



บริษัท ยูเนียน ปีโตรเคมีคอล จำกัด (มหาชน)  
UNION PETROCHEMICAL PUBLIC COMPANY LIMITED

อาคารยูเนียนเฮ้าส์ 728 ถนนบรมราชชนนี แขวงบางขุนพรหม เขตบางพลัด กรุงเทพฯ 10700 โทร 66 0-2 881-8288 (24 สาย) แฟกซ์ 66 0-2 433-7243  
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At 025/2565

December 15, 2022

Subject: Entering into a transaction of disposition of investment in Gratitude Infinite Public Company Limited and the termination of a subsidiary status

To: President  
The Stock Exchange of Thailand

Union Petrochemical Public Company Limited (the "**Company**") hereby informs that the Board of Directors Meeting No. 7/2022, which was held on December 15, 2022, resolved to approve the entering into a transaction of disposition of investment in Gratitude Infinite Public Company Limited ("**GIFT**") with details as follows:

1. Approved the entering into a transaction of disposition of investment in GIFT by selling all 221,596,466 shares held at a par value of 1.00 Baht per share or 66.99 percent of the registered capital of GIFT to the following purchasers (the "**Purchasers**") who are not connected persons of the Company at the price of 1.65 Baht per share, totaling 365,634,168.90 Baht
  - (a) Mr. Surachai Chetchotisak in the amount of 160,596,466 shares
  - (b) Mr. Chet Chetchotisak in the amount of 26,000,000 shares
  - (c) Mr. Chot Chetchotisak in the amount of 20,000,000 shares
  - (d) Pol. Gen. Somyot Pumpanmuang in the amount of 15,000,000 shares

Entering into the above transaction of disposition of investment terminates GIFT as a subsidiary of the Company and is considered as a disposition of assets pursuant 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 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 and Disposition of Assets, B.E. 2547 (as amended) (the "**Notifications regarding Acquisition and Disposition of Assets**"). The transaction size calculated under the Notifications regarding Acquisition and Disposition of Assets is equal to 59.25 percent of the total value of consideration basis which is the highest basis criteria of transaction size according to the consolidated financial statements of the third quarter ended September 30, 2022, which is the criteria that provide the

highest value. Hence, it is classified as a type 1 that the transaction size is more than 50 percent according to the Notifications regarding Acquisition and Disposition of Assets, and the Company has not entered into the asset disposition transaction according to the Notifications regarding Acquisition and Disposition of Assets in the past 6 months.

Therefore, the Company is obliged to prepare the report and disclose the transaction with the minimum information as per Schedule 1 attached to the Notifications regarding Acquisition and Disposition of Assets and seek approval from the shareholders in order to enter into such transaction in which the vote shall not less than three-fourths of the total number of votes of shareholders attending the Meeting and are eligible to vote without counting the vote from the shareholders who have an interest in this matter.

Nonetheless, the Company is in the process of negotiating a share purchase agreement, and the sale of such shares depends on the results of the share purchase agreement negotiations and success of the conditions precedent under the contract in which the Board of Directors Meeting resolved to authorize the Managing Director to have the authority to negotiate and enter into a share purchase agreement and/or take any action related to the sale of GIFT's shares to be accomplished.

The Company expects that the sale of GIFT's shares will be completed within the second quarter of 2023. After the sale of such shares is completed, Mr. Surachai Chetchotisak, Mr. Chet Chetchotisak and Mr. Chot Chetchotisak shall hold 206,596,466 shares in the Company, representing 62.45 percent of the total issued shares of the Company. As a result, Mr. Surachai Chetchotisak, Mr. Chet Chetchotisak and Mr. Chot Chetchotisak are required to make tender offers for all securities of the Company under the Notification of the Capital Market Supervisory Board No. TorJor. 12/2554 Re: Rules, Conditions and Procedures for the Acquisition of Securities for Business Takeovers (as amended).

