



LTR.SEA 024/2565

7<sup>th</sup> March 2022

Subject: Report on the Resolution of the Board of Director Meeting for the schedule of 2022 AGM, Dividend Payment, Capital Decrease and Capital Increase, Disposal of Assets and Connected Transaction (**Revised**)

To: The Director and Manager  
The Stock Exchange of Thailand

Enclosure: Information Memorandum of Sea Oil Public Company Limited on Connected Transaction

Sea Oil Public Company Limited (the “Company”) would like to inform that the Board of Director Meeting No. 3/2022 as held on 7 March 2022 has passed the important resolutions as follows: -

1. Agreed to propose to the Annual General Meeting of Shareholders to consider and approve the dividend payment from the retain earnings which is subject to 20% of corporate income tax as follows:
  - 1.1. Approved payment of stock dividend by the ordinary shares of the Company in the amount not exceeding 43,300,498 shares at a par value of 1 Baht per share to Company’s shareholders in the ratio of 15 current shares per 1 dividend share having the total value of not exceeding Baht 43,300,498 or equivalent to payment of Baht 0.0666666667 per shares. In case any shareholder holds the indivisible share remaining after such allocation, the dividend shall be paid by cash in the amount of Baht 0.0666666667 per share.
  - 1.2. Approved payment of cash dividend at the rate of Baht 0.0074074075 per share, or approximately Baht 4,811,167.  
  
In combination, the stock dividend and cash dividend shall be paid at the rate of Baht 0.0740740742 per share, or approximately Baht 48,111,665. All dividends shall be subject to withholding tax at the rate stipulated by law.  
  
By specifying the list of shareholders who are entitled to receive the dividend on 22 March 2022, the dividend payment will be paid on 20 May 2022 after obtaining approval from the Annual General Meeting of Shareholders.  
  
However, the granting of such rights of the Company is uncertain because an approval by the Annual General Meeting of Shareholders is still required.
2. Agreed to propose to the Annual General Meeting of Shareholders for consideration and approval of the decrease in the Company’s registered capital from Baht 649,509,110 to Baht 649,507,473 by cutting off non-issued 1,637 ordinary shares at a par value of Baht 1 per share, totaling Baht 1,637 and the amendment of Clause 4 of the Company’s memorandum of association to be in accordance with the decrease of such registered capital.
3. Agreed to propose to the Annual General Meeting of Shareholders for consideration and approval of the increase in the Company’s registered capital from Baht 649,507,473 to Baht 692,807,971 by issuing 43,300,498 new ordinary shares at a par value of Baht 1 per share, totaling Baht 43,300,498 to support the stock dividend payment and the amendment to Clause 4 of the Company’s Memorandum of association to be in accordance with the increase of registered capital for stock dividend payment.



4. Approved to propose the Annual General Meeting of Shareholders to re-Appoint three directors who are retired by rotation as follows:-

- |                                  |   |
|----------------------------------|---|
| (1) Mr. Apisit Rujikeatkamjorn   | Chairman  |
| (2) Mr. Prompong Chaisrisawatsuk | Director  |
| (3) Dr. Chalermwit Chimtragoon   | Independent Director / Member of Audit Committee / Member of Nomination, Remuneration and Corporate Governance Committee. |

In addition, the Company has provided the opportunity for shareholders to propose a candidate to be elected as a Company's director during 22 November 2021 to 15 February 2022 prior to the Annual General Meeting of Shareholders 2022. However, there was no candidate to be proposed as a Company's director from shareholders.

Therefore, Company's board meeting (excluding interested directors) resolved in approve of the Nomination, Remuneration and Corporate Governance Committee's consideration regarding individual qualifications and propose as follows:

- |                                  |   |
|----------------------------------|---|
| (1) Mr. Apisit Rujikeatkamjorn   | Chairman, re-elected for another term   |
| (2) Mr. Prompong Chaisrisawatsuk | Director, re-elected for another term   |
| (3) Ms. Atchareeya Bansit        | Independent Director / Member of Audit Committee / Member of Nomination, Remuneration and Corporate Governance Committee in replace of Dr. Chalermwit Chimtragoon who is retired by rotation and no longer wishes to continue his term in order to comply with Company's Corporate Governance Policy. |

5. Approved to propose the Annual General Meeting of Shareholders to consider and approve the remuneration of the director and subcommittee for 2022 of not exceeding 10 million baht which consists of monthly remuneration, attendance fee, incentive fee and others as proposed by the NRCGC and approved the incentive fee for 2021 of not exceeding 1.60 million baht payable to Non-Executive Director, as the allocation of said amount will be considered by the Chairman.

6. Approved to propose the Annual General Meeting of Shareholder to appoint Price Waterhouse Coopers ABAS Company Limited to be Company's auditor for the year 2022 as follows:-

- |                               |                              |
|-------------------------------|------------------------------|
| (1) Mr. Chaisiri Ruangritchai | C.P.A. Registration No. 4526 |
| (2) Ms. Varaporn Vorathitikul | C.P.A. Registration No. 4474 |
| (3) Mr. Vichien Khingmontri   | C.P.A. Registration No. 3977 |

7. In the absence of the above - named auditors, Price WaterhouseCoopers ABAS Company Limited is authorized to identify other Certified Public Accountant within Price WaterhouseCoopers ABAS Company Limited to carry out the work and consider approving the audit fee for the year 2022 in amount of Baht 2,700,000 (Two Million Seven Hundred Thousand Baht) as the consideration is passed from the Audit Committee. In addition, mentioned auditors shall have no relation and/or interest with the Company, Company's subsidiary, executive, major shareholder or any person related to such entity or person.



