

Ref.Khor Kor Kor.136/2022

November 11, 2022

The President

The Stock Exchange of Thailand

Dear Sir,

Subject : Information about the Acquisition of Assets of S. Khonkaen Foods Public Company Limited
(Revised)

Enclosure : 1. Ratification of the Joint Venture Company's Registration and Establishment in the United States of America
2. Approval of the Company's Registration and Establishment of the New Company for Joint Investment with other companies for the Company's business expansion.

The Board of Directors' Meeting of S. Khonkaen Foods Public Company Limited No. 6/2022 held on 10th November, 2022 at 17.00 hrs. has resolved to ratify of a joint venture company's registration and establishment in the United States of America by approving the budget in joint venture 51%, the amount of US\$ 306,000.- or accounted for the sum of approximately Baht 11,624,940.- and approved of the Company's registration and establishment of the new company for joint investment with other companies for the Company's business expansion, details of the acquisition of assets have been shown in the information about the acquisition of assets of S. Khonkaen Foods Public Company Limited, attached herewith.

Please note accordingly.

Yours sincerely,

(Mr. Charoen Rujirasopon, Mrs. Niramon Rujirasopon)

Authorized Directors

1. Ratification of the Joint Venture Company's Registration and Establishment in United States of America

Objective : To invest and establish a production base in the United States of America in the form of outsourcing (OEM) production and distribution of local Thai food products such as pork balls, meat balls, tendon balls, fermented pork, Vietnamese sausages, E-san sausages, Chinese sausages and processed pork, beef, and chicken products. This project is started on the east coast of the United States of America and will expand across the country to be part of the goal to expand production bases and distributing products to neighboring countries. This project will make the distribution of Thai local food products of S. Khonkaen Foods Public Company Limited to cover the whole United States of America.

Company Name : S. Khonkaen Foods (USA), Inc.

Registered Address : 251 Little Falls Drive, Wilmington, Delaware 19808, USA

Company Registration Date : February 22, 2022

Origin of the Transaction : As S. Khonkaen Foods Public Company Limited is a large manufacturer of native processed foods from pork and the domestic market starts to show sign of reclining growth for several continual years, thus it is deemed appropriate to expand market to additional overseas markets and one interesting market is the United States of America (USA) wherein over 300,000 Thai people are living with millions of other Asian peoples especially from CLMV countries, for which in the past year 2021 the Company has sent the overseas business development team to formally explore the market and it has been found out that processed Thai foods from pork, beef and chicken such as pork ball, beef ball, fermented pork sausage, Vietnamese sausage, E-san sausage, are still in large demand. The manufacturers of this group of products are mostly located on the Western Coast of USA with their manufactured products transported to the Eastern Coast for selling as the East Coast has only few manufacturers. Thus, it is the suitable location to establish the manufacturing base to response to the demand of the East Coast customers for later movement to the West Coast when the Company's product brand names are well-known in the market. Besides, the survey has found out that the S. Khonkaen Brand Name is already well-known among Thai people over there and Thai people in USA have appealed to Thai Consulate in USA to persuade S. Khonkaen Foods Public Company Limited to produce products over there with its business experience and products quality moderately higher than the local manufacturers competitors. The Working Team views that it is appropriate to operate business over there

coupled with Mr. Charoen has been invited by the owner of a well-known Thai Foods Restaurant in New York City, namely Mr. Veera Prem-on & family for joint venture with them for operating business in USA. The professionalism of Mr. Veera & family as the owner of several Thai Foods Restaurant in New York including the confidence in potentiality of the existing market and to expand widely in future, Mr. Charoen has relevantly accepted the joint venture invitation to manufacture and sell the meat processed products in USA and jointly established S. Khonkaen Foods (USA), Inc. However, the market exploration as has been done on personal basis lacks reliability of data access thus has not received cooperation from persons in contact. The USA partner hence recommended the joint venture company registration on February 22, 2022. The Working Team has thus visioned to proceed the registration of S. Khonkaen Foods (USA), Inc. for studying the joint venture feasibility and investment in new business as still without any investment and also for contact reference. Presently, the Team has selected a potential OEM maker to meet the needs of the company, both in terms of personnel and machinery standard.

Total Investment Fund : USD 600,000 (approx. Baht 22.79 million (exchange rate : Baht 37.99 / USD 1.- as of November 4, 2022)

Registered Capital : USD 600,000.- or approx. Baht 22.79 million
divided into 600,000 common shares, par value of share : USD 1 per share

Shareholders :

1. S. Khonkaen Foods Public Company Limited	holding 306,000 shares or equivalent to 51%
2. Mr. Chanon Prem-on	holding 102,000 shares or equivalent to 17%
3. Ms. Athicha Prem-on	holding 96,000 shares or equivalent to 16%
4. Mr. Chayanon Prem-on	holding 96,000 shares or equivalent to 16%