2. Approved to determine the date of the Extraordinary General Meeting of Shareholders No. 1/2023 to be held on February 20, 2023 at at Pinklao 1 Conference Room, 9th floor, Royal City Hotel, Borommaratchachonnani Road, Bang Bamru Subdistrict, Bang Phlat District, Bangkok. The time of the meeting will be announced later. The agenda of the meeting is as follows:

Agenda 1            To consider and certify the Minutes of the 2022 Annual General Meeting of Shareholders

Agenda 2            To consider and approve the entering into a transaction of disposition of investment in Gratitude Infinite Public Company Limited

Agenda 3            To consider other matters (if any)

3. Approved January 3, 2023 as the date to determine the list of shareholders entitled to attend the Extraordinary General Meeting of Shareholders No. 1/2023 (Record Date).

4. Approved to appoint Pi Advisory Company Limited as an independent financial advisor to provide opinions on a transaction of disposition of the investment in GIFT.

Please be informed accordingly,

Sincerely yours,

Union Petrochemical Public Company Limited



(.....)

Mr. Perapol Suwannapasri

Director

**Information on the disposition of assets**

**Union Petrochemical Public Company Limited (“Company”)**

**Disposal of all investments in Gratitude Infinite Public Company Limited**

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As the Board of Directors' meeting of Union Petrochemical Public Company Limited (the "Company") No. 7/2022 held on December 15, 2022 at 5:00 p.m. resolved to agree the sale of all investments in the company. Gratitude Infinite Public Company Limited (“GIFT”) (Subsidiary of the Company which the Company holds 66.99% of GIFT's registered capital), representing a total of 221,596,466 shares at a par value of 1.00 baht per share or 66.99% of GIFT's registered capital sell to Mr. Surachai Chetchotisak in the amount of 160,596,466 shares or equivalent to 48.55 percent of the total shares with voting rights, Mr. Chet Chetchotisak in the amount of 26,000,000 shares or 7.86 percent of the total shares with voting rights, Mr. Chot Chetchotisak in the amount of 20,000,000 shares or 6.05 percent of the total voting rights and Pol. Gen. Dr.Somyot Pumpanmuang in the amount of 15,000,000 shares or 4.53 percent of the total voting rights (**Including 4 people called “Buyer”**) at the price of 1.65 baht per share, totaling 365,634,168.90 baht (**“Disposal of Investment Transaction”**) ,approval of such investment is due to GIFT's operating performance that tends to continue to decline which is not as expected by the Board of Directors Therefore, in order to increase management efficiency from reducing operations that do not support the main business of the company. This will result in the company being able to increase management efficiency under the current economic situation and from the severe economic slowdown caused by the spread of the COVID-19 virus, together with the business of selling precursor chemicals for the production of cosmetic products household care products and body care products (Chemical Ingredient) become high competition, while GIFT has a loss in the past period. The Company believes that the sale of GIFT's business will benefit the Company in the long term because the company wants to dedicate its potential to develop and increase efficiency in the business that the company specializes in. or have relations with the Company And the company will receive cash from the sale of ordinary shares of GIFT.

Entering into the transaction to dispose of such investment resulted in the termination of GIFT as a subsidiary of the Company and is classified as a disposition of assets according to the Notification of the Capital Market Supervisory Board No. TorChor. Thailand Re: Disclosure of Information and Actions of Listed Companies in Acquisition or Disposal of Assets B.E. 2004 (including as amended) (collectively referred to as the “Acquisition or Disposal Transaction Announcement”) which when calculating the transaction size according to the Acquisition or Disposition Notifications has size at 59.25 percent of the total value of consideration criterion, which is the criterion that the transaction size is the highest according to consolidated financial statements for the third quarter ending September 30, 2022, which is the calculation criteria that gives the highest transaction size. Therefore, it is classified as type 1 transaction which has a transaction size of more than 50 percent according to the Acquisition or Disposition Notifications And the company has not entered into the asset disposition transaction according to the announcement of the acquisition or disposition in the past 6 months.