Approved to propose that the 2022 Annual General Meeting of Shareholders approve the disposal of all shares held by the Company in Sea Oil Petrochemical Company Limited (“Sea Oil Petrochemical”), a subsidiary of the Company, amounting to 2,039,998 shares, equivalent to 99.99 percent of the total number of shares of Sea Oil Petrochemical, to Natural Energy Refinery Company Limited (the “Purchaser”). The Company will receive consideration of THB 256,000,000.00 for such disposal of shares (the “Disposal of Shares in the Subsidiary Transaction”). Currently, Sea Oil Petrochemical is engaged in the production and distribution of solvents and liquefied petroleum products.

In this regard, after completion of the Disposal of Shares in the Subsidiary Transaction, the Company will no longer hold any shares in Sea Oil Petrochemical and Sea Oil Petrochemical will cease to be the Company’s subsidiary.

The Disposal of Shares in the Subsidiary Transaction is regarded as a disposal of assets under 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 August 31, 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 October 29, 2004 (as amended). From the calculation of the transaction size using the basis of highest transaction value based on the Company’s consolidated financial statements for the year ended December 31, 2021, which had been reviewed by the certified auditor, and various calculation methods under the Notifications on Acquisition or Disposition of Assets, the highest transaction value is equal to 8.27 percent on the total value of consideration received basis. In the absence of any transactions on the disposal of assets during the period of six months prior to the execution of this transaction which have not been approved by the Shareholders’ Meeting. In this regard, the maximum transaction value of the disposal of assets of the Company is equal to 8.27 percent, which is calculated on the total value of consideration received basis. Therefore, such transaction is not regarded as a disposal of assets transaction that results in the Company is required to prepare a report and disclose an information in respect of the entering into the transaction to the Stock Exchange of Thailand.

However, the Disposal of Shares in the Subsidiary Transaction is also considered a connected transaction of the Company because Nathalin Company Limited and Mr. Churdchoo Panboonhom are major shareholders of the Company and the Purchaser. Therefore, the Purchaser is deemed as a connected person of the Company under the Notification of the Capital Market Supervisory Board No. TorJor. 21/2551 Re: Rules on Connected Transactions dated August 31, 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 Connected Transactions B.E. 2546 (2003) dated November 19, 2003 (as amended). From the calculation of the connected transaction value, the transaction size is equal to THB 256,000,000, equivalent to 15.65 percent of the Company’s net tangible assets based on the Company’s financial statements for the year ended December 31, 2021, which had been reviewed by the certified auditor. In the absence of any transaction with the same type of connected transactions of the Company entered with the same person in the past six months which have not been approved by the Shareholders’ Meeting, the value of connected transaction is equal to THB 256,000,000, equivalent to 15.65 percent of the Company’s net tangible assets. Therefore, such connected transaction value exceeds THB 20,000,000, and exceeds 3 percent of the Company’s net tangible assets.

In this regard, the Board of Directors resolved to propose that the 2022 Annual General Meeting of Shareholders approve the delegation of authority to the Chief Executive Officer or the person authorized by the Chief Executive Officer to consider and take any actions necessary for the execution of the Disposal of Shares in the Subsidiary Transaction,



including to negotiate, enter into, sign and amend the share purchase agreement, arrangements, agreements and documents relating to the Disposal of the Shares in Subsidiary Transaction, and to set out terms and conditions and other details necessary for and in connection with the Disposal of Shares in the Subsidiary Transaction under the applicable laws.

Please consider the details relating to the Disposal of Shares in the Subsidiary Transaction in accordance with the Information Memorandum of Sea Oil Public Company Limited on Connected Transaction (Enclosure).

8. Approved the schedule of the Annual General Meeting of Shareholders 2022 via Electronic Meeting (E-AGM) only to be held on Thursday at 28 April 2022 at 14.00 hours [with a meeting system control location](#) at Srinakorn Meeting Room in Varich Building No.88 Soi Bangna-Trad 30, Debaratna Road, Bangna-Tai, Bangna, Bangkok 10260 and set the record date for the right of shareholders to attend the Annual General Meeting of Shareholders 2021 and right to receive the dividend on 22 March 2022. The Meeting Agenda are as follows: -

Agenda 1 To consider and certify the Minutes of Annual General Meeting of Shareholders 2021 on 9 April 2021

Agenda 2 To acknowledge of the operating result for the year 2021

Agenda 3 To consider the approval of the Financial Statement for the year ended December 31, 2021

Agenda 4 To consider the approval of profit appropriation of statutory capital reserve and the dividend payment

Agenda 5 To consider the approval for the decrease of the Company's register capital 1,637 shares and the approval for the amendment to Clause 4 of the Company's Memorandum of association to be in line with the decrease of the Company's registered capital

Agenda 6 To consider the approval for the increase of the Company's register capital 43,300,498 shares to support stock dividend payment and the approval for the amendment to Clause 4 of the Company's Memorandum of association to be in line with the increase of the Company's registered capital

Agenda 7 To consider the approval for the allocation of newly issued ordinary shares to support the dividend payment

Agenda 8 To consider the approval for the re-appointment of the Company's directors in place of the directors who are retired by rotation

Agenda 9 To consider the approval for the remuneration of directors for the year 2022

Agenda 10 To consider the approval for the appointment of auditors and determine the auditing fee for the year 2022

Agenda 11 To consider the approval of selling all shares of Sea Oil Petrochemical Co., Ltd. to a Connected Person

Agenda 12 Other matter (if any)

In addition, the Company provided the opportunity for shareholders to propose meeting agenda and/or candidates to be proposed as a Company's director, during 22 November 2021 to 15 February 2022, prior to the Annual General Meeting of Shareholders 2022. However, there was no meeting agenda and /or candidate to be proposed as director from shareholders.



