



บริษัท เอ็นเอฟซี จำกัด (มหาชน)
NFC PUBLIC COMPANY LIMITED

เลขที่ 88 อาคาร เอสซี กรุ๊ป ชั้น 3 ถนนเดอะพาร์คแลนด์ แขวงบางนาเหนือ เขตบางนา กรุงเทพฯ 10260
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ทะเบียนเลขที่ 0107538000495
Registration No. 0107538000495



No. NFC 044/2565

13 May 2022

Subject: Convening the Extraordinary General Meeting of Shareholders No. 1/2022 of NFC Public Company Limited and entering into the extension of land lease contract in respect of implementation on Map Ta Phut Industrial Estate Project

To: The President
The Stock Exchange of Thailand

Enclose: Information Memorandum of NFC Public Company Limited on Asset Acquisition

On 13 May 2022, the Board of Directors of NFC Public Company Limited (**the Company**) of the Meeting No. - 3/2022 has the following resolutions:

1. Approved the extension of land lease contract in respect of implementation on Map Ta Phut Industrial Estate Project (land leasing) with Industrial Estate Authority of Thailand (IEAT) for the Land of Deed Number I-20/1, industrial area, with a total of property area of 276 rai 37.16 square wah. The extension term of land lease will be valid for 30 years so as to support the Company's sustainable business direction.

This assets acquisition is considered an asset acquisition of transaction pursuant to Notification of the Capital Market Supervisory Board an acquisition of assets transaction pursuant to Notification of the Capital Market Supervisory Board No. TorJor. 20/2551 dated 31 August 2008 Re: Rules on Entering Into Material Transactions Deemed as Acquisition or Disposal of Assets (including as amended) in addition to 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 and Disposition of Assets, 2004 (Acquisition and Disposition of Asset).

The transaction size calculation, based on the total value of consideration paid/payable, is equivalent to 98.30% and classified as Class 1 under Acquisition and Disposition of Asset rules, i.e., a transaction value equivalent to 50% or more but lower than 100% of the Total Assets of the Company, based on the consolidated financial statements of the Company for the first quarter ended 31 March 2022. Subsequently, the company did not have any acquisition or disposition of assets within the past 6 months prior to the date the Board of Directors approved the transaction.

Consequently, the Company required to disclose an information memorandum regarding the acquisition of assets transaction, appoint Independent Financial Advisor (IFA) to express opinion on the transaction of asset acquisition as well as to convene the shareholder meeting for seeking approval



from 3/4 participating and voting shareholders excluding the shareholders who have conflict of interest in the transition.

In this regard, the Company appointed I V Global Securities Public Company Limited, a financial advisor approved by the Securities and Exchange Commission. as an independent financial advisor to give an opinion on the acquisition of such assets. The details of extension of lease contract in respect of implementation on Map Ta Phut Industrial Estate Project is provided on Information Memorandum of NFC Public Company Limited on Asset Acquisition as attached herewith.

2. Set the Record date for the shareholders' right to attend the Extraordinary General Meeting on 27 May 2022.
3. Approved to convene the Extraordinary General Meeting No. 1/2022 on Thursday, 23 June 2022 at 13.30 – 15.00 hrs. via electronic mean (e-meeting) only (no physical meeting attendance allowed)

Agenda 1 Certified the Minutes of the Annual General Meeting of Shareholders for the year 2022;

Agenda 2 To consider and approve the transaction of renewing the company's land lease agreement between Company and Industrial Estate Authority of Thailand for 30 years.

Agenda 3 Other (if any).

Please be informed accordingly and consider further distribution of information to public and the investors.