The buyer has no relationship with executives, directors, major shareholders, and the controlling person of the company, including not being a related person (according to Section 258 of the Securities and Exchange Act B.E. 2535 (and its amendments), and not being a person having a relationship or having behaviors that It is considered to be an action with such person (concert party) of such person. Therefore, the aforementioned transaction is not considered a connected transaction under the Notification of the Capital Market Supervisory Board No. TorChor. and the Notification of the Board of Governors of the Stock Exchange of Thailand Re: Disclosure of Information and Operations of Listed Companies on Connected Transactions B.E. 2546 (and its amendments) (“Connected Transaction Notifications”).

After the sale of such shares is completed, Mr. Surachai Chetchotisak, Mr. Chet Chetchotisak and Mr. Chot Chetchotisak will hold shares in the Company totaling 206,596,466 shares representing 62.45 percent of the total number of shares sold of the Company As a result, Mr. Surachai Chetchotisak, Mr. Chet Chetchotisak and Mr. Chot Chetchotisak must make a tender offer for all securities of the company According to the Notification of the Capital Market Supervisory Board No. TorJor. 12/2554 Subject: Rules, Conditions and Procedures for the Acquisition of Securities for Business Takeovers (and as amended)

The Company therefore would like to clarify the information on entering into the asset disposition transaction (Account 1 of the Acquisition and Disposition Notifications) with details as follows:

**1. Day, month, year of entering into the transaction**

The Company will enter into the sale of investment in GIFT after obtaining approval from the Extraordinary General Meeting of Shareholders No. 1/2023 and when the conditions precedent under the Share Purchase Agreement are completed or waived by the Buyer which is expected to complete the transaction within the second quarter of 2023.

**2. Parties involved and their relationship with the Company**

Buyers : (A) Mr. Surachai Chetchotisak  
(B) Mr. Chet Chetchotisak  
(C) Mr. Chot Chetchotisak  
(D) Pol. Gen. Somyot Pumpanmuang

Seller: Union Petrochemical Public Company Limited

Relationship: Prior to the transaction, the buyer has no relationship with the seller and is not considered a connected person.

**3. Overview of the transaction, type and size of the transaction**

**3.1. Overview of the transaction**

The Board of Directors' Meeting No. 7/2022 held on December 15, 2022 resolved to agree the disposition of all investments in GIFT, representing a total of 221,596,466 shares at a par value of 1.00 baht per share or 66.99% of the registered capital of GIFT to the buyer at a price of 1.65 baht per share, totaling 365,634,169 baht, which is not lower than the adjusted book value method. which is worth 1.55 baht per share. The compensation for this disposition is in accordance with the mutual agreement between the parties based on financial status, performance and important financial figures. The Company will accept payment for ordinary shares of GIFT in the form of cash. And the Company expects that the said disposition transaction will be completed within the second quarter of 2023.

After the sale of such shares is completed, Mr. Surachai Chetchotisak, Mr. Chet Chetchotisak and Mr. Chot Chetchotisak (collectively referred to as "Chetchotisak Group") will hold shares in the Company totaling 206,596,466 shares, representing 62.45 percent of the total number of shares sold of the Company. As a result, Mr. Surachai Chetchotisak, Mr. Chet Chetchotisak and Mr. Chot Chetchotisak must make a tender offer for all securities of the company According to the Notification of the Capital Market Supervisory Board No. TorJor. 12/2554 Re: Rules, Conditions and Procedures for the Acquisition of Securities for Business Takeovers (and as amended).

**3.2. Transaction conditions**

The buyer and the seller will complete the transaction when the conditions precedent specified in the share purchase agreement are completed or get a waiver from the buyer. The significant conditions precedent includes but are not limited to The Disposal of Investment Transaction has been approved by the shareholders' meeting of the Company and the SET has allowed trading of large securities (Trade Report - Big Lot) at a price lower than the closing price on the previous trading day by more than 30 percent under the relevant rules for this transaction and Chetchotisak's group and Pol. Gen. Dr. Somyot Pumpanmuang obtain approval from financial institutions to provide full credit facilities for this acquisition.

