

(Translation)

No. GEL.CS.001/2023

16 January 2023

**Subject:** Notification of the Resolution of the Board of Directors' Meeting No. 1/2023 about the Investment Transaction, the Issuance of the Newly Issued Ordinary Shares, the Additional Investment for the Construction and Area Improvement for the Construction Project of the Precast Concrete Factory for Basic Infrastructure, and Convening the Annual General Meeting of Shareholders for the Year 2023 in Advance

**Attention:** President  
The Stock Exchange of Thailand

**Enclosures:**

1. Information Memorandum of General Engineering Public Company Limited on Acquisition of Assets by Accepting the Entire Business Transfer Transaction and Allocation of Shares by way of Private Placement
2. Information Memorandum on Offering and Allocation of the Newly Issued Ordinary Shares of General Engineering Public Company Limited by way of Private Placement
3. Capital Increase Report Form (F53-4)
4. Information Memorandum on the Additional Investment for the Construction and Area Improvement for the Construction Project of the Precast Concrete Factory for Basic Infrastructure

General Engineering Public Company Limited (the "**Company**") hereby informs the significant resolutions of the Board of Directors' Meeting No. 1/2023, which was held on 13 January 2023, to the Stock Exchange of Thailand ("**SET**") as follows:

1. It was resolved to grant approval to propose to the Shareholders' Meeting to consider approving the investment in Inno Precast Company Limited ("**Inno Precast**") representing 51.00% of the total shares of Inno Precast (which consists of 1,020,000 common shares, from the total 2,000,000 common shares of Inno Precast), which the investment will be made by way of the Company acquiring and accepting the transfer of the entire business of Quartz Holding 1 Company Limited ("**Quartz Holding 1**"), who holds 1,020,000 ordinary shares, representing 51.00% of the total shares of Inno Precast. In this regard, Inno Precast and Quartz Holding 1 are subsidiary companies of Pruksa Holding Public Company Limited ("**PSH**") group, whereby Inno Precast operates its business by producing and distributing precast (concrete product for use in construction works) and Quartz Holding 1 is a company

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which engages its core business by holding shares in Inno Precast in the proportion of 51.00%, which was established by PSH under its precast business restructuring plan (“**Investment Transaction by way of Accepting the Entire Business Transfer**”).

The investment in 1,020,000 ordinary shares (51.00%) of Inno Precast by way of accepting the entire business transfer of Quartz Holding 1 above at a total purchase value of THB 581,910,000, the Company will pay for the whole amount by cash or by way of share swap, by issuing and allocating the newly issued ordinary shares of the Company (Private Placement) in accordance with the value of such investment to Quartz Holding 1 and/or shareholders of Quartz Holding 1 (PSH). The value of such investment can be calculated from the fair value of Inno Precast at 51.00% , upon comparison between the fair value of the Company and after the negotiation, the Board of Directors resolved to approve the issuance and allocation of the newly issued ordinary shares of the Company in the amount of 1,572,729,730 shares by way of private placement, at the par value of THB 0.85 per share to Quartz Holding 1 and/or shareholders of Quartz Holding 1 (PSH), who are not connected persons of the Company, as a payment for the Investment Transaction by way of Accepting the Entire Business Transfer from Quartz Holding 1. In this regard, the aforementioned newly issued ordinary shares of the Company that will be issued and allocated as a payment represents 18.26% of the total issued ordinary shares of the Company after the capital increase and completion of the transaction, and represented as the offering price at the price of THB 0.37 per shares (“**Issuance of the Newly Issued Ordinary Shares Transaction**”), as a result, after the completion of the transaction, the PSH group will acquire shares and be a major shareholder of the Company.

The aforementioned issuance of newly issued ordinary shares is a share offering where the shareholders have a resolution to clearly specify the offering price, in which the offering price is in accordance with the market price pursuant to the requirements of the Notification of the Capital Market Supervisory Board No. TorJor 72/2558 Re: Approval for Listed Companies to Offer Newly Issued Shares by way of Private Placement (as amended) (“**Notification TorJor 72/2558**”) as follows:

<b>Allocation</b>	<b>Number of Shares (Shares)</b>	<b>Offering Price (Baht per Share)</b>	<b>Date and Time of Subscription and Payment</b>
By way of private placement to Quartz Holding 1 and/or shareholders	1,572,729,730	0.37 (the offering price is the price which is not lower than	The allocation of the newly issued ordinary shares will be made concurrently with the investment in Inno Precast, which will be later fixed by the Board of Directors of the

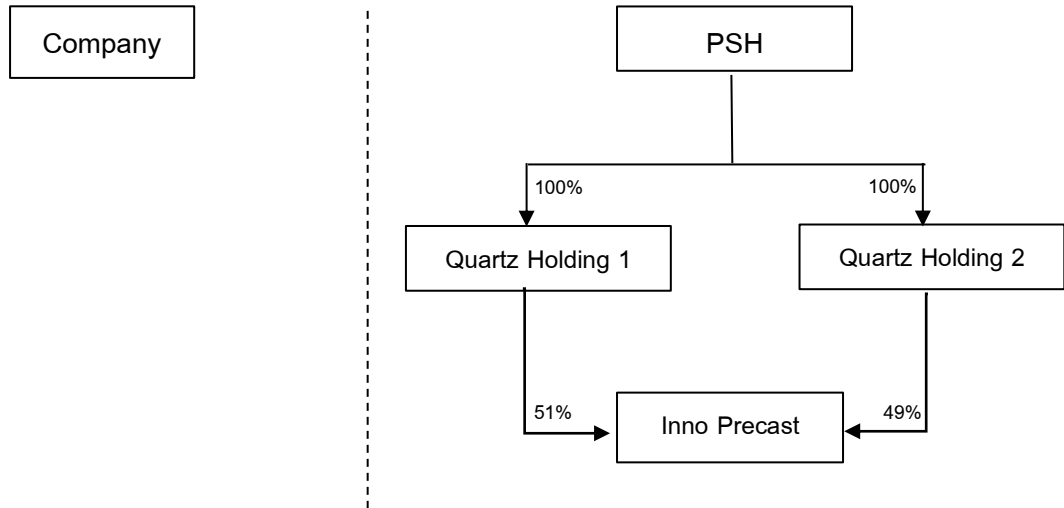
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of Quartz Holding 1 (PSH).		the market price*)	Company, and/or the Chief Executive Officer, and as agreed by the relevant counterparties. The Company anticipates that the transaction will be completed in May 2023.
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\* In this regard, "market price" means the weighted average price of the Company's shares listed on the SET for the past period of at least 7 consecutive business days, but not exceeding 15 consecutive business days prior to the date the Board of Directors passed its resolution to propose the matter to the Shareholders' Meeting for approval to offer for sale the newly issued shares, whereby the aforementioned weighted average price will be determined using the average trading price of that share each day. The weighted average price of the shares of the Company on the SET for the period between 22 December 2022 – 12 January 2023 (totaling 15 business days) equals to THB 0.27 per share.

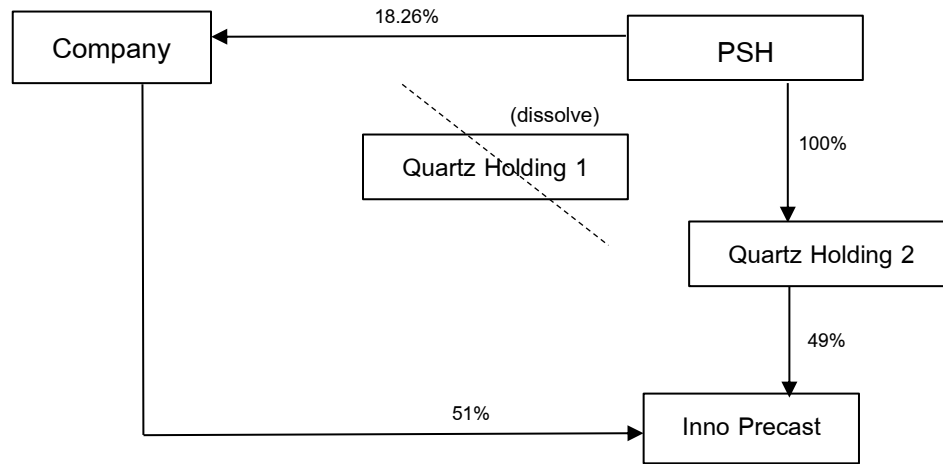
Diagram of the Structure Before and After the Transaction is as follows:

Structure Before the Transaction



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Structure After the Transaction



Following the completion of the transaction, Inno Precast will cease to be a subsidiary company of PSH and will become a subsidiary company of the Company. To comply with the conditions under the Revenue Code regarding the entire business transfer, Quartz Holding 1 shall proceed with the registration of its dissolution after the completion of the transaction by 2023.

The aforementioned Investment Transaction by way of Accepting the Entire Business Transfer is regarded as the acquisition and acceptance of the transfer of other company's business pursuant to Section 107(2)(b) of the Public Limited Companies Act B.E. 2535 (1992) (as amended), therefore, the Company is required to obtain approval for such transaction from the shareholders of the Company with not less than three-fourth of all votes of the shareholders present at the Meeting and entitled to vote.

The aforementioned investment transaction is regarded as an acquisition of assets under the Notification of the Capital Market Supervisory Board No. TorJor 20/2551 Re: Rules on Entering into Material Transactions Deemed as Acquisition or Disposal of Assets (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 and Disposition of Assets B.E. 2547 (2004) (as amended) ("**Notifications on Acquisition and Disposition of Assets**"). Upon the calculation of the transaction size by referring to the latest audited financial statement of the Company for the third quarter of the year 2022(including the transaction size according to the transaction per Board's resolution in item 8. and Enclosure 4 hereof), the highest value of the transaction will be according to the value of shares issued for compensation criteria, at the value of 22.34%, therefore,

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the transaction will be regarded as an acquisition of assets in type 2 which is more than 15% but less than 50%.

