



THORESEN THAI AGENCIES

PUBLIC COMPANY LIMITED

REG. NO. 0107537002737

Ref. No. COR: EL230012e/nk

25 September 2023

To: The President
The Stock Exchange of Thailand

Subject: Notification of the Connected Transactions Regarding the Provision of Financial Assistance to Mermaid Maritime Public Company Limited and the Extraordinary General Meeting of Shareholders No. 1/2023 via electronic means (“**e-EGM**”)

Enclosure: Information Memorandum on the Connected Transaction in Providing Financial Assistance in the form of loan to Mermaid Maritime Public Company Limited

Thoresen Thai Agencies Public Company Limited (the “**Company**” or “**TTA**”) would like to inform that the Board of Directors’ Meeting No. 06/2023 held on 25 September 2023 (the “**Board**”) has approved matters relating to the provision of financial assistance in the form of loans to Mermaid Maritime Public Company Limited (“**MML**”). MML is a subsidiary of the Company holding 58.22 percent of its total shares issued and paid-up, listed on the Singapore Stock Exchange.

MML requires USD 55,000,000 or equal to approximately THB 1,999,162,000 in total for its working capital to operate in transportation, installation (T&I) and Decommissioning Project that was awarded by a leading company in pioneering and developing the Thai exploration and production. Within October 2023, MML is required to place USD 5,000,000 or equal to approximately THB 181,742,000 for a cable lay equipment purchase deposit but is still short of a working capital to operate the Project. Therefore, the remaining fund to operate in transportation, installation (T&I) and Decommissioning Project is USD 50,000,000 or equal to approximately THB 1,817,420,000. For the year 2023, MML is in the process of applying for credit facilities from financial institutions. Referred to financial institutions’ time requirement to evaluate MML’s past performance and operational risk-related difficulties in the oil and gas business and subsea business, and there is a possibility that credit facilities from financial institutions will not be provided within MML’s expected timeline, therefore, MML requests additional loan in the total amount of USD 55,000,000 or equal to approximately THB 1,999,162,000 from TTA, its parent company, as aforementioned.

The aforementioned transactions with MML are considered connected transactions regarding the provision of financial assistance to a company that TTA holds more shares than the connected person according to the Notification of Capital Market Supervisory Board No.TorChor 21/2551 Re: Rules on Connected Transactions, and 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, 2003 (the “**Notifications**”).

The Board has considered and passed the following resolutions:

1. Approved the Company to provide financial assistance to MML in the form of loan for a cable lay equipment purchase deposit in the amount of USD 5,570,000 (principal and interest over the loan period) or equal to approximately THB 202,460,588 or equivalent to approximately 0.91 percent of the Company's Net Tangible Assets ("NTA") according to the latest consolidated financial statements as of 30 June 2023. When combining the size of this transaction and the connected transaction undertaken by the Company during the past six months based on the aforementioned Notifications, this results in the total value of transactions is 2.73 percent, exceeding 0.03 percent of NTA but less than 3 percent of the Company's NTA; therefore, the Company is required to seek the approval from the Board of Directors' Meeting prior to entering into the transaction and to disclose the information of the transaction to the Stock Exchange of Thailand ("SET").
2. Considered and deemed appropriate to propose the e-EGM to consider and approve the provision of financial assistance in the form of loan to MML in the amount of USD 55,180,000 (principal and interest over the loan period) or equal to approximately THB 2,005,704,712 or equivalent to approximately 9.04 percent of the Company's NTA according to the latest consolidated financial statements as of 30 June 2023. When combining the size of this transaction with the transaction approved by the Board under item 1 above and the transactions undertaken by the Company during the past six months based on the aforementioned Notifications, this results in the total value of transactions is 11.77 percent, exceeding 3 percent of the Company's NTA according to the latest consolidated financial statements as of 30 June 2023; therefore, the Company is required to disclose the information of the transaction to the SET, appoint an independent financial advisor, and seek approval for entering into the transaction from a shareholders' meeting.

(USD 1: THB 36.3484, reference to foreign exchange rate announced by the Bank of Thailand as of 20 September 2023)

Details of the two financial assistance transactions aforementioned are shown in the Enclosure.

