



Ref: 11/6708

6 August 2024

Subject Resolutions of the Board of Directors' Meeting regarding the Entry into a Connected Transaction for the Provision of Financial Assistance and the Determination of the Extraordinary General Meeting of Shareholders No. 1/2024

Attention President
The Stock Exchange of Thailand

Enclosure 1. Information Memorandum Concerning the Entry into a Connected Transaction

i-Tail Corporation Public Company Limited (the “**Company**”) would like to inform the resolutions of its Board of Directors' Meeting No. 6/2024 held on Tuesday 6 August 2024 to the Stock Exchange of Thailand (“**SET**”) as follows:

1. Resolved to propose to the Extraordinary General Meeting of Shareholders to consider and approve the entry into a connected transaction for the provision of financial assistance by entering into a loan agreement between the Company as the lender and Thai Union Group Public Company Limited (“**Thai Union**”) as the borrower, for an amount not exceeding Baht 11,000 million (the “**Provision of Financial Assistance**”) for a period of not more than six years which comprise of two facilities as follow:

(1) Facility No. 1 is a long-term loan for an amount not exceeding Baht 6,000 million for a period of three years with an interest rate of 3.10 percent per annum and may be renewed for a period of not more than three years per each renewal with the total period not exceeding six years, in which the credit, limit, interest rate, risks and other conditions shall be reviewed before each renewal; and

(2) Facility No. 2 is a revolving loan for an amount not exceeding Baht 5,000 million for a period of not more than one year with an interest rate equal to the policy interest rate announced by the Monetary Policy Committee (MPC) as of 17 July 2024, which is 2.50 percent per annum and plus 0.10 percent per annum or equivalent to 2.60 percent per annum. In this regard, the interest rate shall be adjusted in accordance with the rate announced by the MPC. Facility No.2 may be renewed for a period of not more than one year per each renewal with the total period not exceeding six years, in which the credit, limit, interest rate, risks and other conditions shall be reviewed before each renewal,

The purpose of providing the loan being for enhancing the efficiency of the Company’s cash management and increasing the returns on managing cash surplus pursuant to the Company’s Investment Policy. The Company will provide such financial assistance to Thai Union after obtaining approval from the shareholders' meeting of the Company.

The Provision of Financial Assistance is considered a connected transaction under the Notification of the Capital Market Supervisory Board No. TorJor. 21/2551 entitled Rules on Connected Transactions and the Notification of the Board of Governors of the SET entitled Disclosure of Information and Act of Listed Companies Concerning Connected Transactions B.E. 2546 (2003)



and its amendments (collectively, the “**Connected Transactions Notifications**”) as Thai Union is a major shareholder of the Company which directly holds approximately 78.82 percent of the Company’s paid-up capital. The Provision of Financial Assistance has a principal amount of not exceeding Baht 11,000 million and an estimated total expected interest throughout the term of Baht 1,896 million, with an estimate total of Baht 12,896 million. The actual interest and total value incurred will depend on the drawn loan amount and the actual interest rate in accordance with the terms of the agreement. When considering the size of the transaction under the Connected Transactions Notifications, which is calculated from the Company's reviewed consolidated financial statements as at 30 June 2024, the size of the transaction is equivalent to 55.11 percent of the total net tangible assets of the Company and its subsidiaries, which exceeds three percent of the total net tangible assets of the Company and its subsidiaries. In this connection, the Company has not entered into any previous connected transaction during the six-month period prior to this transaction. Based on the foregoing, the Company is therefore obliged to prepare an information memorandum concerning the connected transaction and disclose it to the SET, and appoint an independent financial advisor to provide an opinion regarding the connected transaction to the shareholders, as well as convene a general meeting of the shareholders to approve the entry into such connected transaction with votes of not less than three-fourths of the total votes of the shareholders present and eligible to vote, excluding those of the interested shareholders.

