited Companies Act B.E. 2535 (1992) (as amended).

¹TOAGH and the Tangkaravakoon Family are considered as shareholders with vested interest and without right to vote this agenda.



Therefore, the Company shall propose such acquisition of ordinary shares in GMT to the Extraordinary General Meeting of Shareholders for obtaining approval of the transaction.

In this regard, the Board of Directors' Meeting has appointed Beyond Advisor Company Limited, the financial advisor approved by the Securities and Exchange Commission, to be an independent financial advisor for rendering opinions on the acquisition of assets and connected transaction.

In order to facilitate convenience and for the purpose of good order to enter into the transaction, the Board of Directors deemed it appropriate to propose the shareholders' meeting to consider authorizing the Chief Executive Officer or the persons delegated by the Chief Executive Officer to have the power to take any actions pertaining to the acquisition of shares, including, without limitation, to negotiate with and enter into the share purchase agreement and other related documents, including to sign documents and to take any actions which are necessary and relating to such transaction.

2. The Board of Directors approved of convening the Extraordinary General Meeting of Shareholders No.1/2021 to be held on December 16, 2021, at 10.00 hrs. through electronic means (e-EGM). The record date to determine the list of shareholders entitled to attend the meeting is set on November 3, 2021, as per the following agenda:

Agenda Item 1: To endorse the minutes of 2021 Annual General Meeting of Shareholders, convened on April 23, 2021

Agenda Item 2: To endorse the connected transaction to acquire ordinary shares in Gypmantech Company Limited from TOA Group Holding Company Limited

Agenda Item 3: Other matters (if any)

In order to facilitate convenience to arrange the Extraordinary General Meeting of Shareholders No.1/2021, the Board of Directors' Meeting approved of granting the Chief Executive Officer or the persons delegated by the Chief Executive Officer the power to perform any acts for arrangement in case of any changes of the shareholders' meeting as necessary and appropriate such as change of date and time, platform and meeting arrangement method, venue, and agenda items, as well as meeting cancellation in accordance with the relevant regulations. If there is any significant change in meeting details, the Company shall inform the shareholders through the Stock Exchange of Thailand's channel and the Company's website.

Please be informed accordingly.

Yours Sincerely,

(Mr. Jatuphat Tangkaravakoon)

Chief Executive Officer

Information Memorandum regarding the Connected Transaction and Acquisition of Assets
of TOA Paint (Thailand) Public Company Limited

According to the Board of Directors' Meeting No. 8/2021 held on October 19, 2021, TOA Paint (Thailand) Public Company Limited (the “Company”) resolved to propose the Extraordinary General Meeting of Shareholders No.1/2021 to consider and approve the acquisition of ordinary shares in Gypmantech Company Limited (“GMT”) from TOA Group Holding Company Limited (“TOAGH”) for 2,626,500 shares with a par value of THB 100 per share, representing 51.0% of GMT’s issued and paid-up capital. The purchase price values at THB 304.59 per share with the total amount of THB 800 million. GMT engages in the core business of manufacturing, importing, exporting, repacking, distributing gypsum powder, gypsum boards, and trading tools and equipment for installing all types of gypsum boards.

TOAGH is the Company’s major shareholder and consists of joint controlling persons (The Tangkaravakoon Family). Therefore, the transaction is considered as the connected transaction concerning the assets or services according to the Notification of Capital Market Supervisory Board No. TorChor. 21/2551 Re: Rules on Connected Transactions (as amended), and the Notification of the Board of Governors of the Stock Exchange of Thailand Re: Disclosure of Information and Other Acts of Listed Companies Concerning the Connected Transactions B.E. 2546 (2003) (as amended) (collectively, the “Connected Transaction Notification”). The transaction size is equal to 7.63% of the net tangible assets (NTA) subject to the Company’s latest consolidated financial statements ended June 30, 2021, as reviewed by the auditor. According to the calculation from such transaction and combining with all connected transactions made with the same persons or relevant parties of TOAGH occurring during the preceding 6 months, the transaction size is accounted at 10.55%. Therefore, the Company must prepare and submit an immediate report and disclosure of information memorandum on the Company’s transaction to the Stock Exchange of Thailand (“SET”) with the minimum necessary requirement of information pursuant to the Connected Transaction Notification, which is detailed in this information memorandum.

