SMOTHONG GROUP PUBLIC COMPANY LIMITED

บริษัท กลุ่มสมอทอง จำกัด (มหาชน)
สำนักงานแห่งใหญ่ เลขที่ 119/1 หมู่ที่ 10
ต.ประสงค์ อ.ท่าชนะ จ.สุราษฎร์ธานี 84170
โทร 077-951470-4
เลขทะเบียนนิติบุคคล 0107568000060

No. SMO SET-005/2026

Date: 14 August 2025

Subject: Notification of Board of Directors' Resolutions Regarding the Construction Project for Crude Palm Kernel Oil (CPKO) Extraction Plant and the Phase 1 Wastewater Evaporator Installation Project (Green Project), which are Non-Related Projects

To: President
The Stock Exchange of Thailand

Pursuant to the Board of Directors Meeting No. 5/2026 of Smothong Group Public Company Limited (the "conglomerate") held on August 14, 2026, the Board approved the investment in the construction project for a Crude Palm Kernel Oil (CPKO) extraction plant with an initial processing capacity of 300 tonnes per day, with a total investment value not exceeding THB 130.00 million. The Board also approved the investment in the Phase 1 Wastewater Evaporator Installation Project with a capacity of 400 cubic meters per day (m^3/day) and a total investment value not exceeding THB 68.91 million. These two projects are non-related. The preliminary details of the projects are as follows:

1. Construction Project for Crude Palm Kernel Oil (CPKO) Extraction Plant

The conglomerate will undertake an investment in the construction of a Crude Palm Kernel Oil (CPKO) extraction plant with an initial processing capacity of 300 tonnes per day. The plant will be located on approximately 11 rai of land within the premises of the conglomerate's Phanom Branch palm oil extraction factory in Khlong Cha-un Sub-district, Phanom District, Surat Thani Province, which is owned by the conglomerate. The total investment value of the project will not exceed THB 130.00 million, covering site preparation, factory building construction, utility systems, machinery, production equipment and support systems, tools, and other related expenses. This investment represents a downstream integration within the conglomerate's existing supply chain, extending the value of its primary product from crude palm oil and related product manufacturing—namely dried palm kernels. The main product derived will be Crude Palm Kernel Oil (CPKO), a vital raw material for various downstream industries with strong domestic and international demand. Additionally, the by-product, Palm Kernel Cake, which contains high protein content, can be utilized as feed for commercial livestock.

2. Phase 1 Wastewater Evaporator Installation Project (Green Project)

The conglomerate will undertake an investment to install a wastewater evaporator with a capacity of 400 cubic meters per day (m^3/day) at the Phanom Branch palm oil extraction plant, with a total investment value not exceeding THB 68.91 million. This project aligns with Environmental, Social, and Governance (ESG) sustainability principles by recovering and purifying wastewater generated during the crude palm oil extraction process into clean water for reuse within the plant. This will significantly reduce natural resource consumption and maximize water efficiency. Additionally, the machinery installation will allow the conglomerate to reduce methane emissions which is a major greenhouse gas with a global warming potential that supporting the conglomerate's goal of transitioning to a low-carbon manufacturing business through carbon reduction across the value chain. Indirectly, this will reduce the land area required for treatment ponds in the wastewater management process, allowing the existing pond areas to be repurposed for greater efficiency and enabling sustainable land resource utilization.

However, the aforementioned transaction constitutes an acquisition of assets under the Notification of the Capital Market Supervisory Board No. Tor Jor. 45/2025 Re: Rules on Entering into Material Transactions and subsequent amendments, 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 or Disposition of Assets B.E. 2004 and subsequent amendments (the "Acquisition or Disposition Notifications"). The maximum calculated transaction size for the Construction Project for Crude Palm Kernel Oil (CPKO) Extraction Plant is 2.81% (calculated based on the Total Value of Consideration Basis) of the conglomerate's consolidated financial statements reviewed by the auditor for the period ended June 30, 2026. The maximum calculated transaction size for the Wastewater Evaporator Installation Project (Evaporator) is 1.49% (calculated based on the Total Value of Consideration Basis) of the conglomerate's consolidated financial statements reviewed by the auditor for the period ended June 30, 2026. In this regard, the conglomerate has not entered into any other asset acquisition transactions during the 12 months prior to the date of the resolution approving the projects that must be aggregated into the same transaction.

บริษัท กลุ่มสมอทอง จำกัด (มหาชน)
สำนักงานแห่งใหญ่ เลขที่ 119/1 หมู่ที่ 10
ต.ประสงค์ อ.ท่าชนะ จ.สุราษฎร์ธานี 84170
โทร 077-951470-4
เลขทะเบียนนิติบุคคล 0107568000060

Based on the consideration and calculation of the transaction size under the relevant criteria, the size of each transaction is less than 25%, thereby classifying them as small-scale transactions. Consequently, the conglomerate is not obligated to comply with the requirements for material transactions under the aforementioned Notifications. Nevertheless, the conglomerate will consider and proceed with the necessary steps regarding these transactions in compliance with relevant laws and resolutions. The conglomerate is currently in the process of selecting counterparties to execute the above projects. Should any counterparty be identified as a connected person, the conglomerate will strictly comply with the regulations governing connected transactions.

Please be informed accordingly.

Yours sincerely,

-Kittipong Puangmala-

(Mr. Kittipong Puangmala)

Chief Executive Officer