**3.3. Type and size of the transaction**

Entering into the transaction to dispose of such investment resulted in the termination of GIFT as a subsidiary of the Company and is classified as a disposition of assets according to the Notification of the Capital Market Supervisory Board No. TorChor. Thailand Re: Disclosure of Information and Actions of Listed Companies in Acquisition or Disposal of Assets B.E. 2004 (including as amended) (collectively referred to as the "Acquisition or Disposal Transaction Announcement") which when calculating the transaction size according to the Acquisition or Disposition Notifications has size at 59.25 percent of the total value of consideration criterion, which is the criterion that the transaction size is the highest according

to consolidated financial statements for the third quarter ending September 30, 2022, which is the calculation criteria that gives the highest transaction size. Therefore, it is classified as type 1 transaction which has a transaction size of more than 50 percent according to the Acquisition or Disposition Notifications And the company has not entered into the asset disposition transaction according to the announcement of the acquisition or disposition in the past 6 months. The Company therefore has the following duties.

- (1) Disclosure of information on the said transaction of the Company to the Stock Exchange of Thailand
- (2) Arrange the Company's shareholders' meeting to approve the transaction. The company must be approved by the shareholders' meeting of the company with a vote of not less than three-fourths of the total number of votes of shareholders attending the meeting without counting the related person
- (3) Appoint an independent financial advisor approved by the SEC Office to provide opinions to the Company's shareholders on the reasonableness, benefits and risks of entering into such transactions Fairness of the price and conditions of the transaction including delivering the aforementioned opinions to the Company's shareholders together with the invitation letter to the shareholders' meeting. In this regard, the Board of Directors' meeting resolved to approve the appointment of Pie Advisory Company Limited ("Independent Financial Advisor" or "PIA") as the Company's independent financial advisor to provide opinions to shareholders. of the company

Details of the calculation of the size of the asset disposal transaction according to the Acquisition or Disposition Notifications

financial data (million baht)	30 September 2022	
	The Company	GIFT
Portion of sold shares (GIFT)	-	66.99 %
total assets	2,169.21	514.17
<u>Less</u> intangible assets	19.02	5.35
<u>Less</u> total liabilities	1,093.23	14.32
<u>Less</u> non-controlling interests	176.21	1.00
Net tangible assets (NTA)	880.75	494.49
Net profit (loss) in the past 12 months	14.11	(18.96)
Number of sold shares (GIFT)	221,596,466	
Market price (baht/share)	5.80	

Note: The closing price of GIFT ordinary shares at 5.80 baht as of December 14, 2022 which is the business day prior to the date on which the Board of Directors resolved to enter into this transaction.

Transaction Size Calculation Criteria (million baht)	Referring to the financial statements ended June 30, 2022	
1. Criteria for the value of net tangible assets	<u>(494.49 million baht x 66.69%)</u> (880.75 million baht)	37.61%
2. Criteria for net profit from operations	Cannot be calculated because GIFT has no net profit in the past 12 months.	-
3. Total Value of Consideration Criteria	<u>5.80 baht x 221.60 million share</u> 2,169.21 million baht	59.25 %
4. Criteria for the value of equity shares issued for the payment of assets	No shares are issued. <sup>4/</sup>	-

Note : /1 NTA of GIFT x Proportion of disposition (%) / NTA of the Company

/2 Last 4-quarter net profit of GIFT x Proportion of disposition (%) / Last 4-quarter net profit of the company

/3 Market price of GIFT ordinary shares x number of GIFT ordinary shares sold / total assets of the company

The Company and GIFT have no obligations to each other.