Therefore, the Company is required to comply with the Notifications on Acquisition and Disposition of Assets as follows:

1. To prepare a report and disclosure information memorandum on such transaction of the Company to the SET immediately;
2. To prepare a circular letter notifying the shareholders within 21 days, containing the information memorandum as required by the Notifications on Acquisition and Disposition of Assets.

The details of the Investment Transaction by way of Accepting the Entire Business Transfer and the issuance of the newly issued ordinary shares by way of private placement for share swap are described in the Information Memorandum of the Company on Acquisition of Assets by Accepting the Entire Business Transfer Transaction and Allocation of Shares by way of Private Placement and Information Memorandum on Offering and Allocation of the Newly Issued Ordinary Shares by way of Private Placement, Enclosure 1 and 2.

In this regard, the Board of Directors' Meeting deems appropriate to propose to the Shareholders' Meeting to consider authorizing the Board of Directors or the Executive Committee or the Chief Executive Officer or the person authorized by the Board of Directors or the person authorized by the Executive Committee or the person authorized by the Chief Executive Officer to be the authorized person to make any arrangements which are related or required for the aforementioned transactions, including to negotiate, enter into, sign, amend any agreements relating to every transactions, agreements, contracts, and other related documents, to set out rules, conditions, and other details necessary for the execution of the transactions under the applicable rules and laws.

2. It was resolved to grant approval for the Company to enter into agreements relating to the Investment Transaction by way of Accepting the Entire Business Transfer and Issuance of the Newly Issued Ordinary Shares Transaction, which consist of Share Subscription Agreement, Entire Business Transfer Agreement, Undertaking Agreement, and Call Option Agreement. The Company has already entered into the aforementioned transactions related agreements with the PSH Group today (16 January 2023).

The aforementioned agreements also include various agreements relating to the support for entering into the transaction and further business cooperation between the Company group and the PSH group as business partners. The material conditions can be summarized as follows:

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- (1) PSH will become a major shareholder of the Company after the transaction, reserves the right to nominate 1 person to be appointed as a director of the Company (who has no involvement in the management of the Company).
- (2) The Company agrees not to take any action which will result in the reduction of PSH's shareholding in the Company (Dilution) following to the agreed terms and period.
- (3) PSH agrees to support the business operation of Inno Precast by purchasing precast product for use in the business operation of the PSH group from Inno Precast, under the agreed framework and conditions.

However, pursuant to the conditions of the above agreements, the Investment Transaction by way of Accepting the Entire Business Transfer and Issuance of the Newly Issued Ordinary Transaction shall proceed only after the conditions precedent as agreed have been fulfilled or waived by the relevant counterparties. The significant conditions precedent may be summarized as follows:

- (1) The Company is satisfied with the due diligence results of Inno Precast in various aspects (legal, accounting and tax).
- (2) PSH is satisfied with the due diligence results of the company in various aspects (legal, accounting and tax).
- (3) The Shareholders Meeting' of the Company has resolved to approve the investment transaction, the accepting of entire business transfer and the issuing and allocation of the newly issued ordinary shares by way of private placement as a payment by way of share swap, as well as other matters that may be required and/or related to the transaction, and the Company has received approval from the relevant authorities in relation to the issuing and offering such newly issued ordinary shares.
- (4) The Board of Directors and Shareholders' Meeting of Quartz Holding 1 resolved to approve the entire business transfer to the Company, as well as entering into the Entire Business Transfer Agreement, agreements, contracts, and other documents which may be related to the Investment Transaction by way of Accepting the Entire Business Transfer and such share allocation transaction, along with any other actions to ensure that the Investment Transaction by way of Accepting the Entire Business Transfer and Issuance of the Newly Issued Ordinary Shares Transaction are completed.
- (5) There is no event or action happening which may cause significant adverse impact to the transaction, the accepting of the entire business transfer, and the issuing and offering of the newly issued ordinary shares this time.

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3. It was resolved to grant approval to propose to the Shareholders' Meeting to consider approving the Company registered capital decrease by THB 134,175,177.50 from the current registered capital of THB 6,882,293,415.55 to be the new registered capital of THB 6,748,118,238.05, by cancelling 157,853,150 ordinary shares of the Company that have not been sold, at the par value of THB 0.85, which were issued to serve the offering of the newly issued ordinary shares to the existing shareholders of the Company in accordance with their shareholdings (Right Offering), pursuant to the Resolution of the Annual General Meeting of Shareholders for the year 2022, held on 29 April 2022, and consider amending Clause 4 of the Company's Articles of Association to align with the Company's registered capital decrease. The details is as follows:

“Clause 4	Registered Capital	: THB 6,748,118,238.05 (six billion seven hundred forty-eight million one hundred eighteen thousand two hundred thirty-eight baht five satang)
	Divided Into	: 7,938,962,633 shares (seven billion nine hundred thirty-eight million nine hundred sixty-two thousand six hundred thirty-three shares)
	Par Value per Share	: THB 0.85 (eighty-five satang)
	Classified Into	:
	Ordinary Shares	: 7,938,962,633 shares (seven billion nine hundred thirty-eight million nine hundred sixty-two thousand six hundred thirty-three shares)
	Preferred Shares	: -None-”

After the capital decrease, the Company will still have 78,926,750 unissued ordinary shares allocated to accommodate the conversion rights of the GEL-W5 warrant holders.

4. It was resolved to grant approval to propose to the Shareholders' Meeting to consider approving the Company registered capital increase by THB 1,336,820,270.50 from the current registered capital of THB 6,748,118,238.05 to be the new registered capital of THB 8,084,938,508.55 by issuing 1,572,729,730 newly issued ordinary shares at the par value of THB 0.85 per shares as a payment for the Investment Transaction by way of Accepting the Entire Business Transfer, and consider amending Clause 4 of the Company's Articles of Association to align with the Company's registered capital decrease. The detail is as follows:

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“Clause 4	Registered Capital	: THB 8,084,938,508.55 (eight billion eighty-four million nine hundred thirty-eight thousand five hundred eight baht fifty-five satang)
	Divided Into	: 9,511,692,363 shares (nine billion five hundred eleven million six hundred ninety-two thousand three hundred sixty-three shares)
	Par Value per Share	: THB 0.85 (eighty-five satang)
	Classified Into	:
	Ordinary Shares	: 9,511,692,363 shares (nine billion five hundred eleven million six hundred ninety-two thousand three hundred sixty-three shares)
	Preferred Shares	: -None-”

5. It was resolved to grant approval to propose to the Shareholders' Meeting to consider approving the allocation of the newly issued ordinary shares of not exceeding 1,572,729,730 shares, at the par value of THB 0.85 by way of private placement, to Quartz Holding 1 and/or shareholders of Quartz Holding 1 (PSH), who are not connected persons of the Company, as a payment for the Investment Transaction by way of Accepting the Entire Business Transfer. In case of a payment by way for share swap, Quartz Holding 1 and/or shareholders of Quartz Holding 1 (PSH) will offer the entire business of Quartz Holding, which is 1,020,000 ordinary shares in Inno Precast (representing 51.00% of the total shares of Inno Precast) at the par value of THB 100, represented as the total value of THB 581,910,000, as a payment for the newly issued ordinary shares of the Company by other assets instead of paying in cash.

The aforementioned issuance of newly issued ordinary shares is a share offering where the shareholders have a resolution to clearly specify the offering price, in which the offering price is in accordance with the market price pursuant to the requirements of the Notification of the Capital Market Supervisory Board No. TorJor 72/2558 Re: Approval for Listed Companies to Offer Newly Issued Shares by way of Private Placement (as amended) (“**Notification TorJor 72/2558**”) as follows:



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<b>Allocation</b>	<b>Number of Shares (Shares)</b>	<b>Offering Price (Baht per Share)</b>	<b>Date and Time of Subscription and Payment</b>
By way of private placement to Quartz Holding 1 and/or shareholders of Quartz Holding 1 (PSH).	1,572,729,730	0.37 (the offering price is the price which is not lower than the market price)	The allocation of the newly issued ordinary shares will be made concurrently with the investment in Inno Precast, which will be later fixed by the Board of Directors of the Company, and/or the Chief Executive Officer, and as agreed by the relevant counterparties.  The Company anticipates that the transaction will be completed in May 2023.

In addition, the Board of Directors' Meeting deems appropriate to propose to the Shareholders' Meeting to consider authorizing the Board of Directors or the Executive Committee or the Chief Executive Officer or the person authorized by the Board of Directors or the person authorized by the Executive Committee or the person authorized by the Chief Executive Officer to be the authorized person to make any arrangements in relation to the issuance, offering, allocation, and subscription for the newly issued ordinary shares, as well as the following matters:

1. To determine, amend, add details relating to the issuance, offering, allocation, and subscription of the newly issued ordinary shares, the offering date of the newly issued ordinary shares, as well as any other actions required in connection with the issuance, offering, allocation, and subscription of the said newly issued ordinary shares, and overseeing the delivery of information and the disclosure of the relevant details to the SET.
2. To sign, amend, change, contact, or report any information in the application and evidence necessary for and in connection with the issuance, offering, allocation, subscription, and delivery of such newly issued ordinary shares, including contacting and filing of the application and evidence with the Ministry of Commerce, the Securities and Exchange Commission, the SET, governmental agencies or other relevant authorities, and the registration of the Company's newly issued ordinary shares on the SET, and to have the authority to take any other actions as deemed necessary and appropriate to ensure the successful completion of

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the Company's issuance, offering and allocation of the newly issued ordinary shares by way of private placement.