3. Approved the convening of the Extraordinary General Meeting of Shareholders No. 1/2023 of the Company to be held via electronic means on Wednesday, 29 November 2023 at 1:30 p.m. (the "e-EGM"). The Company set the Record Date ("RD") on 10 October 2023 to identify the shareholders entitled to attend and vote at the e-EGM. The agenda for the e-EGM will be as follows:

Agenda 1. To consider and approve the provision of financial assistance in the form of loan in the amount of USD 50,000,000 to Mermaid Maritime Public Company Limited

Agenda 2. To consider other businesses (if any)

The Company had published the minutes of the 2023 Annual General Meeting of Shareholders ("2023 AGM") in both Thai and English on the Company's website since 11 May 2023. In addition, the shareholders were given the opportunity to make inquiries and express opinions about the minutes. However, "No" questions or opinions were submitted. The minutes of the 2023 AGM are deemed final and approved.

The Company will publish the notice of the e-EGM prior to the e-EGM via the Company's website, www.thoresen.com.

Shareholders, who are unable to attend the e-EGM, may consider granting a proxy to the Independent Director of the Company with advanced voting by completing and duly executing the Proxy Form and send to the Company Secretary by post at the Company's address at No. 26/26-27 Orakarn Building, 8th Floor, Soi Chidlom, Ploenchit Road, Lumpinee, Pathumwan, Bangkok 10330 to reach preferably by Friday, 24 November 2023. Should any shareholder wish to raise any question or give any comment to the Company in advance, please e-mail to COR@thoresen.com.

Please be informed accordingly.

Yours faithfully,

Thoresen Thai Agencies Public Company Limited

Authorized persons to report the Company's information

(Mr. Chalermchai Mahagitsiri)

Director and
President and Chief Executive Officer

(Mr. Katarat Suksawang)

Executive Vice President and
Group CFO

Information Memorandum on the Connected Transaction in Providing Financial Assistance in the Form of Loans to Mermaid Maritime Public Company Limited

With reference to Thoresen Thai Agencies Public Company Limited (“**TTA**” or the “**Company**”) in its Board of Directors’ Meeting No. 06/2023 held on 25 September 2023 passed the resolutions on matters relating to the provision of financial assistance in the form of loans to Mermaid Maritime Public Company Limited (“**MML or MMPLC**”), listed on the Singapore Stock Exchange. MML is a subsidiary of the Company holding 58.22 percent of its total shares issued and paid-up. MML requires its working capital to operate in transportation, installation (T&I) and Decommissioning Project (the “**Project**”) that was awarded by a leading company in pioneering and developing the Thai exploration and production with total amount of USD 55,000,000 or equal to approximately THB 1,999,162,000. (USD 1: THB 36.3484, reference to foreign exchange rate announced by the Bank of Thailand as of 20 September 2023) The Board of Directors’ Meeting of the Company has resolved on matters relating to the provision of financial assistance in the form of loans to MML with details as follows:

- (1) Approved the Company to provide financial assistance to MML in the form of loan in the amount of USD 5,000,000 or equal to approximately THB 181,742,000 for cable lay equipment purchase deposit for operations of the Project within October 2023.
- (2) Considered and deemed appropriate to propose the Extraordinary General Meeting of Shareholders No.1/2023 (“**e-EGM**”) to consider and approve the provision of financial assistance in the form of loan to MML in the amount of USD 50,000,000 or equal to approximately THB 1,817,420,000 as working capital for the Project.

1. Date of Transaction

- (1) Loan amount of USD 5,000,000: MML plans to drawdown within October 2023
- (2) Loan amount of USD 50,000,000: the Company will be able to enter into the transaction after obtaining approval from the e-EGM. The transaction and amount of each financial assistance will be determined by MML’s funding requirement and the Company's ability to provide financial assistance at that time.

2. Parties Involved and Relationship with the Company

- Lender: Thoresen Thai Agencies Public Company Limited or **TTA**
 - A shareholder of MML holding 58.22 percent in aggregation of both direct and indirect of the total shares issued and paid-up. [Holding directly 49.53 percent and indirectly, through two of its 99.99 and 100 percent owned subsidiaries, 1.44 percent through Athene Holdings Ltd. (“**ATH**”) and 7.25 percent through Soleado Holdings Pte. Ltd. (“**SOH**”) respectively].
- Borrower: Mermaid Maritime Public Company Limited or **MML** or **MMPLC**
 - Primary Activity: Offshore services investments
 - A subsidiary of TTA holding 58.22 percent the total shares issued and paid-up, directly and indirectly through ATH and SOH. MML is listed on the Singapore Stock Exchange.

