

Ref. SF 026/2023

April 25, 2023

Subject: Notification of the resolutions of the Board of Directors' meeting to invest in Starprint Vietnam Joint Stock company and schedule the Extraordinary General Meeting of Shareholders No. 1/2023

To: Director and Manager The Stock Exchange of Thailand

Enclose 1. Information Memorandum on the Connected Transaction Concerning the Investment in SPVI Holding Pte. Ltd.

Starflex Public Company Limited ("the Company") would like to notify the resolutions of the Board of Directors' Meeting No.2/2023 which was held on 25 April 2023 as follows.

1. Approve joint investment projects with listed companies to invest in Star Print Vietnam JSC (details as per Enclosure 1)
2. Approve the appointment an overseas investment company to support future investments.
3. Approved to schedule the date for the Extraordinary General Meeting of Shareholders No. 1/2023, which will be held on Monday 19 June, 2023, 13.30 p.m., at Bangkok International Trade & Exhibition Centre: BITEC 88 Debaratna road, Bangna Tai, Bangna, Bangkok 10260. The agenda of the meeting are listed as follows.

Agenda 1 To consider and adopt the Minutes of the Annual General Shareholders' Meeting for 2023

Agenda 2 Consider approving a joint investment project with listed companies to invest in Star Print Vietnam JSC.

Agenda 3 Consider approve the appointment an overseas investment company to support future investments.

Agenda 4 Other issues (if any)

The record date to determine the names of shareholders who have rights to attend the ordinary Meeting of Shareholders will be on Tuesday 9 May 2023.

Please be informed accordingly.

Sincerely yours,

(Mr. Somchai Wongrassamee)
Chief Financial Officer

**Information Memorandum on the Acquisition and Connected Transaction in case of the
Investment in SPVI Holding Pte. Ltd.**

With the reference to Starflex Public Company Limited (“the Company”) in its Board of Directors’ Meeting No. 2/2023 held on 25 April 2023 passed the resolution that it deemed appropriate to propose the Extraordinary General Meeting No. 1/2023 on 19 June 2023 to consider and approve that the Company will purchase ordinary shares of 1,308,050 shares or 26.32 percent of the total number of issued and paid-up shares of SPVI Holding Pte. Ltd. (“SPVI”), which is an investment in Starprint Vietnam Joint Stock Company (“SPV”) indirectly (equivalent to holding a 25.00 percent of total shares of SPV, representing all issued and paid-up shares of SPV) at a purchase price not exceeding VND 262,500.00 million , or approximately THB 383.51 million (referring to the exchange rate announced by the Bank of Thailand as of 22 March 2023, which is equal to THB 0.1461 per VND 100), paid by cash after all the conditions precedent have been met and completed. The source of funding for the purchase of ordinary shares in SPVI comes from loans and cash flows from the Company’s operations.

The investment in ordinary shares of SPVI, a holding company that invests in other companies, by investing in only one company, SPV, in the proportion of 80.85 percent of the total number of shares issued and paid-up by SPV (prior to the transaction, the structure will be adjusted so that SPVI holds 95.00 percent of total shares of SPV), which is engaged in the business of printing and packaging paper products in Vietnam, is aimed at diversifying the products and increasing the market share of the packaging business of the company. The Company or its subsidiary (referring to as “SFLEX”), either SCG Packaging Public Company Limited or its subsidiary (referring to as “SCGP”), will participate in investment of ordinary shares of SPVI from the existing shareholders, totaling 4,969,792 shares or 100.00 percent of the total number of shares issued and paid-up of SPVI. SFLEX and SCGP hold shares in SPVI in the proportion of 26.32 percent and 73.68 percent respectively, resulting in a proportion of 25.00 percent and 70.00 percent of total shares of SPV respectively. The transaction will not exceed VND 997,500.00 million (calculated from the enterprise value of SPV, which is VND 1,050,000.00 million multiplied by the proportion of 95.00 percent of the total issued and paid-up shares of SPV), or approximately THB 1,457.35 million (referring to as the "transaction"), with the details of the transaction as follows:

1. SFLEX purchased 1,308,050 ordinary shares of SPV, or 26.32 percent of the total number of shares issued and paid-up by SPVI which is an investment in SPV indirectly (equivalent to holding a 25.00 percent of total shares of SPV, representing all issued and paid-up shares of

SPV) at a purchase price not exceeding VND 262,500.00 million, or approximately THB 383.51 million (referring to as the "SPV share acquisition transaction").