/4 No shares are issued

#### 4. Details of disposed assets

##### 4.1. Disposed assets

The Company will dispose of the investment in GIFT, that is, all ordinary shares held by the Company in GIFT in the amount of 221,596,466 shares at the price of 1.65 baht per share, totaling 365,634,168.90 baht to the buyer who is not considered a connected person according to the connected transaction announcement

##### 4.2. General information of GIFT

company name	Gratitude Infinite Public Company Limited
head office location	9/8 Village No. 5, Sala Thammasop Subdistrict, Thawi Watthana District, Bangkok 10170
registration date	July 16, 2010
nature of business	Carrying out the business of importing, exporting and distributing specialty chemicals (Specialty Chemical) to various industrial groups. production of cosmetic products household care products and body care products (Chemical Ingredient)



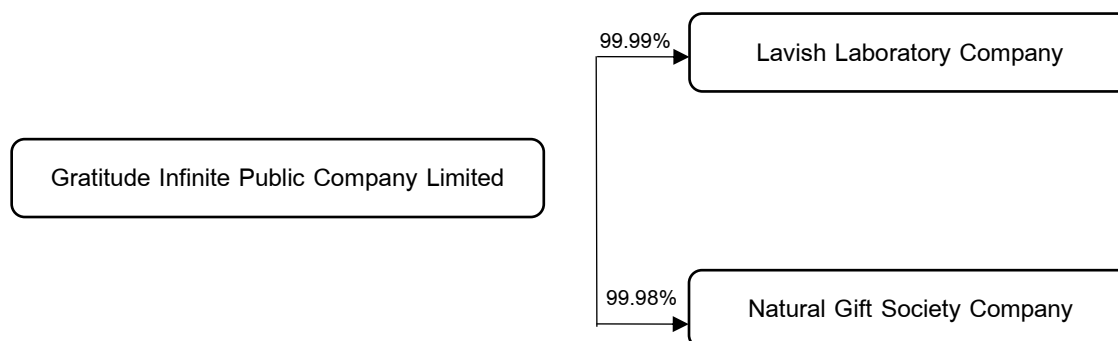
registered capital	372,029,949 baht
paid-up registered capital	330,811,723 baht
<u>Board of Directors</u> as of December 15, 2022	<ol style="list-style-type: none"> <li>1. Mr. Jesadawat Preaw Jriyawat</li> <li>2. Mr. Wirat Suwannapasri</li> <li>3. Mr. Wissanu Meyoo</li> <li>4. Mrs. Kanchana Suwannapasri</li> <li>5. Mr. Peerapol Suwannapasri</li> <li>6. Mr. Kan Arkaworawit</li> <li>7. Ms. Dolkanit Tengamnuay</li> <li>8. Ms. Siraswadee Suthiworapanchai</li> </ol>
Authorized Director	Mr. Wirat Suwannapasri and Mr. Peerapol Suwannapasri, these two jointly sign with the Company's seal affixed.

shareholder

As of November 30, 2022, GIFT has 330,811,723 paid-up shares at a par value of 1.00 baht per share, with a registered capital of 372,029,949 baht and a paid-up capital of 330,811,723 baht, with the list of shareholders as follows:

shareholder		November 30, 2022		Post Transaction	
		No. share	percent	No. share	percent
seller	Union Petrochemical PCL.	221,596,466	66.99 %	-	-
<b>1</b>	<b>Chetchotisak Group</b>	-	-	<b>206,596,466</b>	<b>62.45 %</b>
1.1	Mr. Surachai Chetchotisak	-	-	160,596,466	48.55 %
1.2	Mr. Chet Chetchotisak	-	-	26,000,000	7.85 %
1.3	Mr. Chot Chetchotisak	-	-	20,000,000	6.05 %
2	Pol. Gen. Dr.Somyot Pumpanmuang	-	-	15,000,000	4.53 %
3	Ms. Wanantorn Kitwanichsathien	11,889,000	3.59 %	11,889,000	3.59 %
4	Mr. Patchara Laohapiangsak	10,178,000	3.08 %	10,178,000	3.08 %
5	Mrs. Kanokorn Bodinrat	8,842,100	2.67 %	8,842,100	2.67 %
6	Miss Jurairat Pongsorn	7,885,500	2.38 %	7,885,500	2.38 %
7	Thai NVDR Company Limited	6,454,783	1.95 %	6,454,783	1.95 %
8	Mr. Khantaphon Suepark	4,598,700	1.39 %	4,598,700	1.39 %
9	Mr. Ratchawit Chumwara	4,221,300	1.28 %	4,221,300	1.28 %
10	Mr. Peerachet Suwannapasri	4,120,001	1.25 %	4,120,001	1.25 %
11	Other minority shareholders	51,025,873	15.42 %	51,025,873	15.42 %
<b>Total</b>		<b>330,811,723</b>	<b>100.00 %</b>	<b>330,811,723</b>	<b>100.00 %</b>

