



# Asian Sea Corporation Public Company Limited.

Head office :

55/2 Moo 2, Rama II Rd., Bangkrajao, Muang, Samutsakorn 74000, Thailand.

Tel : (034) 822700-4 Fax : (034) 822699

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-Translation-

ASIANSEA 020-2021

12 October 2021

Subject: Plan of offering of ordinary shares of Asian Alliance International Co., Ltd. in the initial public offering (IPO) and the listing of Asian Alliance International Co., Ltd. on the Stock Exchange of Thailand

Attention: President  
Stock Exchange of Thailand

Enclosure: Information Memorandum on Disposal of Asset of Asian Sea Corporation Public Company Limited

Board of Directors Meeting No. 4/2021 of Asian Sea Corporation Public Company Limited (the “**Company**”), held on 12 October 2021, resolved to approve the plan of offering of ordinary shares of Asian Alliance International Co., Ltd. (“**AAI**”) in the initial public offering (IPO) and the listing of AAI on the Stock Exchange of Thailand (the “**SET**”), where it will proceed with the issuance and offering of the newly-issued ordinary shares of AAI, together with the offering of the partial existing ordinary shares in AAI which are held by the Company at the same time, in the initial public offering (IPO), including the shareholders of the Company entitled to subscribe for the shares in proportion to their shareholding in the Company (Pre-emptive Rights) (the “**Spin-Off Plan**”), in the aggregate proportion of not over 30.00 percent of total paid-up capital after the initial public offering (IPO) of AAI, which can be divided into:

- (a) The issuance and offering of the newly-issued ordinary shares of AAI in the initial public offering (IPO) in the proportion of not less than 20.00 percent of total paid-up capital after the completion of initial public offering (IPO) of AAI.
- (b) The offering of the existing ordinary shares in AAI held by the Company, which shall be proceeded at the same time of the issuance and offering of the newly-issued ordinary shares of AAI in the initial public offering (IPO), in the proportion of not over 10.00 percent of total paid-up capital after the completion of initial public offering (IPO) of AAI.

In this regard, in order to reduce the impact towards the shareholders of the Company that may arise from the Spin-Off Plan, it is appropriate to offer for sale the newly-issued ordinary shares which will be issued and offered for sale in the initial public offering (IPO), to the specific group of general public who



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are the existing shareholders of the Company, to have the right to receive the allocated shares in proportion to their shareholding in the Company (Pre-emptive Rights) in the proportion not exceeding 20.00 percent of the number of the ordinary shares which are offered in the initial public offering (IPO). In case where there are factions of ordinary shares remaining from the offering for sale to the specific group of general public who are existing shareholders of the Company, which have the right to receive the share allocation in proportion to their shareholding in the Company (Pre-emptive Rights), AAI shall offer for sale the remaining ordinary shares to the general public according to (a).

In addition, it has been approved by the Board of Directors Meeting to authorize the Chief Executive Officer or the person authorized by the Chief Executive Officer to determine the requirements, conditions and other details relating to the Spin-Off Plan and to have the authority to consider and sign the relevant documents including to carry on with any actions relevant and necessary to the Spin-Off Plan, in order to accomplish such Spin-Off Plan. This includes, but is not limited to, appointing any person to be the Company's authorized representatives to carry out relevant actions, including voting at AAI's shareholders' meeting, submitting applications, documents, or contacting various government agencies or related persons.