• Name of Connected Persons:

▪ Directors

TTA	MML
1. Mr. Prasert Bunsumpun 2. Mr. Chalermchai Mahagitsiri 3. Dr. Jean Paul Thevenin 4. Ms. Ausana Mahagitsiri 5. Mr. Kamolsut Dabbaransi	1. Mr. Prasert Bunsumpun 2. Mr. Chalermchai Mahagitsiri 3. Dr. Jean Paul Thevenin

▪ Shareholders

Name	TTA (as of 31 August 2023 [*])		MML (as of 10 August 2023 ^{**})	
	Number of Shares	Percent	Number of Shares	Percent
1. TTA Group	-	-	822,908,013	58.22
• TTA	-	-	700,000,000	49.53
• ATH	-	-	20,398,420	1.44
• SOH	-	-	102,509,593	7.25
2. Mr. Chalermchai Mahagitsiri ¹	427,679,159	23.47	150,461,660	10.65
• Mr. Chalermchai Mahagitsiri	277,679,159	15.24		
• Credit Suisse AG, Singapore Branch	150,000,000	8.23		
3. Ms. Ausana Mahagitsiri	99,866,937	5.48	63,588,647	4.50
4. Mr. Prayudh Mahagitsiri ²	110,152,458	6.04	54,536,882	3.85
• Mr. Prayudh Mahagitsiri	87,531,758	4.80		
• DBS Bank Ltd. AC DBS Nominees-PB Clients	22,620,700	1.24		
5. Mrs. Suvimol Mahagitsiri	41,325,623	2.27	-	-
6. Mr. Prasert Bunsumpun	182,000	0.01	-	-

* The latest book closing of TTA

** The latest information from MML

Remark:

¹ Mr. Chalermchai Mahagitsiri indirectly held 150,000,000 shares under a custodian account. The combined shares of Mr. Chalermchai Mahagitsiri both direct and indirect is totalling 427,679,159 shares or 23.47 percent of the total issued and paid-up shares of the Company.

² Mr. Prayudh Mahagitsiri indirectly held 22,620,700 shares under a custodian account. The combined shares of Mr. Prayudh Mahagitsiri both direct and indirect is totalling 110,152,458 shares or 6.04 percent of the total issued and paid-up shares of the Company.

• **Reasons, necessity and benefits that person who may have conflicts of interest hold more than 10.00 percent of MML's total voting shares:**

Mr. Chalermchai Mahagitsiri has high credential experience and knowledge in marine transportation and business related to offshore services businesses as well as management experience in joint ventures with leading international companies such as the first-ranked company in global food and beverage manufacturers and the world's sixth-ranked steel producer in South Korea. Hence, Mr. Chalermchai Mahagitsiri's expertise and credentials are widely acknowledged internationally. Moreover, Mr. Chalermchai's international business networks are important success factor for MML to build credential and gain trust from international counterparties in various regions of the world including the Middle East, North Africa, and Southeast Asia. Moreover, MML is a listed company on the Singapore Exchange. Mr. Chalermchai's shareholding in MML provides confidence to stakeholders, local and international investors, and joint venture counterparties. For example, a joint venture under MML's subsidiary successfully developed robotic and artificial intelligence technologies for subsea IRM services. This technology will increase company core competency to compete in subsea IRM services business more effectively and result in earnings growth.

3. General Characteristics of Transaction

MML requires its working capital to operate in transportation, installation (T&I) and Decommissioning Project that was awarded by a leading company in pioneering and developing the Thai exploration and production, which requires the working capital in the total amount USD 55,000,000 or equal to approximately THB 1,999,162,000. However, within October 2023, MML requires its working capital for cable lay equipment purchase deposit. Therefore, the Board of Directors' Meeting No. 06/2023 held on 25 September 2023 has resolved to approve the loan in the amount of USD 5,570,000 or equal to approximately THB 202,460,588 (principal and interest over the loan period), which is still short of a working capital to operate the Project for USD 50,000,000 or equal to approximately THB 1,817,420,000. For the year 2023, MML is in the process of applying for credit facilities from financial institutions. Referred to financial institutions' time requirement to evaluate MML's past performance and operational risk-related difficulties in the oil and gas business and subsea business, and there is a possibility that credit facilities from financial institutions will not be provided within MML's expected timeline, therefore, MML requests additional loan in the amount of USD 50,000,000 or equal to approximately THB 1,817,420,000 (USD 1: THB 36.3484, reference to foreign exchange rate announced by the Bank of Thailand as of 20 September 2023) from TTA, its parent company, with the terms and conditions as follows:

(1) Non-Revolving Loan amount: USD 5,000,000 or equal to approximately THB 181,742,000 (USD 1: THB 36.3484, reference to foreign exchange rate announced by the Bank of Thailand as of 20 September 2023).