Yours faithfully,

-Sigend-

(Mrs. Bongkot Rungkorpaisarn)

Chief Corporate Affairs Officer

NFC Public Company Limited



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Information Memorandum of

NFC Public Company Limited on Asset Acquisition

In the meeting of the Board of Directors Meeting No. 3/2022, of NFC Public Company Limited held on 13 May 2022, resolved to propose the Extraordinary General Meeting of Shareholders of the Company to consider and approve entering into extension of land lease contract in respect of implementation on Map Ta Phut Industrial Estate Project (land leasing) with Industrial Estate Authority of Thailand (IEAT) for the Land of Deed Number I-20/1, industrial area, with a total of property area of 276 rai 37.16 square wah. The extension term of land lease will be valid for 30 years in accordance with sale price as announced by IEAT.

This assets acquisition is considered an asset acquisition of transaction pursuant to Notification of the Capital Market Supervisory Board an acquisition of assets transaction pursuant to Notification of the Capital Market Supervisory Board No. TorJor. 20/2551 dated 31 August 2008 Re: Rules on Entering Into Material Transactions Deemed as Acquisition or Disposal of Assets (including as amended) in addition to 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 and Disposition of Assets, 2004 (Acquisition and Disposition of Asset). The transaction size calculation, based on the total value of consideration paid/payable, is equivalent to 98.30% and classified as Class 1 under Acquisition and Disposition of Asset rules, i.e., a transaction value equivalent to 50% or more but lower than 100% of the Total Assets of the Company, based on the consolidated financial statements of the Company for the first quarter ended 31 March 2022. Subsequently, the company did not have any acquisition or disposition of assets within the past 6 months prior to the date the Board of Directors approved the transaction.

Consequently, the Company required to disclose an information memorandum regarding the acquisition of assets transaction, appoint Independent Financial Advisor (IFA) to express opinion on the transaction of asset acquisition as well as to convene the shareholder meeting for seeking approval from 3/4 participating and voting shareholders excluding the shareholders who have conflict of interest in the transition. In this regard, the Company appointed I V Global Securities Public Company Limited, a financial advisor approved by the Securities and Exchange Commission. as an independent financial advisor to give an opinion on the acquisition of such assets. The details of extension of lease contract in respect of implementation on Map Ta Phut Industrial Estate Project is provided on Information Memorandum of NFC Public Company Limited on Asset Acquisition as attached herewith.



Details of the transaction of asset acquisition are as the following”:

1. Date of Transaction

After the approval from the Extraordinary General Meeting of Shareholders No. 1/2022 which shall be convened on 23 June 2022 at 13.30-15.00 hrs., the Company shall enter into such land lease contract in relation thereof on 17 September 2022

2. Parties involved and their relationship with the Company

2.1 Term of Land Lease Agreement: 30 years

Lessee : NFC Public Company Limited (“The Company”)
Lessor : Industrial Estate Authority of Thailand (IEAT)
Relationships : Not considered as a connected person with the Company according to the Notification of the Capital Market Supervisory Board No. TorJor. 21/2551 Re: Rules for Connected Transactions and the Notification of the Board of Governors of the Stock Exchange of Thailand Re: Disclosure of Information and Acts of Listed Companies Concerning Connected Transactions, 2003 (including any amended)

2.2 Related Expenses

Customer : NFC Public Company Limited (“The Company”)
Contractor : The entity is not considered as a connected person with the Company
Relationships : Not considered as a connected person with the Company according to the Notification of the Capital Market Supervisory Board No. TorJor. 21/2551 Re: Rules for Connected Transactions and the Notification of the Board of Governors of the Stock Exchange of Thailand Re: Disclosure of Information and Acts of Listed Companies Concerning Connected Transactions, 2003 (including any amended)

3. General characteristics, type of the transaction, and Basis used to determine the total value of consideration

3.1 General characteristics

The Company shall enter into extension of land lease contract in respect of implementation on Map Ta Phut Industrial Estate Project (land leasing) with IEAT; Land of Deed Number I-20/1, industrial area,



with a total of property area of 276 rai 37.16 square wah. The current term of such land lease contract shall be expired on 17 September 2022. The Company intended to extend the term of land lease agreement for period of 30 years. The lease rental is 3,921.43 million THB. The purposes of entering into land lease contract are as follow:

