

Triple i 017/2021

10 August 2021

Subject: Additional acquisition of ordinary shares in A.T.P. Friend Services Co., Ltd.
To: President
The Stock Exchange of Thailand
Enclosures: 1. Information Memorandum of Triple i Logistics Public Company Limited on the Acquisition of Ordinary Shares of A.T.P. Friend Services Co., Ltd.

Triple i Logistics Public Company Limited (the "**Company**") would like to inform that the Board of Directors' Meeting No. 7/2021, held on 10 August 2021, has passed resolutions to approve the additional acquisition by the Company of 2,720 shares, representing 8 percent of total issued and paid-up ordinary shares of A.T.P. Friend Services Co., Ltd. (**Shipsmile**). The Company will hold shares for the total of 38 percent of total issued and paid-up ordinary shares of Shipsmile, a company operates franchise business which currently has more than 2,400 stores for delivering and consolidating domestic parcels of major delivery companies, from the existing shareholder of Shipsmile which are Mr.Thaweechok Saetang, Miss Patcharatom Thewarit, Mr. Satheranat Lapkaiwan and Mr. Ekkalak Pintafai (**Founders**), at the total purchase price of not exceeding THB 28.0 million

The said acquisition of Shipsmile ordinary shares is considers as an acquisition of assets in accordance with 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 dated 31 August 2008 (as amended), 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. 2547 (2004) dated 29 October 2004 (as amended) (the "Notification on Acquisition or Disposal of Assets"). The highest transaction value is equal to 1.04 percent of total assets of the Company according to the audited consolidated financial statements of the Company for the six-month period ended 30 June 2021, calculated from total value of consideration. Moreover, the Company and/or the subsidiary have had other transactions of acquisition of assets during the past 6 months prior to the date on which the Board of Directors of the Company passed a resolution. When combining such transactions, the highest size of transaction according to the total value of consideration basis is 36.09 percent of total assets of the Company according to the audited consolidated financial statements of the Company for the six-month period ended 30 June 2021, which is considered as a

Class 2 transaction, that is a transaction that has a value equal to 15 percent or more but lower than 50 percent, in accordance with the Notification on Acquisition or Disposal of Assets. Therefore, the Company is required to disclose the information memorandum on such transaction to the Stock Exchange of Thailand (the "SET") and to inform the shareholders in terms of written documents within 21 days from the date that the information memorandum is disclosed to the SET.

Furthermore, the acquisition of the asset is not considered a transaction between the Company and a related party of the Company. Therefore, it is not considered a connected transaction under the Notification of the Capital Market Supervisory Board No. ThorChor. 21/2551 re: Rules on Connected Transactions dated 31 August 2008, and the Notification of the Stock Exchange of Thailand Re: Rules, Procedures, and disclosure of information concerning the connected transaction of Listed Companies B.E. 2546 (as amended).

Please be informed accordingly.

Sincerely Yours,



(Mr. Tipp Dalal)

Chief Executive Officer

**Information Memorandum of Triple i Logistics Public Company Limited
on the Acquisition of Ordinary Shares of A.T.P. Friend Services Co., Ltd.**

The board of directors' meeting of Triple i Logistics Public Company Limited (**Company**) no. 7/2021, held on 10 August 2021, resolved to approve the additional acquisition by the Company of 2,720 shares, representing 8 percent of total issued and paid-up ordinary shares of A.T.P. Friend Services Co., Ltd. (**Shipsmile**). The Company will hold total shares of 38 percent of the total issued and paid-up ordinary shares of Shipsmile, a company operates franchise business which currently has more than 2,400 stores for delivering parcels and consolidating domestic parcels of major delivery companies such as Flash Express, Thailand Post and DHL etc., from the existing shareholder of Shipsmile which are Mr.Thaweechok Saetang, Miss Patcharatom Thewarit, Mr. Satheranat Lapkaiwan and Mr. Ekkalak Pintafai (**Founders**), at the total purchase price of not exceeding THB 28.0 million (**Transaction**)