The offering of ordinary shares of AAI in the initial public offering (IPO) and the listing of AAI on the SET, by issuing and offering the newly-issued ordinary shares of AAI, together with the offering the partial existing ordinary shares in AAI which are held by the Company at the same time, will result in the dilution of the Company's shareholding percentage in AAI (Dilution), and together are classified as an asset disposal transaction of the Company under the Notification of the Capital Market Supervisory Board No. TorJor. 20/2551 Re: Rules on Entering into Material Transactions Deemed as Acquisitions or Disposals of Assets (including any amendment thereto) 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) (including any amendment thereto), having the highest transaction value calculated according to the net profit basis, equivalent to 19.18 percent. However, there were no other asset disposal transactions which are required to be calculated during the 6 (six) months period prior to the date on which the Board of Directors Meeting resolved to approve the Spin-Off Plan. In this regard, such transaction is classified as a Type 2 Asset Disposal Transaction, i.e., a transaction with the size of 15.00 percent or higher but lower than 50.00 percent. As a result, the Company is required to immediately prepare a report and disclose the information memorandum on the entering into of the transaction to the SET, whereby the information memorandum must comprise at least the information required under Schedule (1) annexed to the Notification of the Board of Governors of the Stock Exchange of Thailand Re:



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Disclosure of Information and Other Acts of Listed Companies Concerning the Acquisition and Disposition of Assets B.E. 2547 (2004), as well as to send a written notice to the shareholders of the Company within the period of 21 days from the date on which the information memorandum on the entering into of the transaction is disclosed to the SET.

The details of the disposal of assets transaction are in the Information Memorandum on Disposal of Asset of Asian Sea Corporation Public Company Limited (Enclosure).

Please be informed accordingly.

Sincerely yours

Asian Sea Corporation Public Company Limited

A handwritten signature in black ink, appearing to be "Somsak Amornrattanachaikul". The signature is fluid and cursive, with a large initial "S" and "A".

(Mr. Somsak Amornrattanachaikul)

Authorized Director



**Information Memorandum on Disposal of Asset of  
Asian Sea Corporation Public Company Limited**

Board of Directors Meeting No. 4/2021 of Asian Sea Corporation Public Company Limited (the “Company” or “Asian”), held on 12 October 2021, resolved to approve the plan of offering of ordinary shares of Asian Alliance International Co., Ltd. (“AAI”) in the initial public offering (IPO) and the listing of AAI on the Stock Exchange of Thailand (the “SET”), where it will proceed with the issuance and offering of the newly-issued ordinary shares of AAI, together with the offering of the partial existing ordinary shares in AAI which are held by the Company at the same time, in the initial public offering (IPO), including the shareholders of the Company entitled to subscribe for the shares in proportion to their shareholding in the Company (Pre-emptive Rights) (the “Spin-Off Plan”), in the aggregate proportion of not over 30.00 percent of total paid-up capital after the completion of the initial public offering (IPO) of AAI, which can be divided into:

- (a) The issuance and offering of the newly-issued ordinary shares of AAI in the initial public offering (IPO) in the proportion of not less than 20.00 percent of total paid-up capital after the completion of initial public offering (IPO) of AAI.
- (b) The offering of the existing ordinary shares in AAI held by the Company, which shall be proceeded at the same time of the issuance and offering of the newly-issued ordinary shares of AAI in the initial public offering (IPO), in the proportion of not over 10.00 percent of total paid-up capital after the completion of initial public offering (IPO) of AAI.

In this regard, in order to reduce the impact towards the shareholders of the Company that may arise from the Spin-Off Plan, it is appropriate to offer for sale the newly-issued ordinary shares which will be issued and offered for sale in the initial public offering (IPO), to the specific group of general public who are the existing shareholders of the Company, to have the right to receive the allocated shares in proportion to their shareholding in the Company (Pre-emptive Rights) in the proportion not exceeding 20.00 percent of the number of the ordinary shares which are offered in the initial public offering (IPO). In case where there are factions of ordinary shares remaining from the offering for sale to the specific group of general public who are existing shareholders of the Company, which have the right to receive the share allocation in proportion to their shareholding in the Company (Pre-emptive Rights), AAI shall offer for sale the remaining ordinary shares to the general public according to (a).