In addition, the above-mentioned transaction is also considered as the acquisition of assets according to the Notification of the Capital Market Supervisory Board No. TorChor. 20/2551 Re: Rules on Entering into Material Transactions Deemed as Acquisition or Disposal of Assets dated 31 August 2008 (as amended), and the Notification of the Board of Governors of the Stock Exchange of Thailand Re: Disclosure of Information and Other Acts of Listed Companies Concerning the Acquisition or Disposition of Assets B.E. 2547 (2004) dated 29 October 2004 (as amended) (collectively, the “Notification of Acquisition or Disposition of Assets”). As such, the transaction size is accounted at 4.35% subject to the calculation based on the total value of consideration paid or received under the Company’s second-quarter consolidated financial statements ended June 30, 2021, as reviewed by the auditor. According to the calculation from such transaction and combining with all acquisition of assets occurring during the preceding 6 months, the transaction size is accounted at 10.43%.

When considering the transaction size less than 15%, the transaction is not subject to the required disclosure of information to the SET pursuant to the Notification of Acquisition or Disposition of Assets.

The Company hereby informs the following details of such connected transaction.

1. Transaction Date

After the approval from the Extraordinary General Meeting of Shareholders No. 1/2021 which will be held on December 16, 2021, the transaction is expected to be completed by the first quarter of 2022.

2. Related Parties and Scope of Interests of Connected Persons

Buyer: The Company

Seller: TOAGH

Relationship: TOAGH is the Company's major shareholder with the shareholding of 29.99% of the Company's issued and paid-up capital. Moreover, the Company and TOAGH consist of joint shareholders and controlling persons as follows:

	Position in the Company	Position in TOAGH
1. Mr. Prachak Tangkaravakoon	P	I
2. Mrs. Laor Tangkaravakoon	V	I
3. Mr. Vonnarat Tangkaravakoon	I	I
4. Mr. Jatuphat Tangkaravakoon	I, E	I
5. Mr. Nattavuth Tangkaravakoon	I	I
6. Mrs. Busatree Wanglee	I, E	I

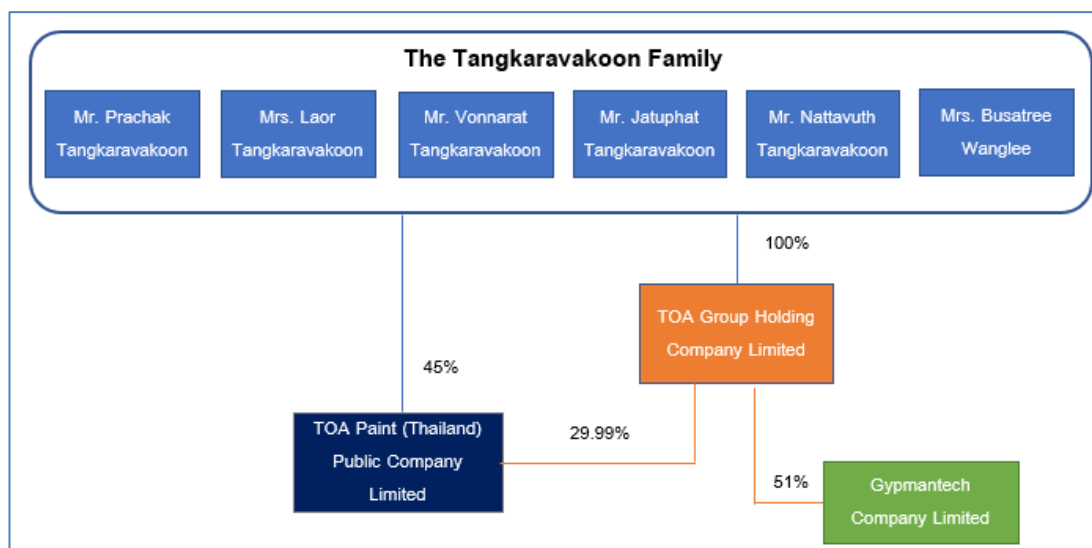
Note: P = Chairman V = Vice Chairman

I = Director E = Executive

Shareholders who are controlling persons:

	% Shareholding in the Company	% Shareholding in TOAGH
1. Mr. Prachak Tangkaravakoon	4.5%	20.0%
2. Mrs. Laor Tangkaravakoon	4.5%	20.0%
3. Mr. Vonnarat Tangkaravakoon	9.0%	15.0%
4. Mr. Jatuphat Tangkaravakoon	9.0%	15.0%
5. Mr. Nattavuth Tangkaravakoon	9.0%	15.0%
6. Mrs. Busatree Wanglee	9.0%	15.0%
Total	45.0%	100.0%

Shareholding Structure



3. Nature of Transaction

The Company shall purchase GMT's ordinary shares from TOAGH for 2,626,500 shares, representing 51.0% of GMT's total number of shares, with a par value of THB 100 per share. The purchase price values at THB 304.59 per share with the total amount of THB 800 million.