In this regard, pursuant to the Notification TorJor 72/2558, the Company is required to complete the share offering within the period as approved by the Shareholders' Meeting, but not exceeding 3 months from the date the Shareholders' Meeting passed its resolution to approve the offering of the newly issued ordinary shares.

Please refer to the details of the issuance, offering and allocation of the newly issued ordinary shares of the Company by way of private placement in the Information Memorandum Enclosure 2 and Capital Increase Report Form (F53-4) Enclosure 3.

6. It was resolved to approve I V Global Public Company Limited to act as an independent financial advisor to provide opinions to the shareholders of the Company regarding the entry into the Investment Transaction by way of Accepting the Entire Business Transfer, and Issuance of the Newly Issued Ordinary Shares Transaction. The Board of Directors anticipates that the investment and transactions, including the business cooperation with the PSH group this time, will be beneficial to the operations and enhance business opportunities of the Company in the long term, despite it is considered a medium-sized asset acquisition transaction, but it is significant and will affect the of the overall shareholders' shareholding. Therefore, the Board of Directors considers it appropriate to appoint an independent financial advisor to provide opinions to the shareholders of the Company for further decision making, whereby the Company will deliver the report of the opinion of the independent financial advisor to the shareholders together with the notice of the Shareholders' Meeting subsequently.

In this regard, the Company anticipates that the investment and all related transactions will be completed by May 2023 (subject to the completeness of the specified conditions precedent under the agreements relating to every transaction) and after the Company's Shareholders' Meeting has resolved to approve the Investment Transaction by way of Accepting the Entire Business Transfer, and the Issuance of the Newly Issued Ordinary Shares Transaction, as well as the approval of various matters that are necessary and/or related to such transactions. Therefore, the Company's Shareholders' Meeting for approval of agendas and actions related to this investment can be held concurrently with the Annual General Meeting of Shareholders of the Company for the year 2023, which will be held in April 2023, without having to convene an additional Extraordinary General Meeting of Shareholders of the Company, which will be a disturbance to the shareholders and their times, and incur unnecessary expenses. Therefore, the Board of Directors has resolved the matters relating to calling of the Shareholders' Meeting as follows:

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7. It was resolved to approve the date of the Annual General Meeting of Shareholders of the Company for the year 2023 to be held electronically on Thursday, 27 April 2023, at 14.30, pursuant to the Emergency Decree on Electronic Meetings, and set the record date to determine the list of shareholders entitled to attend the Annual General Meeting of Shareholders for the year 2023 on 17 March 2023, with the agenda of the Meeting as follows:

**7.1 General meeting agenda for the Annual General Meeting of Shareholders for the year 2023**

The Board of Directors will hold a meeting to consider and approve the agenda of the Annual General Meeting of Shareholders for the year 2023 and relevant details at the Board of Directors' Meeting in February 2023 again. When the Board of Directors has passed any resolution, the Company will inform the list of agenda items and related details to shareholders and investors immediately.

**7.2 Meeting agenda relating to the Investment Transaction by way of Accepting the Entire Business Transfer and Issuance of the Newly Issued Ordinary Shares Transaction, according to the aforementioned resolutions of the Board of Directors, is as follows:**

- (1) To consider and approve the investment in Inno Precast Company Limited by way of accepting the entire business transfer and the issuance of the Company's newly issued ordinary shares as a payment.
- (2) To consider and approve the decrease of the Company's registered capital and the amendment of the Company's Articles of Association to align with the capital decrease.
- (3) To consider and approve the increase of the Company's registered capital and the amendment of the Company's Articles of Association to align with the capital increase.
- (4) To consider and approve the allocation of the newly issued ordinary shares

In order to be able to adjust the Annual General Meeting of Shareholders of the Company for the year 2023 to suit the situation and provide flexibility, the Board of Directors have resolved to assign the Chief Executive Officer and/or any other person appointed by the Board of Directors and/or Chief Executive Officer to be an authorized person to consider any action related to the convening and arrangement of the Annual General Meeting of Shareholders for the year 2023, amendments or changes to the meeting format, date, time, venue and agenda, as well as the changing of the record date for the Annual General Meeting of Shareholders for the year 2023 as appropriate and necessary

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by considering the benefits and impacts on the Company as the utmost importance and under the legal framework.

8. It was resolved to approve the additional investment for construction and area improvement for the Construction Project of the Precast Concrete Factory for Basic Infrastructure located at Moo 4, Chaingraknoi, Samkok, Pathumthani, in the amount of THB65,000,000. In this regard, the Chief Executive Officer is authorized to amend or make changes to the use of such approved investment budget for the highest interest of the Company.

The aforementioned investment transaction is regarded as an acquisition of assets under the Notification of the Capital Market Supervisory Board No. TorJor 20/2551 Re: Rules on Entering into Material Transactions Deemed as Acquisition or Disposal of Assets (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 and Disposition of Assets B.E. 2547 (2004) (as amended) ("**Notifications on Acquisition and Disposition of Assets**"). Upon the calculation of the transaction size by referring to the latest audited financial statement of the Company for the third quarter of the year 2022, the highest value of the transaction will be according to the value of total consideration criteria at 0.90%, after. Therefore, after combining with the transaction size according to the Board's resolution in item 1. Hereof, the highest value of the transaction will be according to the value of shares issued for compensation criteria, at the value of 22.34%. The transaction will be regarded as an acquisition of assets in type 2 which is more than 15% but less than 50%.

Therefore, the Company is required to comply with the Notifications on Acquisition and Disposition of Assets as follows:

1. To prepare a report and disclosure information memorandum on such transaction of the Company to the SET immediately;
2. To prepare a circular letter notifying the shareholders within 21 days, containing the information memorandum as required by the Notifications on Acquisition and Disposition of Assets.

Details for the transaction of additional investment for construction and area improvement for the Construction Project of the Precast Concrete Factory for Basic Infrastructure located at Moo 4, Chaingraknoi, Samkok, Pathumthani at THB 65,000,000 are as per the Enclosure 4.

In this regard, if there is any development, the Company will disclose the information through the SET immediately.

Please be informed accordingly.

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Your sincerely,

General Engineering Public Company Limited

- Signed -

Mr. Wuttichai Sresthabutra

Director

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## Enclosure 1

### **Information Memorandum of General Engineering Public Company Limited on Acquisition of Assets by Accepting the Entire Business Transfer Transaction and Allocation of Shares by way of Private Placement**

The Board of Directors' Meeting No. 1/2023 of General Engineering Public Company Limited (the "**Company**"), which was held on 13 January 2023, has resolved to approve the proposal to be submitted to the Shareholders' Meeting the plan to invest in Inno Precast Company Limited ("**Inno Precast**"), in the proportion of 51.00% of the total shares of Inno Precast (which consists of 1,020,000 common shares of Inno Precast from the total 2,000,000 common shares), which the investment will be made by way of the Company acquiring and accepting the transfer of the entire business of Quartz Holding 1 Company Limited ("**Quartz Holding 1**"), who holds 1,020,000 ordinary shares, representing 51.00% of the total shares of Inno Precast. Inno Precast and Quartz Holding 1 are subsidiary companies of Prukha Holding Public Company Limited ("**PSH**") group, whereby Inno Precast operates its business by producing and distributing precast (concrete product for use in construction works) and Quartz Holding 1 is a company operating its business by holding shares in Inno Precast in the proportion of 51.00%, which was established by PSH under its precast business restructuring plan ("**Investment Transaction by way of Accepting the Entire Business Transfer**").

The investment in 1,020,000 ordinary shares (51.00%) of Inno Precast by way of accepting the entire business transfer of Quartz Holding 1 above at represent the total value of THB 581,910,000. The Company will pay for the whole amount by cash or by way of share swap, by issuing and allocating the newly issued ordinary shares of the Company (Private Placement) in accordance with the value of such investment to Quartz Holding 1 and/or shareholders of Quartz Holding 1 (PSH). The value of such investment can be calculated from the fair value of Inno Precast at 51.00%, upon comparison between the fair value of the Company and after the negotiation, the Board of Directors resolved to approve the issuance and allocation of the newly issued ordinary shares of the Company in the amount of 1,572,729,730 shares, at the par value of THB 0.85 per share by way of private placement, to Quartz Holding 1 and/or shareholders of Quartz Holding 1 (PSH), who are not connected persons of the Company, as a payment for the Investment Transaction by way of Accepting the Entire Business Transfer from Quartz Holding 1. In this regard, the aforementioned newly issued ordinary shares of the Company that will be issued and allocated as a payment represents 18.26% of the total issued ordinary shares of the Company after the capital increase and completion of the transaction, and represented as the offering price at the price of THB 0.37 per shares ("**Issuance of the Newly Issued Ordinary Shares Transaction**").

The Investment Transaction by way of Accepting the Entire Business Transfer is regarded as an acquisition of assets under the Notification of the Capital Market Supervisory Board No. TorJor 20/2551 Re: Rules on Entering

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into Material Transactions Deemed as Acquisition or Disposal of Assets (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 and Disposition of Assets B.E. 2547 (2004) (as amended) (“**Notifications on Acquisition and Disposition of Assets**”). Upon the calculation of the transaction size by referring to the latest audited financial statement of the Company for the third quarter of the year 2022, the highest value of the transaction will be according to the value of shares issued for compensation criteria, at the value of 22.34%, therefore, the transaction will be regarded as an acquisition of assets in type 2 which is more than 15% but less than 50%.

