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Ref: *AMR.CEO2023012*

April 3<sup>rd</sup>, 2023

Subject: Entry into an Investment of U Element Company Limited  
Attention: President  
The Stock Exchange of Thailand

AMR Asia Public Company Limited (the “**Company**” or “**AMR**”) would like to inform you of the progress of the investment in U Element Company Limited (“**U Element**”); a supplier that procures and distributes raw water to industrial purposes, by acquiring common shares from U Element not exceeding 980,000 shares, THB 124 per share (at the par value of THB 100 each) or the total amount of not exceeding THB 121.52 million being 49.00 percent of U Element’s paid-up capital. Reference is made to the Board of Directors Meeting No. 2/2023 of the Company held on April 3<sup>rd</sup>, 2023.

Such investment is considered as an entry into the assets acquisition transaction of listed companies under the Capital Market Supervisory Board No. Tor Jor. 20/2551 regarding Rules for Entering into Substantial Transactions within the Definition of an Acquisition or Disposal of Assets dated August 31<sup>st</sup>, 2008, and its amendments and the notification of the Board of Governors of the Stock Exchange of Thailand regarding Disclosure and Compliance by Listed Companies relating to Acquisition or Disposal of Assets B.E. 2547 (2004) dated October 29<sup>th</sup>, 2004 (“**Acquisition and Disposition Rules**”). The transaction is regarded as an asset acquisition transaction in which the highest calculated transaction size equals 5.51 percent under the total value of consideration paid criteria. In addition, within the 6 months prior to the date of this transaction, the total value of the consideration paid equals 7.92 percent. The transaction size calculated is less than 15 percent. Therefore, the company does not have the obligation to comply with the Acquisition or Disposition Rules and is not considered a related party transaction. However, the Company realizes the importance of shareholder rights to corporate disclosure with precise and accurate information. The details of the investment in U Element by acquiring its shares are as follows:

**1. Date of the Transaction**

1. The Company invests in U Element by acquiring its common shares in the amount of not exceeding 980,000 shares, THB 124 per share (at the par value of THB 100 each) or the total amount of not exceeding THB 121.52 million on within May 2023.
2. The transaction will be completed after the following conditions have been accomplished.
  - 1) Approval from The Board of Directors Meeting No. 2/2023 which was held on 3<sup>rd</sup> April 2023;
  - 2) Appointment of directors according to shareholding proportion by having 3 directors from AMR and 3 directors from Eastern Pro Water Supply Company Limited (“**EPW**”). Director's authority is having 1 director from AMR and 1 director from EPW jointly sign an agreement.



**AMR ASIA PUBLIC COMPANY LIMITED**

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TAX ID. 0107564000090

<b>Director from AMR</b>	<b>Director from EPW</b>
1. Mr. Marut Siriko 2. Ms. Budsabong Pansawadi 3. Mr. Veerapong Tip-aucha	1. Mr. Niphon Bundechanan 2. Mr. Pakpoom Chawankon 3. Mr. AkaraPat Jirawichai

**2. Relevant Parties and Relationship with Listed Company**

Purchaser : AMR Asia Public Company Limited

Seller : 1. U Element Company Limited

2. Eastern Pro Water Supply Company Limited

Relationship : Each seller is not considered a connected transaction or any relationship with the Company.

**3. Nature of Transaction and Details of Acquired Assets**

U Element was founded by Eastern Pro Water Supply Company Limited on February 8<sup>th</sup>, 2023 to procure and distribute water to industrial purposes. Eastern Pro Water Supply Company Limited operates its business by developing water pipeline systems in the eastern seaboard area of Thailand. On February 8<sup>th</sup>, 2023, EPW holds 100.00 percent of the company’s paid-up capital or 50,000 shares in U Element (at the par value of THB 100 each).

The project is currently in the process of installing underground water pipes project to distribute water to the Industrial Estate Authority of Thailand (“IEAT”). The project value is approximately THB 627 million and is located in Rayong Industrial Park, Nikhom Phatthana District, Rayong, Thailand. The water pipes have the capacity to deliver water up to 35,000 cubic meters per day. U Element will enter into a contract to procure and distribute water to the IEAT in the amount of the sales volume and price in accordance with the terms and conditions of the water wholesale rate that is specified in the contract.

In this regard, the Board of Directors Meeting No. 2/2023, which was held on April 3<sup>rd</sup>, 2023, approved the Company’s investment in U Element by acquiring not exceeding 747,505 newly issued shares and 232,495 existing shares at THB 124.00 per share (at the par value of THB 100 each) in the total amount of not exceeding THB 121.52 million, being 49.00 percent of U Element’s paid-up capital. Therefore, U Element will have a paid-up capital of THB 200 million or 2,000,000 common shares at the par value of THB 100 each. The details are as follows:

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<b>Seller</b>	<b>No. of Shares (Shares)</b>	<b>Amounts (Million THB )</b>	<b>Percentage to Total Shares</b>
1. U Element Company Limited	747,505	92.69	37.38
2. Eastern Pro Water Supply Company Limited	232,495	28.83	11.62
<b>Total</b>	<b>980,000</b>	<b>121.52</b>	<b>49.00</b>

**Preliminary Details of U Element Co., Ltd**

Name of Business : U Element Co., Ltd.

Registration Date : February 8<sup>th</sup>, 2023

Nature of Business : Procures and distributes water for industrial purposes.