- 1) To use in the Company's business operation so as to growth business sustainably
- 2) The Company will a plan to expand the business of the structure assembly area and pipe system project. Dismantling/cutting area for conveying pipes oil rig structure on the remaining area This is because the business tends to expand from the expansion of the global and regional markets. especially the courtyard for the structure and piping system with a large structure Unloading through ports for export to foreign countries (Module Construction, Fabrication, Assembly and Installation) including maintenance and improvement of the structure and pipe system (Module Maintenance, Modification and Improvement), which tends to increase according to the development of technology. both in the production of petroleum including natural gas and renewable energy such as large wind turbines, etc., which will promote continuous industries in the country. including employment and income distribution to the community.

3.2 Transaction Size

The calculation size under the Notifications on Acquisition or Disposal are as follows:

Basis Calculation of Transaction Size	Method of Calculation
1. Net Tangible Assets (NTA) Basis	$= \frac{(\text{NTA of investment in the company}) \times (\text{Proportion of assets acquired or disposed}) \times 100}{\text{NTA of the Company}}$
	= Not applicable, as there is no purchase of shares in a business
2. Net operating profits basis	$= \frac{(\text{Net operating profits of the investment in the company}) \times \text{Selling or Buying Ratio} \times 100}{\text{Net operating profits of the Company}}$
	= Not applicable, as there is no purchase of shares in a business
3. Total value of consideration basis	$= \frac{(\text{Value of payment or receive}) \times 100}{\text{Total asset of the Company}}$
	$= \frac{3,921.43 \text{ MB} \times 100}{3,989.28 \text{ MB}}$
	= percentage 98.30



$$4. \text{ Value of equity shares issued for the payment of assets} = \frac{(\text{Equity shares issued for the payment of assets}) \times 100}{\text{Paid-up shares of the Company}}$$

= Not applicable, as there is no issuance of new securities as consideration for the acquisition of assets

Remark: 1/ Total paid is THB 3,921.43 million which comprise of

2/ Based on consolidated financial statement of the Company as ended 31 March 2022

Based on the transaction size aforementioned, the total value of consideration paid/payable, is equivalent to 98.30% and classified as Class 1 under Acquisition and Disposition of Asset rules, i.e., a transaction value equivalent to 50% or more but lower than 100% of the Total Assets of the Company, based on the consolidated financial statements of the Company for the first quarter ended 31 March 2022. Subsequently, the company did not have any acquisition or disposition of assets within the past 6 months prior to the date the Board of Directors approved the transaction. In such regard, the Company required to disclose an information memorandum regarding the acquisition of assets as the following;

1. To disclose an information memorandum regarding the acquisition of assets transaction to the Stock Exchange of Thailand (SET).
2. To convene the shareholder meeting for seeking transaction approval from 3/4 participating and voting shareholders excluding the shareholders who have conflict of interest in the transition.
3. To appoint Independent Financial Advisor (IFA) to express opinion on the transaction of asset acquisition and delivery such IFA opinion to the Securities Exchange Commission, SET and shareholders of the Company

4. Total value of assets acquired

The Company will enter into extension of land lease contract in respect of implementation on Map Ta Phut Industrial Estate Project (land leasing) with IEAT for the Land of Deed Number I-20/1, industrial area, with a total of property area of 276 rai 37.16 square wah. The extension term of land lease will be valid for 30 years

5. Total Value of Consideration Criteria used to determine the total value of consideration and payment terms

5.1 Total value of consideration

The total value of consideration is equal to 3,921.43 million baht, which is calculated from the land rent for a period of 30 years according to the announcement of the land rental rate of IEAT1/

Remark : 1/ Refer to the Notification of the Industrial Estate Authority of Thailand No. 004/2564 Re: Determination of rental rates. Criteria and conditions for land lease in Map Ta Phut Industrial Estate For the rental fee for the years 2022 to 2025 and the projection to increase the rental rate at a rate of 2% per annum from 2026 onwards.

