



16 June 2021

Subject: Notification of the Resolutions of the Board of Directors' Meeting No. 4/2021 Notification of the sale of shares of Gold Shore Company Limited, the production project and distribute tap water to some areas of Phuket and some parts of Phang Nga Province.

Attention : President

The Stock Exchange of Thailand

The Board of Directors Meeting of Bangkok Dec-Con Public Company Limited (the "Company") No. 4/2021, dated June 9, 2021, resolved that the Company sells shares of Gold Shore Company Limited, a water production and distribution project. Water supply to some areas of Phuket and some parts of Phang Nga Province which the Company holds all 2,551,976 shares to Seven Utilities and Power Public Company Limited in the amount not exceeding 550,000,000 baht with conditions to carry out the trading of shares and carry out various relevant procedures to be in accordance with the rules prescribed by the Stock Exchange of Thailand and in accordance with the law to be completed within the month of September 2021.

With the condition that Seven Utilities and Power Public Company Limited must first obtain approval for the purchase of shares from the Board of Directors' meeting, which on June 15, 2021, the company Ven Utilities and Power Public Company Limited received a resolution from the Board of Directors. Approved to return investments in projects to produce and distribute tap water to some areas of Phuket and some parts of Phang Nga Province and to purchase shares of Gold Shore Company Limited, a project to produce and distribute tap water to some areas of Phuket and some parts of Phang Nga Province.

Note: Originally, the Board of Directors' meeting on 8 September 2020 resolved to approve the principle of selling 2,551,976 shares of Gold Shore Company Limited to Seven Utilities and Power Public Company Limited. ) in the value of 550,000,000 baht. However, Seven Utilities and Power Public Company Limited is the same buyer who has delayed investment in 2020 due to the impact of the Covid-19 situation. on February 1, 2021, the Company has informed the termination of the memorandum of understanding to purchase shares of Gold Shore Company Limited.

Seven Utilities and Power Public Company Limited is the same buyer who has delayed investment in 2020 due to the impact of the Covid-19 situation.

The company uses the calculation of the transaction size. Referring to the Company's financial statements for the first quarter of the year, the conclusions regarding the sale of shares are as follows:

Sale of shares in the water production and distribution project



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### **1) Date, month, year of the transaction**

The Board of Directors' Meeting of Bangkok Dec-Con Public Company Limited (“the Company”) No. 4/2021 on June 9, 2021 has passed a resolution allowing the Executive Directors to proceed with the signing of the share purchase agreement of the share sale and distribution agreement for the tap water distribution project To some areas of Phuket And parts of Phang Nga Province to Seven Utilities and Power Public Company Limited in the value 550,000,000 baht. The Board of Directors has assigned the Executive Directors to proceed with the sale of such shares.

### **2) The parties involved and their relationship**

Seller : Bangkok Dec-Con Public Company Limited

Buyer : Seven Utilities and Power Public Company Limited

Relationship between Buyer and Seller : Seller (Bangkok Dec-Con PCL) and Buyer (Seven Utilities and Power Public Company Limited) have no relationship to be considered as connected person according to the announcement Capital Market Supervisory Board TJ.21/2008

Rules In doing connected transactions (including the announcement of amendments) and the notification of the Stock Exchange of Thailand regarding disclosure of information and operations of listed companies in Connected Transactions 2003 (including the amendments)

### **3) General characteristics of the transaction**

The Company will sell all shares held in Gold Shores Company Limited which holds 40% shares, Gold Shores Company Limited operates the production and distribution of tap water of Gold Shores Company Limited to Seven Utilities and Power Public Company Limited of 2,551,976 shares at a value 550,000,000 Baht.

Gold Shores Company Limited operates the business of the production and distribution of tap water with a registered capital of 637,994,100 Baht.

Now The Board of Directors 5 persons as follows:

1. Mr.Suvicha Panichpo
2. ACM.Chainan Thumasujarit
3. Mrs.Thananan Sato
4. Mr.Teramet Ratanasuwanachart
5. Mr.Chaiwit Arunnetrtong



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List	Shareholders of Gold Shores Company Limited Before the Transaction	Number of Shares Before Entering into the Transaction (shares)	Shares (%)	Number of Shares After the Transaction (shares)	Shares (%)
1	Bangkok Dec-Con PCL.	2,551,976	40.00	-	-
2	World Honor Trading Co., Ltd.	1,339,787	21.00	1,339,787	21.00
3	Seven Utilities and Power PCL.	1,275,989	20.00	3,827,965	60.00
4	Mr. Suwicha Panichpol	450,189	7.06	450,189	7.06
5	Mr. Sombat Thanaboonyawat	405,000	6.35	405,000	6.35
6	Ms. Worarat Pattanaphon	205,000	3.21	205,000	3.21
7	Mr. Takorn Laohapongchana	74,000	1.16	74,000	1.16
8	Mrs. Empitha Jitsena	24,000	0.38	24,000	0.38
9	Mr. Pongkon Kornpinyasophon	18,000	0.28	18,000	0.28
10	Ms. Chanida Ruangkittiwong	13,466	0.21	13,466	0.21
11	Other shareholders	22,534	0.35	22,534	0.35
	<b>Total</b>	<b>6,379,941</b>	<b>100.00</b>	<b>6,379,941</b>	<b>100.00</b>