4. Information on the Asset Acquisition

4.1 Net Tangible Asset (NTA)

Unit: THB Million

	As at Jun. 30, 2021	
	The Company	GMT
Total assets	18,384.31	745.58
Intangible assets		
Right-of-use assets	1,203.25	-
Intangible assets	230.06	0.67
Goodwill	66.13	-
Deferred Tax Assets	158.08	-
Total Liabilities	6,217.43	106.55
Non-Controlling Interests	30.26	-
Net Tangible Asset (NTA)	10,479.10	638.36
Net profit (from July 1, 2020 to June 30, 2021)	2,230.98	153.10

4.2 Calculation on Acquisition of Assets

Calculation Criteria	Calculation Formula	Transaction Size
1) Net Tangible Asset (NTA)	$\frac{\text{NTA of the Entering Transaction} \times \text{Shareholding Proportion} \times 100}{\text{NTA of the Company}}$	$\frac{638.36 \times 51 \times 100}{10,479.10}$ =3.11%

Calculation Criteria	Calculation Formula	Transaction Size
2) Net Profit from Operation	$\frac{\text{Net Profit from Operation of the Company that will Buy or Sell x Shareholding Proportion x 100}}{\text{Net Profit from Normal Operation of the Company}}$	$\frac{153.10 \times 51 \times 100}{2,230.98} = 3.50\%$
3. Total Value of Consideration	$\frac{\text{Paid or Received Amount in Proportion x 100}}{\text{Total Assets of the Company}}$	$\frac{800 \times 100}{18,384.31} = 4.35\%$
4. Criteria of Value of Shares Issued for Payment of Assets	$\frac{\text{Number of Shares Issued for Payment of Assets x 100}}{\text{Number of Issued and Paid-up Shares of the Company}}$	Cannot be calculated

Thus, the highest transaction value is equivalent to 4.35% based on the total value of consideration. When calculating all acquisition of assets occurring during the preceding 6 months before the Board of Directors resolved to propose to the Company's shareholders' meeting to approve such transaction, the transaction size is accounted at 10.43% based on the total value of the consideration. According to considering the transaction size less than 15% of the Company's total assets, the transaction is not subject to the required disclosure of information to the SET pursuant to the Notification of Acquisition or Disposition of Assets.

In order to comply with good corporate governance and the right of shareholders to consider the entry into the transaction. This acquisition of ordinary shares in GMT is deemed as the purchase or acceptance of transfer of the business of other companies or private companies by the Company under the Section 107(2)(b) of the Public Limited Companies Act B.E. 2535 (1992) (as amended). Therefore, the Company shall propose such acquisition of ordinary shares in GMT to the Extraordinary General Meeting of Shareholders for obtaining approval of the transaction

4.3 Calculation on Connected Transaction

$$= (\text{Transaction Value} \times 100) / \text{Net Tangible Asset (NTA)}$$

$$= 800 \times 100 / 10,479.10$$

$$= 7.63\%$$

In this regard, the other connected transactions made with the same persons or relevant parties of TOAGH occurring during the preceding 6 months must be combined with the above transaction. The transaction size is accounted at 10.55%, which can be summarized as follows:

Date	Transaction	Transaction Value (THB Million)	Calculated Transaction Size (%)
June 15, 2021	Approval of the long-term land lease agreement for Samrong Plant's location	306.87	2.92
October 19, 2021	Acquisition of ordinary shares in GMT	800.00	7.63
Total		1,106.87	10.55

Therefore, the Company must comply with the Connected Transaction Notification as follows:

- 1) To prepare and submit an immediate report and disclosure of information memorandum on the Company's transaction to the SET with the minimum necessary requirement of information pursuant to the Connected Transaction Notification.
- 2) To appoint an independent financial advisor to carry out the relevant functions, including providing required opinions under the Connected Transaction Notification. The opinion report of the independent financial advisor will be submitted to the shareholders for consideration together with the invitation to the shareholders' meeting.
- 3) To convene the shareholders' meeting of the Company, by delivering the invitation letter to the shareholders' meeting to the shareholders at least 14 days prior to the meeting date. The Company must obtain approval from the shareholders' meeting with not less than three-fourths of all votes of the shareholders present at the meeting and entitled to vote, excluding such votes of the shareholders with vested interest². Thus, names and number of shares held by shareholders who have no voting right must be specified in the invitation letter.