The Company has appointed Jay Capital Advisory Company Limited, a financial advisor approved by the Office of the Securities and Exchange Commission, to be the independent financial advisor providing its opinion on the connected transaction for consideration by the shareholders. Please refer to the enclosed Information Memorandum Concerning the Entry into a Connected Transaction for more information.

Additionally, the Board of Directors has resolved to authorise the executive committee (who has no conflict of interest) or the Chief Executive Officer and the Chief Financial Officer of the Company to consider and perform any actions necessary and required for the Provision of Financial Assistance within the scope approved by the Board of Directors’ Meeting, including but not limited to the following:

- (1) contacting, negotiating, agreeing, executing and/or amending any agreements, notifications and/or any other documents or evidences necessary and relevant to the Provision of Financial Assistance, including but not limited to the Provision of Financial Assistance, relevant information memorandum or disclosure, relevant registrations with the Ministry of Commerce, as well as contacting, coordinating, reporting and filing documents with any counterparties, other relevant government authorities or agencies (whether in Thailand or abroad), including considering and appointing any financial advisors, legal advisors and/or other service providers (if any or as necessary); and
- (2) undertaking any acts necessary and appropriate to complete the Provision of Financial Assistance, including authorising any person(s) that the executive committee (who has no conflict of interest) or Chief Executive Officer and the Chief Financial Officer deem appropriate to undertake any actions specified in paragraph (1) above.

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2. Resolved to approve the determination of the Extraordinary General Meeting of Shareholders No. 1/2024 to be held on Monday 30 September 2024 at 10.00 a.m. which will be held solely via electronic means (e-EGM) which will be broadcast from the Company. Moreover, the regulations for attending the shareholders' meeting via electronic means and the registration form will be published on the Company's website prior to the meeting date. The agenda for the meeting will be as follows:

Agenda 1: To consider and approve the Provision of Financial Assistance to Thai Union Group Public Company Limited, which is considered a connected transaction

Agenda 3: To consider other matters (if any)

3. Resolved to approve the date to determine the list of shareholders who are entitled to attend the Extraordinary General Meeting of Shareholders No. 1/2024 (Record Date) as 20 August 2024.

Please be informed accordingly,

Yours sincerely

Mr. Pichitchai Wongpiya and Mr. Chaiwat Charoenrujitanon
Chief Executive Officer and the Chief Financial Officer
i-Tail Corporation Public Company Limited

Office of Company Secretary

02-2980029 ext. 2702

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Information Memorandum Concerning the Entry into a Connected Transaction of i-Tail Corporation Public Company Limited

The Board of Director's Meeting of i-Tail Corporation Public Company Limited (the "**Company**") No. 6/2024 held on Tuesday 6 August 2024 (the "**Board of Directors' Meeting**") has resolved to propose to the Extraordinary General Meeting of Shareholders No. 1/2024 (the "**EGM**") to consider and approve the entry into a connected transaction for the provision of financial assistance by entering into a loan agreement between the Company as the lender and Thai Union Group Public Company Limited ("**Thai Union**") as the borrower, for an amount not exceeding Baht 11,000 million (the "**Provision of Financial Assistance**") for a period of not more than six years which comprise of two facilities as follow:

- (1) Facility No. 1 is a long-term loan for an amount not exceeding Baht 6,000 million for a period of three years with an interest rate of 3.10 percent per annum and may be renewed for a period of not more than three years per each renewal with the total period not exceeding six years, in which the credit, limit, interest rate, risks and other conditions shall be reviewed before each renewal; and
- (2) Facility No. 2 is a revolving loan for an amount not exceeding Baht 5,000 million for a period of not more than one year with an interest rate equal to the policy interest rate announced by the Monetary Policy Committee (MPC) as of 17 July 2024, which is 2.50 percent per annum and plus 0.10 percent per annum or equivalent to 2.60 percent per annum. In this regard, the interest rate shall be adjusted in accordance with the rate announced by the MPC. Facility No.2 may be renewed for a period of not more than one year per each renewal with the total period not exceeding six years, in which the credit, limit, interest rate, risks and other conditions shall be reviewed before each renewal,

The purpose of providing the loan being for enhancing the efficiency of the Company's cash management and increasing the returns on managing cash surplus pursuant to the Company's Investment Policy. The Company will provide such financial assistance to Thai Union after obtaining approval from the shareholders' meeting of the Company.

