

Ref. STPI.ADD. 105/2024

17<sup>th</sup> July 2024

Re: Renewal of land lease agreement for Laem Chabang Port area, Zone 3

To: The President

The Stock Exchange of Thailand

Whereas, the Board of Directors of STP&I Public Company Limited (the “**Company**”) convened the Board of Directors Meeting No. 3/2024 at 15.00 hours to 17.00 hours on Wednesday, 17<sup>th</sup> July, 2024, the Company would like to report the resolutions adopted at the said meeting as follows:

Approved that renewal of land lease agreement for Laem Chabang Port area, Zone 3, 10 years rent period from 1<sup>st</sup> January 2020 until 31<sup>st</sup> December 2029. The total rent of entire lease agreement is at THB 1,729,429,488.51. Currently, various conditions and agreements have been reached between the contracting parties.

The above transaction constitutes an acquisition of assets according to 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 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) (the “**Acquisition and Disposition Notifications**”). The transaction size calculated based on the maximum total value of consideration paid criteria 13.86 percent, based on the reviewed consolidated financial statements for the first quarter by the Certified Public Accountant ended 31 March 2024. The Company has entered into the asset acquisition in the past 6 months. The total transaction size according to the total value of consideration method is equal to 30.29 percent. Therefore, the transaction size is greater than 15 percent but lower than 50 percent.

As a result, the transaction of land lease agreement at Laem Chabang Port is classified as a Type 2 transaction under the Acquisition and Disposition Notifications. The Company is obligated to:

- (1) Disclose information regarding the transaction to the Stock Exchange of Thailand (“**SET**”)
- (2) Send a circular notice to the shareholders regarding the Company's acquisition and disposition of assets within 21 days from the date of disclosure to SET.

Details of the transaction are as follows:

**1. Date of Transaction**

The Company will proceed with the transaction after it is approved by the Board of Directors Meeting No. 3/2024. The transaction process is expected to be completed by the end of August 2024.

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

Lessee	:	STP&I Public Company Limited (“Company”)
Lessor	:	Port Authority of Thailand
Relationship	:	The Lessor is not related and is not a connected person of the Company according to the Connected Transaction Notice.

**3. The general characteristics of the transaction and the size of the transaction**

**3.1 General characteristics of the transaction**

The Board of Directors of the Company approved that renewal of land lease agreement for Laem Chabang Port area, Zone 3 period for rent 10 years start 1st January 2020 until 31st December 2029. Total rent for the entire lease term THB 1,729,429,488.51

**3.2 Types and sizes of transactions**

The transaction is classified as an asset acquisition transaction according to the Notification of the Capital Market Supervisory Board No. Tor Jor 20/2008. Re: Criteria for Significant Transactions Considered as Acquisition or Disposal of Assets and Notification of the Stock Exchange Board of Thailand Regarding the Disclosure of Information and Operations of Listed Companies in the Acquisition or Disposal of Assets B.E. 2547 (2004) In addition, the transaction is not classified as a connected transaction under the Notification of the Capital Market Supervisory Board No. 21/2008. Regarding the Rules for Connected Transactions and Notification of the Stock Exchange Board of Thailand Disclosure of Information and Operations of Listed Companies in Connected Transactions, B.E. 2546 (2003) (Revised Amounts)

However, the calculation of the transaction size is based on the Company's consolidated financial statements for the first quarter ended March 31, 2024, which has been reviewed by the Company's auditors.

The Criteria used for the calculation are as follows

Calculation Criteria	Calculation Formula	Calculation	Transaction Size (%)	transactions within the past 6 months	Total Transactions
1. Net tangible assets criteria	$\frac{\text{NTA*of investment the company*Proportion of assets Acquired}}{\text{NTA of the listed company}}$	N/A	N/A	12.05%	12.05%
2. Net profit criteria	$\frac{\text{Net profit margin of the investment*Buying ratio*100}}{\text{Net profit margin of the listed company}}$	N/A	N/A	39.99%	39.99%
3. Total value of consideration	$\frac{\text{Value of transaction paid*100}}{\text{Total assets of listed company}}$	$\frac{1,729.43}{12,475.76}$	13.86%	16.43%	30.29%
4. Equity value criteria	$\frac{\text{Equity shares issued for the payment of assets*100}}{\text{Paid-up shares of the company}}$	N/A	N/A	10.10%	10.10%

In calculating the asset acquisition transaction, the highest transaction size is at 13.86% as per Total value of consideration. However, the Company has entered into an asset acquisition transaction in the past 6 months, The total transaction size according to the total value of consideration method is equal to 30.29 percent resulting in a transaction size of more than 15 percent but less than 50 percent, so it is classified as a Type 2 transaction according to the announcement of the acquisition or disposal of Assets. The Company therefore has the duties to disclosing information regarding the transaction to the SET and send an information memorandum regarding acquisition or disposal of assets to its shareholders within 21 from the date of disclosing the transaction to the SET.

#### 4. Details of acquired assets

The Company has leasehold rights for Laem Chabang Port area, Zone 3 for 10 years period from 1<sup>st</sup> January 2020 until 31<sup>st</sup> December 2029.

#### 5. Total value of transactions

The total rent for the entire lease term is THB 1,729,429,488.51. The Rent is paid monthly and place 3 month of the last period rent fee of bank guarantee as a guarantee for using the land.

**6. Criteria used to determine the total value of transactions**

The value of the reward is a negotiation between the company and the Lessor.

**7. Benefits to the Company**

This transaction will bring benefits to the company because the rental area is used to conduct the main business of the company for Steel Structure, Pipe, and Module and including service of dismantling all kinds of heavy structures and equipment in the oil & gas industry

**8. Sources of funding**

Working capital in the Company.

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

The Board of Directors has considered that the transaction is reasonable and beneficial to the Company and its shareholders because the rental space at Laem Chabang Port is the main business area and to support project work of both domestic and international markets in the future.

**10. The opinions of the Audit Committee and/or the Board of Directors differ from those of the Board of Directors.**

- None –

The Company provides this information for your acknowledgement and dissemination to the public and other investors.

Sincerely yours

(Mr. Masthawin Charnvirakul)

Managing Director