As of December 15, 2022, GIFT has a total of 2 subsidiaries with the shareholding structure and company details as follows:



company name	portion	nature of business
Lavish Laboratory Company	99.99 %	As of December 15, 2022, GIFT has a registered capital of 50 million baht, with a paid-up capital of 50 million, in which GIFT holds 99.99% of its shares.
Natural Gift Society Company	99.98 %	A subsidiary of GIFT, with registered capital of 5 million baht as of December 15, 2022, in which GIFT holds 99.98% of its shares. It operates in the distribution of pharmaceutical products and medical Fragrances and cosmetics and dietary supplements

#### 4.3. Summary of financial position and operating results of GIFT (consolidated financial statements)

##### statement of financial position

Items (million baht)	31 Dec 2019	31 Dec 2020	31 Dec 2021	30 Sep 2022
<b>Asset</b>				
<b>Current assets</b>				
Cash and cash equivalents	386.83	254.49	231.57	161.75
Account receivables and other receivables	177.20	71.61	90.04	30.09
Inventories	114.64	27.02	7.28	3.66
Other current assets	3.92	2.51	0.54	0.26

Items (million baht)	31 Dec 2019	31 Dec 2020	31 Dec 2021	30 Sep 2022
<b>Total current assets</b>	682.58	355.63	329.42	225.75
<b>Non-current assets</b>				
Other non-current financial assets	122.41	96.41	49.66	127.97
Investment property			73.19	73.19
Property, building and equipment	184.74	173.97	87.68	81.65
Right of use	-	7.67	2.75	-
Intangible assets	1.97	1.54	-	-
Deferred tax assets	9.80	8.30	3.82	5.35
Other non-current assets	9.70	7.01	0.26	0.25
<b>Total non-current assets</b>	328.62	294.91	217.36	288.42
<b>Total assets</b>	<b>1,011.20</b>	<b>650.54</b>	<b>546.78</b>	<b>514.17</b>
<b>Liabilities and Equity</b>				
<b>Current liabilities</b>				
Trust Receipts Payable	148.14	23.04	-	5.65
Account payables and other payables	41.59	14.66	31.84	7.08
Current portion of finance lease	1.08	2.36	0.17	-
Accrued corporate income tax	13.82	-	-	-
Other current liabilities	2.28	0.85	2.17	0.46
<b>Total current liabilities</b>	206.90	40.92	34.18	13.18
<b>Non-current liabilities</b>				
Non-current portion of finance lease	0.80	1.09	-	-
Provision for long-term employee benefits	9.65	1.89	0.84	1.14
<b>Total non-current liabilities</b>	10.45	2.98	0.84	1.14
<b>Total Liabilities</b>	<b>217.36</b>	<b>43.90</b>	<b>35.02</b>	<b>14.32</b>
<b>Equity</b>				
Registered capital (372,029,949 ordinary shares, 1 baht per share)	-	-	372.03	372.03
Registered capital (454,029,949 ordinary shares, 1 baht per share)	454.03	454.03	-	-
Issued and fully paid-up capital (330,811,723 ordinary shares, 1 baht per share)	-	-	330.81	330.81
Issued and fully paid-up capital (454,029,949 ordinary shares, 1 baht per share)	412.81	412.81	-	-