The Provision of Financial Assistance is considered a connected transaction under the Notification of the Capital Market Supervisory Board No. TorJor. 21/2551 entitled Rules on Connected Transactions and the Notification of the Board of Governors of the Stock Exchange of Thailand (the "**SET**") entitled Disclosure of Information and Act of Listed Companies Concerning Connected Transactions B.E. 2546 (2003) and its amendments (collectively, the "**Connected Transactions Notifications**") as Thai Union is currently the major shareholder of the Company which directly holds approximately 78.82 percent of the Company's paid-up capital. The Provision of Financial Assistance has the principal amount of not exceeding Baht 11,000 million and an estimated total expected interest throughout the term of Baht 1,896 million, with an estimate total of Baht 12,896 million. The actual interest and total value incurred will depend on the drawn loan amount and the actual interest rate in accordance with the terms of the agreement. When considering the size of the transaction under the Connected Transactions Notifications which is calculated from the Company's reviewed consolidated financial statements as at 30 June 2024, the size of the transaction equivalent to 55.11 percent of the net tangible assets of the Company and its subsidiaries, which exceeds three percent of the net tangible assets of the Company and its subsidiaries.

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In this connection, the Company has not entered into any previous connected transaction during the six-month period prior to this transaction. Based on the foregoing, the Company is therefore obliged to prepare an information memorandum concerning the connected transaction and disclose it to the SET, and appoint an independent financial advisor, Jay Capital Advisory Company Limited, to provide an opinion regarding the connected transaction to the shareholders, as well as convene a general meeting of the shareholders to approve the entry into such connected transaction with votes of not less than three-fourths of the total votes of the shareholders present and eligible to vote, excluding those of the interested shareholders.

In this connection, the Company would like to inform the key details of this transaction as set out below.

1. Date, Month and Year of the Transaction

The Company requests approval for the facility to serve as a framework for providing financial assistance to Thai Union, in which the Company will enter into the Provision of Financial Assistance with Thai Union after its receipt of approval of the meeting of its shareholders which will be held on 30 September 2024.

2. Relevant Parties and Relationship with the Company

Lender: i-Tail Corporation Public Company Limited

Borrower: Thai Union Group Public Company Limited, a major shareholder of the Company which directly holds approximately 78.82 percent of the Company's paid-up capital and (1) Mr. Cheng Niruttinanon (2) Mr. Thiraphong Chansiri (3) Mr. Shue Chung Chan and (4) Mr. Nakorn Niruttinanon are directors in both the Company and Thai Union.

3. General Characteristics of the Transaction

The details of the provision of financial assistance are as follows:

- | | |
|----------------------|--|
| Type of transaction | : Connected transaction under the category of providing financial assistance |
| Nature of assistance | : (1) Facility No.1: A long-term loan agreement with annual interest rate and scheduled repayment of principal according to the loan term or upon demand of repayment, with the option for the borrower to repay the loan before the repayment date;
(2) Facility No. 2: A revolving loan agreement with annual interest rate and scheduled repayment of principal according to the loan term or upon demand of repayment, with the option for the borrower to repay the loan before the repayment date |

Loan amount : Not exceeding Baht 11,000 million, comprising:

- (1) Facility No. 1: Not exceeding Baht 6,000 million;
- (2) Facility No. 2: Not exceeding Baht 5,000 million.

However, the Company shall have sufficient reserves to cover its working capital requirements and the remaining funds may then be allocated for lending to Thai Union. The following shall be taken into consideration for the allocation of the Company's surplus cash for the provision of loan:

- a. The reserve for working capital requirements should be set to cover two months of sales which shall be calculated at the end of each quarter based on the sales from the previous quarterly financial statements; and
- b. The total loan amount under both Facility No. 1 and Facility No. 2 at the end of the quarter of the calendar year, the total amount shall not exceed 75 percent of the Company's cash, including cash equivalents, short-term and long-term investments and the outstanding loan amount to Thai Union under Facility No. 1 and Facility No. 2. If the calculation results in the loan amount to Thai Union exceeding such amount the Company shall recall such exceeding amount from the Facility No. 2 or the Facility No. 1, respectively, within seven days.