บริษัท ซีออยล์ จำกัด (มหาชน)  
SEA OIL PUBLIC COMPANY LIMITED

Please be informed accordingly,

Sincerely Yours,  
Sea Oil Public Company Limited

(Ms. Neeracha Panboonhom)  
President and Chief Executive Officer

(F 53-4)

**Capital increase report form**  
**Sea Oil Public Company Limited**  
**Date March 8, 2022**

We, Sea Oil Public Company Limited, (“Company”) hereby report on the resolution of board of directors meeting no. 3/2022, held on 7 March 2022 at a Company’s workplace, relating to a capital increase/share allotment as follows:

**1. Capital decrease and increase:**

- 1.1. The board meeting passed a resolution approving the decrease of the Company’s registered capital from THB 649,509,110 to THB 649,507,473 by cutting off outstanding ordinary shares from the allotment of increased ordinary shares in 2021, totaling 1,637 shares with a par value of THB 1 and
- 1.2. The board meeting passed a resolution approving the increase of the Company’s registered capital from THB 649,507,473 to THB 692,807,971, by issuing 43,300,498 ordinary shares with a par value of THB, totaling THB 43,300,498.

**2. Allotment of new shares:**

2.1 If specifying the purpose of utilizing proceeds

Allotted to	Number of shares (shares)	Ratio (old : new)	Sale price (THB/share)	Subscription and payment period	Note
Existing shareholders	43,300,498	15 : 1	-	After the 2022 AGM	To support payment of dividend stock

2.2 In case any shareholder holds the indivisible share remaining after such allocation, the dividend shall be paid by cash in the amount of Baht 0.0666666667 per share.

**3. Schedule for a shareholders’ meeting to approve the capital increase/allotment**

The Annual General Meeting of Shareholders via electronic meeting is scheduled to be held on 28 April 2022 at 14.00 hours at 14.00 hours with a meeting system control location at Srinakorn Meeting Room in Varich Building No.88 Soi Bangna-Trad 30, Debaratna Road, Bangna-Tai, Bangna, Bangkok 10260 and set the record date for the right of shareholders to attend the Annual General Meeting of Shareholders 2021 and right to receive the dividend on 22 March 2022.

Note : The granting of such rights of the Company is uncertain because an approval by the Annual General Meeting of Shareholders is required.

**4. Approval of the capital increase/share allotment by relevant governmental agency and conditions thereto (if any)**

4.1 Application of registration of capital decrease, increase, change of paid-up capital and amendment of Company’s memorandum of association to the Department of Business Development, Ministry of Commerce.

4.2 The Company will proceed to apply with the Stock of Exchange of Thailand for approval of newly issued ordinary shares as listed security.

**5. Objectives of the capital increase and plans for utilizing proceeds received from the capital increase**

The Company will allot dividend stock to existing shareholders in return for their investment as dividend stock instead of payment of dividend in cash.

**6. Benefits which the Company will receive from the capital increase/share allotment:**

- 6.1 To enhance liquidity of Company's stocks
- 6.2 To maintain liquidity of Company's working capital

**7. Benefits which shareholders will receive from the capital increase/share allotment:**

7.1 The Company has set a Dividend Payment Policy for payment of dividend in ratio of not less than 30 percent of net profit after deduction of corporate income tax and other fees as required by laws and Company's regulations.

7.2 Shareholders will be entitled to receive allotment of dividend stocks and future Company's dividend subject to Company's Dividend Payment Policy.

**8. Other details necessary for shareholders to approve the capital increase/share allotment:**

-None-

**9. Schedule of action if the board of directors passes a resolution approving the capital increase or allotment of new shares:**

No.	Procedures of the capital increase	Date/Month/Year
1	The Board of Director Meeting No. 3/2022	7 March 2022
2	Specification of shareholders who are entitled to participate in the AGM 2022 and dividend payment (Record Date)	22 March 2022
3	Annual General Meeting of Shareholder 2022	28 April 2022
4	Registration of capital decrease/increase and amendment of Company's memorandum of association to the Ministry of Commerce	Within 14 days from the date of the board meeting's resolution
5	Dividend payment	20 May 2022

The Company hereby certifies that the information contained in this report form is true and complete in all respects.

Signed.....

(Ms. Neeracha Panboonhom)

President and Chief Executive Officer

**Information Memorandum of Sea Oil Public Company Limited  
on Connected Transaction**

The Board of Directors' Meeting of Sea Oil Public Company Limited (the "**Company**") No. 3/2022 which was held on March 7, 2022, resolved to approve the disposal of all shares held by the Company in Sea Oil Petrochemical Company Limited ("**Sea Oil Petrochemical**"), a subsidiary of the Company, amounting to 2,039,998 shares, equivalent to 99.99 percent of the total number of shares of Sea Oil Petrochemical, to Natural Energy Refinery Company Limited (the "**Purchaser**" or "**Natural Energy**"). The Company will receive consideration of THB 256,000,000 for such disposal of shares (the "**Disposal of Shares in the Subsidiary Transaction**"). Currently, Sea Oil Petrochemical is engaged in the production and distribution of solvents and liquefied petroleum products.