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In addition, it has been approved by the Board of Directors Meeting to authorize the Chief Executive Officer or the person authorized by the Chief Executive Officer to determine the requirements, conditions and other details relating to the Spin-Off Plan and to have the authority to consider and sign the relevant documents including to carry on with any actions relevant and necessary to the Spin-Off Plan, in order to accomplish such Spin-Off Plan. This includes, but is not limited to, appointing any person to be the Company's authorized representatives to carry out relevant actions, including voting at AAI's shareholders' meeting, submitting applications, documents, or contacting various government agencies or related persons.

The offering of ordinary shares of AAI in the initial public offering (IPO) and the listing of AAI on the SET, by issuing and offering the newly-issued ordinary shares of AAI, together with the offering the partial existing ordinary shares in AAI which are held by the Company at the same time, will result in the dilution of the Company's shareholding percentage in AAI (Dilution), and together are classified as an asset disposal transaction of the Company under the Notification of the Capital Market Supervisory Board No. TorJor. 20/2551 Re: Rules on Entering into Material Transactions Deemed as Acquisitions or Disposals of Assets (including any amendment thereto) 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) (including any amendment thereto), having the highest transaction value calculated according to the net profit basis, equivalent to 19.18 percent. However, there were no other asset disposal transactions which are required to be calculated during the 6 (six) months period prior to the date on which the Board of Directors Meeting resolved to approve the Spin-Off Plan. In this regard, such transaction is classified as a Type 2 Asset Disposal Transaction, i.e., a transaction with the size of 15.00 percent or higher but lower than 50.00 percent. As a result, the Company is required to immediately prepare a report and disclose the information memorandum on the entering into of the transaction to the SET, whereby the information memorandum must comprise at least the information required under Schedule (1) annexed to 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), as well as to send a written notice to the shareholders of the Company within the period of 21 days from the date on which the information memorandum on the entering into of the transaction is disclosed to the SET.



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The details of the Information Memorandum on Disposal of Assets are as follows:

**1. Transaction date**

The offering of the ordinary shares of AAI in the initial public offering (IPO) and the listing of AAI on the SET will be subject to the satisfaction of the conditions for entering into the transaction as specified in Clause 10. The transaction is expected to be completed by the 4<sup>th</sup> quarter of 2022.

**2. Parties involved and their relationship with the Company**

Offeror: (1) AAI, a subsidiary of the Company

(2) the Company

Purchaser: General public and shareholders of the Company entitled to subscribe for shares in proportion to their shareholding in the Company (Pre-emptive Rights)

**3. General characteristics and transaction size**

Board of Directors Meeting No. 4/2021, held on 12 October 2021, resolved to approve the plan of offering of ordinary shares of AAI in the initial public offering (IPO) and the listing of AAI on the SET, which is expected to be completed by the 4<sup>th</sup> quarter of 2022. The proportion of the newly-issued shares of AAI, together with the existing ordinary shares in AAI held by the Company, to be offered in the initial public offering (IPO) combined, will not be over 30.00 percent of AAI's total paid-up capital after the completion of the initial public offering (IPO), which can be divided into.

- (a) The issuance and offering of the newly-issued ordinary shares of AAI in the initial public offering (IPO) in the proportion of not less than 20.00 percent of total paid-up capital after the completion of initial public offering (IPO) of AAI.
- (b) The offering of the existing ordinary shares in AAI held by the Company, which shall be proceeded at the same time of the issuance and offering of the newly-issued ordinary shares of AAI in the initial public offering (IPO), in the proportion of not over 10.00 percent of total paid-up capital after the completion of initial public offering (IPO) of AAI.
- (c) In this regard, in order to reduce the impact towards the shareholders of the Company that may arise from the Spin-Off Plan, it is appropriate to offer for sale the newly-issued ordinary shares which will be issued and offered for sale in the initial public offering (IPO), to the specific group of general public who are existing shareholders of the Company, to have the right to receive the



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allocated shares in proportion to their shareholding in the Company (Pre-emptive Rights) in the proportion not exceeding 20.00 percent of the number of the ordinary shares in the initial public offering (IPO). In case where there are factions of ordinary shares remaining from the offering for sale to the specific group of general public who are existing shareholders of the Company, which have the right to receive the share allocation in proportion to their shareholding in the Company (Pre-emptive Rights), AAI shall offer for sale the remaining ordinary shares to the general public according to (a).

