

-Translation-



Ref: THIP-SET/028/2024

May 29, 2024

Subject: Information Memorandum regarding the Acquisition of Assets

Attention: The President
The Stock Exchange of Thailand

Enclosure: Information Memorandum regarding the Acquisition of Assets

Thantawan Industry Public Company Limited ("the Company") would like to inform that the Board of Directors Meeting No. 6/2024 on May 29, 2024 at 1:00 p.m., has resolved a resolution as follow;

1. To approve for the Company to enter into a memorandum of understanding on behalf of a subsidiary in the Socialist Republic of Vietnam that is in the process of being established (According to the resolution of the Board of Directors No. 2/2024 on March 6, 2024) for long-term rental of land and buildings and to approve the said subsidiary to enter into a long-term lease agreement for land and buildings when the subsidiary company has been established. the Executive Committee has authorized to approve important conditions and agreements in the said memorandum and lease agreement.
2. To approve the investment framework of subsidiaries in the Socialist Republic of Vietnam in an amount not exceeding 382 million Baht to purchase machinery, equipment and other assets including improving buildings to meet international standards for the production and distribution of plastic packaging.
3. To approve the Company's investment framework in an amount not exceeding 150 million Baht to purchase machinery, equipment and other assets for current factories within the country where is estimated from the current situation in order to improve and increase production efficiency which is a normal investment by the company. However, this investment framework may be subject to further changes. If it increases, it will be approved by the Company's board of directors before entering into the transaction.

The transaction is considered the acquisition of assets in accordance with the Notification of the Capital Market Supervisory Board No. TorChor 20/2008 re: Rules on Entering into Materials Transactions Deems as Acquisition or Disposition of Assets and the Notification of the Stock Exchange of Thailand in respect of the Disclosure of Information and the Performance of the Listed Company in Acquisition and Disposition of Assets, 2004 ("Notification of Acquisition or Disposition of Assets") with the transaction size of 38.77% of the Company's financial statements as of March 31, 2024.

Combining with accumulated transaction size from other acquisitions within six months before the transaction, totally 5.72%, the total aggregate transaction size is 44.49%, based on total value of consideration.

The transaction size, within the past six months, is higher than 15% threshold criteria but lower than 50% threshold criteria. The transaction constitutes the acquisition of asset under class 2 pursuant to the Notification of Acquisition or Disposition of Assets. Therefore, the Company is required to disclose information regarding the Asset Acquisition Rule to the Stock Exchange of Thailand and deliver a written notice to the shareholders within 21 days from the date of disclosure of the Stock Exchange of Thailand.

Please be informed accordingly

Sincerely Yours,

(Mr. Teerachai Siritunyanont) (Mrs. Pojanard Prinyapatpakorn)
Authorized Director



OFFICE

32nd Fl., Sun Towers Bldg.A, 123 Vibhavadi-Rangsit Rd., Chomphon, Chatuchak, Bangkok 10900 Thailand.
Tel. + 66 2273 8333 Fax. + 66 2273 8282 , 273 8484 Website : www.thantawan.com

FACTORY

143-144 Moo 8, Soi Kangval 2, Phetkasem Rd., Omyai, Sampran, Nakornpathom 73160 Thailand.
Tel. + 66 2431 3051 , 811 4700 Fax. + 66 2420 3180 Website : www.thantawan.com





Disclosure of information regarding the acquisition of assets of Thantawan Industry Public Company Limited

Thantawan Industry Public Company Limited (“the Company”) would like to inform that the Board of Directors Meeting No. 6/2024 on May 29, 2024 at 1:00 p.m. has resolved to enter into a memorandum of understanding on behalf of a subsidiary company in the Socialist Republic of Vietnam that is in the process of being established to lease land and buildings for the long term, approve the subsidiary company to enter into further lease agreements once the establishment is complete and approve the investment framework for purchasing machinery, equipment and assets including building improvements to meet international standards in the business of producing and distributing plastic packaging. There was also a resolution to approve the Company's investment framework to buy machinery Equipment and other assets for current factories within the country in order to improve and increase production efficiency which is a normal investment by the Company. The details of the item are as follows:

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

1.1 The Company will enter into a memorandum of understanding on behalf of a subsidiary company in the Socialist Republic of Vietnam that is in the process of being established to lease land and buildings for the long term by June 30, 2024, and the subsidiary will enter into further rental agreements once the establishment is complete.

1.2 During the 4th quarter of 2024, the subsidiary will enter into a contract to purchase machinery, other equipment and assets including enter into a contract for building improvement.

1.3 During the 4th quarter of 2024, the Company will enter into a contract to purchase machinery. Equipment and other assets for current factories within the country.

2. The parties involved and the relationship with the Company

2.1 The Company entered into a memorandum of understanding on behalf of a subsidiary that was in the process of being established to lease land and buildings for the long term in the Socialist Republic of Vietnam.