Therefore, the Company is required to comply with the Notifications on Acquisition and Disposition of Assets as follows:

1. To prepare a report and disclosure information memorandum on such transaction of the Company to the SET immediately;
2. To prepare a circular letter notifying the shareholders within 21 days, containing the information memorandum as required by the Notifications on Acquisition and Disposition of Assets.

The aforementioned investment transaction is regarded as the acquisition and acceptance of the transfer of other company's business pursuant to Section 107(2)(b) of the Public Limited Companies Act B.E. 2535 (1992) (as amended), therefore, the Company is required to obtain approval for such transaction from the shareholders of the Company with not less than three-fourth of all votes of the shareholders present at the Meeting and entitled to vote.

## **1. Date, Month, Year of the Transaction**

The Company anticipates that the investment and every related transactions will be completed in May 2023 (subject to the completeness of the specified conditions precedent under the agreements relating to every transaction) and after the Company's Shareholders' Meeting has resolved to approve the Investment Transaction by way of Accepting the Entire Business Transfer, the Issuance of the Newly Issued Ordinary Shares Transaction, as well as the approval of various matters that are necessary and/or related to such transactions.

## **2. Related Parties and Relationships with the Company**

### **2.1 Related Parties**

**Seller** : General Engineering Public Company Limited

**Buyer** : Quartz Holding 1 Company Limited, which is a subsidiary company in the PSH group.  
Quartz Holding 1 is a holding company which engages its core business of investing in

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ordinary shares of Inno Precast only, and was established by PSH under its precast business restructuring plan.

Quartz Holding 1 has 4 shareholders, namely (1) Prukha Holding Public Company Limited, who is a major shareholder holding 99.99% of the shares, (2) Mr. Uten Lohachitpitaks, (3) Ms. Surawee Chaithumrongkool, and (4) Mr. Pornthep Suphatharatham, each holding 1 share.

## 2.2 Relationship between the Buyer and the Seller

The Company and the counterparties, including PSH, Quartz Holding 1, and Inno Precast, are not related in any way, and so will not be deemed related person under the Notification of the Capital Market Supervisory Board No TorJor 21/2551 Re: Rules on Connected Transactions 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).

## 3. **General Description and Size of the Transactions**

### 3.1 General Description of the Transactions

The Company will invest by accepting the transfer of the entire business of Quartz Holding 1, namely 1,020,000 ordinary shares in Inno Precast (representing 51.00% of the total registered and paid-up shares of Inno Precast) at the par value of THB 100, amounting to THB 581,910,000. The Company will issue and allocate its newly issued ordinary shares in the amount not exceeding 1,572,729,730 shares, at the par value of THB 0.85 by way of private placement, to Quartz Holding 1 and/or shareholders of Quartz Holding 1 (PSH) who are not connected persons of the Company, as a payment for the entire business transfer from Quartz Holding 1.

The Company has entered into transaction related agreements with the PSH group on 16 January 2023, detail as follows:

- (1) Share Subscription Agreement: set out the key terms and conditions relating to the issuance and offering of the Company's newly issued ordinary shares by way of private placement as a payment for the investment by means of share swap.
- (2) Entire Business Transfer Agreement: set out the key terms and conditions whereby Quartz Holding 1 will transfer its entire business to the Company.



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- (3) Undertaking Agreement: set out the condition relating to the support in undertaking this transaction, including any future business cooperation between the Company and the PSH group as a business partner.
- (4) Call Option Agreement: set out an agreement which gives the Company to right to make an offer to purchase the remaining ordinary shares of Inno Precast owned by PSH according to the agreed terms.

The aforementioned agreements also include various agreements relating to the support for entering into the transaction and further business cooperation between the Company group and the PSH group as business partners. The material conditions can be summarized as follows:

- (1) PSH will become a major shareholder of the Company after the transaction, reserves the right to nominate 1 person to be appointed as a director of the Company (who has no involvement in the management of the Company).
- (2) The Company agrees not to take any action which will result in the reduction of PSH's shareholding in the Company (Dilution) following to the agreed terms and period.
- (3) PSH agrees to support the business operation of Inno Precast by purchasing precast product for use in the business operation of the PSH group from Inno Precast, under the agreed framework and conditions.

However, pursuant to the conditions of the above agreements, the Investment Transaction by way of Accepting the Entire Business Transfer and Issuance of the Newly Issued Ordinary Shares Transaction shall proceed only after the conditions precedent as agreed have been fulfilled or waived by the relevant counterparties. The significant conditions precedent may be summarized as follows:

- (1) The Company is satisfied with the due diligence results of Inno Precast in various aspects (legal, accounting and tax).
- (2) PSH is satisfied with the due diligence results of the company in various aspects (legal, accounting and tax).
- (3) The Shareholders' Meeting of the Company has resolved to approve the investment transaction, the accepting of entire business transfer, and the issuing an allocation of the newly issued ordinary shares by way of private placement as a payment by way of share swap, as well as other matters that may be required and/or related to the transaction, and the Company has received approval from the relevant authorities in relation to the issuing and offering such newly issued ordinary shares.
- (4) The Board of Directors and Shareholders' Meeting of Quartz Holding 1 resolved to approve the entire business transfer to the Company, as well as entering into the Entire Business Transfer

(Translation)

Agreement, agreements, and other documents which may be related to the Investment Transaction by way of Accepting the Entire Business Transfer and such share allocation transaction, along with any other actions to ensure that the Investment Transaction by way of Accepting the Entire Business Transfer and Issuance of the Newly Issued Ordinary Shares Transaction are completed.

- (5) There is no event or action happening which may cause significant adverse impact to the transaction, the accepting of the entire business transfer, and the issuing and offering of the newly issued ordinary shares this time.

### General Information of Inno Precast Company Limited

#### 3.1.1 General Information

Name of Company	Inno Precast Company Limited
Type of Business	Production of concrete product for use in construction works
Address	69/5 Moo 11 Phahon Yothin Road, Klong Nueng Sub-District, Khlong Luang District, Pathum Thani Province, 12120
Company's registration number	0135565029626
Incorporation Date	22 November 2022
Registered and paid-up capital	THB 200,000,000

#### 3.1.2 List of Shareholders of Inno Precast Company Limited as of 13 January 2023

Shareholder	Number of Shares Held	Proportion
Quartz Holding 1 Company Limited	1,020,000	51.00%
Quartz Holding 2 Company Limited	979,997	48.99%
Mr. Uten Lohachitpitaks	1	0.00%
Ms. Surawee Chaithumrongkool	1	0.00%
Mr. Pornthep Suphatharatham	1	0.00%

#### 3.1.3 Directors of Inno Precast as of 13 January 2023 consist of 5 directors as follow:

- (1) Mr. Uten Lohachitpitaks

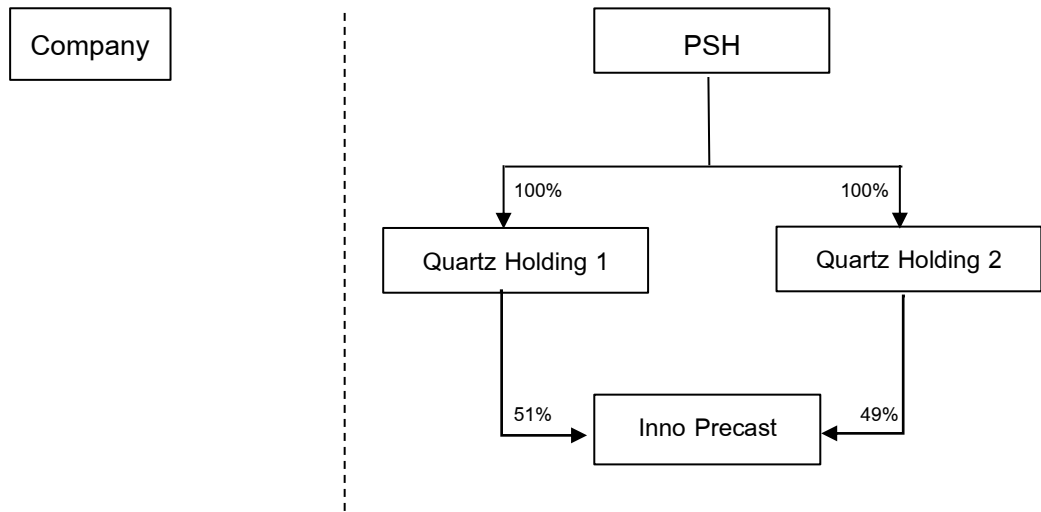
(Translation)

- (2) Mr. Pornthep Suphatharatham
- (3) Ms. Surawee Chaithumrongkool
- (4) Ms. Panchan Worathanarat
- (5) Mr. Pumipat Chatnoraset

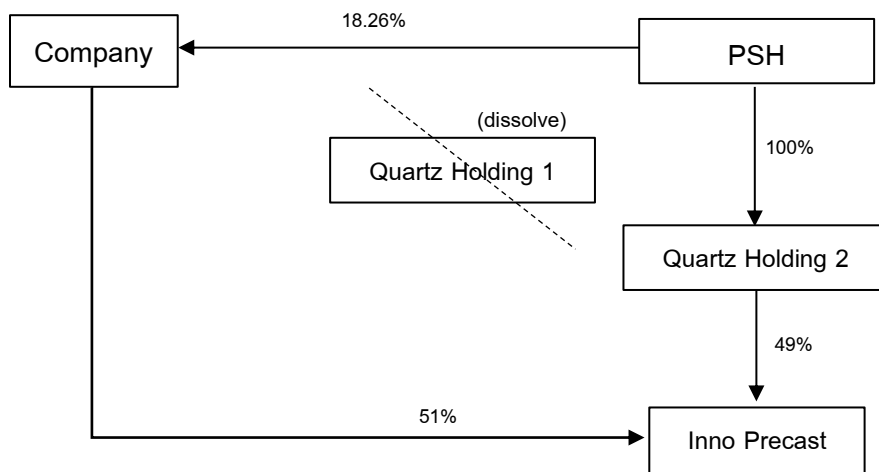
In this regard, after the completion of the transaction, the Company and PSH will proceed to change the directors of Inno Precast to align with the proportion of investment and shareholding of the Company.