- Interest rate: 7 percent per annum which is TTA cost of fund plus risk premium.
- Maturity date: within 2 years
- Collateral: none
- Purpose of providing financial assistance: Cable lay equipment purchase deposit for operations of the Project within October 2023.
- Conditions that may affect the rights of shareholders: None

(2) Non-Revolving Loan amount: USD 50,000,000 or equal to approximately THB 1,817,420,000 (USD 1: THB 36.3484, reference to foreign exchange rate announced by the Bank of Thailand as of 20 September 2023).

- Interest rate: 7 percent per annum which is TTA cost of fund plus risk premium.
- Maturity date: within 3 years
- Collateral: none
- Purpose of providing financial assistance: to support working capital to operate in transportation, installation (T&I) and Decommissioning Project of MML
- Conditions that may affect the rights of shareholders: None

- Summary of TTA loans to MML or MML’s subsidiaries as follows:

Type of Financial Assistance	Date of Providing Financial Assistance	Principal Amount (MUSD)	Outstanding Amount (MUSD)	Interest Rate /Guarantee Fee Per annum
Corporate Guarantee	16 September 2021	2.75	1.85	0.5 percent
	21 September 2023*	3.00	-	0.5 percent
	21 September 2023*	5.95	-	1 percent
Total Corporate Guarantee Amount		11.70	1.85	
Loan	27 December 2021	5.00	5.00	7 percent
	16 December 2022	4.00	4.00	7 percent
	10 February 2023	7.50	7.50	7 percent
	27 April 2023	12.50	12.50	7 percent
	25 September 2023	5.00	-	7 percent
	Subject to approval by the e-EGM	50.00	-	7 percent
Total Loan Amount		84.00	29.00	
Grand Total Amount of Financial Assistances to MML		95.70	30.85	

*MML plans to drawdown within December 2023

MUSD = Million US Dollar

4. Type and Size of Transaction

The transactions with MML are considered connected transactions regarding the provision of financial assistance to a company that TTA holds more shares than the connected person according to the Notification of Capital Market Supervisory Board No.TorChor 21/2551 Re: Rules on Connected Transactions, and 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, 2003 (the “**Notifications**”).

- (1) Loan amount of USD 5,000,000: To provide financial assistance to MML in the form of loan for a cable lay equipment purchase deposit for operation of the Project in the amount of USD 5,570,000 (principal and interest over the loan period) or equal to approximately THB 202,460,588 (USD 1: THB 36.3484, reference to foreign exchange rate announced by the Bank of Thailand as of 20 September 2023), or equivalent to approximately 0.91 percent of the Company’s Net Tangible Assets (“NTA”) according to the latest consolidated financial statements as of 30 June 2023.

When combining the size of this transaction and the connected transaction undertaken by the Company during the past six months based on the aforementioned Notifications, this results in the total value of transactions is 2.73 percent, exceeding 0.03 percent of NTA but less than 3 percent of the Company’s NTA; therefore, the Company is required to seek the approval from the Board of Directors’ Meeting prior to entering into the transaction and to disclose the information of the transaction to the Stock Exchange of Thailand.

- (2) Loan amount of USD 50,000,000: To provide financial assistance to MML in the form of loan in the amount of USD 55,180,000 (principal and interest over the loan period) or equal to approximately THB 2,005,704,712 (USD 1: THB 36.3484, reference to foreign exchange rate announced by the Bank of Thailand as of 20 September 2023), or equivalent to approximately 9.04 percent of the Company’s Net Tangible Assets (“NTA”) according to the latest consolidated financial statements as of 30 June 2023.