Lessee: Thantawan Industry Public Company Limited

Lessor: SAI GON VRG INVESTMENT CORPORATION

SAI GON VRG INVESTMENT CORPORATION neither has a relationship with the Company as a major shareholder nor directors; therefore, they are not subject to the disclosure as per the Notification of the Stock Exchange of Thailand Re: Rules, Procedures and Disclosure of Information Concerning the Connected Transaction of Listed Companies 2003

2.2 The Company is currently selecting vendors for machinery and equipment used in the production of plastic packaging, construction contractor improves production area. In this regard, all contracting parties are not related persons to the Company under the announcement of connected transactions.

2.3 The Company is currently selecting vendors to purchase machinery, equipment and other assets for current factories within the country. In this regard, all contracting parties are not related persons to the Company under the announcement of connected transactions

OFFICE

32nd Fl., Sun Towers Bldg.A, 123 Vibhavadi-Rangsit Rd., Chomphon, Chatuchak, Bangkok 10900 Thailand.
Tel. + 66 2273 8333 Fax. + 66 2273 8282 , 273 8484 Website : www.thantawan.com

FACTORY

143-144 Moo 8, Soi Kangval 2, Phetkasem Rd., Omyai, Sampran, Nakornpathom 73160 Thailand.
Tel. + 66 2431 3051 , 811 4700 Fax. + 66 2420 3180 Website : www.thantawan.com





3. Details of the acquired assets

3.1 The Company will lease an area of 24,436 square meters, located in Dong Nam Industrial Park, Socialist Republic of Vietnam to be used for development and improvement into the Company's new production plant. The lease term is 10 years and can be extended for 10 years from the date of signing the lease contract unless this contract is terminated before the said rental period expires. Calculated as a total rental value not exceeding 912,244,752.00 baht (nine hundred twelve million two hundred forty four thousand seven hundred fifty two baht only) according to the details of the rental rate every 5 years. Monthly rent details and annual rent according to the details of the rental rate every 5 years, summarized in the table below. The rent during years 1 to 5 has a monthly rent of 3.0 million Baht per month. Years 6 - 10 have a monthly rent of 3.5 million Baht per month. Years 11 - 15 have a monthly rent of 3.0 million Baht per month. 4.0 million Baht per month and for years 16 - 20 the monthly rent is 4.6 million Baht per month. The method of paying the rent will be in cash. The first installment is paid every 3 months, with payment conditions following general business practices.

Years	Monthly rent per square meter (USD)	Monthly rent Per square meter (Baht) ⁽¹⁾	Monthly rent (Baht) ⁽¹⁾	Annual rent (Baht) ⁽¹⁾	Totaling every 5 years rent (Baht)
1-5	3.40	124.44	3,040,815.84	36,489,790.08	182,448,950.40
6-10	3.90	142.74	3,487,994.64	41,855,935.68	209,279,678.40
11-15	4.50	164.70	4,024,609.20	48,295,310.40	241,476,552.00
16-20	5.20	190.32	4,650,659.52	55,807,914.24	279,039,571.20
Total					912,244,752.00

Remark (1): Exchange rate: 36.60 Baht per 1 USD as of May 28, 2024.

3.2 Entering into a contract to purchase machinery, equipment and other assets of subsidiaries in the Socialist Republic of Vietnam Including entering into a contract for building improvement in order to expand production capacity to a higher level. The investment value does not exceed 382 million Baht, with payment methods and purchase conditions. Warranties are based on normal business practice.

3.3 Entering into a contract to purchase machinery, equipment and other assets for current factories within the country. It is to improve and increase production efficiency which is a normal investment by the Company. The investment value is not more than 150 million Baht, which is estimated from the current situation. The method of payment is in cash by the conditions of payment and the conditions of ordering including guarantees according to general business practices. However, this investment framework may be subject to further changes if future situations change. This additional investment framework will be approved by the Company's Board of Directors before entering into the transaction.

OFFICE

32nd Fl., Suntowers Bldg.A, 123 Vibhavadi-Rangsit Rd., Chomphon, Chatuchak, Bangkok 10900 Thailand.
Tel. + 66 2273 8333 Fax. + 66 2273 8282 , 273 8484 Website : www.thantawan.com

FACTORY

143-144 Moo 8, Soi Kangval 2, Phetkasem Rd., Omyai, Sampran, Nakornpathom 73160 Thailand.
Tel. + 66 2431 3051 , 811 4700 Fax. + 66 2420 3180 Website : www.thantawan.com



**4. The size of the transaction according to the announcement regarding acquisition and disposal.**

The transaction size equals 38.77% pursuant to the total value of consideration rule calculated from the consolidated financial statements of the Company as March 31, 2024. Details of transaction size calculation are as follows;