In this regard, after completion of the Disposal of Shares in the Subsidiary Transaction, the Company will no longer hold any shares in Sea Oil Petrochemical and Sea Oil Petrochemical will cease to be the Company's subsidiary.

The Disposal of Shares in the Subsidiary Transaction is regarded as a disposal of assets under 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 August 31, 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 October 29, 2004 (as amended) (the "**Notifications on Acquisition or Disposition of Assets**"). From the calculation of the transaction size using the basis of highest transaction value based on the Company's consolidated financial statements for the year ended December 31, 2021, which had been reviewed by the certified auditor, and various calculation methods under the Notifications on Acquisition or Disposition of Assets, the highest transaction value is equal to 8.27 percent on the total value of consideration received basis. In the absence of any transactions on the disposal of assets during the period of six months prior to the execution of this transaction which have not been approved by the Shareholders' Meeting. In this regard, the maximum transaction value of the disposal of assets of the Company is equal to 8.27 percent, which is calculated on the total value of consideration received basis. Therefore, such transaction is not regarded as a disposal of assets transaction that results in the Company is required to prepare a report and disclose an information in respect of the entering into the transaction to the Stock Exchange of Thailand (the "**SET**") pursuant to the Notifications on Acquisition or Disposition of Assets.

However, the Disposal of Shares in the Subsidiary Transaction is also considered a connected transaction of the Company because Nathalin Company Limited ("**Nathalin**") and Mr. Churdchoo Panboonhom are major shareholders of the Company and the Purchaser. As of the date of this information memorandum,

- (1) **Nathalin** (a) holds shares in the Company that is equal to 45.04 percent of the total paid-up shares of the Company, and (b) indirectly holds shares in the Purchaser through 9 Element Company Limited that is equal to 64 percent of the total shares of 9 Element Company Limited.

9 Element Company Limited holds shares in the Purchaser that is equal to 99.9996 percent of the total shares of the Purchaser.

- (2) **Mr. Churdchoo Panboonhom** (a) holds shares in the Company that is equal to 10.60 percent of the total paid-up shares of the Company, and (b) indirectly holds shares in the Purchaser through Nathalin Corporation Company Limited (which is an indirect major shareholder of the



Purchaser) that is equal to 99.98 percent of the total paid-up shares of Nathalin Corporation Company Limited.

(1) Nathalin Corporation Company Limited holds shares in Nathalin, that is equal to 99.9999 percent of the total shares of Nathalin, (2) Nathalin holds shares in 9 Element Company Limited that is equal to 64.9999 percent of the total shares of 9 Element Company Limited, and (3) 9 Element Company Limited holds shares in the Purchaser that is equal to 99.9996 percent of the total shares of the Purchaser.

For such reasons, the Purchaser is deemed as a connected person of the Company under the Notification of the Capital Market Supervisory Board No. TorJor. 21/2551 Re: Rules on Connected Transactions dated August 31, 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 Connected Transactions B.E. 2546 (2003) dated November 19, 2003 (as amended) (collectively referred to as the “**Notifications on Connected Transactions**”). From the calculation of the connected transaction value, the transaction size is equal to THB 256,000,000, equivalent to 15.65 percent of the Company’s net tangible assets based on the Company’s financial statements for the year ended December 31, 2021, which had been reviewed by the certified auditor. In the absence of any transaction with the same type of connected transactions of the Company entered with the same person in the past six months which have not been approved by the Shareholders’ Meeting, the value of connected transaction is equal to THB 256,000,000, equivalent to 15.65 percent of the Company’s net tangible assets. Therefore, such connected transaction value exceeds THB 20,000,000 and exceeds 3 percent of the Company’s net tangible assets. In this regard, the Company is required to comply with the Notifications on Connected Transactions, which require the Company to take the following actions:

- (1) To report and disclose the information memorandum on disposal of assets, which is a connected transaction of the Company, to the SET immediately, which must at least contain the information as required in the Notifications on Connected Transactions;
- (2) To appoint an independent financial advisor to carry out the relevant functions, including providing its opinions as required by the Notifications on Connected Transactions, whereby the independent financial advisor’s report shall be delivered to the shareholders for consideration along with the invitation letter for the Shareholders’ Meeting. In this regard, the Company has appointed [Avantgarde Capital Company Limited](#), which is a financial advisor on the list approved by the SEC Office, as the independent financial advisor to provide the shareholders with its opinion on the execution of the transaction on disposal of assets which is a connected transaction; and
- (3) To convene a Shareholders’ Meeting of the Company to approve the disposal of assets, which is a connected transaction, by delivering the invitation letter for the Shareholders’ Meeting to the shareholders at least 14 days prior to the date of the Shareholders’ Meeting, in order to obtain approval from the Shareholders’ Meeting with not less than three-fourths of all votes of the shareholders present at the Meeting and entitled to vote, excluding such votes of the following interested shareholders:
  - (a) Nathalin is a major shareholder of the Company and the Purchaser. As of the date of this information memorandum, Nathalin (a) holds shares in the Company that is equal to 45.04 percent of the total paid-up shares of the Company, and (b) indirectly holds shares in the Purchaser through 9 Element Company Limited that is equal to 64 percent of the total shares of 9 Element Company Limited.

9 Element Company Limited holds shares in the Purchaser that is equal to 99.9996 percent of the total shares of the Purchaser.

- (b) Mr. Churdchoo Panboonhom is a major shareholder of the Company and Nathalin Corporation Company Limited (which is an indirect major shareholder of the Purchaser). As of the date of this information memorandum, Mr. Churdchoo Panboonhom (a) holds shares in the Company that is equal to 10.60 percent of the total paid-up shares of the Company, and (b) indirectly holds shares in the Purchaser through Nathalin Corporation Company Limited (which is an indirect major shareholder of the Purchaser) that is equal to 99.98 percent of the total paid-up shares of Nathalin Corporation Company Limited.