Such offering of the ordinary shares in the initial public offering (IPO) will result in the dilution of the Company's shareholding proportion in AAI from 100 percent of the paid-up capital (before the IPO) to not less than 70.00 percent of the paid-up capital (after the IPO). AAI will retain its status as the Company's subsidiary.

Such transaction is classified as an asset disposal transaction under the Notification of the Capital Market Supervisory Board No. TorJor. 20/2551 Re: Rules on Entering into Material Transactions Deemed as Acquisitions or Disposals of Assets (including any amendment thereto) 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) (including any amendment thereto), having the highest transaction value calculated according to the net profit basis, equivalent to 19.18 percent. However, there were no other asset disposal transactions which are required to be calculated during the 6 (six) months period prior to the date on which the Board of Directors Meeting resolved to approve the Spin-Off Plan. In this regard, such transaction is classified as a Type 2 Asset Disposal Transaction, i.e., a transaction with the size of 15.00 percent or higher but lower than 50.00 percent. As a result, the Company is required to immediately prepare a report and disclose the information memorandum on the entering into of the transaction to the SET, whereby the information memorandum must comprise at least the information required under Schedule (1) annexed to 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), as well as to send a written notice to the shareholders of the Company within the period of 21 days from the date on which the information memorandum on the entering into of the transaction is disclosed to the SET.

The said transaction is classified as an asset disposal transaction under the Notifications on Acquisition or Disposal, whereby the transaction size is calculated by using the financial information from the consolidated financial statements of the Company, for the 6 (six) months period, ending 30 June 2021 which have been reviewed by auditor, and the consolidated financial statements of AAI, for the 6 (six)



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months period, ending 30 June 2021 which have been reviewed by auditor. The details of the transaction size calculation are as follows:

Calculation Basis		Calculation Formula
1. Net Tangible Assets	=	The value of Net Tangible Assets of AAI proportionately disposed / Net Tangible Assets of the Company
	=	(MB 2,029.41 x 30.00%) / MB 3,616.23
	=	16.84%
2. Net Profit	=	Net Profit <sup>(1)</sup> of AAI proportionately disposed / Net Profit <sup>(1)</sup> of the Company
	=	(MB 588.87 x 30.00%) / MB 921.15
	=	19.18%
3. Total Value of Consideration	=	AAI's book value <sup>(2)</sup> x Portion of shares being disposed / Value of total assets of the Company
	=	(MB 2,046.74 x 30.00%) / MB 7,191.35
	=	8.54%
4. Value of Securities Issued by the Company		
		Not applicable as the Company does not issue its securities in exchange for the assets acquired.

Remarks:

(1) Net profit for the past 12 months from 1 July 2020 - 30 June 2021.

(2) As the total value of consideration will be in accordance with the offering price of the shares of AAI in the initial public offering (IPO), which currently has not yet been determined. Therefore, the Company has used the AAI's book value with reference to the consolidated financial statements of AAI, for the 6 (six) months period, ending 30 June 2021.

#### 4. Details of the disposed asset





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#### 4.1 Details of the IPO of AAI