Rules	Formula	Transaction Size
1. Net Tangible Asset	$\frac{\text{Proportion of acquisition or disposal} * \text{NTA} * 100}{\div \text{NTA of listed company}}$	n/a
2. Net Profit	$\frac{\text{Net profit from normal operations after tax} * \text{Shareholding percentage} * 100}{}$	n/a
3. Total value of consideration	$\frac{(\text{Total value of consideration paid or received} * 100)}{\div \text{Total assets of the listed company}}$	= $(912.24+238.00^{(2)}+150.00)*100/3,354$ = 38.77%
4. Total value of securities	$\frac{\text{Number of shares issued to pay for assets} * 100}{\div \text{Number of issued and paid-up shares of the listed company}}$	n/a

Remark (2): Calculated from the value of consideration for investment in purchasing assets for subsidiaries in the Socialist Republic of Vietnam, totaling 382 million Baht, deducting the registered capital for establishing subsidiaries of 144 million Baht, which is the value of asset acquisition transactions that occurred in the past six months.

Asset acquisition within the past six months based on total value of consideration	Transaction Size (%)
Acquisition of the Company's total assets within the country which is a normal investment by the Company	1.43
Registered capital for establishing a subsidiary in the Socialist Republic of Vietnam	4.29
Total transaction size from the value of asset acquisition transactions in the past six months. According to the total value of consideration criteria	5.72

Combing with accumulated transaction size from other acquisitions within six months before this transaction, totally 5.72%, the total aggregate transaction size is 44.49% (38.77+5.72), based on total value of consideration, which is higher than 15% threshold criteria but lower than 50% threshold criteria. The transaction constitutes the acquisition of assets under class 2 pursuant to the Notification of Acquisition of Disposition of Assets. Therefore, the Company is required to disclose information regarding the Assets Acquisition Rules to the Stock Exchange of Thailand and deliver a written notice to the shareholders within 21 days from the date of disclosure to the Stock Exchange of Thailand.

5. The Company's expected benefits

For investments by subsidiaries in the Socialist Republic of Vietnam, the Company will be able to expand its production capacity and expects to be able to start generating commercial income for the company from 2025 onwards.

For investment in developing current factories within the country, the Company will be able to improve and increase production efficiency even further, which is a normal investment by the company.

OFFICE

32nd Fl., Sun Towers Bldg.A, 123 Vibhavadi-Rangsit Rd., Chomphon, Chatuchak, Bangkok 10900 Thailand.
Tel. + 66 2273 8333 Fax. + 66 2273 8282 , 273 8484 Website : www.thantawan.com

FACTORY

143-144 Moo 8, Soi Kangval 2, Phetkasem Rd., Omyai, Sampran, Nakornpathom 73160 Thailand.
Tel. + 66 2431 3051 , 811 4700 Fax. + 66 2420 3180 Website : www.thantawan.com





6. Source of Funds

The source of funds comes from the Company's cash and some bank loans. Currently, the Company is in the process of considering the loan amount and the period for entering into the loan contract. The use of the loan will be considered based on the adequacy of the Company's cash flow. As of March 31, 2024, the company had cash and cash equivalents in the financial statement in the amount of 1,116.75 million Baht.

7. The event where the connected persons hold shares in the business in which the Company will invest at 10% or more of the voting shares in such business

-None-

8. Opinion of the Board of Director on the transaction

The Board of Director considered and opinioned that entering into long-term land and building lease agreements including investing in assets to operate a business producing and distributing plastic packaging in the Socialist Republic of Vietnam is a beneficial transaction and provide worthwhile returns to the Company. As for the investment in assets of the Company's domestic factories, it is for improving and increasing the efficiency of production and operations within the country which is a normal investment by the Company.

9. The responsibility of director with respect to the information in documents sent to the shareholders

The Board of Director had reviewed the information in this memorandum carefully and certified that the information in this memorandum is correct and complete, no false information that might lead others to misunderstand or a lack information that should be in essence.

10. An opinion of an independent expert

-None-

11. Pending material lawsuits or claims

-None-

12. Interests or connected transactions between the listed company and directors, management and shareholders directly or indirectly holding shares amounting to 10% to more, including the nature of the transaction or the interests.

-None-

OFFICE

32nd Fl., Suntowers Bldg.A, 123 Vibhavadi-Rangsit Rd., Chomphon, Chatuchak, Bangkok 10900 Thailand.
Tel. + 66 2273 8333 Fax. + 66 2273 8282 , 273 8484 Website : www.thantawan.com

FACTORY

143-144 Moo 8, Soi Kangval 2, Phetkasem Rd., Omyai, Sampran, Nakornpathom 73160 Thailand.
Tel. + 66 2431 3051 , 811 4700 Fax. + 66 2420 3180 Website : www.thantawan.com