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(Unit: Million Baht)	31 Dec '18 (Audited)	31 Dec '19 (Audited)	31 Dec '20 (Audited)	31 March '21 (Reviewed)
<b>Assets</b>				
<u>Current Assets</u>				
Cash and cash equivalents	104.11	10.87	3.71	0.71
Trade and other receivables	6.69	22.94	7.92	61.17
Deposit for goods	15.38	3.43	2.99	0.11
Advance payment for purchase of assets	9.27	2.00	-	-
Security deposit	-	-	2.29	-
Loans to related parties	16.00	16.00	16.00	86.67
Inventories	0.57	0.48	0.60	0.17
Other current assets	39.34	45.79	49.62	45.25
<b>Total current assets</b>	<b>191.36</b>	<b>101.50</b>	<b>83.13</b>	<b>194.08</b>
<u>Non-current assets</u>				
Deposit at bank pledged as collateral	0.02	0.02	0.02	26.00
Property, plant, and equipment	255.02	310.22	292.37	272.86
Other intangible assets	514.49	533.73	637.13	448.83
Deferred income tax assets	20.20	21.53	22.92	22.88
Other non-current assets	3.95	3.77	3.93	2.51
<b>Total non-current assets</b>	<b>793.68</b>	<b>869.26</b>	<b>956.36</b>	<b>773.08</b>



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Total assets	985.03	970.76	1,039.49	967.16
<b>Liabilities and shareholders' equity</b>				
<u>Current liabilities</u>				
Trade and other payables	61.01	27.14	81.35	187.20
Short-term loans – related party	-	-	0.29	70.46
Short-term loans - others	-	150.00	242.55	54.71
Long-term debt due within one year	55.80	55.47	117.28	64.05
Accrued corporate income tax	-	0.89	1.52	-
Other current liabilities	1.45	0.45	0.26	0.10
<b>Total current liabilities</b>	<b>118.26</b>	<b>233.96</b>	<b>443.25</b>	<b>376.52</b>
<u>Non-current liabilities</u>				
Long-term loans from financial institutions	144.07	89.95	-	29.86
Liabilities under financial lease agreements	1.92	0.57	0.38	0.05
Retention payable for workmanship	7.93	10.31	9.72	-
Deferred income tax liabilities	0.44	0.66	0.88	-



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Provisions for non-current liabilities for employee	0.39	0.51	0.68	0.51
Provisions for other noncurrent liabilities	-	-	8.65	-
Other non-current liabilities	1.22	1.63	1.74	6.96
<b>Total non-current liabilities</b>	<b>155.97</b>	<b>103.64</b>	<b>22.04</b>	<b>37.38</b>
<b>Total liabilities</b>	<b>274.23</b>	<b>337.60</b>	<b>465.29</b>	<b>413.90</b>
<b>Shareholders' equity</b>				
Share capital				
- Registered capital	637.99	637.99	637.99	637.99
- Issued and paid-up capital	637.99	637.99	637.99	637.99
Premium on ordinary shares	190.81	190.81	190.81	190.81
Accumulated profit (loss)				
- Unallocated	(118.00)	(195.64)	(254.60)	(275.54)
<b>Total shareholders' equity</b>	<b>710.80</b>	<b>633.16</b>	<b>574.20</b>	<b>553.26</b>
<b>Total liabilities and shareholders' equity</b>	<b>985.03</b>	<b>970.76</b>	<b>1,039.49</b>	<b>967.16</b>



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(Unit: Million Baht)	31 Dec '18 (Audited)	31 Dec '19 (Audited)	31 Dec '20 (Audited)	31 March '21 (Reviewed)
Revenue from sales of tap water	14.79	46.30	52.40	0.77
Revenue from product sales	2.24	5.67	6.85	-
Service income	0.00	0.00	0.00	2.59
<b>Total income</b>	<b>17.03</b>	<b>51.96</b>	<b>59.25</b>	<b>3.36</b>
Cost of tap water sales	6.47	20.76	22.08	0.77
Cost of goods sold	1.74	6.85	6.85	-
Cost of service	-	25.70	26.91	7.14
Total cost	8.21	53.31	55.84	7.91
<b>Gross profit (loss)</b>	<b>8.82</b>	<b>(1.35)</b>	<b>3.41</b>	<b>(4.55)</b>
Other income	2.38	3.00	3.96	1.03
Profit before expenses	11.20	1.65	6.47	(3.52)
Administrative expenses	44.49	56.64	45.77	5.15
Loss of tax fines	-	-	8.65	-
Doubtful Debt	(2.47)	(13.62)	(0.69)	-
Total cost	46.96	70.26	53.73	5.15
<b>Profit (loss) before financial costs and income tax expenses</b>	<b>(35.76)</b>	<b>(68.61)</b>	<b>(47.26)</b>	<b>(8.67)</b>
financial income	-	-	0.89	-
Finance costs	7.07	9.11	(12.19)	(3.64)