5. Details of the Acquired Assets

5.1 GMT's General Information

Company Name	Gypmantech Company Limited		
Nature of Business	Manufacturing, importing, exporting, repacking, distributing gypsum powder, gypsum boards, and trading tools and equipment for installing all types of gypsum boards.		
Headquarters	968, 32 nd floor, U Chu Liang Building, Rama 4 Road, Silom, Bang Rak, Bangkok		
Issued and Paid-Up Capital	THB 515,000,000		
Directors	Prior to entering into the transaction	After entering into the transaction	
	Mr. Supachai Hirunyanitiwatna	Mr. Supachai Hirunyanitiwatna	
	Mr. Surakij Hirunyanitiwatna	Mr. Surakij Hirunyanitiwatna	
	Mr. Jatuphat Tangkaravakoon	Mr. Jatuphat Tangkaravakoon	
	Mrs. Busatree Wanglee	Mrs. Busatree Wanglee	
	Mr. Mongkon Tangchaipitak	Mr. Mongkon Tangchaipitak	

² TOAGH and the Tangkaravakoon Family are considered as shareholders with vested interest and without right to vote this agenda.

Shareholders	Prior to entering into the transaction		
	Shareholders	No. of Shares	% Shareholding
	Mrs. Inthira Hirunyanitiwatna	1,030,000	20.0
	Mr. Supachai Hirunyanitiwatna	798,250	15.5
	Mr. Surakij Hirunyanitiwatna	695,250	13.5
	TOA Group Holding Co., Ltd.	2,626,500	51.0
	Total	5,150,000	100.0
	After entering into the transaction		
	Shareholders	No. of Shares	% Shareholding
	Mrs. Inthira Hirunyanitiwatna	1,030,000	20.0
	Mr. Supachai Hirunyanitiwatna	798,250	15.5
	Mr. Surakij Hirunyanitiwatna	695,250	13.5
	TOA Paint (Thailand) Public Co., Ltd.	2,626,500	51.0
	Total	5,150,000	100.0

5.2 Financial Summaries

1) GMT's statements of financial position as at December 31, 2018, 2019, and 2020 and June 30, 2021 as follows:

Statements of Financial Position	2018		2019		2020		6-month period 2021	
	(Audited)		(Audited)		(Audited)		(Reviewed)	
	THBmm	%	THBmm	%	THBmm	%	THBmm	%
Assets								
Current assets								
Cash and cash equivalents	8.38	1.36	11.68	1.66	37.46	5.85	90.84	12.18
Trade and other receivables	71.92	11.66	111.18	15.78	77.98	12.17	94.88	12.73
Inventories	202.35	32.81	163.22	23.17	150.77	23.53	192.67	25.84
Deposit for machinery	80.35	13.03	-	-	-	-	-	-
Works under construction	60.95	9.88	7.64	1.08	4.97	0.78	7.60	1.02
Other current assets	29.01	4.70	28.97	4.11	11.40	1.78	16.33	2.19
Total current assets	452.95	73.44	322.69	45.81	282.60	44.11	402.32	53.96
Non-current assets								
Property, plant and equipment	162.99	26.43	380.75	54.06	357.28	55.76	342.22	45.90
Intangible assets	0.82	0.13	0.69	0.10	0.55	0.09	0.67	0.09
Other non-current assets	0.01	0.00	0.23	0.03	0.27	0.04	0.36	0.05
Total non-current assets	163.82	26.56	381.67	54.19	358.09	55.89	343.26	46.04
Total assets	616.76	100.00	704.36	100.00	640.69	100.00	745.58	100.00
Liabilities and equity								
Current liabilities								
Trade and other payables	67.18	10.89	45.70	6.49	44.29	6.91	84.68	11.36
Income tax provisions	-	-	-	-	-	-	3.51	0.47
Provisions for factory expenses	-	-	-	-	-	-	6.37	0.85