(1) Nathalin Corporation Company Limited holds shares in Nathalin that is equal to 99,9999 percent of the total shares of Nathalin, (2) Nathalin holds shares in 9 Element Company Limited that is equal to 64.9999 percent of the total shares of 9 Element Company Limited, and (3) 9 Element Company Limited holds shares in the Purchaser that is equal to 99.9996 percent of the total shares of the Purchaser.

The Company would like to inform the details of the Disposal of Shares in the Subsidiary Transaction as follows:

**1. Date of the Transaction**

The Company will enter into the Disposal of Shares in the Subsidiary Transaction after (a) the Company has obtained the approval from the 2022 Annual General Meeting of Shareholders which will be held on April 28, 2022 and (b) the Company and the Purchaser have satisfied all conditions precedents specified in the share purchase agreement and/or received a waiver from the relevant contracting party. [The significant conditions precedents are as follows:](#)

1. [The Board of Directors' meeting and the shareholders' meeting of the Company approved the sale of all shares in Sea Oil Petrochemical to a connected person](#)
2. [The Board of Directors' meeting and/or the shareholders' meeting of Sea Oil Petrochemical \(as the case may be\) approved the following matters:](#)
  - (1) [the appointment of new directors of Sea Oil Petrochemical as proposed by the Purchaser;](#)
  - (2) [the change of the authorized directors of Sea Oil Petrochemical as proposed by the Purchaser; and](#)
  - (3) [the change of the authorized bank signatories of Sea Oil Petrochemical as proposed by the Purchaser.](#)
3. [The Board of Directors' meeting and/or the shareholders' meeting of the Purchaser \(under the laws and article of association\) approved the purchase and acceptance of transfer share in Sea Oil Petrochemical from the Company.](#)

The Company expects the signing of the share purchase agreement and the entry into the Disposal of Shares in the Subsidiary Transaction to be completed within the second quarter of 2022.

**2. Related Parties and Relationship with the Listed Company**

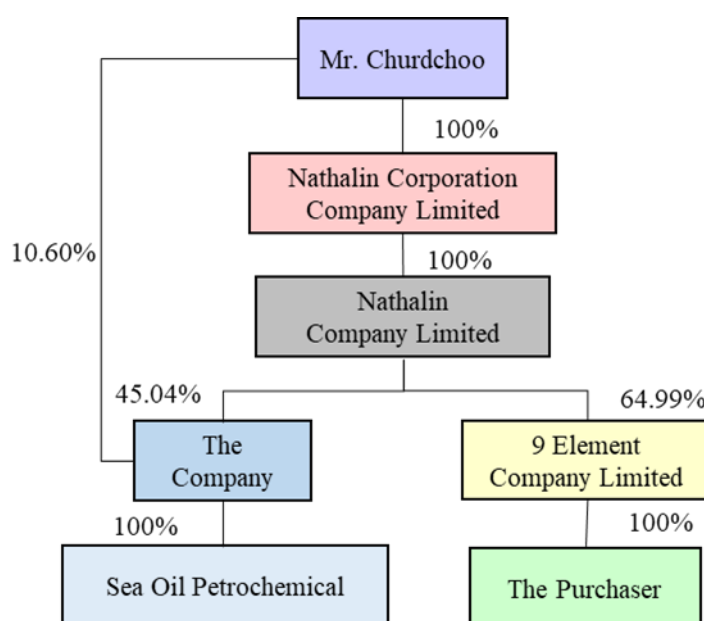
**The Seller** : Sea Oil Public Company Limited

**The Purchaser** : Natural Energy Refinery Company Limited

**Value of the Consideration** : THB 256,000,000

**Number of Shares for Sale** : All ordinary shares held by the Company in Sea Oil Petrochemical amounting to 2,039,998 shares, equivalent to 99.99 percent of the total number of shares of Sea Oil Petrochemical

**The Nature of Relationship** :



The Purchaser is deemed as a connected person of the Company as prescribed by the Notifications on Connected Transactions. This is because Nathalin and Mr. Churdchoo Panboonhom are major shareholders of the Company and the Purchaser. As of the date of this information memorandum,

- (1) **Nathalin** (a) holds shares in the Company that is equal to 45.04 percent of the total paid-up shares of the Company, and (b) indirectly holds shares in the Purchaser through 9 Element Company Limited that is equal to 64 percent of the total shares of 9 Element Company Limited.

9 Element Company Limited holds shares in the Purchaser that is equal to 99.9996 percent of the total shares of the Purchaser.

- (2) **Mr. Churdchoo Panboonhom** (a) holds shares in the Company that is equal to 10.60 percent of the total paid-up shares of the Company and (b) indirectly holds shares in the Purchaser through Nathalin Corporation Company Limited (which is an indirect major shareholder of the Purchaser) that is equal to 99.98 percent of the total paid-up shares of Nathalin Corporation Company Limited.

(1) Nathalin Corporation Company Limited holds shares in Nathalin, that is equal to 99.9999 percent of the total shares of Nathalin, (2) Nathalin holds shares in 9 Element Company Limited that is equal to 64.9999 percent of the total shares of 9 Element Company Limited, and (3) 9 Element Company Limited holds shares in the Purchaser that is equal to 99.9996 percent of the total shares of the Purchaser.