Board of Directors :	Group A	Group B
	1. Mr. Charoen Rujirasopon	6. Mr. Weera Prem-on
	2. Mrs. Niramom Rujirasopon	7. Mr. Chanon Prem-on
	3. Mr. Jarasopon Rujirasopon	8. Ms. Athicha Prem-on
	4. Mr. Jarunpoj Rujirasopon	9. Mr. Chayanon Prem-on
	5. Mr. Thanakrit Rujirasopon	

Authority of the Board of Directors :

Group A : Mr. Charoen Rujirasopon, Mrs. Niramon Rujirasopon, Mr. Jaraspon Rujirasopon,
Mr. Jarunpoj Rujirasopon, Mr. Thanakrit Rujirasopon

Group B : Mr. Veera Prem-on, Mr. Chanon Prem-on, Ms. Athicha Prem-on,
Mr. Chayanon Prem-on

Either 1 Director of Group A co-signs his/her name with another 1 director of Group B, thereby constituting two signatures or either 2 directors of Group A jointly sign to bind the Company.

Source of Fund : Investment Capital 51% from S. Khonkaen Foods Public Company Limited

Cost of project	: Security Deposit	USD 254,000.-
	Pre-operating expense	USD 47,500.-
	Working Capital	<u>USD 298,500.-</u>
	Total	USD 600,000.-

OEM's Factory : Berk Lombrado Packing INC, Long Island, New York

Products : Divided into Phase 1 Pork Balls, Meat Balls, Tendon Balls
Phase 2 Fermented Pork, Vietnamese Sausage, E-san Sausage,
Chinese Sausage

Expected to start earning commercial income : in Quarter 2 of year 2023

Return on investment IRR : 53%

Payback period : 2.82 years

The said transaction is not within the scope of connected transaction but the transaction of asset acquisition as considered by the highest criteria, i.e. the minimal criteria, based on total value of consideration paid or received = 0.41% which is not within the scope to submit information report according to the criteria but the Company has the duty to submit information report for it is within the scope of the registered company or subsidiary company which has acquires investment capital in another company resulting in the newly established company's status as the Company's subsidiary company.

2. Approval of the Company's Registration and Establishment of the New Company for Joint Investment With Other Companies for the Company's Business Expansion. (Revised)

Origin of the Transaction :

In accordance with the Company's business group expansion strategy by investing in other companies with potential and operational concept in line with the Company's strategy direction therefore approved the registration and establishment of the newly formed company to be the Company's intermediary in the said investment and business performance for efficiency in management with the relevant details as follows :

Name of Company	: S. Khonkaen Holding Company Limited
Objective	: To invest in other potential companies for the Company's business expansion.
Nature of Business	: The company has the status as a holding company or performing business investment.
Date of Establishment	: 11 th November 2022
Registered Capital	: Baht 1.- Million (Baht One Million Only) divided into 200,000 Ordinary Shares at par value Baht 1.- per share. Fully paid up share value.
Shareholding Proportion	: S.Khonkaen Foods Public Company Limited is the shareholder of 200,000 shares, accounted for 100%.
List of Board of Directors	: 1. Mr. Charoen Rujirasopon 2. Mrs. Niramon Rujirasopon 3. Mr. Jaraspon Rujirasopon and 4. Mr. Jarunpoj Rujirasopon

Source of Fund Used In New Company Establishment :

Investment Capital from S.Khonkaen Foods Public Company Limited.

Investment Plan : - Investment of Baht 14 millions in the company operating Thai foods restaurants in the Netherlands.

- Investment of Baht 8 millions in the company operating food shop of Stewed Pork Leg with rice by Michelin Chef in Thailand

- Investment in other companies with potential and concept in line with the Company's business direction.

S. Khonkaen Foods Public Company Limited has assigned Executive Directors of S. Khonkaen Foods Public Company Limited to be its representative for jointly being Directors in the Board of Directors of S. Khonkaen Holding Company Limited with the power authority in consideration for decision in the investment management of S. Khonkaen Holding Company Limited in the amount limit of not exceeding Baht 20.- millions per deal solely and considered as the conclusion in the following matters :

1. The establishment of the new company domestically and overseas.

2. Acquisition or disposal of assets in investment both domestically and overseas

except that S. Khonkaen Foods Public Company will be changed otherwise.

As such, the above acts are required to be immediately reported to the Board of Directors of S. Khonkaen Foods Public Company Limited for acknowledgement at the next immediate meeting of the Board of Directors of S. Khonkaen Foods Public Company Limited to enable the Board of Directors of S. Khonkaen Foods Public Company Limited to disclose information to SET as well as to report the operation results of every quarter for acknowledgement.

The said transaction is not within the scope of connected transaction but the transaction of asset acquisition as considered by the highest criteria, i.e. the minimal criteria, based on **total value of consideration paid or received = 0.81%** which is not within the scope to submit information report according to the criteria but the Company has the duty to submit information report for it is within the scope of the registered company or subsidiary company which has acquires investment capital in another company resulting in the newly established company's status as the Company's subsidiary company.

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Mr. Charoen Rujirasopon, Mrs Niramon Rujirasopon

Authorized Directors