Statements of Financial Position	2018		2019		2020		6-month period 2021	
	(Audited)		(Audited)		(Audited)		(Reviewed)	
	THBmm	%	THBmm	%	THBmm	%	THBmm	%
Current portion of loans from financial institutions and lease liabilities	57.91	9.39	107.34	15.24	-	-	-	-
Other current liabilities	4.95	0.80	5.55	0.79	0.63	0.10	4.01	0.54
Total current liabilities	130.03	21.08	158.59	22.52	44.93	7.01	98.57	13.22
Non-current liabilities								
Long-term loans from related parties	286.41	46.44	296.74	42.13	-	-	-	-
Net current portion of long-term loans and lease liabilities	48.28	7.83	69.78	9.91	-	-	-	-
Provisions for promotion expenses	-	-	5.80	0.82	-	-	-	-
Provisions for post-employment benefits	4.60	0.75	7.02	1.00	7.98	1.25	7.98	1.07
Total non-current liabilities	339.29	55.01	379.34	53.86	7.98	1.25	7.98	1.07
Total liabilities	469.32	76.09	537.93	76.37	52.91	8.26	106.55	14.29
Equity								
Authorized share capital	220.00	35.67	220.00	31.23	515.00	80.38	515.00	69.07
Issued and paid-up share capital	220.00	35.67	220.00	31.23	515.00	80.38	515.00	69.07
Retained earnings/ (loss):								
Appropriated	-	-	-	-	-	-	6.31	0.85
Unappropriated	(72.56)	(11.76)	(53.57)	(7.61)	72.78	11.36	117.71	15.79
Total equity	147.44	23.91	166.43	23.63	587.78	91.74	639.03	85.71
Total liabilities and equity	616.76	100.00	704.36	100.00	640.69	100.00	745.58	100.00

2) GMT's statements of comprehensive income as at December 31, 2018, 2019, and 2020 and the 6-month period ended June 30, 2020 and 2021 as follows:

Statements of comprehensive income	2018		2019		2020		6-month period 2020		6-month period 2021	
	(Audited)		(Audited)		(Audited)		(Reviewed)		(Reviewed)	
	THBmm	%	THBmm	%	THBmm	%	THBmm	%	THBmm	%
Revenue										
Net revenue from sales and services	520.31	99.85	777.25	99.52	857.68	99.12	410.21	99.41	489.51	99.27
Other income	0.76	0.15	3.78	0.48	7.60	0.88	2.44	0.59	3.62	0.73
Total revenue	521.06	100.00	781.02	100.00	865.27	100.00	412.65	100.00	493.13	100.00
Expenses										
Cost of sales and services	(407.79)	(78.26)	(612.15)	(78.38)	(614.30)	(70.99)	(296.14)	(71.76)	(346.94)	(70.35)
Selling and administrative expenses	(107.84)	(20.70)	(142.51)	(18.25)	(121.30)	(14.02)	(59.09)	(14.32)	(60.84)	(12.34)
Other expenses	-	-	(1.31)	(0.17)	-	-	-	-	-	-
Total expenses	(515.63)	(98.96)	(755.97)	(96.79)	(735.60)	(85.01)	(355.23)	(86.09)	(407.78)	(82.69)
Profit/ (loss) before finance cost and income tax	5.43	1.04	25.05	3.21	129.68	14.99	57.42	13.91	85.36	17.31
Finance cost	(3.37)	(0.65)	(6.06)	(0.78)	(3.32)	(0.38)	(2.84)	(0.69)	-	-
Profit/ (loss) before income tax	2.06	0.40	18.99	2.43	126.35	14.60	54.58	13.23	85.36	17.31
Income tax	-	-	-	-	-	-	-	-	(4.03)	(0.82)
Net profit/ (loss)	2.06	0.40	18.99	2.43	126.35	14.60	54.58	13.23	81.32	16.49

6. Total Value of Transaction

The Company shall purchase GMT's ordinary shares from TOAGH for 2,626,500 shares at the purchase price of THB 304.59 per share, with the total value of consideration at THB 800 million. The share acquisition shall be made by cheque payment payable to the Seller or other payment methods agreed by the parties in full amount. In this regard, the Company shall enter into the transfer of shares and payment of shares under the relevant terms and conditions specified in No. 11 of this information memorandum.

7. Value of Acquired Assets

The Company shall acquire GMT's ordinary shares for 2,626,500 shares, representing 51.0% of GMT's total number of shares (5,150,000 shares). GMT has the issued and paid-up capital of THB 515.0 million.

8. Criteria for Price Determination

The criteria for considering the value of GMT's ordinary shares to determine the purchase price is subject to the negotiation and agreement between the Company and TOAGH. In order to determine the purchase price, the management team took into account the trading data and statistics such as price-to-earnings ratio (P/E) of the industry peers, and also the capabilities, business plan, profitability, and growth potential of GMT in the future.

