



No. SAPPE 007/2024

14 May 2024

Subject: Resolution of the Board of Directors' Meeting concerning the assets acquisition for Investment in a new inline blowing machine

To: President  
The Stock Exchange of Thailand

According to the Board of Directors' Meeting of Sappe Public Company Limited (the "Company") No.5/2024 held on May 14, 2024, the meeting has passed a resolution to approve the acquisition of assets for investment in a new inline blowing machine, with an amount not exceeding 41 million baht.

In entering into this transaction, the Company has considered the acquisition of assets according to the Notification of the Capital Market Supervisory Board No. TorChor 20/2551 "Rules on Entering into Material Transactions Deemed as Acquisition or Disposal of Assets" and the Notification of the Board of Governors of the Stock Exchange of Thailand ("SET"), "Disclosure of Information and other Acts of Listed Companies concerning the Acquisition and Disposition of Assets B.E.2547 (Notification of Acquisition or Disposition of Assets)". The total value of such transaction is 41 million baht, equivalent to 0.68% according to the criteria of the total value of the consideration paid or received of the Company's reviewed consolidated financial statements ended 31 March 2024. The Company has other asset acquisition transactions that occurred within the previous 6 months, the size of the acquisition at 21.21%, resulting in a total transaction size of 21.89%, which is classified as a transaction type 2 according to the Acquisition or Disposition of Assets for the transaction higher than 15% but less than 50% of total assets. Therefore, the Company shall proceed with the disclosure report of this transaction to the SET and send the circular notice to shareholders within 21 days from the notification date to the SET.

In addition, the Company is in the process of selecting contracting parties. If those parties are connected person, the Company shall comply with the connected transactions rules for the listed companies accordingly.

The Company would like to submit information regarding the acquisition of assets with the following details:



**Information memorandum regarding the Asset Acquisition for**  
Investment in a new inline blowing machine

**1. The date, month and year entering the transaction**

The Company will enter the transaction after the resolution has been passed to approve the assets acquisition in the Board of Directors' Meeting No. 5/2024 on May 14, 2024.

**2. The parties of contract and the relationship with the Company**

Buyer: Sappe Public Company Limited

Seller: Companies (both local and international) that conduct such business in general, which is now under the selection process.

The process is expected to be completed within the second quarter and if the parties are connected persons, the Company shall comply with the connected transactions rules for the listed companies accordingly.

**3. General Information, Value and Size of the Transactions**

The maximum value of the investment will include a new inline blowing machine, and other expenses, totaled at 41 million baht or equal to 0.68% of the Company's total assets, according to the Company's reviewed consolidated financial statement ended 31 March 2024. The Company has other asset acquisition transactions that occurred within the previous 6 months, the size of the acquisition at 21.21%, resulting in a total transaction size of 21.89%, which is classified as a transaction type 2 according to the Notification of the Capital Market Supervisory Board No. TorChor 20/2551 "Rules on Entering into Material Transactions Deemed as Acquisition or Disposal of Assets". Details of the calculation method are as follows:

**Calculation of asset acquisition transaction size**

Items from Consolidated financial statements as of 31 March 2024	Value (Unit: million baht)
Net Tangible Assets: NTA <sup>1</sup>	3,961.92
Net profit (loss)	354.01
Total assets	6,073.32

*Remark: <sup>1</sup>Net tangible assets (NTA) means Total assets – Intangible assets – Total liabilities – non-controlling interests (if any) (Intangible assets, such as goodwill, deferred expenses, etc. Except for the intangible assets that generate the main income, such as concession etc.)*



**Criteria used in the calculation as follows:**

Criteria used in the calculation	Calculation formula	Transaction size (%)
1. Value of the net tangible assets	$((\text{NTA of investment in the company} \times \text{Proportion of assets acquired or disposed}) \times 100) / \text{NTA of the Company}$	Unable to calculate because it is not an investment in other businesses
2. Net operating profits	$((\text{Net operating profits of the investment} \times \text{Buying or selling ratio}) \times 100) / \text{Net operating profits of the Company}$	Unable to calculate because it is not an investment in other businesses
3. Total value of consideration paid or received	$(\text{Value of transaction paid or received} \times 100) / \text{Total assets of the Company}$	0.68
4. Value of securities issued for the payment of assets	$(\text{Equity shares issued for the payment of assets} \times 100) / \text{Paid-up shares of the Company}$	Unable to calculate because the Company does not issue shares

However, when included with the size of transactions that occurred during the past 6 months, Make the transaction size is more than 15% but less than 50% of total asset, the Company shall proceed with the disclosure report of this transaction to the Stock Exchange of Thailand (“SET”) and send the circular notice to shareholders within 21 days from the day that the Company has notified the SET.

**4. Details of the Project**

The Investment project in a new inline blowing machine approved to provide adequate packaging stability to support current and anticipated future customer orders, and to manage costs effectively. It will be installed on the land of the original factory, Lam Luk Ka District, Pathum Thani Province, which is owned by the company. It is expected that the installation of the machinery will be completed, and production will begin in the first quarter of 2025.

**5. Total value of the consideration in acquiring the assets**

The total value of the investment project does not exceed 41 million baht, with payment terms specified in the contract agreement. Payments will be made in advance according to the contract agreement, with subsequent installments based on the progress of operations, and adhering to a credit term of 60 to 120 days for each seller.

**6. The total value of the assets acquisition and the method to determine the transaction value**

The machinery investment project in a new inline blowing machine has a total value not exceeding 41 million baht, primarily allocated to main machinery, equipment, and production support. A portion of the budget will be dedicated to factory building renovations, and installation of utilities



**7. Expected benefits of the investment**

To support the escalating demands of current and anticipated future customers, aligned with the expansion of the global food and beverage industry, and reduce costs by producing packaging internally rather than ordering from outside manufacturers.

**8. Sources of funds:** Internal cash flow from the Company's operations.

**9. Condition on entering the transaction**

The transaction is classified as Type “2” according to the transaction size calculation method and the Notification of the Capital Market Supervisory Board No. TorChor 20/2551 “Rules on Entering into Material Transactions Deemed as Acquisition or Disposal of Assets”, dated August 31, 2008. The Notification of the SET, “Disclosure of Information Concerning the Acquisition and Disposition of Assets of Listed Companies B.E.2547”, dated October 29, 2004, requires that the Company disclose information concerning the Acquisition of Assets to the SET and send the circular notice to shareholders within 21 days from the notification date to the SET.

**10. Board of Directors’ opinion regarding entering the transaction**

The Board of Directors’ meeting resolved to approve the asset acquisition transaction for the beverage production machinery project. This investment is deemed to enhance the company's long-term business potential, aligning with the best interests of both the company and its shareholders.

**11. Opinions of the directors which differ from those of the Board of Directors in (10)**

-None-

The Company certifies that this information is true in all respects and has already passed the Company’s Board of Director Approval from Board of Director Meeting No.3/2024 on March 1, 2024. However, if there are any changes, the notification will be made accordingly.

Please be informed accordingly.

Sincerely Yours,

Sappe Public Company Limited

Ms. Piyajit Ruckariyapong  
(Chief Executive Officer)