2. SCGP purchased 3,661,742 ordinary shares of SPV, or 73.68 percent of the total number of shares issued and paid-up by SPVI which is an investment in SPV indirectly (equivalent to holding a 70.00 percent of total shares of SPV, representing all issued and paid-up shares of SPV) at a purchase price not exceeding VND 735,500.00 million, or approximately THB 1,073.84 million.

The transaction in which the Company purchased ordinary shares of the aforementioned SPV constitutes the acquisition of assets, as defined by the Securities and Exchange Commission's announcement No. 20/2008 on important transaction criteria that involve the acquisition or disposition of assets, and the Securities and Exchange Commission's announcement on information disclosure and operations of registered companies with respect to the acquisition or disposition of assets in 2004 (including amendments) (collectively referred to as the "Announcement of Acquisitions or Dispositions of Assets"). The transaction size is calculated based on the combined financial statements of the Company and the SPV (calculating based on the financial statements of SPV, as SPVI holds shares in SPV as the only company, SPV is considered the target company or asset that SFLEX will receive from the transaction, and SPVI has no assets or liabilities other than SPV), as audited for the final year ending 31 December, 2022, using the net profit margin as the criterion, which resulted in a maximum percentage of 61.63. However, during the past six months, the Company has not engaged in any transactions involving the acquisition of assets, resulting in a transaction size of 61.63 percent of assets acquired according to the net profit margin criterion, which falls under transaction type 1 as specified in the Announcement of Acquisitions or Dispositions of Assets, i.e. the transaction size is equal to or greater than 50.00 percent, but less than 100.00 percent. Therefore, the Company is required to comply with the Announcement of Acquisitions or Dispositions of Assets.

In addition, the transaction in which SFLEX purchased ordinary shares of the aforementioned SPV is subject to interrelated listing requirements according to the Securities and Exchange Commission announcement No. 21/2008 regarding the criteria for interrelated transactions and the Stock Exchange of Thailand's announcement regarding disclosure and operations of registered companies in interrelated transactions, 2003 (including amendments) (collectively referred to as the "Interrelated Listing Requirements"). As the seller or shareholder of the SPV is a related person, the transaction value calculated from the audited financial statements of the Company for the year ended December 31, amounted to THB 383.51 million, or 39.21 percent of the NTA. When combined with the transaction value for the past six months in which the Company conducted related party transaction (the transaction between the Company and Mr. Printhorn Apithanasriwong ("Mr. Printhorn")), which amounted to THB 8.22 million or 0.84 percent

of the NTA (details of the information are provided in Section 14.5 of the previous and current year's interrelated transactions up to the latest quarter), the total transaction value amounts to THB 391.73 million or 40.24 percent of the NTA, which is considered a large interrelated transaction, i.e. the transaction size exceeds THB 20.00 million or 3.00 percent of the NTA. Therefore, the Company is obliged to comply with the Connected Transaction.

1. Date of the transaction

After the board of directors meeting approved the transaction, the Company expects to enter into a share purchase agreement after obtaining approval from the Extraordinary General Meeting of Shareholders No.1/2023 on 19 June 2023, and expects the transaction to be completed by July 2023. However, the conditions precedent under the relevant share purchase agreement must be completed.