The entering into such Transaction is considered as the acquisition of assets according to the Notification of the Capital Market Supervisory Board No. Tor Chor. 20/2551 Re: Rules on Entering into Material Transactions Deemed as Acquisition or Disposition of Assets (as amended) 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 BE 2547 (2004) (as amended) (**Notification on Acquisition or Disposition of Assets**). The highest transaction size is 1.04 percent of total assets of the Company according to the six-months period financial statements ended on 30 June 2021, calculated from total value of consideration. Moreover, the Company and/or the subsidiary have had other transactions of acquisition of assets during the past 6 months prior to the date on which the Board of Directors of the Company passed a resolution. When combining such transactions, the highest size of transaction according to the total value of consideration basis is 36.09 percent of total assets of the Company according to the six-month period financial statements ended on 30 June 2021, which is considered as a Class 2 transaction, that is a transaction that has a value equal to 15 percent or more but lower than 50 percent, in accordance with the Notification on Acquisition or Disposal of Assets. Therefore, the Company is required to disclose the information memorandum on such transaction to the Stock Exchange of Thailand (the "**SET**") and to inform the shareholders in terms of written documents within 21 days from the date that the information memorandum is disclosed to the SET.

1. Date of the Transaction

The Company expects to complete the Transaction by August 2021

2. Relevant parties and relationship with the Company

Buyer : the Company

Seller : Founders, the existing shareholder of Shipsmile, holding 9,180 shares, representing 27 percent of total issued and paid-up ordinary shares of Shipsmile

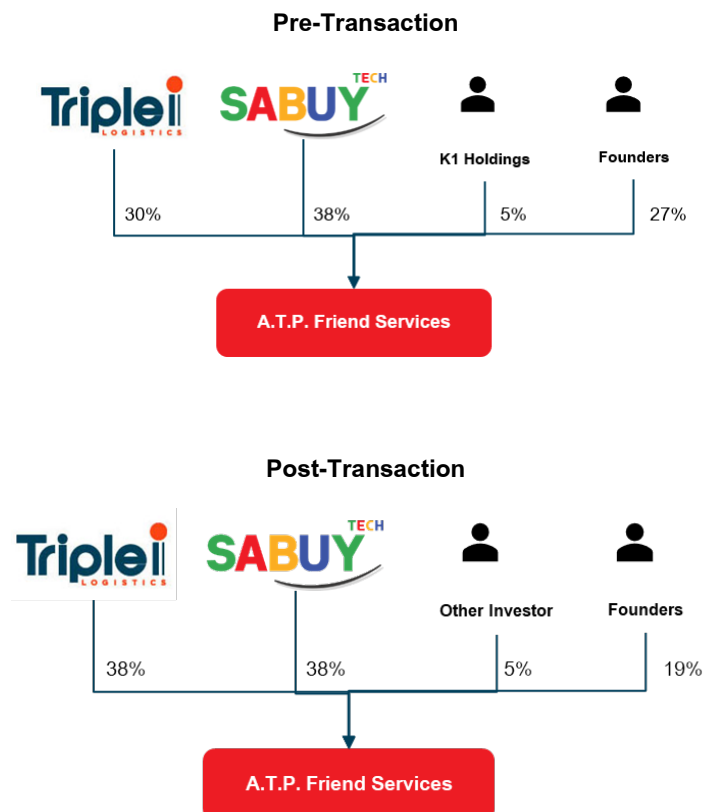
Relationship : Founders has no relationship with the Company and is not considered as connected person with the Company under the Notification of the Capital Market Supervisory Board no. TorJor 21/2551. re: rules on entering into connected transaction (as amended) and the Notification of the Board of Governors of the Stock Exchange of Thailand re: disclosure of information and other acts of listed company in respect of connected transaction B.E. 2546 (2003) (as amended).

3. General characteristics of the Transaction and size of the Transaction

3.1. General characteristics of the Transaction

The Company is going to purchase the ordinary shares in Shipsmile, a company operates franchise business for consolidating domestic parcels of major delivery companies such as Flash Express, Thailand Post and DHL etc., for the total number of 2,720 shares, representing 8 percent of total issued and paid-up ordinary shares of Shipsmile, at the total purchase price of not exceeding THB 28.0 million.

The shareholding structure of the group company pre-Transaction and post-Transaction can be shown as follows.