Pursuant to item b. above, if Thai Union's shareholding percentage in the Company significantly decreases or changes by more than 5 percent of the total of shares of the Company compared to the previous quarter, the Company's Board of Directors shall review the credit, limit, interest rate, risks and other conditions of the facilities and the facility limit shall not exceed the limit amount approved herein.

Interest rate : (1) Facility No. 1: 3.10 percent per annum which is equivalent to the estimated return rate of the Company, rated according to Thai Union's credit rating, which is currently at A+ for a 3-year bond issuance based on the return rate information from

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the Thai Bond Market Association and the estimated additional return rate as of 17 July 2024

- (2) Facility No. 2: Equal to the policy interest rate announced by the Monetary Policy Committee (MPC) as of 17 July 2024, which is 2.50 percent per annum and plus 0.10 percent per annum or equivalent to 2.60 percent per annum. In this regard, the interest rate shall be adjusted in accordance with the rate announced by the MPC.

The interest rate or return that the Company receives from the Provision of Financial Assistance is higher than the return that the Company would receive under the same conditions.

- Default interest rate : 2.00 percent per annum, in addition to the interest rate of each facility
- Interest payment : Interest shall be paid within 15 days from the date of interest calculation which shall be on a quarterly basis of calendar year of each year.
- Loan period : Not exceeding six years
- Maturity of each drawdown : (1) Facility No. 1: Three years and may be renewed for a period of not more than three years per each renewal
(2) Facility No. 2: One year per sub-facility and may be renewed for a period of not more than one year per each renewal
- Review of terms for renewal : The Board of Directors of the Company shall review the credit, limit, interest rate, risks and other conditions of the facilities before each renewal which the facility limit shall not exceed the limit amount approved herein.

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- Interest throughout the term of the agreement : The maximum interest the Company is expected to receive from the full utilisation of the loan amount over the entire six-year loan term:
- (1) Facility No. 1: Baht 1,116 million
 - (2) Facility No. 2: Baht 780 million
- Total interest: Baht 1,896 million
- Nonetheless, the actual interest incurred shall depend on the loan amount drawn and the actual interest rate under the terms of the agreement.
- Principal repayment : The principal shall be repaid upon maturity but may be prepaid in the following circumstances:
- (1) Thai Union has the right to prepay the loan in full or in part to the Company before the loan repayment date, provided that (1) with regards to Facility No. 1, Thai Union shall provide a written notice to the Company at least 30 days in advance and (2) with regards to Facility No. 2, no prior notice by Thai Union is required.
 - (2) The Company has the right to demand loan repayment in full or in part from Thai Union before the loan repayment date (1) pursuant to the terms in relation with the aforementioned shareholding percentage of Thai Union or (2) when the Company deems appropriate, (a) with regards to Facility No. 1, the Company shall demand loan repayment after the loan disbursement date and at least 60 days which the Company must provide a written notice to Thai Union at least 30 days in advance and (b) with regards to Facility No. 2, no prior notice by the Company is required.
- Collateral : None
- Prepayment Fee : (1) Facility No. 1: 0.75 percent per annum of the prepaid principal amount and remaining period until the loan repayment date
- (2) Facility No. 2: None for a revolving loan agreement

- Conditions that may affect the : None
rights of shareholders
- Other conditions of the loan : (1) Each loan utilisation must not affect the Company's financial plans; and
(2) Thai Union must demonstrate to the Company that it has sufficient working capital loan facilities with financial institutions in case the Company demands full repayment of all facilities at once. Thai Union must also provide key information demonstrating its ability to repay the loan, such as credit ratings and financial information.
- Purpose of the loan : For the Company to enhance the efficiency of its cash management and increase returns on managing cash surplus pursuant to the Company's Investment Policy

