

Triple i 022/2021

21 December 2021

Subject: The Establishment of Triple i Railgistics Co., Ltd.
To: President
The Stock Exchange of Thailand
Enclosure: 1. Information Memorandum of Triple i Logistics Public Company Limited on the
Establishment of Triple i Railgistics Co., Ltd.

Triple i Logistics Public Company Limited (the “**Company**”) would like to inform that the Board of Directors’ Meeting No. 10/2021, held on 21 December 2021, has passed resolutions to approve the investment and the incorporation of a new company together with Jong Tungcharoen Transport Group Co., Ltd. and Power Interfreight Co., Ltd. (the “**Group of Joint Investors**”) who are experts in rail transportation and inland transportation by truck trailer. The newly setup company shall be named Triple i Railgistics (“**TIR**”) and shall have a registered capital of THB 5.00 million and the total number shares at 500,000 ordinary shares with the par value of THB 10, where the Company will make an investment of THB 2.75 million. (the “**Transaction**”).

The Transaction is considered 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 0.10 percent of total assets of the Company according to the audited consolidated financial statements of the Company for the nine-month period ended 30 September 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 the resolution. When combining such transactions, the highest size of transaction according to the total value of consideration basis is 18.47 percent of total assets of the Company according to the audited consolidated financial statements of the Company for the nine-month period ended 30 September 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. However, after considering the cumulative transaction size for all transactions in the past 6 months up to 21 December 2021, less the size of transactions which the Company has sent a circular notice to the shareholders, as detailed and disclosed to SET on 9 November 2021, the transaction size according to the total value of consideration criteria is 0.10%, which is less than 15%. Therefore, the Company is not required to send a circular letter to the shareholders of the Company within 21 days.

Furthermore, the acquisition of the asset is not considered a transaction between the Company and its related party. 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,

A handwritten signature in blue ink, appearing to read "T. Dalal", with a large, stylized flourish at the end.

(Mr. Tipp Dalal)

Chief Executive Officer

Information Memorandum of Triple i Logistics Public Company Limited

on the Establishment of Triple i Railgistics Co., Ltd.

The board of directors' meeting of Triple i Logistics Public Company Limited (the "**Company**") no. 10/2021, held on 21 December 2021, resolved to approve the investment and the incorporation of a new company together with Jong Tungcharoen Transport Group Co., Ltd. and Power Interfreight Co., Ltd. (the "**Group of Joint Investors**") who are experts in rail transportation and inland transportation by truck trailer. The newly setup company shall be named Triple i Railgistics ("**TIR**") and shall have a registered capital of THB 5.00 million and the total number shares at 500,000 ordinary shares with the par value of THB 10, where the Company will make an investment of THB 2.75 million (the "**Transaction**").

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The Company hereby informs details of the Establishment of TIR as follows:

1. Date of the Transaction

The Company expects to complete the Transaction by January 2022

2. Relevant parties and relationship with the Company

Contracted Party : the Group of Joint Investors which are Miss Mina Chongsuphangkun, Mr. Suphakrit Makphol and other shareholders determined by the Group of Joint Investor

Relationship : the Group of Joint Investors and other shareholders determined by the Group of Joint Investor have no relationship with the Company and are not considered as connected persons 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 will jointly invest and establish TIR with the Group of Joint Investors to develop and provide transportation services by rail and truck. The Company will hold shares in the total number of 275,000 shares, equivalent to 55 percent of the total number of ordinary shares with an investment of THB 2,750,000.

The shareholding structure of this transaction can be illustrated as follow:



3.2. Type and size of the Transaction

The Transaction is considered as the acquisition of assets according to the Notification on Acquisition or Disposition of Assets. The detailed calculations of the size of Transaction are based on the financial statements for the nine-month period ended on 30 September 2021 which have been reviewed by the Company's auditor, are as follows.

Basis of Calculation	Calculation Method
1. Net Tangible Assets ("NTA")*	= Cannot be calculated since TIR is a newly established company
2. Net Profit	= Cannot be calculated since TIR is a newly established company
3. Total Consideration Value	= <u>Value of consideration paid</u> * Total assets of the Company ** = <u>THB 2.75 million</u> THB 2,871.68 million = 0.10%
*The consideration value of share investment in TIR is not exceeding THB 2.75 million	
**Total assets according to the Company's consolidated financial statements ended on 30 September 2021 which have been reviewed by the auditor	
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 0.10 percent of total assets of the Company according to the nine-months period financial statements ended on 30 September 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 18.47 percent of total assets of the Company according to the six-month period financial statements ended on 30 September 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. However, after considering the cumulative transaction size for all transactions in the past 6 months up to 21 December 2021, less the size of transaction which the Company has sent a circular notice to

the shareholders, as detailed and disclosed to SET on 9 November 2021, the transaction size according to the total value of consideration criteria is 0.10%, which is less than 15%. Therefore, the Company is not required to send a circular letter to the shareholders of the Company within 21 days.

4. Details of the assets to be acquired

4.1. Acquired assets

Ordinary shares in TIR, totaling of 275,000 shares, representing 55 percent of the total ordinary shares of TIR.

4.2. General information of Shipsmile

Name of company	:	Triple i Railgistics Co., Ltd.
Country of incorporation	:	Thailand
Paid-up capital	:	THB 5,000,000 / 500,000 shares at THB 10 per share
Type of business	:	Transportation services by rail and truck
Directors	:	1. Mr. Tipp Dalal 2. Mr. Viraj Nobnomtham 3. Mr. Thanut Thatayanon 4. Ms. Mina Chongsuphangkun 5. Mr. Suphakrit Makphol
Details of shareholders and number of shares held	:	1. The Company, holding 275,000 shares 2. The Group of Joint Investor, holding 225,000 shares

4.3. Key financial information

No information since TIR is a newly established company.

5. Total Value of consideration and payment conditions

The Company will invest in the said transaction with proceeds not exceeding THB 2.75 million and will make the total payment on the date of TIR's incorporation.

6. The value of the acquired assets

Regarding the investment and establishment of TIR, the Company will acquire 275,000 ordinary shares (par value at THB 10 per share).

7. Basis used to determine the value of consideration

TIR is a newly incorporated subsidiary. The Company will establish and invest at the Par Value.

8. Expected benefits for the Company

- 1) Opportunity to expand the business under the Company's strategy to be a rail transportation service provider.

Rail Freight transportation is one of the Company's growth plan strategies to develop new logistics service products to be differentiated and beyond the traditional logistics services where the Company will develop rail transportation services for both domestic and cross border.

The investment and setting up TIR with the Group of Joint Investor, who possess experience in providing rail transportation service, will enable the Company to enhance current logistics services of the Company further and jointly develop rail transportation service with the Group of Joint Investor.

- 2) Increasing the Company's income.

After carrying out this transaction, TIR shall be a subsidiary of the Company. The Company will be able to recognize revenue and profit from this 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 TIR's ordinary shares not exceeding THB 2.75 million using its operating cash flow.

10. Condition for the Transaction

None

11. Opinion of the board of directors of the Company

The board of directors meeting no. 10/2021 held on 21 December 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, 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