### 3. **General Characteristics of the Transaction**

The Company will dispose of all shares in which the Company holds in Sea Oil Petrochemical totaling 2,039,998 shares, equivalent to 99.99 percent of the total number of shares of Sea Oil Petrochemical to Natural Energy. The Company will receive consideration for the sale of such shares of THB 256,000,000. Therefore, after the Disposal of Shares in the Subsidiary Transaction is completed, the Company will no longer hold any shares in Sea Oil Petrochemical and Sea Oil Petrochemical will cease to be the Company's subsidiary.

Natural Energy will pay consideration for the sale of such shares on the closing date of the share purchase. The Company expects that the Disposal of Shares in the Subsidiary Transaction will be completed within the second quarter of 2022.

**Structure before the Transaction**



**Structure after the Transaction**



#### 4. Details of Assets Disposed

Sea Oil Petrochemical is engaged in the business of production and distribution of solvents and liquefied petroleum products which condensate (lightweight hydrocarbon compounds) is used to produce solvents that are used in various industries such as rubber manufacturing, and solvents production in paint industry. The difference in boiling points of hydrocarbon compounds are used in the process of producing main products including rubber solvent, white spirit, and diesel as a by-product. The general information of Sea Oil Petrochemical is detailed below:

<b>Name of the Company</b>	Sea Oil Petrochemical Company Limited	
<b>Location</b>	700/340 Moo. 6, Don Hua Lo Sub-District, Chon Buri District, Chon Buri Province 20000	
<b>Nature of Business</b>	Production and distribution of solvents and liquefied petroleum products	
<b>Registration Date</b>	July 4, 1994	
<b>The Capital Structure</b>	Sea Oil Petrochemical has registered capital of THB 204,000,000 which is divided into 2,040,000 ordinary shares with a par value of THB 100 (fully paid-up)	
<b>Shareholding Structure (Before the transaction)</b>	<u>Shareholder's Name</u>	<u>Percentage of Shareholding</u>
	Sea Oil Public Company Limited	99.9998
	Mr. Prompong Chairsrisawatsuk	0.00001
	Miss Neeracha Panboonhom	0.00001
<b>Shareholding Structure (After the transaction)</b>	<u>Shareholder's Name</u>	<u>Percentage of Shareholding</u>
	<u>Natural Energy Refinery Company Limited</u>	99.9998
	Person who proposed by the Purchaser.	0.00001
	Person who proposed by the Purchaser.	0.00001
<b>Board of Directors (Before the transaction)</b>	<ol style="list-style-type: none"> <li>1. Miss Neeracha Panboonhom</li> <li>2. Mrs. Suthida Karuedetkosol</li> <li>3. Mr. Channarong Tungfung</li> </ol>	
<b>Board of Directors (After the transaction)</b>	Person who proposed by the Purchaser.	

#### Financial Information and Operational Results of Sea Oil Petrochemical

Financial Information and Operational Results of Sea Oil Petrochemical between the fiscal years ended of December 31, 2018 and December 31, 2020, are as follows:

(Unit: Million THB)	Information in Financial Statements of Sea Oil Petrochemical ended on		
	December 31, 2020	December 31, 2019	December 31, 2018
<b>Total Assets</b>	237.35	371.93	332.87
Current Assets	10.25	61.01	39.86
Non-Current Assets	227.10	310.92	293.01
<b>Total Liabilities</b>	230.48	312.28	233.19
Current Liabilities	229.76	311.26	232.38
Non-Current Liabilities	0.72	1.02	0.81
Retained earnings (deficits)	(197.13)	(144.34)	(104.32)
Equity	6.87	59.65	99.68
<b>Revenue from sales</b>	13.09	255.20	-
Other income	3.38	0.02	28.64
Cost of sales	(48.06)	(273.95)	-
Administrative expenses and financial cost	(21.20)	(21.29)	(14.74)
<b>Net Profit (Loss)</b>	(52.79)	(40.02)	13.90

## 5. Calculation of the Transaction Size

### 5.1 Financial Information

(Unit: Million THB)	The Company <sup>(1)</sup>	Sea Oil Petrochemical <sup>(2)</sup>
<b>Total Assets</b>	3,096.60	237.35
Intangible Assets and Deferred tax assets	12.26	0.31
<b>Total Liabilities</b>	1,419.32	230.48
Non-Controlling Interests	29.27	0.00
<b>Net Tangible Assets (NTA)</b>	1,635.75	6.56
Net Profit (Last Four Quarters)	240.03	(52.79)
<b>Net Profit (Loss)</b>	240.03	(52.79)

**Remarks:**

- (1) Based on the information in the consolidated financial statements of the Company for the year ended December 31, 2021 which has been reviewed by the auditor.
- (2) Based on the information in the financial statements of Sea Oil Petrochemical for the year ended

December 31, 2020 which has been reviewed by the auditor.