When combining the size of this transaction, the transaction approved under item (1) above, and connected transactions undertaken by the Company during the past six months based on the aforementioned rules and regulations, this results in the total value of transactions of 11.77 percent of NTA, exceeding 3 percent of the Company's NTA according to the latest consolidated financial statements as of 30 June 2023; therefore, the Company is required to:

- (a) disclose the information of the transaction to the Stock Exchange of Thailand;
- (b) appoint an independent financial advisor, whereby the Company appointed **Avantgarde Capital Co., Ltd.** as an independent financial advisor to provide an opinion on the Company's connected transaction to the shareholders for consideration and approval of the transaction and deliver such opinion to the Securities and Exchange Commission and the Stock Exchange of Thailand; and
- (c) seek approval for entering into the Company's connected transaction from a shareholders' meeting with votes of not less than three-fourths of the total votes of the shareholders attending the meeting and having the right to vote, excluding interested shareholders, where the Company must send a notice of such meeting to the shareholders at least 14 days prior to the meeting date.

5. Expected Benefit to be Received

TTA will receive a return at an interest rate of 7 percent per annum, which is TTA cost of fund plus risk premium, which has a better return than investments in deposits with financial institutions or other forms of general short-term investment management. This transaction is financial assistance to the subsidiary to support the subsidiary's working capital.

Considering MML's operating results in 1H/2023, there was a net loss of Baht 54,152,887, increasing 70 percent from the same period last year. The loss in 1H/2023 was from the loss in 1Q/2023 of THB 166,065,112, increasing 37 percent from the same period last year and net profit in the 2Q/2023 of THB 111,912,225, increasing 32 percent from the same period last year. In addition, MML has signed a contract to provide installation and decommissioning services with leading petroleum exploration and production companies. Consequently, MML has a record high order book at the end of August 2023, amounting to USD 727,811,544, which the order book from decommissioning and T&I and cable laying account for 73 percent of the order book compared to 25 percent at the quarter-end 2Q/2022. In this regard, revenues from decommissioning and T&I and cable laying totaled THB 1,456,793,151 in 1H/2023, in line with revenue of THB 1,480,782,895 in 1H/2022. Therefore, expanding business to operating decommissioning and T&I, and cable laying services resulted in more balance and diversified revenue structure and less dependency on revenue from subsea-IRM business. Furthermore, MML would have the opportunity to expand services in this business in the future with other leading petroleum exploration and production companies referencing works and success in decommissioning and T&I work for leading petroleum exploration and production companies. Therefore, receiving financial assistance from TTA will provide MML with the potential for sustainable business expansion and stable revenue, accordingly TTA's consolidated financial statements improve.

6. Source of Fund

The source of funds derived from the internal cash flow of the Company. As of 30 June 2023, cash and cash equivalents were reported at THB 5,647,197,471 million while other financial assets were reported at THB 1,134,317,810 million according to TTA's separate financial statements. After the cash reservation of future investment and debentures repayments, TTA still has sufficient funds available to provide financial assistance to MML.

7. Directors Having Conflict of Interest and/or Directors being Connected Persons

Mr. Prasert Bunsumpun, Mr. Chalermchai Mahagitsiri, Dr. Jean Paul Thevenin, Ms. Ausana Mahagitsiri, and Mr. Kamolsut Dabbaransi, the Company's directors being the connected persons, abstained from participation and voting on this matter.

8. Opinions of the Board of Directors

The Board of Directors (excluding interested directors) has carefully considered this transaction and has an opinion that entering into such a transaction is appropriate and beneficial to the Company and its shareholders. The financial assistance to its subsidiary will be used as working capital for operations of the transportation, installation (T&I) and Decommissioning Project that was awarded by a leading company in pioneering and developing the Thai exploration and production. MML will receive the payment after delivering works. Therefore, this working capital will enable MML to operate the awarded Project more smoothly and deliver work to customers to recognize revenue in line with business plan. As a result, MML will generate higher income and achieve diversified revenue portfolio and reduce revenue dependence from the original core business--IRM business. Furthermore, MML would have the opportunity to expand services in this business in the future with other leading petroleum exploration and production companies referencing works and success in decommissioning and T&I work for leading petroleum exploration and production companies. Therefore, receiving financial assistance from TTA will provide MML with the potential for sustainable business expansion and stable revenue, accordingly TTA's consolidated financial statements improve. Moreover, the transportation, installation (T&I) and Decommissioning Project's customer is a leading company in pioneering and developing the Thai exploration and production who is a long-standing customer with good credit history. In conclusion, this financial assistance will enable MML to operate smoothly, increase its revenue and net profit which will result in an increase in revenue and net profit of TTA's consolidated financial statements as well.

9. Opinions of the Audit Committee

The Audit Committee has considered and reviewed the reasonableness of this transaction and has no objection to proceeding or a different opinion from the Board under Item 8.