4. Total Value, Size and Criteria Used to Determine the Total Value of the Transaction

- 4.1 Total value of the transaction : Total estimated value of the principal and interest throughout the term does not exceed Baht 12,896 million based on the calculation as follows:
- = The maximum loan amount is Baht 11,000 million, together with interest that the Company may receive from lending the full amount over the six-year period totaling Baht 1,896 million
- = Baht 11,000 million + (Baht 6,000 million x 3.10% x 6 years) + (Baht 5,000 million x 2.6% x 6 years)
- = totalling Baht 12,896 million
- Nonetheless, the actual interest and total amount shall depend on the loan amount drawn and the actual interest rate under the terms of the agreement.
- 4.2 Size of the transaction : Size of transaction equals 55.11 percent of the net tangible assets of the Company and its subsidiaries which is calculated from the reviewed consolidated financial statements of the Company as at 30 June 2024

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$$\begin{aligned}
 \text{Size of the transaction} &= \frac{\text{value of the transaction}}{\text{net tangible assets}} \times 100 \\
 &= \frac{12,896}{23,399} \times 100 \\
 &= 55.11 \text{ percent}
 \end{aligned}$$

When considering the size of such transaction under the Connected Transaction Notifications, the total transaction value is Baht 12,896 million, equivalent to 55.11 percent of the total net tangible assets, which exceeds three percent of the total net tangible assets of the Company and its subsidiaries based on the reviewed consolidated financial statements of the Company as at 30 June 2024. The transaction is considered a large-sized transaction and the Company has not entered into any previous connected transactions during the six-month period prior to this transaction. Based on the foregoing, the Company is therefore obliged to prepare an information memorandum concerning the connected transaction and disclose it to the SET, and appoint an independent financial advisor to provide an opinion regarding the connected transaction to the shareholders, as well as convene a general meeting of the shareholders to approve the entry into such connected transaction. The Company has appointed Jay Capital Advisory Company Limited to be the independent financial advisor providing its opinion on the connected transaction for consideration by the shareholders.

5. Source of Funds for Providing Financial Assistance

The source of funds shall come from the Company's working capital cash, short-term investment and long-term investment. After providing such loan, the Company has sufficient cash flow for its operations and ensure that it does not impact the Company's planned expenditures.

6. Meeting Attendance and Voting by Directors Having Conflicts of Interest

In considering and approving the connected transaction for the provision of financial assistance to a connected person, the following directors of the Company having conflicts of interest did not attend the meeting nor vote on such agenda:

Name	Position
(1) Mr. Cheng Niruttinanon	Chairman of the Board of Directors
(2) Mr. Thiraphong Chansiri	Vice Chairman of the Board of Directors
(3) Mr. Shue Chung Chan	Director
(4) Mr. Nakorn Niruttinanon	Director
(5) Mr. Thawee Tangchansiri	Director
(6) Mr. Tin Shu Chan	Director

7. Opinion of the Company's Board of Directors on the Connected Transaction to the SET

The Board of Directors of the Company (excluding directors who have conflicts of interest) has thoroughly considered and views that the entry into the transaction is appropriate and beneficial to the Company and its shareholders as the Company can utilise its available funds to achieve higher returns compared to investing by depositing such funds in financial institution accounts, government bonds and corporate bonds, thereby enhancing the efficiency of the Company's cash management and the loan also contains other appropriate conditions.

Therefore, the Board of Directors' Meeting has resolved to propose to the EGM which will be held on 30 September 2024, to consider and approve the Provision of Financial Assistance to Thai Union.

8. Opinion of the Company's Audit Committee and/or the Company's Directors which are different from the Opinions of the Board of Directors according to item 7

Prior to the Board of Directors' Meeting, the audit committee has reviewed and determined that this transaction is reasonable. In this regard, the audit committee does not have any objections or differing opinions from the Company's Board of Directors as set out in item 7.