### 3.2 Shareholding Structure Before and After the Transaction

#### Structure Before the Transaction



#### Structure After the Transaction



(Translation)

Following the completion of the transaction, Inno Precast will cease to be a subsidiary company of PSH and will become a subsidiary company of the Company. In addition, to comply with the conditions under the Revenue Code regarding the entire business transfer, Quartz Holding 1 shall proceed with the registration of its dissolution after the completion of the transaction by 2023.

### 3.3 Type and Size of the Transaction

#### Acquisition of Assets

The detail of calculation of the transaction size under the Notification on Acquisition or Disposition of Assets is as follows:

#### Financial Information

<b>(Unit: Million Baht)</b>	<b>The Company As of 30 September 2022</b>	<b>Inno Precast As of 31 December 2022</b>
Total Assets	7,226.52	2,698.80
Intangible Assets	16.17	4.49
Deferred Tax Assets	-	-
Total liabilities	3,166.37	2,498.55
Minority Shareholders' Equity	3.90	-
<b>Net Tangible Assets (NTA)</b>	<b>4,040.08</b>	<b>195.76</b>
Net Profit (Loss)	<b>(107.81)</b>	0.25

<b>Criteria</b>	<b>Calculation Formula</b>	<b>Calculation (Million Baht)</b>	<b>Transaction Size</b>
1. Net Tangible Assets (NTA)	$\frac{\text{NTA of acquired assets} \times \text{acquired percent} \times 100.0}{\text{NTA of the Company}}$	$(195.76 \times 0.51 \times 100) / 4,040.68$	2.46
2. Net Operating Profit	$\frac{\text{Net profit of acquired assets} \times \text{acquired percent} \times 100}{\text{Net profit of the Company}}$	Not applicable	Not applicable
3. Total Value of Consideration	$\frac{\text{Transaction value} \times 100.0}{\text{Total assets of the Company}}$	$(581.91 \times 100) / 7,226.52$	8.95 (this transaction size equals to 8.05% and including the transaction size of investment budget as per the Board's

(Translation)

			resolution in item 8. at 0.90%)
4. Value of Shares Issued for Compensation	$\frac{\text{Number of shares issued as compensation} \times 100.0}{\text{Number of the Company's issued and paid-up shares}}$	1,572,729,730 / 7,039,316,435	<b><u>22.34</u></b>

#### 4. Details of Acquired Assets

As of the date of the transaction, the Company shall accept transfer of the entire business of Quartz Holding 1, the detail is as follows:

##### List of Assets

1,020,000 ordinary shares in Inno Precast at the par value of THB 100 (representing 51.00% of the total shares of Inno Precast) and other assets (if any).

##### List of Liabilities

All liabilities as of the date of the entire business transfer.

##### General Information of Inno Precast

Inno Precast conducts its business by manufacturing and distributing precast, and is a green precast factory, and is the first in the real estate development group in Thailand who has imported green technology "Carbon Cure" to produce low carbon precast sheets. Inno Precast has a production rate of approximately 4.4 million square meters/year and has invested in the automation system. Inno Precast has production bases with the main factories located in Lam Luk Ka District, Pathum Thani Province and Navanakorn, Pathum Thani Province.

#### 5. Total Value of Consideration

Totaling THB 581,910,000. After the completion of the conditions precedent, the Company will hold 51.00% shares in Inno Precast by way of entire business transfer from Quartz Holding 1, and the Company will pay for the whole amount by way of share swap, by issuing and allocating the newly issued ordinary shares of the Company in the amount of 1,572,729,730 shares at the par value of THB 0.85 to Quartz Holding 1 and/or shareholders of Quartz Holding 1 (PSH).

#### 6. Criteria to Determine the Total Value of Consideration

(Translation)

The determination of the total value of consideration is determined from the fair value of Inno Precast as the Company and PSH mutually agreed, together with the negotiations between the counterparties.

#### **7. The Value of Acquired Assets**

As of 31 December 2022, shareholders' equity in the financial statement of Inno Precast equals to THB 200.25 million.

Nevertheless, in the determination of the total value of the transaction, the Company and PSH has mutually agreed to determine from the fair value of Inno Precast, amounting to THB 1,141,000,000, representing 51.00% of the total value, which the Company will invest THB 581,910,000.

#### **8. Expected Benefits to the Company**

The investment in Inno Precast is in accordance with the strategy and main business of the Company group, as Inno Precast has conducted its business by producing and distributing precast with production capacity at 4.40 million square meters/year. In addition, Inno Precast is a green precast factory, and is the first in the real estate development group in Thailand who has imported green technology "Carbon Cure" to produce low carbon precast sheets. In terms of business, Inno Precast 's production capacity will be increased to 5.20 million square meters/year, which will help expanding the Company's precast business to achieve a stronger customer base including the transactions which PSH will purchase precast materials and/or accept related services from Inno Precast in the amount of approximately THB 2,000 million per year. Currently, the Company has backlog in the amount more than 3,000 million which the transaction will result in potential growth. The Board of Directors believes that with the Company's strengths in business experience and strong marketing expertise, the Company will be able to continually expand its customer base.

This investment also receives support and business cooperation from the PSH group in terms of reducing the burden of financing of the Company through the issuance of newly issued ordinary shares as a payment for the investment by way of the share swap, as well as various support provided by the PSH group as a business partner, all of which will greatly reduce the risk of investment and assist in the business expansion of the Company.

In this regard, the Company will apply for the acceptance of the securities the Company issued as consideration for the acquisition of assets to the SET, for considering accepting the newly issued ordinary shares as listed securities on the SET.

(Translation)

The Board of Directors of the Company hereby certifies that the information provided in this report is for information purposes only and is not intended to be an invitation or an offer for the acquisition or subscription of securities, and certifies that the information provided in this report is correct and complete in all respects.

Please be informed accordingly.

Your sincerely,

General Engineering Public Company Limited

- Signed -

Mr. Wuttichai Sresthabutra

Director

**Information Memorandum on Offering and Allocation of the Newly Issued Ordinary Shares of General Engineering Public Company Limited by way of Private Placement**

The Board of Directors' Meeting of General Engineering Public Company Limited (the "**Company**"), which was held on 13 January 2023, has resolved to grant approval to propose to the Shareholders' Meeting to consider approving the investment in Inno Precast Company Limited ("**Inno Precast**"), in the amount of 51.00% of the total shares of Inno Precast, whereby the Company will acquire and accept the transfer of the entire business of Quartz Holding 1 Company Limited ("**Quartz Holding 1**"), details as shown in Information Memorandum on Acquisition of Assets (Enclosure 1) ("**Investment Transaction by way of Accepting the Entire Business Transfer**").

The investment in 1,020,000 ordinary shares (51.00%) of Inno Precast by way of accepting the entire business transfer of Quartz Holding 1 above at a total purchase value of THB 581,910,000, the Company will pay for the whole amount by cash or by way of share swap, by issuing and allocating the newly issued ordinary shares of the Company (Private Placement) in accordance with the value of such investment to Quartz Holding 1 and/or shareholders of Quartz Holding 1 (PSH). The value of such investment can be calculated from the fair value of Inno Precast at 51.00%, upon comparison between the fair value of the Company and after the negotiation, the Board of Directors resolved to approve the issuance and allocation of the newly issued ordinary shares of the Company in the amount of 1,572,729,730 shares by way of private placement, at the par value of THB 0.85 per share to Quartz Holding 1 and/or shareholders of Quartz Holding 1 (PSH), who are not connected persons of the Company, as a payment for the Investment Transaction by way of Accepting the Entire Business Transfer from Quartz Holding 1. In this regard, the aforementioned newly issued ordinary shares of the Company that will be issued and allocated as a payment represents 18.26% of the total issued ordinary shares of the Company after the capital increase and completion of the transaction, and represented as the offering price at the price of THB 0.37 per shares ("**Issuance of the Newly Issued Ordinary Shares Transaction**").

The detail of the offering of the Company's newly issued ordinary shares by way of private placement, which are essential to the shareholders' decision is as follows:

**1. Details of the Offering and Allocation of the Newly Issued Shares**

**1.1 Offering and Allocation of the Newly Issued Ordinary Shares by way of Private Placement**

The Company deems appropriate to propose to the Shareholders' Meeting to consider approving the Company's registered capital increase, from the current registered capital of THB 6,748,118,238.05 (after capital decrease to write off unissued shares) to be the registered capital of THB 1,336,820,270.50, by issuing 1,572,729,730 newly issued ordinary shares at the par value of THB 0.85 as a payment for the Investment



(Translation)

Transaction by way of Accepting the Entire Business Transfer. The aforementioned allocation of the newly issued ordinary shares of the Company will be made by way of a private placement, namely Quartz Holding 1 and/or shareholders of Quartz Holding 1 (PSH), who are not connected persons of the Company, which represents no more than 18.26% issued and paid-up shares of the Company (after the registered capital increase of the Company)

The aforementioned issuance of newly issued ordinary shares is a share offering where the shareholders have a resolution to clearly specify the offering price, in which the offering price is in accordance with the market price pursuant to the requirements of the Notification of the Capital Market Supervisory Board No. TorJor 72/2558 Re: Approval for Listed Companies to Offer Newly Issued Shares by way of Private Placement (as amended) (**“Notification TorJor 72/2558”**). In this regard, “market price” means the weighted average price of the Company’s shares listed on the Stock Exchange of Thailand (**“SET”**) for the past period of at least 7 consecutive business days, but not exceeding 15 consecutive business days prior to the date the Board of Directors passed its resolution to propose the matter to the Shareholders’ Meeting for approval to offer for sale the newly issued shares, whereby the aforementioned weighted average price will be determined using the average trading price of that share each day. The weighted average price of the shares of the Company on the SET for the period between 22 December 2022 – 12 January 2023 (totaling 15 business days) equals to THB 0.27 per share.