2. Parties involved and their relationship with the Company

Buyer	The Company or its subsidiary
Seller	<p>The SPVI's shareholders, which may consist of:</p> <ol style="list-style-type: none"> 1. Mr. Suthep Taithongchai 2. Mr. Printhorn Apithanasriwong 3. Miss Jirachanee Taithongchai 4. Miss Pannipat Taithongchai 5. Miss Supara Pacharaponkramtat 6. Mr. Pramoad Phornprapha 7. Other SPVI's shareholders <p>Note: The list of shareholders may be subject to change as the seller is in the process of restructuring the shareholder composition.</p>
Relationship with the Company	<ul style="list-style-type: none"> ● Mr. Printhorn Apithanasriwong ("Mr. Printhorn") holds the position of Chairman and Co-Chairman of the Company's Board of Directors and directly holds 24.01 percent of the total issued and paid-up shares of the Company. ● Mr. Printhorn holds 690,801 shares or 11.24 percent of the total issued and paid-up shares of SPVI. Currently, SPVI holds 80.85 percent of total shares in SPV, which means that Mr. PrinThorn holds 11.24 percent of total shares in SPV. ● Mr. Suthep Taithongchai (Mr. Printhorn's brother) holds 2,986,845 shares of SPVI, which is equal to 60.10 percent of the total number of shares issued and paid-up by SPVI, because currently SPVI holds 80.85 percent of total shares of SPV, Mr. Suthep holds 48.59 percent of total shares of SPV and Mr. Suthep holds 10.27 percent of total shares of SPV directly, resulting in Mr. Suthep holding a total of 58.86 percent of total shares of SPV. ● Miss Jirachanee Taithongchai (Mr. Printhorn's sister) holds 472,130 shares of SPVI, which is equal to 9.50 percent of the total number of shares issued and paid-up of SPVI, because currently SPVI holds

	<p>80.85 percent of total shares of SPV, Miss Jirachanee holds 7.68 percent of total shares of SPV.</p> <ul style="list-style-type: none"> Miss Pannipat Taithongchai (Mr. Printhorn's sister) holds 347,885 shares of SPVI or approximately 7.00 percent of the total number of shares issued and paid-up by SPVI. Currently, SPVI holds SPV shares equivalent to 80.85 percent, resulting in Miss Pananipat holding SPV shares equivalent to 5.66 percent. <p>Therefore, the aforementioned individuals are considered related parties of the Company.</p>
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3. General characteristics and the size of the transaction

3.1 General characteristics

SFLEX and SCGP participate in investment of ordinary shares of SPVI from the existing shareholders, totaling 4,969,792 shares or 100.00 percent of the total number of shares issued and paid-up of SPVI. SFLEX and SCGP hold shares in SPVI in the proportion of 26.32 percent and 73.68 percent respectively, resulting in a proportion of 25.00 percent and 70.00 percent of total shares of SPV respectively. The transaction will not exceed VND 997,500.00 million (calculated from the enterprise value of SPV, which is VND 1,050,000.00 million multiplied by the proportion of 95.00 percent of the total issued and paid up shares of SPV), or approximately THB 1,457.35 million (referring to as the "transaction"), with the details of the transaction as follows:

1. SFLEX purchased 1,308,050 ordinary shares of SPV, or 26.32 percent of the total number of shares issued and paid-up of SPVI which is an investment in SPV indirectly (equivalent to holding a 25.00 percent of total shares of SPV, representing all issued and paid-up shares of SPV) at a purchase price not exceeding VND 262,500.00 million, or approximately THB 383.51 million (referring to as the "SPV share acquisition transaction").

2. SCGP purchased 3,661,742 ordinary shares of SPV, or 73.68 percent of the total number of shares issued and paid-up of SPVI which is an investment in SPV indirectly (equivalent to holding a 70.00 percent of total shares of SPV, representing all issued and paid-up shares of SPV) at a purchase price not exceeding VND 735,500.00 million, or approximately THB 1,073.84 million.

Conditions precedent and key terms under shares purchase agreement will have the following details:

Date of the agreement: Within July 2023, following approval at the Extraordinary General Meeting of Shareholders No.1/2023 on 19 June 2023.