Development Status : Currently in the process of installing underground water pipes project to distribute water to the IEAT. The project value is approximately THB 627 million and is located in Rayong Industrial Park, Nikhom Phatthana District, Rayong, Thailand. The water pipes have the capacity to deliver water up to 35,000 cubic meters per day. U Element will enter into a contract to distribute water to the IEAT in the amount of the sales volume and price in accordance with the terms and conditions of the water wholesale rate that is specified in the contract.

Office Location : 323 Moo 8, Sai Ek Road, Map Kha Sub-district, Nikhom Phatthana District, Rayong Province, Thailand, 21180

Factory Location : 323 Moo 8, Sai Ek Road, Map Kha Sub-district, Nikhom Phatthana District, Rayong Province, Thailand, 21180

Capital Structure : As of February 16<sup>th</sup>, 2023, U Element has a registered capital of THB 5 million, divided into 50,000 shares, at the par value of THB 100 each. The total registered shares were fully paid up.

Board of Directors : As of February 16<sup>th</sup>, 2023, there was 1 director as follows:  
1. Mr. Pakphum Chawankon

**Calculation Criteria**

The transaction is not considered a connected transaction and the highest value of transaction size obtained from the total value of consideration paid criteria equals 5.51 percent based on the consolidated financial statement of the Company as of December 31<sup>st</sup>, 2022, as per the following details:

Unit: Million Baht

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<b>Financial Highlight</b>	<b>Company</b>	<b>U Element</b>
Total Assets	2,205.34	U Element was founded on February 8 <sup>th</sup> , 2023, and is yet to have an audited financial statement.
<u>Deduct</u> Intangible Assets	2.13	
<u>Deduct</u> Goodwill	-	
<u>Deduct</u> Total Liabilities	809.39	
<u>Deduct</u> Non-Controlling Interests	17.08	
Net Tangible Assets (NTA)	1,376.74	
12 months trailing Net Profit (Loss)	4.86	
Total Value of Consideration	121.52	

**1. Net Tangible Asset Criteria**

Not applicable because U Element was founded on February 8<sup>th</sup>, 2023, and is yet to have an audited financial statement.

**2. Net Operating Profits Criteria**

Not applicable because U Element was founded on February 8<sup>th</sup>, 2023, and is yet to have an audited financial statement.

**3. Total Value of Consideration Paid or Received Criteria**

$$\begin{aligned} \text{Total Value of Consideration Paid} &= \text{Value of} \\ &\text{Transaction Paid / Total Assets of Listed} \\ &\text{Company} \\ &= 121.52 / 2,205.34 \\ &= 5.51\% \end{aligned}$$

**4. Total Value of Equity Shares Issued for the Payment of Assets Criteria**

Not applicable because the company did not issue equity in return for the acquisition.

In this regard, the highest value of transaction size obtained from the total value of the consideration paid equals 5.51 percent. In addition, within the 6 months prior to the date of this transaction, the total value of the consideration paid equals 7.92 percent. As a result, the size of this transaction is less than 15 percent Company's net assets. The size of such a transaction is not in the scope that must be declared the comply with the Acquisition and Deposition of Assets and is not considered a connected transaction according to Connected Transactions Rules.

**4. Total Value of Consideration**

The Company will be paid for the existing shares in U Element to the Existing Shareholder in the amount of THB 28.83 million and paid for the newly issued common shares from Eastern Pro Water Supply Company Limited in the amount of THB 92.69 million, totaling in the amount of THB 121.52 million.

**5. Value of Acquired Assets**

The total amount not exceeding 980,000 shares, being 49.00 percent of U Element's paid-up capital.



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**6. Criteria Used in Determining Purchase Price of Shares**

It is determined from the investment value in U Element in the proportion of not exceeding 49.00 percent with a price of 124.00 per share and a total amount of not exceeding THB 121.52 million. All taken into account the Internal Rate of Return and Net Present Value method.

**7. Expected Benefit**

This investment will increase the Company's business diversification, enhance revenue, and diversify business risks. It will be able to generate stable and consistent cash flow with the long-term contract being obtained. In addition, this investment has a long-term growth potential since raw water is a commodity that tends to have an increasing demand over time.

**8. Source of Fund for Transaction**

The source of funds for this transaction is derived from the Company's working capital, which will not adversely affect the Company's liquidity and operation.

**9. Opinion of the Board of Directors**

Reference is made to the Board of Directors Meeting of the Company. The entry into this transaction in the total amount of not exceeding THB 121.52 million is in line with the Company's investment policy, taking into account the financial projection for the investment in U Element according to Discounted Cash Flow, Net Present Value, and Internal Rate of Return methods. The Board is expected that such investment will enhance the Company's income and result in good investment returns in the future. In the long term, the shareholders will also receive benefits from such returns.

**10. Opinion of the Board of Directors and/or Independent Directors which differs from Board of Directors' opinion in Clause 9**

-None-

The Company certifies that this information memorandum is true and accurate in all respects. It has been prepared with prudence and due care taking into account shareholders' best interests. This information memorandum is made for the purpose of demonstrating relevant information only. It is not meant to be an invitation or offer to acquire or subscribe for securities.

Signature

(Mr. Marut Siriko)  
Chief Executive Officer  
**AMR Asia Public Company Limited**