<b>Offeror</b>	(1) Newly-issued ordinary shares of AAI  Offered by Asian Alliance International Co., Ltd (AAI)  (2) Existing ordinary shares of AAI held by the Company  Offered by Asian Sea Corporation Public Company Limited (the Company)
<b>Type of Securities Offered</b>	Newly-issued ordinary shares of AAI and existing ordinary shares of AAI held by the Company (currently, the ordinary shares of AAI have not yet been listed on the SET)
<b>Number of Newly-issued Ordinary Shares Offered</b>	The Board of Directors will determine the exact number as appropriate. However, the proportion of shares to be offered above will not be over 30.00 percent of the total paid-up capital of AAI after the initial public offering (IPO), which can be divided into:  (a) the newly-issued ordinary shares of AAI, in the proportion of not less than 20.00 percent of total paid-up capital after the completion of the initial public offering (IPO) of AAI.  (b) the existing ordinary shares in AAI held by the Company, in the proportion of not over 10.00 percent of total paid-up capital after the completion of the initial public offering (IPO) of AAI.
<b>Par value</b>	THB 10.00 per share (which may be subject to change)
<b>The share allocation proportion and record date for those entitled to the subscription under the Pre-emptive Rights</b>	(1) The proportion of exercising the subscription rights for ordinary shares of AAI does not exceed 20.00 percent of the number of ordinary shares in the initial public offering (IPO).  (2) The Chief Executive Officer or the person authorized by the Chief Executive Officer shall determine the date to determine the list of shareholders of the Company



to be entitled to be allocated such shares (Record Date), and the closing date of the book to collect the list of shareholders in accordance with Section 225 of the Securities and Exchange Act B.E. 2535 (1992), which will be determined after the Securities and Exchange Commission (the “SEC”) has approved AAI to offer its ordinary shares in the initial public offering (IPO), and the Company will notify the shareholders of at least 14 days in advance according to the rules of the SET.

**Offering Price**

The offering price has not yet been determined. However, the offering price of ordinary shares of AAI to be allocated to the shareholders entitled to subscribe for the shares in proportion to their shareholding in the Company (Pre-emptive Rights) will be at the same price as the offering price of the shares to be offered in the initial public offering (IPO).

**Offering Period**

The offering period will be after the SEC has approved for AAI to offer the ordinary shares in the initial public offering (IPO), the registration statement and prospectus has become effective, and the SET has approved the application requesting for acceptance of the ordinary shares of AAI as the listed securities with the condition of free-float requirements, which is expected to be in the 4<sup>th</sup> quarter of 2022.

**Other details**

The Company will further inform the shareholders on material details and progress on the issuance and offering of ordinary shares in the initial public offering (IPO), including the offering of the existing ordinary shares of AAI held by the Company.

Remark: The aforementioned details may be subject to change as the Board of Directors and/or its designated person deems appropriate.



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## 4.2 Details of AAI

<b>Type of Business</b>	Conducting business of processing tuna for manufacturing tuna products and pet food, including sale and export
<b>Head Office Address</b>	55/2 Moo 2 Rama II Road, Tambol Bangkrajao, Amphoe Mueang, Samut Sakhon
<b>Registered Capital and Paid-up Capital</b>	THB 1,700,000,000.00
<b>Current Par Value</b>	THB 10.00 per share (which may be subject to change)

## 4.3 Shareholders of AAI

The list of shareholders of AAI as of the date of the disclosure of this Information Memorandum is as follows:

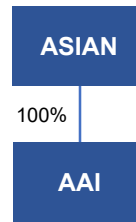
No.	Name	Number of Shares	Shareholding (approx.)
1.	Asian Sea Corporation Public Company Limited	169,999,300	100.00
2.	Mr. Somsak Amornrattanachaikul	400	0
3.	Mr. Somchai Amornrattanachaikul	100	0
4.	Mr. Somsak Sthidthumrong	100	0
5.	Mr. Aekarat Punnasung	100	0
<b>Total</b>		<b>170,000,000</b>	<b>100.00</b>

## 4.4 Shareholding Structure of AAI

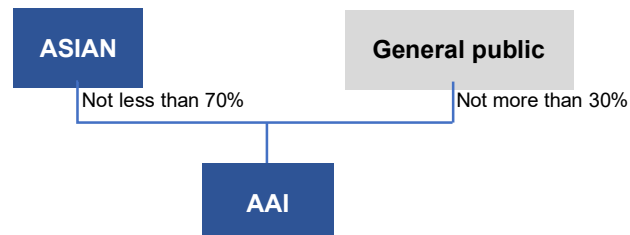
The current shareholding structure of AAI and shareholding structure after the IPO can be summarized as follows:



Shareholding structure before the IPO



Shareholding structure after the IPO



**4.5 Board of Directors of AAI**

The Board of Directors of AAI as of the date of disclosure of this Information Memorandum is as follows:

No.	Name	Position in AAI
1.	Mr. Vichai Assarasakorn	Independent Director / Chairman of Audit Committee
2.	Mr. Kasemsit Pathomsak	Independent Director / Audit Committee
3.	Lt. Sutthinan Hatthawong	Independent Director / Audit Committee
4.	Mr. Somsak Amornrattanachaiikul	Director
5.	Mr. Suriya Prasatbuntitya	Director
6.	Ms. Prapa Puranachote	Director
7.	Mr. Hendrikus Van Westendorp	Director



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No.	Name	Position in AAI
1.	Mr. Vichai Assarasakorn	Independent Director / Chairman of Audit Committee
8.	Mr. Aekarat Punnasung	Director / Managing Director

#### 4.6 Summary of financial position and operation results of AAI

Summary of financial position and operation results of AAI based on AAI's separate financial statements audited by AAI's auditor for the years ended 31 December 2018<sup>(1)</sup>, and AAI's consolidated financial statements which are audited by AAI's auditor for the year ended 31 December 2019 and 2020, and AAI's consolidated financial statements which are audited by AAI's auditor for the 6 (six) months period, ending 30 June 2021 which are detailed as follows:

(Unit: THB million)	As of 31 December			As of
	2018 <sup>(1)</sup>	2019	2020	30 June
<b>Statement of Financial Position</b>				
Total assets	2,711.68	2,920.80	3,563.73	3,443.85
Total liabilities	963.88	1,014.89	907.54	1,397.11
Shareholders' equity	1,747.80	1,905.91	2,656.19	2,046.74
<b>Statement of profit or loss</b>				
Revenues from sales of goods and services	4,151.12	3,588.35	4,512.09	2,415.39
Cost	3,538.05	3,231.72	3,728.54	1,903.58
Gross profit	613.07	356.63	783.55	511.81
Profit before financial income (financial cost) and income tax	465.19	196.64	583.33	360.92



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(Unit: THB million)	As of 31 December			As of 30 June
	2018 <sup>(1)</sup>	2019	2020	2021
Net profit	439.17	167.69	555.22	308.05

Remarks:

- (1) AAI did not prepare the consolidated financial statements in 2018 as all AAI's subsidiaries, associates and joint ventures are all newly established companies in 2018 and 2019. Therefore, such companies have no significant operating results in 2018.

## 5. Total value of consideration

The calculation of the total value of consideration from the Spin-off Plan will depend on the offering price of the newly-issued ordinary shares of AAI and the existing ordinary shares in AAI held by the Company in the initial public hearing (IPO). Currently, the offering price has not yet been determined.

## 6. Value of disposed assets

The disposed assets are the ordinary shares of AAI, whereby the consideration will be received in cash from the investors. Currently, the offering price for the ordinary shares of AAI in the initial public hearing (IPO) has not yet been determined. Therefore, the value of the disposed assets used for the calculation of the transaction size under Clause 3 is equivalent to THB 614.02 million.

## 7. Basis used to determine the value of consideration

Currently, the offering price for the ordinary shares of AAI in the initial public hearing (IPO) has not yet been determined. Therefore, the Company has used the book value of AAI with reference to AAI's consolidated financial statements which are audited by AAI's auditor for the 6 (six) months period, ending 30 June 2021 in the calculation of transaction size based on total value of consideration basis.

## 8. Expected Benefits of the Transaction

### 8.1 Expected benefits to the Company



1) The transaction would lessen the burden of the Company in providing financial supports to the business of processing tuna for manufacturing tuna products and pet food, including sale and export of the Company in the long run, as AAI could raise funds independently through the capital market.