## 5.2 Transaction Size of Disposal of Assets and Connected Transaction

### 5.2.1 Transaction Size of Disposal of Assets

The entry into the Disposal of Shares in the Subsidiary Transaction is considered as a disposal of assets under the Notifications on the Acquisition or Disposition of Assets. From the calculation of the transaction size using the basis of highest transaction value based on the Company's consolidated financial statements for the year ended December 31, 2021, which had been reviewed by the certified auditor, and various calculation methods under the Notifications on the Acquisition or Disposition of Assets, the highest transaction value is equal to 8.27 percent on the total value of consideration received basis. In the absence of any transactions on the disposal of assets during the period of six months prior to the execution of this transaction which have not been approved by the Shareholders' Meeting. In this regard, the maximum transaction value of the disposal of assets of the Company is equal to 8.27 percent, which is calculated on the total value of consideration received basis. The details of the calculation are as follows:

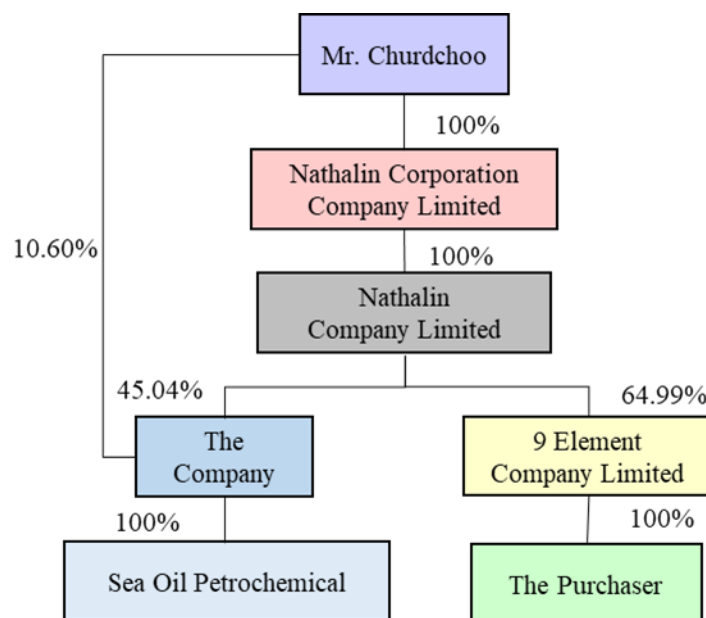
Basis for Calculation	Formula	Calculation	Size
Net Tangible Assets (NTA)	$\frac{\text{NTA of the assets disposed of} \times \text{Proportion of the assets disposed of} \times 100}{\text{NTA of the Company}^{(1)}}$	$\frac{6,560,984 \times 100}{1,635,746,090}$	0.40%
Net Operating Profit	$\frac{\text{Net Profit of the assets disposed of} \times \text{Selling ratio} \times 100}{\text{Net operating profits of the Company}^{(1)}}$	This method cannot be calculated because Sea Oil Petrochemical has a loss.	
Value of Consideration	$\frac{\text{Value of transaction received} \times 100}{\text{Total assets of the Company}^{(1)}}$	$\frac{256,000,000 \times 100}{3,096,597,356}$	8.27%
Value of Equity Shares Issued for the Payment of Assets	This method cannot be calculated because no shares were issued		

Remarks: (1) based on the information in the consolidated financial statements of the Company for the year ended December 31, 2021, which had been reviewed by the auditor.

Therefore, such transaction is not regarded as a disposal of assets transaction that results in the Company is required to prepare a report and disclose an information in respect of the entering into the transaction to the Stock Exchange of Thailand (the "SET") pursuant to the Notifications on Acquisition or Disposition of Assets.



### 5.2.2 Transaction Size of Connected Transaction



The Disposal of Shares in the Subsidiary Transaction is deemed as a connected transaction of the Company because Nathalin and Mr. Churdchoo Panboonhom are the major shareholders of the Company and the Purchaser. As of the date of this information memorandum,

- (1) **Nathalin** (a) holds shares in the Company that is equal to 45.04 percent of the total paid-up shares of the Company, and (b) indirectly holds shares in the Purchaser through 9 Element Company Limited that is equal to 64 percent of the total shares of 9 Element Company Limited.

9 Element Company Limited holds shares in the Purchaser that is equal to 99.9996 percent of the total shares of the Purchaser.

- (2) **Mr. Churdchoo Panboonhom** (a) holds shares in the Company that is equal to 10.60 percent of the total paid-up shares of the Company and (b) indirectly holds shares in the Purchaser through Nathalin Corporation Company Limited (which is an indirect major shareholder of the Purchaser) that is equal to 99.98 of the total number of paid-up shares of Nathalin Corporation Company Limited.

(1) Nathalin Corporation Company Limited holds shares in Nathalin that is equal to 99.9999 percent of the total shares of Nathalin, (2) Nathalin holds shares in 9 Element Company Limited that is equal to 64.9999 percent of the total shares of 9 Element Company Limited, and (3) 9 Element Company Limited holds shares in the Purchaser that is equal to 99.9996 percent of the total shares of the Purchaser.

For such reasons, the Purchaser is deemed as a connected person of the Company under the Notifications on Connected Transactions. From calculation of the connected transaction value, the transaction size is equal to THB 256,000,000, equivalent to 15.65 percent of the Company's net tangible assets based on the Company's financial statements for the year ended December 31, 2021, which had been reviewed by the

certified auditor. In the absence of any transaction with the same type of connected transactions of the Company entered with the same person in the past six months which have not been approved by the Shareholders' Meeting, the value of connected transaction is equal to THB 256,000,000, equivalent to 15.65 percent of the Company's net tangible assets. Therefore, such connected transaction value exceeds THB 20,000,000 and exceeds 3 percent of the Company's net tangible assets.

**6. Total Value of Consideration**

The Company will proceed with the disposal of all shares which the Company holds in Sea Oil Petrochemical, a subsidiary of the Company, totaling 2,039,998 shares, equivalent to 99.9999 percent of the total number of shares of Sea Oil Petrochemical to Natural Energy. The Company will receive consideration for the disposal of shares of THB 256,000,000 from Natural Energy by payment in cash. The consideration is the agreed price between the Company, as the Seller, and Natural Energy, as the Purchaser and condition for determining the consideration will be in accordance with terms and conditions of the share purchase agreement. Natural Energy will pay the consideration for the sale of such shares to the Company on the closing date of the share purchase. The Company expects that the Disposal of Shares in the Subsidiary Transaction will be completed within the second quarter of 2022.