The Company anticipates that the investment and every related transactions will be completed in May 2023 (subject to the completeness of the specified conditions precedent under the agreements relating to every transaction) and after the Company’s Shareholders’ Meeting has resolved to approve the Investment Transaction by way of Accepting the Entire Business Transfer, the Issuance of the Newly Issued Ordinary Shares Transaction, as well as the approval of various matters that are necessary and/or related to such transactions.

In addition, the Board of Directors’ Meeting deems appropriate to propose to the Shareholders’ Meeting to consider authorizing the Board of Directors or the Executive Committee or the Chief Executive Officer or the person authorized by the Board of Directors or the person authorized by the Executive Committee or the person authorized by the Chief Executive Officer to be the authorized person to make any arrangements in relation to the issuance, offering, allocation, and subscription for the newly issued ordinary shares, as well as the following matters:

1. To determine, amend, add details relating to the issuance, offering, allocation, and subscription of the newly issued ordinary shares, the offering date of the newly issued ordinary shares, as well as any other actions required in connection with the issuance, offering, allocation, and subscription of the said newly issued ordinary shares, and overseeing the delivery of information and the disclosure of the relevant details to the SET.
2. To sign, amend, change, contact, or report any information in the application and evidence necessary for and in connection with the issuance, offering, allocation, subscription, and

(Translation)

delivery of such newly issued ordinary shares, including contacting and filing of the application and evidence with the Ministry of Commerce, the Securities and Exchange Commission, the SET, governmental agencies or other relevant authorities, and the registration of the Company's newly issued ordinary shares on the SET, and to have the authority to take any other actions as deemed necessary and appropriate to ensure the successful completion of the Company's issuance, offering and allocation of the newly issued ordinary shares by way of private placement.

In this regard, pursuant to the Notification TorJor 72/2558, the Company is required to complete the share offering within the period as approved by the Shareholders' Meeting, but not exceeding 3 months from the date the Shareholders' Meeting passed its resolution to approve the offering of the newly issued ordinary shares.

Please refer to the additional details as shown in the Capital Increase Report Form (F53-4) Enclosure 3.

(1) Name and Information of Specific Investors who will Receive the Offering and Allocation of the Newly Issued Ordinary Shares

<b>Allocation</b>	<b>Number of Shares (Shares)</b>	<b>Offering Price (Baht per Share)</b>	<b>Date and Time of Subscription and Payment</b>
By way of private placement to Quartz Holding 1 and/or shareholders of Quartz Holding 1 (PSH).	1,572,729,730	0.37 (the offering price is the price which is lower than the market price)	The allocation of the newly issued ordinary shares will be made concurrently with the investment in Inno Precast, which will be later fixed by the Board of Directors of the Company, and/or the Chief Executive Officer, and as agreed by the relevant counterparties.  The Company anticipates that the transaction will be completed in May 2023.

**Name:** Quartz Holding 1 Company Limited and/or Pruksa Holding Public Company Limited

**Details:**

(Translation)

- Quartz Holding 1 Company Limited, whose office is located at 69/5 Moo 11 Phahon Yothin Road, Klong Nueng Sub-District, Khlong Luang District, Pathum Thani Province, 12120, with registered capital of THB 200,000,000 divided into 2,000,000 shares with a par value of THB 100 per share.
- Pruksa Holding Public Company Limited, whose office is located at 1177 Pearl Bangkok Building, Phahon Yothin Road, Phaya Thai Sub-District, Phaya Thai District, Bangkok

(2) Shareholders

Shareholders of Quartz Holding 1 as of 13 January 2023

No.	Name – Last Name	Number of Shares	Percentage of Total Shares
1	Pruksa Holding Public Company Limited	1,049,997	99.99%
2	Mr. Uten Lohachitpitaks	1	0.00%
3	Ms. Surawee Chaithumrongkool	1	0.00%
4	Mr. Pornthep Suphatharatham	1	0.00%
<b>Total</b>		<b>2,000,000</b>	<b>100%</b>

Shareholders of Pruksa Holding Public Company Limited as of 25 August 2023 (information from [www.set.or.th](http://www.set.or.th))

No.	Name – Last Name	Number of Shares	Percentage of Total Shares
1	Mr. Thongma Vijitpongpun	1,318,190,000	60.23%
2	Ms. Malinee Vijitpongpun	85,000,000	3.88%
3	Mrs. Thipsuda Vijitpongpun	85,000,000	3.88%
4	Ms. Chanya Vijitpongpun	85,000,000	3.88%
5	Social Security Office	62,223,100	2.84%
6	Thai NVDR Company Limited	44,888,690	2.05%
7	Mrs. Rattana Promsawad	38,545,743	1.76%
8	South East Asia UK (Type C) Nominees Limited	18,553,052	0.85%
9	State Stree Europe Limited	15,385,699	0.70%
10	Mr. Chirathep Promsawad	13,000,000	0.59%
11	Ms. Jantana Promsawad	13,000,000	0.59%
12	Mr. Anucha Kijdhanamongkolchai	13,000,000	0.59%

(Translation)

13	Mr. Chumlong Promsawad	13,000,000	0.59%
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(3) List of Directors

List of Directors of Quartz Holding 1 as of 13 January 2023

No.	Name – Last Name	Position
1	Mr. Uten Lohachitpitaks	Director
2	Mr. Pornthep Suphatharatham	Director
3	Ms. Surawee Chaithumrongkool	Director
4	Ms. Panchan Worathanarat	Director
5	Mr. Pumipat Chatnoraset	Director

List of Directors of Pruksa Holding Public Company Limited as of 13 January 2023

No.	Name – Last Name	Position
1	Mr. Prasarn Trairatvorakul	Chairman of the Board of Directors
2	Mr. Thongma Vijitpongpun	Director
3	Mr. Uten Lohachitpitaks	Director
4	Mr. Wichian Mektrakarn	Director
5	Mrs. Rattana Promsawad	Director
6	Mr. Piyasvasti Amranand	Director
7	Mr. Weerachai Ngamdeevilaisak	Director
8	Mr. Anusorn Sangnimnuan	Director
9	Mr. Piyamitr Sritara	Director
10	Mr. Anuwat Jongyindee	Director
11	Mr. Kitipong Urapeepatanapong	Director

**2. Propose of the Issuance of the Newly Issued Ordinary Shares and Plan for Use of Proceeds**

The purpose of the issuance of the newly issued ordinary shares is to be used as a payment for the investment in Inno Precast by way of acquiring and accepting the entire business transfer of Quartz Holding 1, who holds 1,020,000 ordinary shares, representing 51.00% of the total shares of Inno Precast, which the Company will pay for the aforementioned transaction using cash or the newly issued ordinary shares of the Company in the

(Translation)

amount of not exceeding 1,572,729,730 shares to Quartz Holding 1 and/or shareholders of Quartz Holding 1 (PSH) by way of private placement.

In the event of a share swap, Quartz Holding 1 and/or shareholders of Quartz Holding 1 will use the entire business of Quartz Holding 1, namely 1,020,000 ordinary shares in Inno Precast (representing 51.00% of the total shares of Inno Precast) with the par value of THB 100, with a total value of THB 581,910,000, to pay for the newly issued ordinary shares of the Company. The payment will be made with other assets instead of cash, therefore, the Company will not receive the payment for the shares and the whole proceed from the payment for the shares will be used for an investment in Inno Precast.

### **3. Potential Impact on Shareholders from the Issuance and Offering of the Newly Issued Ordinary Shares by way of Private Placement**

#### **3.1 Price Dilution**

$$= \frac{\text{The market price before offering} - \text{market price after offering}}{\text{market price before offering}}$$

$$= \frac{0.27 - 0.29}{0.27}$$

$$= -6.88\%$$

The market price before offering calculates from the weighted average price for 15 business days before the Board's Meeting No.1/2023 dated 13 January 2023 (during 22 December 2022 – 12 January 2023) (information from website of the SET) which equals THB 0.27/share.

The market price after offering calculates from

$$= \frac{(\text{total paid-up shares} \times \text{market price before offering}) + (\text{total increased shares} \times \text{offering price})}{\text{Total paid-up shares} + \text{total increased shares}}$$

$$= \frac{(7,039,316,435 \times 0.27) + (1,572,729,730 \times 0.37)}{7,039,316,435 + 1,572,729,730}$$

$$= 0.29$$

$$= 0.29$$

$$= 0.29$$

Therefore, after allocation of newly issued shares to the private placement, there will be no price dilution.