5.2 Criteria used to determine the total value of consideration

The rental rate is the rate set by the IEAT. This is the same rate as other entrepreneurs or tenants who have entered into a land lease agreement or renew the land lease agreement in Map Ta Phut Industrial Estate with every IEAT.

5.3 Payment Terms

The conditions of the payment are specified by IEAT are the same as those other entrepreneurs or tenants who enter into a land lease agreement or renew a land lease agreement in the Map Ta Phut Industrial Estate with the IEAT, subject to the following important conditions:

1. Land rental in Map Ta Phut Industrial Estate shall be collected from the operators who have entered into land lease agreements at the rates as specified in the Notification of the Industrial Estate Authority of Thailand No.004/2564.
2. Land rental rates shall be charged according to the accounting period of the contract of land lease.
3. The business operator, who is the lessee, shall comply with the rules and conditions of land lease in Map Ta Phut Industrial Estate as following:
 - 3.1) Entering into a land lease agreement in accordance with the form specified by the IEAT.
 - 3.2) Providing a collateral for the land lease in cash or a bank guarantee in the amount of two time of the annual rent in which the land lease agreement is signed in accordance with the rules and regulations of the IEAT.
 - 3.3) Being a person who is granted permission to use the land for business in an industrial estate as specified the IEAT's regulations.

6. Value of assets acquired

Land leasehold agreement for an area of 276 rai -0- Ngan 37.16 square wa for a period of 30 years with a total value of 3,921.43 million baht.



7. The source of funds used

For entering into transaction, the Company will use the source of funds from the Company's internal cash flow and/or will procure various sources of funds. as necessary and appropriate, such as obtaining loans from financial institutions, etc.

8. Benefits from entering the transaction

1. For entering into a land leasehold agreement with IEAT This time will make the company able to operate the Company's current core business which are the business of distributing chemicals such as ammonia, ammonium hydroxide and sulfuric acid, and the service business such as warehousing services. logistics service and liquid warehouse and port services because the company has invested in various fixed assets used in the Company's business located on the leased area.
2. The aforementioned rental area is a potential location, which the Company can use to generate income for the Company in the future. The Company can expand its investment on the remaining area. focusing on businesses that support the core business operations and promote the utilization of the Company's core assets at present for maximum benefit and able to extend the current business to create competitiveness and create opportunities for long-term growth of the Company.
3. If the Company does not renew the lease agreement on the original leased area, the Company will have to find another area to replace it for use in its business operations. A large amount of additional investment will be required if the company relocates its base of business to other areas.

9. Conditions for entering into the transaction

The aforementioned transaction is classified as Type 1 Asset Acquisition Transaction as specified by Notification on Acquisition or Disposition of Assets. The Company therefore has a duty to prepare a report and disclose the transaction information to the Stock Exchange of Thailand. and arrange a meeting of the shareholders of the Company to request approval for entering into such transactions It must be approved by the shareholders' meeting with a vote of not less than three-fourths of the total number of votes of the shareholders attending the meeting and having the right to vote, excluding the interests of shareholders.

In addition, the Company must obtain approval from the Industrial Estate Authority of Thailand ("IEAT") for the said land lease agreement, whereby the Company must do a legal act and comply with the rules, procedures and conditions prescribed by A. In this regard, I-EA-T has issued a letter of approval for the renewal of the Company's land lease agreement. is completed.



NFC

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10. Conditions on entering into the transactions (if any)

The Board of Directors' Meeting No. 3/2565 considered the proposal to enter into the transaction and other related information.

Board of Directors considered that that the said transaction is a reasonable transaction for which appropriate and helpful in creating benefits in returns and added value for the whole company and shareholders. Thus the Board agreed to propose to the shareholders' meeting for consideration and approval of entering into this transaction.

11. Opinions of the Audit Committee and/or directors which are different from those of the Board of Directors

The Audit Committee has carefully considered this asset acquisition transaction. Therefore, it should be proposed to the Board of Directors for consideration. The opinion of the Audit Committee is not different from the Board of Directors in any way.