**7. Criteria for Determination of Value of Consideration**

The Company determined the consideration for the disposal of shares in Sea Oil Petrochemical in the amount of THB 256,000,000. The criteria for determining such consideration is based on the negotiation between the Company and the Purchaser, together with the valuation of the shares of Sea Oil Petrochemical which is estimated using the value referenced from "the present value method of net cash flows" because it is the method that reflects the business plan, profitability, and growth trends, including future returns for shareholders, which is an estimation of the revenue and expenditure of Sea Oil Petrochemical according to the criteria based on assumptions that the Company deems reasonable.

From such a method of valuation, it was found that the total value was determined to be between THB 254,000,000 to 267,000,000. When compared to the Company's negotiated consideration, this is deemed to be a reasonable consideration.

The criteria used for determining the total value of consideration is based on asset value, which is general commercial conditions, similarly to any transactions which the Company entered into with third parties, who are not connected party (arm's length transaction). The terms and conditions will be specified in the share purchase agreement.

**8. Plan on Utilizing the Proceeds from the Disposal of all Shares in Sea Oil Petrochemical**

After the Company has completed the disposal of all of its shares in Sea Oil Petrochemical, the Company will utilize the proceeds of THB 256,000,000 received from the disposal of shares for the following purposes:

- 1) To be used as working capital and financial support for operations of companies within the group; and/or
- 2) To repay loan that is due; and/or

3) To be reserved for business expansion or investment in potential future project or business.

## 9. Nature and Scope of Interests of the Connected Persons in the Meetings of Board of Directors and Shareholders

### 9.1 Interested Directors

The following directors are interested director with respect to the agenda related to the entry into the Disposal of Shares in the Subsidiary Transaction as they serve as directors of Nathalin (which is an indirect major shareholder of the Purchaser).

- (a) Miss Neeracha Panboonhom
- (b) Mr. Suraphon Meesathien
- (c) Mr. Prompong Chaisrisawatsuk

### 9.2 Interested Shareholders

The following shareholders of the Company are considered as connected persons and interested shareholders with respect to the agenda related to the entry into the Disposal of Shares in the Subsidiary Transaction. Therefore, such shareholders shall not be entitled to cast votes in the agenda related to the entry into the Disposal of Shares in the Subsidiary Transaction.

- (a) **Nathalin** is a major shareholder of the Company and the Purchaser. As of the date of this information memorandum, Nathalin (a) holds shares in the Company that is equal to 45.04 percent of the total paid-up shares of the Company, and (b) indirectly holds shares in the Purchaser through 9 Element Company Limited that is equal to 64 percent of the total shares of 9 Element Company Limited.

9 Element Company Limited holds shares in the Purchaser that is equal to 99.9996 percent of the total shares of the Purchaser.

- (b) **Mr. Churdchoo Panboonhom** is a major shareholder of the Company and Nathalin Corporation Company Limited (which is an indirect major shareholder of the Purchaser). As of the date of this information memorandum, Mr. Churdchoo Panboonhom (a) holds shares in the Company that is equal to 10.60 percent of the total paid-up shares of the Company and (b) indirectly holds shares through Nathalin Corporation Company Limited (which is an indirect major shareholder of the Purchaser) that is equal to 99.98 percent of the total paid-up shares of Nathalin Corporation Company Limited.

(1) Nathalin Corporation Company Limited holds shares in Nathalin that is equal to 99.9999 percent of the total shares of Nathalin, and (2) Nathalin holds shares in 9 Element Company Limited that is equal to 64.9999 percent of the total shares of 9 Element Company Limited, and (3) 9 Element Company Limited holds shares in the Purchaser that is equal to 99.9996 percent of the total shares of the Purchaser.

## 10. Opinion of the Board of Directors

The Board of Directors (not including the interested directors) has considered and opined that the criteria for determination of price of share in Sea Oil Petrochemical being disposed of is appropriate and it is beneficial to the Company compared to transactions which the Company entered into with third parties who are not connected party (arm's length transaction). The disposal of all shares which the Company holds in Sea Oil Petrochemical will benefit the Company as it will allow the Company to invest time, resources and capability in its core business which is of its focus and expertise. Furthermore, the Company can utilize such proceeds for repayment of loan borrowed from financial institutions, business expansion and generation of additional income. Additionally, the Company can invest in a potential future project or business which could generate return on investment at a rate in line with the Company's investment policy and maximize benefits from investment for the Company and shareholders.

For such reasons, the Board of Directors was of the view that the entry into this transaction is appropriate and in the best interests of the Company and under the reasonable terms.

**11. Opinion of the Directors and/or the Audit Committee That Differs from the Opinion of the Board of Director under Clause 11.**

The directors and the Audit Committee did not have any different opinions from the Board of Director.

The interested directors did not attend the meeting to approve the entry into the transaction by the Company as mentioned above.

The Company certifies that the information contained in this information memorandum is true and accurate in all respects. It has been prepared with prudence and due care in the shareholders' best interest. This information memorandum is true and complete in all material respects and not misleading. It is made for the purpose of demonstrating relevant information only, and does not constitute an invitation or offer to acquire or subscribe for securities.

**Signature**

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(Miss. Neeracha Panboonhom and Mr. Suraphon Meesathien)

Authorized Directors