9. Expected Benefits

The entry into the acquisition of GMT's ordinary shares is aligned with the business strategy "Growing Beyond Colors" to boost growth in the non-decorative paint and coating segment. Thus, the Company commenced distributing gypsum boards under the brand "TOA Gypsum" by hiring GMT for OEM services since 2018. Over the past 3 years, TOA Gypsum's sales revenues had greatly grown up. Until now, this makes TOA Gypsum become one of the leading brands in the gypsum board market in Thailand. Therefore, the Company sees the opportunity beneficial to its shareholders through the acquisition of GMT's ordinary shares from TOAGH for 2,626,500 shares, representing 51.0% of GMT's total number of shares, as follows:

- 1) The investment in GMT shall help fortify growth potential and competitive advantage in the business of gypsum boards and other gypsum board-related product portfolios. The gypsum board market size is large-scale and potential for growth in which the Company sees the growth opportunity through expanding the Company's retail distribution network nationwide as well as broadening the real estate project market and the international market in which the Company's subsidiaries are located.
- 2) The investment in GMT shall accelerate the competitive advantage thanks to enabling the Company to become the manufacturer and distributor of gypsum boards; that is, the Company shall be able to operate businesses from upstream to downstream. Moreover, this transaction

shall secure and reduce the risks of supply side for the product segment relating to gypsum boards because there are a few manufacturers in Thailand.

- 3) The transaction shall create a synergy between the Company and GMT by increasing the volume of production and sales, resulting in lower costs relating to production and operation. Therefore, the Company shall be able to generate higher profit margin.
- 4) GMT is well-prepared for workforce, technology, capabilities, manufacturing plant with production capacity that can meet the Company's demand.
- 5) After the completion of the share acquisition, GMT shall become the Company's subsidiary. Accordingly, GMT's revenue is able to be recognized, which the Company's shareholders shall benefit from the GMT's growth of gypsum board business through investing in the Company's shares. Therefore, the investment shall add shareholder value.

10. Source of Fund

The Company shall use proceeds obtained from IPO. Such payment does not impact the Company's liquidity and working capital.

11. Conditions to Enter into the Transaction

The entry into the acquisition of GMT's ordinary shares shall be subject to the share purchase agreement. In this regard, the Company must obtain approval from the Extraordinary General Meeting of Shareholders No. 1/2021 which will be held on December 16, 2021, to be able to enter into such transaction. The transaction is expected to be completed within the first quarter of 2022 if the transaction is approved by the shareholders' meeting.

12. Directors with Conflict of Interests

The directors who have conflict of interests in this transaction are:

Name	Position
1. Mr. Prachak Tangkaravakoon	Chairman/ Member of Executive Committee
2. Mrs. Laor Tangkaravakoon	Vice Chairman/ Member of Executive Committee
3. Mr. Vonnarat Tangkaravakoon	Director/ Member of Executive Committee
4. Mr. Jatuphat Tangkaravakoon	Director/ Chairman of Executive Committee/ Member of Nomination and Remuneration Committee/ Chief Executive Committee
5. Mr. Nattavuth Tangkaravakoon	Director
6. Mrs. Busatree Wanglee	Director/ Member of Executive Committee/ Executive Vice President, Office of Chief Executive Officer

Thus, the above-mentioned directors did not attend the meeting and have the right to vote on this agenda at the Board of Directors' Meeting No. 8/2021.

13. Opinions from the Board of Directors regarding Entering into the Transaction

The Board of Directors' Meeting No. 8/2021 considered and provided opinions that the entry into such connected transaction is reasonable and for the benefit of the Company and the shareholders. The share acquisition of GMT is the key opportunity for the Company to fortify growth potential and competitive advantage in the gypsum board business and to operate businesses from upstream to downstream, which is aligned with the Company's business strategy to grow beyond colors. Moreover, the target company shall create continued long-term growth, profit, and return to the Company and shareholders. Therefore, the Board of Directors' Meeting deemed it appropriate to propose the shareholders' meeting to consider and approve the acquisition of ordinary shares in GMT for 2,626,500 shares from TOAGH, with the total value of THB 800 million. In addition, the independent financial advisor has been appointed to render opinions on the transaction.

14. Opinions from the Audit Committee and/or Directors which are different from the Board of Director's

- None -