Items (million baht)	31 Dec 2019	31 Dec 2020	31 Dec 2021	30 Sep 2022
Share premium	151.78	151.78	151.78	151.78
Deficit from changes in shareholding proportions in subsidiaries	(1.16)	(1.16)	(1.16)	(1.16)
Treasury stock	(54.18)	(266.76)	-	-
Appropriated retained earnings – legal reserve	38.20	39.12	39.12	39.12
Appropriated retained earnings – treasury stock reserve	54.18	266.76	-	-
Retained earnings - unappropriated	220.24	27.62	0.10	(5.89)
Other components of equity	(28.03)	(23.51)	(8.89)	(14.81)
<b>Total shareholders' equity of the company</b>	<b>793.84</b>	<b>606.65</b>	<b>511.76</b>	<b>499.85</b>
Non-controlling interests of the subsidiaries	0.00	(0.01)	(0.00)	0.001
<b>Total Equity</b>	<b>793.84</b>	<b>606.64</b>	<b>511.76</b>	<b>499.85</b>
<b>Total Liabilities and Equity</b>	<b>1,011.20</b>	<b>650.54</b>	<b>546.78</b>	<b>514.17</b>

Income statement

Items (million baht)	2019	2020	2021	9-month 2021	9-month 2022
<b>income</b>					
sales income	732.91	415.26	167.95	112.80	105.26
other income	9.53	7.43	4.00	3.20	5.67
<b>total income</b>	<b>742.44</b>	<b>422.69</b>	<b>171.95</b>	<b>116.00</b>	<b>110.93</b>
<b>expenses</b>					
cost of sales	524.19	356.80	166.03	111.46	101.38
selling expenses	30.76	15.32	2.00	1.74	0.67
administrative expenses	46.36	32.51	34.44	20.37	14.88
<b>total cost</b>	<b>601.31</b>	<b>404.63</b>	<b>202.47</b>	<b>133.57</b>	<b>116.93</b>
profit (loss) before finance cost and income tax	141.13	18.06	(30.52)	(17.57)	(6.00)
financial cost	3.51	1.87	0.08	0.08	0.05
profit (loss) before income tax	137.62	16.19	(30.60)	(17.65)	(6.05)
income tax	27.52	4.49	0.51	0.49	(0.06)
<b>Profit (loss) – for the year</b>	<b>110.11</b>	<b>11.70</b>	<b>(31.11)</b>	<b>(18.14)</b>	<b>(5.99)</b>

**4.4. Explanation and analysis of GIFT's performance**

In 2020, the company's total income decreased from 2019 from 742.44 million baht to 422.69 million baht, a decrease of 319.75 million baht or a decrease of 43.07% compared to the previous year. As a result, the company's net profit decreased from 110.11 million baht, down to 11.70 million baht, a decrease of 98.41 million baht, or a decrease of 89.37 percent from the previous year which, although in the beginning of 2020, the company continues to do good business continuously ,however, after the year 2020 , the COVID-19 epidemic situation caused the government to relax the law to allow the use of industrial grade ethanol (Ethanol) to produce pure alcohol to produce hand sanitizer ,as a result, there are more new entrepreneurs entering the competition. However, the company was still able to show a net profit in 2020 due to the COVID-19 epidemic situation, causing ethanol to be in great demand in the market, as a result, the price of ethanol has increased. The price of ethanol in 2020 increased by 5.20%, the average price was 23.20 baht per liter, the highest in 2 years (with an average retail price of 24-25 baht per liter) due to the increase in sugarcane and molasses prices, in addition, there is a growing demand for industrial grade ethanol to produce pure alcohol and hand sanitizer. (Reference: Krungsri Research and Department of Energy Business Ministry of Energy)

In 2021, the company's total income decreased from 2020 from 422.69 million baht to 171.95 million baht, a decrease of 250.74 million baht or a decrease of 59.32% compared to the previous year. As a result, the company's performance in 2021 turned around to a total net loss of (31.11) million baht from a net profit of 11.70 million baht in the previous year, representing a decrease of 42.81 million baht or a decrease of 365.90% compared to the previous year. Because in 2021, the company was affected by new entrepreneurs entering the competition for a full year. As a result, the company's revenue dropped significantly.