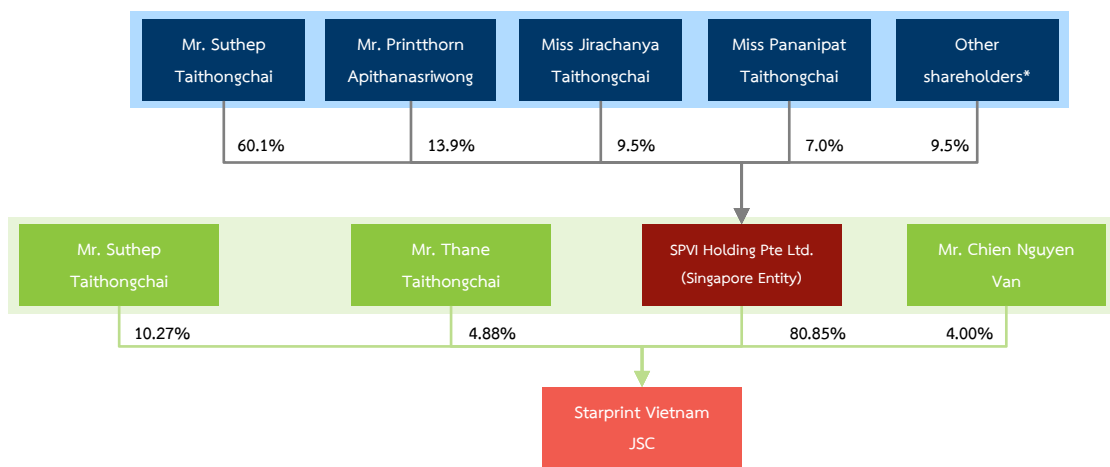
Buyer:	SFLEX
Seller:	The SPVI's shareholder, which may consist of, Mr. Suthep Taithongchai, Mr. Printhorn Apithanasriwong, Miss Jirachanya Taithongchai, Miss Pannipat Taithongchai, Miss Supara Pacharaponkramtat, Mr. Pramoad Phornprapha, and Other SPVI's shareholders.
Assets to be purchased:	The ordinary shares of SPVI consists of 1,308,050 shares or 26.32 percent of the total issued and paid-up shares of SPVI, which is an investment in the SPV indirectly (equivalent to holding a 25.00 percent of the total issued and paid-up shares of the SPV) at a purchase price not exceeding VND 262,500.00 million or approximately THB 383.51 million. (referring to the exchange rate announced by the Bank of Thailand as of 22 March 2023, which is equal to THB 0.1461 per VND 100).
Price of the transaction:	Proportional to the shareholding value of the business enterprise after deducting the adjustment value, which includes debts, cash, cash equivalents, and current assets from operations, after all the conditions precedent have been met and completed. The Company expects to pay for not exceeding VND 262,500.00 million, or approximately THB 383.51 million (referring to the exchange rate announced by the Bank of Thailand as of 22 March 2023, which is equal to THB 0.1461 per VND 100)
Key Condition Precedents:	<ol style="list-style-type: none"> 1) Received consent letter to change the shareholding structure of the SPV from the financial institution creditor, leasing contract creditor, all related creditors, as well as 10 main customers of SPV. 2) Approved for business consolidation by the Department of Planning and Investment (DPI) in Vietnam. 3) Authorized by the government agency of Vietnam. 4) The seller must enter into a Put and Call Option agreement with the condition that the remaining shareholders must not sell their shares for a period of 3 years from the date of the transaction, and after 3 years from the date of the transaction, the buyer has the right to purchase those shares at a price agreed upon by the buyer and seller.
Other Conditions:	1) The shareholders of the SPV may adjust the shareholding structure before the transaction, and define the SPV to purchase shares from existing shareholders, resulting in SPVI holding no less than 95.00 percent of total shares of SPV.