3.2. Type and size of the Transaction

The entering into such Transaction is considered as the acquisition of assets according to the Notification on Acquisition or Disposition of Assets. The details of calculation of size of Transaction, which is based on the financial statements for the six-month period ended on 30 June 2021 and have been reviewed by the Company's auditor, are as follows.

| Basis of Calculation | Calculation Method |
|---------------------------------|--|
| 1. Net Tangible Assets ("NTA")* | $= \frac{\text{NTA of Shipsmile}^{**} \times \text{acquisition portion}}{\text{NTA of the Company}^{***}}$ $= \frac{\text{THB 40.56 million} \times 8\%}{\text{THB 1,494.07 million}}$ $= 0.22\%$ <p>*NTA = Total Asset – Total Intangible Asset – Total Liability – Non Controlling Interest (if any) **NTA according to Shipsmile financial statement ended on 30 June 2021 according to the management statements used in the preparation of the consolidated financial statements of the Company ***NTA according to the Company's consolidated financial statements ended on 30 June 2021 which have been reviewed by the auditor</p> |
| 2. Net Profit | $= \frac{\text{Net profit of Shipsmile}^* \times \text{acquisition portion}}{\text{Net profit of the Company}^{**}}$ $= \frac{\text{THB 19.57 million} \times 8\%}{\text{THB 268.48 million}}$ $= 0.58\%$ <p>*Net profit of Shipsmile according to the past twelve-month period ended 30 June 2021 according to the management statements used in the preparation of the consolidated financial statements of the Company ** The Company's net profit for the past 12 months ended 30 June 2021, which has been reviewed by the auditor.</p> |

| Basis of Calculation | Calculation Method |
|-------------------------------|---|
| 3. Total Consideration Value | $= \frac{\text{Value of consideration paid}^*}{\text{Total assets of the Company}^{**}}$ $= \frac{\text{THB 28.00 million}}{\text{THB 2,680.36 million}}$ $= 1.04\%$ <p>*The consideration value of shares in Shipsmile pursuant to the share purchase agreement is not exceeding THB 28.0 million</p> <p>**Total assets according to the Company's consolidated financial statements ended on 30 June 2021 which have been reviewed by the auditor</p> |
| 4. Value of Issued Securities | = Cannot be calculated as the Company has not issued shares for consideration of assets acquisition |

The highest transaction size is 1.04 percent of total assets of the Company according to the six-months period financial statements ended on 30 June 2021, which have been reviewed by the Company's auditor, calculated from total value of consideration. Moreover, the Company and/or the subsidiary have had other transactions of disposal of assets during the past 6 months prior to the date on which the Board of Directors of the Company passed a resolution. When combining such transactions, the highest size of transaction according to the total value of consideration basis is 36.09 percent of total assets of the Company according to the six-month period financial statements ended on 30 June 2021, which is considered as a Class 2 transaction, that is a transaction that has a value equal to 15 percent or more but lower than 50 percent, in accordance with the Notification on Acquisition or Disposal of Assets. Therefore, the Company is required to disclose the information memorandum on such transaction to the Stock Exchange of Thailand (the "SET") and to inform the shareholders in terms of written documents within 21 days from the date that the information memorandum is disclosed to the SET.

4. Details of the assets to be acquired

4.1. Acquired assets

Ordinary shares in Shipsmile, totaling of 2,720 shares, representing 8 percent of total issued and paid-up ordinary shares of Shipsmile

4.2. General information of Shipsmile

| | | |
|---|---|---|
| Name of company | : | A.T.P. Friend Services Co., Ltd. |
| Date of incorporation | : | 9 February 2018 |
| Country of incorporation | : | Thailand |
| Registration number | : | 0125561004084 |
| Registered office | : | 38/92 M.1 Talat Kwan, Muang, Nonthaburi 11000 |
| Paid-up capital (as of the date of this information memorandum) | : | THB 3,400,000 / 34,000 shares at THB 100 per share |
| Type of business | : | Parcel delivery service by franchising |
| Directors | : | <ol style="list-style-type: none"> 1. Mr. Tipp Dalal 2. Mr. Chookiat Rujinapompajee 3. Mr. Saharat Phonsiroto 4. Mr. Satheranat Lapkaiwan 5. Mr. Ekkalak Pintafai |
| Details of shareholders and number of shares held (as of the date of this information memorandum) | : | <ol style="list-style-type: none"> 1. The Company, holding 10,200 shares 2. Sabuy Technology Public Company Limited, holding 12,920 shares 3. K1 Holdings Co., Ltd., holding 1,700 shares 4. Mr. Thaweechok Saetang, holding 2,295 shares 5. Miss Patcharatom Thewarit, holding 2,295 shares 6. Mr. Satheranat Lapkaiwan, holding 2,295 shares 7. Mr. Ekkalak Pintafai, holding 2,295 shares |
| Details of shareholders and number of shares held (as of the date of Transaction) | : | <ol style="list-style-type: none"> 1. The Company, holding 12,920 shares 2. Sabuy Technology Public Company Limited, holding 12,920 shares 3. K1 Holdings Co., Ltd., holding 1,700 shares 4. Mr. Thaweechok Saetang, holding 1,615 shares 5. Miss Patcharatom Thewarit, holding 1,615 shares 6. Mr. Satheranat Lapkaiwan, holding 1,615 shares 7. Mr. Ekkalak Pintafai, holding 1,615 shares |