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Profit (loss) before income tax expenses	(42.82)	(77.72)	(58.56)	(12.31)
Income tax expenses (refunds)	(4.24)	(0.05)	0.40	-
Net profit (loss)	(38.58)	(77.67)	(58.96)	(12.31)

### 5) Characteristics of assets disposed

The total value of the consideration of the sale of the tap water shares is 550,000,000 Baht . The Board of Directors has assigned the Executive Director to negotiate payments in each installment stipulated by the Following payment stipulated :

The First The buyer agrees to deposit a partial purchase price of the Company's shares in the amount of 27,500,000 baht (twenty-seven million and five hundred thousand baht) on the contract date (within June 21, 2021) to the seller as part of trading price

The Second The buyer agrees to pay the amount of 122,500,000 baht (one hundred twenty-two million five hundred thousand baht) within June 30, 2021.

The Third The buyer will pay the remaining amount of 400,000,000 baht (four hundred million baht) within September 2021.

The seller will transfer the shares to the buyer. When the buyer has paid all the shares to the seller in full.

### 6) Criteria used to determine the value of consideration and the transaction size.

Resulting from the negotiation between the Company and the buyer. The selling price of 550,000,000 baht is higher than the investment price. that the Company has invested in the business for the amount of 526,950,000 baht, therefore it is considered that the price is reasonable.





**The transaction size.**

The sale of shares of Gold Shores Company Limited has the size of the transaction as follows :

1. The net tangible asset value criteria

= NTA of investment in the company \* proportion acquired or disposed of \* 100

Company NTA

$$= \frac{(81,548,164.72 \times 40\%) \times 100}{1,330,391,069.00}$$

1,330,391,069.00

$$= 2.45 \%$$

2. Criteria of net profit from operations

= N.A.

Note. - Since Gold Shore Company Limited still has a net loss

3. Total value of consideration criteria

= Value of transaction paid or received x 100

Total assets of the listed company

$$= \frac{550,000,000 \times 100}{1,641,310,844.00}$$

1,641,310,844.00

$$= 33.51\%$$

4. Value of equity shares issued in order to pay for assets

= N.A.

Note. - Capital shares are not issued in order to pay for assets.



\* Using information from the consolidated financial statements of the company and its subsidiaries for the first quarter of 2021 which has been reviewed by the auditor and using the information from Gold Shore Company Limited's financial statements for the first quarter of 2021 which have been reviewed by the auditor.

Criteria used to calculate the size of this transaction are the total value of the transaction size is the highest with the transaction size representing 33.51% of the total assets of the company and its subsidiaries as of March 31, 2021 and when includes the transaction size of the asset acquisition based on the total value of consideration for the past 6 months, (The Company has not acquired assets during the past 6 months) the total transaction size equal to 33.51% of the total assets of the company and its subsidiaries as of March 31, 2021, which would be more than 15% but less than 50% of the total assets of the Company and its subsidiaries. It is considered an acquisition and disposition of assets Category 2 according to the Notification of the Capital Market Supervisory Board TJ.20/2008. The Notification of the Stock Exchange of Thailand on Disclosure of Information and Operations of Listed Companies in Acquisition or Disposition of Assets B.E.

Therefore, the company has a duty to disclose information about the transaction of the company to the Stock Exchange of Thailand, and send a notice to shareholders within 21 days from the date of disclosure of information to The Stock Exchange of Thailand.

#### **7) Benefits expected from the transaction**

Increase cash flow in the core business to accommodate unusual situations.

#### **8) Financial plans after receiving money from the sale of the tap water business**

The company will use the proceeds from the sale of shares in the tap water business. As working capital for business to increase the potential for income growth and create returns to the shareholders of the company in the future.

#### **9) Opinion of the Board of Directors About entering the transaction**

Meeting of the Board of Directors having considered the said sale of shares in the tap water business and opined that entering into the transaction this time will benefit the company and shareholders. The price of selling such shares is still higher than the company's cost. Appropriate, general transactions. By carrying out every step of the company it is a transparent operation, and take into account the best interests of the company and shareholders.



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**10) Opinion of the Audit Committee on the entering into the transaction**

Audit Committee No different opinion from the opinion of the Board of Directors.

Please be informed accordingly.

Yours sincerely,

(Ms. Kanoknart Ratanasuwanachart)

Director