2) The payment is divided into 2 parts, consisting of 85.00% of the purchase price after all the conditions precedent have been met and completed, and 15.00 percent of the purchase price within 3 years after the payment of the first installment is completed.

3) The transaction date occurs after financial status due diligence has been completed and the adjust value of the purchase price has been calculated, with the buyer and seller agreeing on the value.

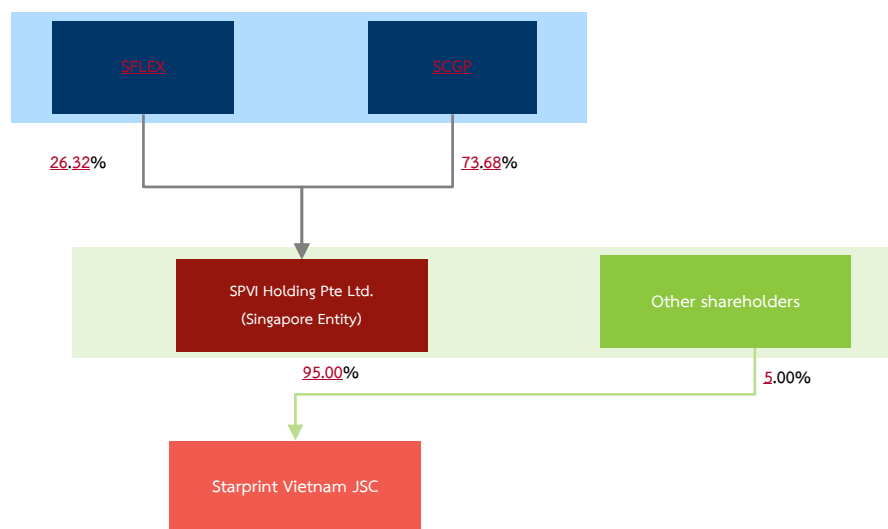
The structure of the shareholding of the SPV before and after the transaction is as follows:

SPV's Shareholding Structure before the transaction



Note: *Other shareholders refer to those who are not related to Mr. Printhorn Apithanasriwong

SPV's Shareholding Structure after the transaction



3.2 Size of the Transaction

3.2.1 Asset acquisition transaction

Table of NTA of the Company calculation as of 31 December 2022

The Company's financial data	Amount (THB million)
Total Assets	1,601.85
(-) Intangible Assets	0.73
(-) Deferred Expenses	6.65
(-) Total Liabilities	616.48
(-) Non-controlling interests	-
Net Tangible Asset (NTA)	977.99

Table of NTA of assets acquired through target achievement calculation as of 31 December 2022

SPV's financial data	Amount (THB million)
Total Assets	643.49
(-) Intangible Assets	0.39
(-) Deferred Expenses	2.68
(-) Total Liabilities	351.57
(-) Non-controlling interests	-
Net Tangible Asset (NTA)	288.85

Table of size of asset acquisition transaction calculation

Calculation Criteria	Calculation Procedure	Calculation (THB million)	Transaction Size (%)
1. Net Tangible Asset (NTA)	NTA of SPV in accordance with the acquired proportion ----- NTA of the Company	$25.00\% \times 288.85$ ----- 977.99	7.38
2. Net Operating Profits Basis	Net Operating Profit of SPV in accordance with the acquired proportion ----- Net Operating Profit of the Company	$25.00\% \times 135.11$ ----- 55.07	61.34

Calculation Criteria	Calculation Procedure	Calculation (THB million)	Transaction Size (%)
3. Total Value of the Consideration	Total Value of Consideration Paid ----- Total Assets of the Company	383.51 ----- 1,601.85	23.94
4. Value of Securities Issued as Consideration for the Assets	Not applicable due to no new issued securities	-	N/A