4.3. Key financial information

(A) Financial Position as of 31 December 2020 and 30 June 2021

| Item | Unit: THB Million | |
|-----------------|-------------------|--------------|
| | 31 Dec 2020 | 30 June 2021 |
| Total Asset | 71.5 | 124.6 |
| Total Liability | 50.6 | 83.9 |
| Total Equity | 20.8 | 40.7 |

(B) Financial Performance for 2020 and six-months 2021

| Item | Unit: THB Million | |
|----------------------------|--------------------------|--------------------------|
| | 1 Feb 2020 – 31 Dec 2020 | 1 Jan 2020 – 30 Jun 2021 |
| Revenue | 527.5 | 440.3 |
| Gross Profit | 52.6 | 40.5 |
| <i>Gross Profit Margin</i> | 10.0% | 9.2% |
| Net Profit | 15.3 | 19.9 |
| <i>Net Profit Margin</i> | 2.9% | 4.5% |

5. Total Value of consideration and payment conditions

The Company will invest in the said transaction for proceeds not exceeding THB 28.0 million and will make the total payment at the date of share purchase.

6. The value of the acquired assets

Regarding the acquisition of ordinary shares of Shipsmile, the Company will acquire 2,720 ordinary shares (par value at THB 100 per share). According to Shipsmile financial statement ended on 30 June 2021, Shipsmile has the accounting value of THB 40.7 million.

7. Basis used to determine the value of consideration

The total value of consideration in relation to the acquisition of ordinary shares of Shipsmile not exceed THB 28.0 million, which is the same valuation that the Company acquired Shipsmile's common stock in March 2021 where the value was determined by the negotiation between the buyer and the seller, considered the fair value of Shipsmile shares. The Company's management together with the financial advisor (Optimus Co., Ltd) evaluated the future performance of Shipsmile, deriving an appropriate

consideration price of Shipsmile by employing two valuation approaches, being, Price to Earnings Multiple (P/E Multiple) approach and Discounted Cash Flow (DCF) approach. The fair value of Shipsmile is estimated between THB 560 to 1,070 million.

8. Expected benefits for the Company

- 1) Opportunity to expand domestic transportation business under the Company's strategy

As Shipsmile currently possesses about 2,400 franchised stores which operate as delivery/logistics services and acts as a pick-up/drop-off points for parcels covering all region in the country. The Company will be able to employ Shipsmile as the connection hub for the Company's logistics services, especially for Air freight services which is one of the Company's core business, to potentially develop same-day delivery product.

- 2) Increasing the Company's income and liquidity

After carrying out this transaction, Shipsmile shall be a subsidiary of the Company. The Company shall have a realized profits from the investment both in form of dividends and profits from the subsidiary which shall consistently generate profits and cash flow in long-term to the Company's group.

9. Source of fund for assets acquisition

The Company will make the payment for Shipsmile ordinary shares not exceeding THB 28.0 million using the operating cash flow and loan facilities from financial institution.

10. Condition for the Transaction

The completion of such assets acquisition is in accordance with the conditions specified in the share purchase agreement which the Board of Directors has authorized Mr. Tipp Dalal or Mr. Viraj Nobnomtham to consider the details conditions and take any actions necessary for the purpose of acquiring such shares, executing the share purchase agreement and any other documents related to the acquisition of such shares, as well as, carry out various actions necessary and appropriate in relation to the aforementioned matters

11. Opinion of the board of directors of the Company

The board of directors meeting no. 7/2021 held on 10 August 2021 has considered information and was of the view that the entering into such Transaction is in the best interest of the Company and shareholders, the conditions are fair and in accordance with the Company's strategy for business expansion, as well as the share purchase price is reasonable and could create returns and add value to both the Company and the Company's shareholders in the long-term.

12. Opinion of the Audit Committee and/or the Company's director if any difference from the opinion of the board of directors of the Company

There is no member of the audit committee and/or director of the Company who has opinion that is different from the opinion of the meeting of the board of directors of the Company