2) The transaction would lessen AAI's financial cost in the long run due to various alternatives for funding. In addition, AAI being a listed company in the SET will help AAI to be able to raise funds with lower cost, which will lessen the Company's overall financial cost.

3) The business structure of the Company will be clearly separated, which will result in the management, policy formulation and operational strategies being more efficient and flexible.

4) After the listing of AAI, the value of the shares of AAI will reflect the actual value and the added value of the business of processing tuna for manufacturing tuna products and pet food, including sale and export of the Company.

5) The Company will receive funds from the sale of existing ordinary shares in AAI held by the Company.

## 8.2 Expected benefits to AAI

1) It will be more flexible and faster for AAI to access sources of funds by means of independent fundraising, rather than predominantly depending on funds from the Company, which will enhance AAI's growth capacity and business expansion in the long run.

2) The transaction would lessen AAI's financial cost in the long run due to various alternatives for funding. In addition, AAI being a listed company will help AAI to be able to raise funds with lower cost.

3) The transaction would promote AAI to be more well-known, enhance the reputation of AAI, including increase the opportunity to seek personnel and/or business partners with knowledge, abilities and experience, and



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increase business growth opportunities by which AAI can more easily enter into business transactions such as mergers and acquisitions (M&A).

4) The business structure of AAI will be clearly separated, which will result in the management, policy formulation and operational strategies being more efficient and flexible.

5) After the listing of AAI, the value of the shares of AAI will reflect the actual value and will have more liquidity and its market price will be able to be used as a reference price for trading securities, or as the consideration to make payment for the asset or business acquisition transactions in the future.

### 8.3 Expected benefits to the shareholders of the Company

1) The Company's shareholders will be entitled to subscribe for AAI's ordinary shares in proportion to their shareholding in the Company (Pre-emptive Rights).

2) The transaction would provide investment alternatives to shareholders and investors by which the shareholders and investors could select to invest in the Company and/or AAI depending on their investment preferences.

3) The Company's shareholders will gain indirect benefits from the value of shares of AAI reflecting the actual value and the added value of the business of processing tuna for manufacturing tuna products and pet food, including sale and export of the Company.

### 9. Plan for the utilization of proceeds

AAI plans to use the proceeds from the issuance and offering of the newly-issued ordinary shares in the initial public offering (IPO) as follows:

- 1) To be used for AAI's business expansion in the future, and/or;
- 2) To be used for repayment of loans from financial institutions, and/or;
- 3) To be used as working capital in the business.





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In this regard, AAI will further determine details and projects which shall be specified in AAI's prospectus, currently in the process of preparation.

The Company plans to use the proceeds from the offering of existing ordinary shares in AAI held by the Company to the general public as follows:

- 1) To be used for the Company's business expansion in the future, and/or;
- 2) To be used for repayment of loans from financial institutions, and/or;
- 3) To be used as working capital in the business

**10. Conditions for the entering into the transaction**

1) The shareholders meeting of AAI has resolved to approve the capital increase for the offering of the newly-issued ordinary shares in the initial public offering (IPO) and the listing of the ordinary shares of AAI on the SET.

2) The SEC has approved for AAI to offer the ordinary shares to the initial public offering (IPO), and the registration statement and draft prospectus has become effective.

3) The SET has approved the listing of the ordinary shares of AAI, with the condition of free-float requirements.

4) AAI has registered the change of its paid-up capital after offering the newly-issued shares in the general public.

**11. Opinions of the Board of Directors on the entering into of the transaction**

The Board of Directors is of the view that it is appropriate to approve the entering into of the transaction, as the Spin-Off Plan is beneficial to the Company, AAI and the Company's shareholders.

**12. Opinions of the Audit Committee and/or the directors of the Company which are different from those of the Board of Directors**

—None—