The aforementioned transaction involves the acquisition or disposal of assets according to the Securities and Exchange Commission's Announcement No. 20/2008 on Criteria for Significant Transactions Involving the Acquisition or Disposition of Assets, as well as the Securities and Exchange Commission's Announcement on Disclosure and Conduct of Registered Companies in Relation to the Acquisition or Disposition of Assets, 2547 (including subsequent amendments) (collectively referred to as the "Announcement of Significant Acquisition or Disposition Transactions"). The size of the transaction is calculated based on the audited financial statements of the Company and its SPVs (Calculated using SPV's financial statements because SPV is a subsidiary of SPVI, it is considered as a company or target assets that the buyer will receive from the transaction, and SPVI has no assets or liabilities other than SPV) for the year ended December 31, 2022, using a benchmark of net profit from operations that the highest result is 61.34 percent. However, during the past six months, the Company has not entered into any significant acquisition or disposition transactions, resulting in the size of the transaction being 50.00% or more, but less than 100.00% based on the net profit from operations benchmark, which falls under type 1 transactions as defined in the Announcement of Acquisition or Disposition Transactions. Therefore, the Company is obligated to comply with the Announcement of Significant Acquisition or Disposition Transactions as follows:

1. Disclose information of the Transaction to the Stock Exchange of Thailand.
2. Appointing an independent financial advisor to perform various duties related to providing opinions as specified in the prospectus or sale of securities, including delivering the opinions of the independent financial advisor to the shareholders for consideration and sending invitations to the shareholders' meeting. The Company has appointed Advisory Alliance and Partners Co., Ltd. as the independent financial advisor to perform various related duties.
3. There shall be a shareholder meeting to approve the transaction, and approval must be obtained by a vote of no less than three out of four of the total votes of the shareholders

attending the meeting and having the right vote, where the Company shall send an invitation to the meeting to the shareholders at least 14 days prior to the meeting, and only the shareholders who have the right to vote may attend the meeting.

3.2.2 Connected Transaction

Table of size of connected transaction calculation

Calculation Criteria	Calculation Procedure	Calculation (THB million)	% of NTA
1. Net Tangible Asset (NTA)	(Total value of the Transaction x 100) /NTA of the Company	383.51 ----- 977.99	39.21
2. The value of the retrospective transaction that occurred six months ago from the same person	The transaction to provide a financial lease guarantee to purchase cars and machinery for business use by the Company with Mr. Printhorn as a counterparty.	8.22 ----- 977.99	0.84
Total			40.05

หมายเหตุ: Net total assets (NTA) refers to Total assets – intangible assets – deferred expenses – total liability – non-controlling interests

The aforementioned transaction involves connected transactions in accordance with the Notification of the Securities and Exchange Commission No. 21/2008 regarding Criteria for Connected Transactions and the Notification of the Stock Exchange of Thailand concerning Disclosure of Information and Conduct of Registered Companies in Connection with Connected Transactions, BE 2546 (including amendments) (collectively referred to as the "Connected Transaction Notification"). As the seller or shareholder of the SPVI is a related person, the value of the transaction is calculated from the audited financial statements of the Company for the year ended December 31, which amounted to THB 383.51 million or 39.21 percent of the NTA. When adding the value of the previous six-month connected transaction with the same person (transaction between the Company and Mr. Printhorn), which amounted to THB 8.22 million or 0.84 percent of the NTA (details of the information can be found in Section 14.5 of the previous and current year transactions until the latest quarter), the total value of the transaction is equal to THB 391.73 million or 40.05 percent of the NTA, which involves the category of large-sized transaction, i.e., the transaction value is greater than THB 20.00 million

or more than 3.00 percent of the NTA. Therefore, the Company is obliged to comply with the Connected Transaction Notification as follows:

1. Disclose information of the Transaction to the Stock Exchange of Thailand.
2. Appointing an independent financial advisor to perform various duties related to providing opinions as specified in the prospectus or sale of securities, including delivering the opinions of the independent financial advisor to the shareholders for consideration and sending invitations to the shareholders' meeting. The Company has appointed Advisory Alliance and Partners Co., Ltd. as the independent financial advisor to perform various related duties.
3. There shall be a shareholder meeting to approve the transaction, and approval must be obtained by a vote of no less than three out of four of the total votes of the shareholders attending the meeting and having the right vote, where the Company shall send an invitation to the meeting to the shareholders at least 14 days prior to the meeting, and only the shareholders who have the right to vote may attend the meeting.