(Translation)

### 3.2 Control Dilution

$$\begin{aligned} &= \frac{\text{total increased shares}}{(\text{total paid-up shares} + \text{total increased shares})} \\ &= \frac{1,572,729,730}{7,039,316,435 + 1,572,729,730} \\ &= 18.26\% \end{aligned}$$

Therefore, after allocation of newly issued shares to the private placement, there will be decrease in control dilution at 18.26%.

### 3.3 Earnings per Share Dilution

$$\begin{aligned} &= \frac{\text{EPS before offering} - \text{EPS after offering}}{\text{EPS before the offering}} \\ &= \frac{1,572,729,730}{7,039,316,435 + 1,572,729,730} \\ &= 18.26\% \end{aligned}$$

EPS before offering calculates from:

$$\begin{aligned} &= \frac{\text{Profit from 4 Quarters (4<sup>th</sup> Quarter/2021 – 3<sup>rd</sup> Quarter/2022)}}{\text{Total paid-up shares before capital increase}} \\ &= \frac{-149,377,535.17}{7,039,316,435} \\ &= -0.021 \end{aligned}$$

EPS after offering calculates from:

$$\begin{aligned} &= \frac{\text{Profit from 4 Quarters (4<sup>th</sup> Quarter/2021 – 3<sup>rd</sup> Quarter/2022)}}{\text{Total paid-up shares after capital increase}} \\ &= \frac{-149,377,535.17}{(7,039,316,435 + 1,572,729,730)} \\ &= -0.017 \end{aligned}$$

(Translation)

Therefore, after allocation of newly issued shares to the private placement, there will be no Earnings per Share Dilution.

### **3.4 Potential Impact on the Company's Business Operations, Financial Position, and Overall Operating Result due to the Capital Increase**

The purpose of this capital increase is to use as payment for the investment in Inno Precast, which is in accordance with the strategy and main business of the Company group, as Inno Precast has conducted its business by producing and distributing precast, which already generates income for the business. Inno Precast has a production capacity of approximately 4.4 million sq m/year, which will help expand the Company's precast business to achieve a stronger customer base, which will be beneficial to the business of the Company in the long run. Therefore, the Board of Directors believe that this capital increase will not have any negative effect on the business operation of the Company, or the financial position or the results of the business operation of the Company.

Where there has been a further negotiation in relation to agreements as a part of supporting the transaction and being a business partner with the PSH group, the Company agrees not to take any action which will result in the reduction of PSH's shareholding in the Company (Dilution) according to the agreed terms and period, the Company's Board of Directors believes that the agreement will not have a negative impact on the Company, since the company has a variety of funding options, such as the issuance and offering of newly issued ordinary shares in proportion to their shareholding (Rights Offering).

## **4. Opinion of the Board of Directors**

### **4.1 Rationale, Necessity, and Reasonableness of the Capital Increase**

This proposal of capital increase and the allocation of the newly issued ordinary shares by way of private placement is necessary as it is one of the conditions of the payment for the investment as agreed with the PSH group. In this regard, the Board of Directors has resolved to propose to the Shareholders' Meeting to consider approving the issuance of newly issued ordinary shares, with the shareholders having a resolution to clearly specify the offering price, which follows the conditions that the Company has agreed with PSH, taking into account the fair value of Inno Precast compared against the fair value of the Company, we believe that the aforementioned offer price is reasonable. In addition, the determination of a clear offering price will help reduce the risk from the dilution effect of all shareholders of the Company in the event that the Company's share price is volatile.

### **4.2 Possibility of the Plan for Use of Proceeds and the Adequacy of Funding Sources**

(Translation)

The purpose of this capital increase is to support the investment transaction by way of share swap. Therefore, there is no consideration for the plan for use of proceeds and the adequacy of funding sources.

**4.3 Reasonableness of the Capital Increase and Plan for Use of Proceeds from the Offering of the Shares**

This capital increase is reasonable as it is a part of the investment plan in Inno Precast, which will be beneficial to the Company in the future.

**4.4 Rationale and Necessity for the Offering of the Newly Issued Shares by way of Private Placement**

The offering of the newly issued shares to Quartz Holding 1 and/or shareholders of Quartz Holding 1 (PSH) is necessary as it is a part of the investment transaction.

**4.5 Reasonableness of the Offering and the Background for the Determination of the Offer Price**

The determination of the amount of the newly issued ordinary shares and the offering price is reasonable as it follows the transaction value which is determined using the fair value of Inno Precast and the offering price is the market price.

**5. Certification of the Board of Directors in relation to the Capital Increase**

The Board of Directors hereby certifies that it has carefully considered and verified the information of Quartz Holding 1 for the offering of the Company's newly issued ordinary shares by way of private placement, and of the opinion that the allocation of the newly issued ordinary shares is reasonable as the aforementioned investor has potential and ability for investment. In addition, this transaction will strengthen the Company's financial strength and be beneficial to the Company's business growth in the future.

In the event where any director of the Company fails to perform his or her duties with integrity and due care to protect the Company's interests in this capital increase, if such failure has caused damages to the Company, the shareholders may take legal actions to claim damages from such director on behalf of the Company pursuant to Section 85 of the Public Limited Companies Act B.E. 2535 (1992) (as amended), and if that failure to perform has caused any directors or related persons to gain undue benefits, the shareholders may take legal action to recover such benefits from the directors on behalf of the Company pursuant to Section 89/18 of the Securities and Exchange Act B.E. 2535 (1992) (as amended).

The Company hereby certifies that the information in this report is correct and complete in all respects.

Please be informed accordingly.



(Translation)

Your sincerely,

General Engineering Public Company Limited

- Signed -

Mr. Wuttichai Sresthabutra

Director

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## Capital Increase Form

General Engineering Public Company Limited

13 January 2023

We, General Engineering Public Company Limited (the “**Company**”), hereby report on the resolutions of the Board of Directors’ Meeting No. 1/2023, which was held on 13 January 2023, regarding the capital increase and the allocation of the newly issued ordinary shares as follows:

**1. Capital Increase**

1.1 The Board of Directors’ Meeting was resolved to propose that the Shareholders’ Meeting consider and approve the Company’s registered capital decrease by THB 134,175,177.50, from the current registered capital of THB 6,882,293,415.55 to be the new registered capital of THB 6,748,118,238.05, by cancelling 157,853,150 ordinary shares of the Company that have not been sold, with a par value of THB 0.85, which were issued to serve the offering of the newly issued ordinary shares to the existing shareholders of the Company in accordance with their shareholdings (Right Offering), pursuant to the Resolution of the Shareholders’ Meeting for the year 2022, held on 29 April 2022.

1.2 The Board of Directors’ Meeting was resolved to propose that the Shareholders’ Meeting consider and approve the Company’s registered capital increase by THB 1,336,820,270.50 from the current registered capital of THB 6,748,118,238.05 to be the new registered capital of THB 8,084,938,508.55 by issuing 1,572,729,730 ordinary shares of the Company with a par value of THB 0.85 to use as a payment for the investment transaction by way of accepting the entire business transfer from Quartz Holding 1 Company Limited (“**Quartz Holding 1**”), namely 1,020,000 ordinary shares in Inno Precast Company Limited (“**Inno Precast**”), representing 51.00% of the total shares in Inno Precast.

(1) Shares Allocation by way of Private Placement

Capital Increase	Type of Shares	Numbers of Shares	Par value (Baht per share)	Total (Million Baht)
<input checked="" type="checkbox"/> Specific Purpose of Use of Proceed	Ordinary Shares	1,572,729,730	0.85	1,336,820,270.5
	Preferred Shares	.....	.....	.....

(Translation)

<input type="checkbox"/> General Mandate	Ordinary Shares	.....	.....	.....
	Preferred Shares	.....	.....	.....

## 2. Allocation of the Newly Issued Ordinary Shares

### 2.1 Specific Purpose of Use of Proceeds

Allocation	Number of Shares (Shares)	Offering Price (Baht per Share)	Date and Time of Subscription and Payment	Remark
By way of private placement to Quartz Holding 1 and/or shareholders of Quartz Holding 1 (PSH).	Not exceeding 1,572,729,730 shares	0.37 (the offering price is the price which is not lower than the market price*)	The allocation of the newly issued ordinary shares will be made concurrently with the investment in Inno Precast, which will be later fixed by the Board of Directors of the Company, and/or the Chief Executive Officer, and as agreed by the relevant counterparties. The Company anticipates that the transaction will be completed in May 2023.	Please see remark

Remark

The aforementioned issuance of newly issued ordinary shares is a share offering where the shareholders have a resolution to clearly specify the offering price, in which the offering price is in accordance with the market price pursuant to the requirements of the Notification of the Capital Market Supervisory Board No. TorJor 72/2558 Re: Approval for Listed Companies to Offer Newly Issued Shares by way of Private Placement (as amended) (“**Notification TorJor 72/2558**”), whereby, “market price” means the weighted average price of the Company’s shares listed on the Stock Exchange of Thailand (“**SET**”) for the past period of at least 7 consecutive business days, but not exceeding 15 consecutive business days prior to the date the Board of Directors passed its resolution to propose the matter to the Shareholders’ Meeting for approval to offer for sale the newly issued shares, whereby the aforementioned weighted average price will be determined using the average trading price of that share each day. The weighted average price of the shares of the Company on the SET for the period between 22 December 2022 – 12 January 2023 (totaling 15 business days) equals to THB 0.27 per share.

### 2.2 General Mandate

(Translation)

Allocation to	Type of Securities	Numbers of Shares	Percentage of Paid-up Capital <sup>1/</sup>	Remark
Existing Shareholders	Ordinary Shares	-	-	-
	Preferred Shares	-	-	-
To accommodate the conversion/ exercise of the transferable warrants	Ordinary Shares	-	-	-
	Preferred Shares	-	-	-
The General Public	Ordinary Shares	-	-	-
	Preferred Shares	-	-	-
Private Placement	Ordinary Shares	-	-	-
	Preferred Shares	-	-	-

<sup>1/</sup> The percentage of the paid-up capital as of the date the Board of Director resolves to increase its capital with general mandate.