Next, during the first 9 months of 2022, the company's total income decreased slightly compared to the same period last year from total income of 116.00 million baht, down to 110.93 million baht, a total decrease of 5.07 or a decrease. down 4.37% from the 9 months period of 2021 Because the company continues to be affected by intense competition. However, the company's net loss decreased from the original net loss of (18.14) million baht in the first 9 months of 2021 , reduced to a net loss of (5.99) million baht in the 9-month period of 2022, representing a loss of 12.15 million baht. baht or a loss of 66.98 percent compared to the same period of the previous year. Because the company has reduced administrative expenses. in line with the direction of the revenue trend that tends to continue to decline.

**5. Total Value of Consideration Method of payment and other important conditions as agreed**

To dispose this investment, the Company will receive compensation for the sale of ordinary shares of GIFT in the proportion of 66.99 percent of the total number of shares of GIFT in cash, totaling 365,634,168.90 baht from the Buyer, before deducting all types of taxes and expenses. The full amount will be paid on the date of

the completion of the Transaction of the Sale of Ordinary Shares of GIFT, which is expected to occur within the second quarter of 2023.

**6. Criteria to determine the total value of the transaction**

The determination of the value of consideration for the sale of ordinary shares of GIFT in the proportion of 66.99 percent of the total number of shares of GIFT is made by negotiation between the purchaser and the seller at a price of 1.65 baht per share, which is not less than the fair value of adjusted book method at 1.55 baht per share

The criteria used to determine the fair value of ordinary shares of GIFT in the proportion of 66.99% of the total number of shares of GIFT is derived from the appraisal by referring to the net asset value of the business under the Adjusted Book Value Approach because: GIFT operates in the business of importing, exporting and distributing specialty chemicals (Specialty Chemical) to various industrial groups, in which GIFT's performance tends to continue to deteriorate due to the severe economic slowdown caused by the spread of the COVID-19 virus together with the business of selling precursor chemicals for the production of cosmetic products household care products and body care products (Chemical Ingredient) are highly competitive, resulting in GIFT having uncertain cash flow from operations. As a result, the valuation is based on the Discounted Cash Flow Approach, which mainly considers Free Cash Flow. In addition, the Company views that the current business expansion plans and strategies are still unsuccessful enough to cope with the situation. The Company expects that GIFT will still suffer operating losses. Therefore, the Company views that the valuation by the net asset value of the business under the Adjusted Book Value Approach is a method that can reflect the asset value of GIFT.

**7. Benefits that the Company will receive**

The Company can recognize profits from the sale of investment immediately from this transaction of GIFT shares. Processed at 191,080,500 baht and the calculation is based on the sales value of 365,634,169 baht, deducted by the cost of the company's investment in GIFT of 174,553,669. In addition, the company can increase management efficiency under the current economic situation. Since the sale of GIFT's ordinary shares is in accordance with the business plan to reduce operations in non-core businesses of the Company by selling GIFT to other people.

**8. Plans for the use of proceeds from the sale of assets**

Proceeds from the sale of such assets, before tax and all types of expenses, in the amount of 365,634,168.90 baht, will be used as working capital of the company. In addition, the company may use it to invest in new businesses that generate more income for the company or to promote the company's core business. Although at present, the management and the Board of Directors are not clear about investing in any business, but the company's readiness for capital. It will make the company ready to invest immediately when there is a business opportunity.

**9. Opinion of the Board of Directors about agreeing to enter into the transaction**

The Board of Directors considered that this transaction with reasonable conditions and consistent with the policy and strategy of the company that wants to restructure the company's business operations in order to be able to cope with the impacts from the increasingly severe industrial conditions and can use the funds received to invest in expanding the scope of business further. This will contribute to increasing the revenue and stable performance of the company in the future.

**10. Opinion of the audit committee and/or director of the company which is different from the opinion of the Board of Directors about entering into the transaction**

There is no director who has different opinions from the Board of Directors' opinion.

The Board of Directors hereby certifies that the information in this information memorandum is correct, complete, not false and does not cause other people to misunderstand or lack material information that should be notified.