**3. Scheduling for the Shareholders' Meeting for Approval of the Capital Increase and Allocation of the Newly Issued Shares**

The Annual General of Shareholders No. 1/2023 is scheduled to be held electronically on Thursday, 27 April 2023 at 14.30, and set the record date to determine the list of shareholders entitled to attend the Meeting to be 17 March 2023, whereby:

- The share register shall be closed to suspend any share transfer for the right to attend the Shareholders' Meeting from .....until the Shareholders' Meeting is finished.
- The record date to determine the list of shareholders entitled to attend the Meeting to be 17 March 2023.

**4. Approval for Capital Increase/New Share Allocation from Relevant Authorities and Conditions of Such Approval (if any)**

(Translation)

1. The Shareholders' Meeting of the Company shall resolve to approve the investment transaction by way of accepting the entire business transfer and issuance of the newly issued ordinary shares transaction, as well as approval for other matter necessary for and/or in connection with such transactions.
2. This capital increase shall be approved by the Shareholders' Meeting with not less than three-fourth of all votes of the shareholders present at the Meeting and entitled to vote, excluding such votes of the interested shareholders in the Meeting.
3. The Company shall apply for registration of the registered capital increase and the change of its paid-up capital of the Company and the amendment of the Articles of Association with the Department of Business Development, Ministry of Commerce.
4. The Company shall apply for approval from the SET for the listing of the newly issued ordinary shares as listed securities on the SET.

**5. Purpose of Capital Increase**

The purpose of this issuance of shares is to provide a payment for the investment transaction in Inno Precast by way of acquiring and accepting the entire business transfer from Quartz Holding 1, who holds 1,020,000 ordinary shares, representing 51.00% of the total shares of Inno Precast. The Company will pay for the transaction by issuing and allocating the newly issued ordinary shares of the Company in the amount of 1,572,729,730 shares by way of private placement, to Quartz Holding 1 and/or shareholders of Quartz Holding 1 (PSH). Please see further details in the Information Memorandum of the Company on Acquisition of Assets by Accepting the Entire Business Transfer Transaction and the Allocation of the Newly Issued Ordinary Shares by way of Private Placement, Enclosure 1 and 2.

**6. Expected Benefits to the Company from the Capital Increase/New Share Allocation**

The Company shall issue and allocate the newly issued ordinary shares of the Company in the amount not exceeding 1,572,729,730 by way of private placement, to Quartz Holding 1 and/or shareholders of Quartz Holding 1 (PSH) who are not connected persons of the Company as a payment for the investment transaction in Inno Precast. By issuing the newly issued ordinary shares, the Company will have funds for the acquiring and accepting of the entire business transfer of Quartz Holding 1 without affecting the Company's financial position and burdening its financial costs. In addition, the Company does not have to borrow money from financial institutions or procuring funding by other means.

**7. Expected Benefits to the Shareholders from the Capital Increase/New Share Allocation**

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**8. Other Details Essential for the Shareholders' Decision on Approving the Capital Increase/New Share Allocation**

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**9. Certification of the Board of Directors**

In the event where any director of the Company fails to perform his or her duties with integrity and due care to protect the Company's interests in this capital increase, if such failure has caused damages to the Company, the shareholders may take legal actions to claim damages from such director on behalf of the Company pursuant to Section 85 of the Public Limited Companies Act B.E. 2535 (1992) (as amended), and if that failure to perform has caused any directors or related persons to gain undue benefits, the shareholders may take legal action to recover such benefits from the directors on behalf of the Company pursuant to Section 89/18 of the Securities and Exchange Act B.E. 2535 (1992) (as amended).

**10. Schedule of Actions after the Board of Directors' Resolution to Approve the Capital Increase/New Share Allocation**

No.	Procedures	Tentative Date
1.	The Board of Directors' Meeting No. 1/2023	13 January 2023
2.	The date for determining the list of shareholders entitled to attend the General Meeting of Shareholders No. 1/2023 (Record Date)	17 March 2023
3.	The Annual General Meeting of Shareholders for the year 2023	27 April 2023
4.	The Company registers the capital increase with the Ministry of Commerce	Within 14 days from the date of the resolution of the Shareholders' Meeting

(Translation)

No.	Procedures	Tentative Date
5.	The Company offers the newly issued ordinary shares by way of private placement with specific purpose of use of proceeds	May 2023 (depends on the completion of the conditions precedent under the Entire Business Transfer Agreement) but not exceeding 3 months from the date of the resolution of the Shareholders' Meeting
6.	The Company registers the change of the paid-up capital with the Ministry of Commerce	Within 14 days from the date of the Company has received payments for the newly issued ordinary shares

The Company hereby certifies that the information in this report is correct and complete in all respects.

Please be informed accordingly.

Your sincerely,

General Engineering Public Company Limited

- Signed -

Mr. Wuttichai Sresthabutra

Director

**Information Memorandum of General Engineering Public Company Limited on the Acquiring of Assets for the Additional Investment for the Construction and Area Improvement for the Construction Project of the Precast Concrete Factory for Basic Infrastructure**

As the Board of Directors' Meeting No. 1/2023 of General Engineering Public Company Limited (the "Company"), which was held on 13 January 2023, has approved the additional investment for the construction and area improvement for the construction project of the precast concrete factory for basic infrastructure with the budget of THB 65,000,000, by authorizing the Chief Executive Officer to change or amend the use of investment budget under the approved budget for the highest benefit of the Company.

**1. Date, Month, Year of the Transaction**

After the Board of Directors' approval.

**2. Related Parties and Relationships with the Company**

**2.1 Related Parties**

Buyer : General Engineering Public Company Limited

Seller : In the selection process

Relationship between the Buyer and the Seller : No relationship and/or connection with the directors, executives, major shareholders or controlling persons of the Company

**3. General Description and Size of the Transactions**

**3.1 General Description of the Transactions**

The Company will make additional investment for the construction and area improvement for the construction project of the precast concrete factory for basic infrastructure, which is located at Moo 4, Chiang Rak Noi Subdistrict, Sam Khok District, Pathum Thani Province, with the total budget of THB 65,000,000.

**3.2 Type and Size of the Transaction**

Acquisition of Assets



(Translation)

The detail of calculation of the transaction size under the Notification on Acquisition or Disposition of Assets is as follows:

Criteria	Calculation Formula	Calculation (Million Baht)	Transaction Size
1. Net Tangible Assets (NTA)	$\frac{\text{NTA of acquired assets} \times \text{acquired percent} \times 100.0}{\text{NTA of the Company}}$	Not applicable	Not applicable
2. Net Operating Profit	$\frac{\text{Net profit of acquired assets} \times \text{acquired percent} \times 100}{\text{Net profit of the Company}}$	Not applicable	Not applicable
3. Total Value of Consideration	$\frac{\text{Transaction value} \times 100.0}{\text{Total assets of the Company}}$	(65 x 100) / 7,226.52	8.95 (this transaction size equals to 0.90% and including the investment transaction size per Board's resolution in item 1 at 8.05%)
4. Value of Shares Issued for Compensation	$\frac{\text{Number of shares issued as compensation} \times 100.0}{\text{Number of the Company's issued and paid-up shares}}$	Not mandatory	Not mandatory

#### 4. Details of Acquired Assets

The Company will make additional investment for the construction and area improvement for the construction project of the precast concrete factory for basic infrastructure, which is located at Moo 4, Chiang Rak Noi Subdistrict, Sam Khok District, Pathum Thani Province.

Description	Budget (Million Baht)
Area adjustment and construction work for the production platform, area improvement and construction work, including systems around the factory	65.00

#### 5. Total Value of Consideration

(Translation)

The Company will make additional investment for the construction and area improvement for the construction project of the precast concrete factory for basic infrastructure, which is located at Moo 4, Chiang Rak Noi Subdistrict, Sam Khok District, Pathum Thani Province, with the total budget of THB 65,000,000.

**6. Criteria to Determine the Total Value of Consideration**

The Company will make additional investment for the construction and area improvement for the construction project of the precast concrete factory for basic infrastructure, which is located at Moo 4, Chiang Rak Noi Subdistrict, Sam Khok District, Pathum Thani Province, with the total budget of THB 65,000,000.

**7. Source of Funding**

Working capital in the Company

**8. Expected Benefits to the Company**

1. To support new incoming works and accommodate the potential sales in the future.
2. To improve the production efficiency, storage, and transportation of the Company, by improving the steel preparation plant (work shop), mold production base, electrical system, drainage system, as well as roads surrounding the factory, in order to make production, storage, and transportation more efficient.
3. To create an opportunity to continuously earn revenue according to the Company's goals (Recurring Income)

**9. Opinions of the Board of Directors on the entering into of the transaction**

The Board of Directors opines that the aforementioned additional investment for the construction and area improvement for the construction project of the precast concrete factory for basic infrastructure is in accordance with the business expansion plan of the Company and will be beneficial to the Company. Therefore, is of the opinion that the aforementioned transaction is appropriate and reasonable, therefore, the Board of Directors approves the transaction.

**10. Opinions of the Board of Directors and/or Audit Committee which differ from the Opinions of the Board of Directors under 9**

- None -

Please be informed accordingly.

(Translation)

Your sincerely,

General Engineering Public Company Limited

- Signed -

Mr. Wuttichai Sresthabutra

Director