4. Details of the acquired asset

4.1. General Information of SPVI

The ordinary shares of the SPVI are not exceeding 1,308,050 shares, or not exceeding 26.32 percent of the total number of shares issued and paid-up of SPVI at a purchase price not exceeding VND 262,500.00 million, or approximately THB 383.51 million.

The details of the SPVI are as follows:

Company's Name	SPVI Holding Pte. Ltd. ("SPVI")
Type of Business	Holding Company
Registered Office	317 Outram Road #01-01 Concorde Shopping Centre Singapore (169075)
Board of Directors	(1) Mr. Suthep Taithongchai (2) Joanna Chow Ho Gay Min

Source: SPVI's data as of 5 May 2021

4.2. General Information of SPV

SPV is a subsidiary of SPVI, which is the only company and therefore considered the company or asset that the buyer will obtain from the transaction. SPVI has no other assets or liabilities other than SPV.

The details of the SPV are as follows:

Company's Name	Starprint Vietnam Joint Stock Company
Type of Business	Manufacturer of paper products and packaging
Registered Office	104/4-1, 2A Road, Amata Industrial Park, Longbinh Ward, Bienhoa City, Dongnai Province, Vietnam
Telephone	+84-(0) 2513 936 921 – 29
Registered Capital	VND 61,468,800,000.00 at a par value of VND 10,000.00 per share
Board of Directors (as of 31 December 2022)	(1) Mr. Suthep Taithongchai (General Director) (2) Mr. Suthep Taithongchai (Deputy General Director) (3) Mr. Nguyen Van Chien (Director) (4) Ms. Le Thi Phan Linh (Director)

4.3. Type of Business

SPV is a manufacturer of high-quality paper products and packaging, utilizing various technologies and expertise to offer comprehensive packaging services that cover customer needs. SPV's main customers are consumer product manufacturers, covering the entire ASEAN region, as well as Australia, New Zealand. Key customers include Unilever, Colgate, Crayola, Mondelez, Nestle, Heineken, P&G, and Walmart. SPV's product portfolio consists of various paper-based commercial packaging products, including:

1. Folding Carton



The corrugated boxes made from corrugated paper maintain their durability, despite their small size and weight. The paper structure helps to support the weight of the package, while also maintaining a pleasing aesthetic. These boxes are suitable for various industrial products.

2. Corrugated Boxes



The paper-based folding boxes made from high-quality corrugated paper can withstand impact well while remaining lightweight. The paper structure enables the packaging to bear weight well, making it aesthetically pleasing and suitable for a variety of industrial products. Due to its ability to resist impact, paper-based folding boxes have become popular for packaging consumer goods that require protection from damage, such as electronic goods. In addition, corrugated boxes are also popular for their ability to deter counterfeiting.

3. Rigid Boxes



This type of box is a special packaging that is designed in collaboration between the SPV and the customer. It may be a packaging with special components and/or mechanisms to make the packaging have a shape and usage pattern that cover the customer needs, especially for products that require added value or are made for special occasions. This makes this type of packaging be non-standard, such as the mooncake box and high-value alcoholic beverages.

4. Carry Bag



The bag is made of high-quality material that is strong and can withstand weight well. It is a handle bag type that is suitable for businesses such as shopping malls or various stores.

5. Backer Card



Backer card is a paper packaging that is printed with designs on the back. It is placed behind the product to make it stand out with a beautiful design.

6. Other Paper Packaging



Other types of paper packaging include flashcards, art boxes, handicrafts, and others, with eye-catching and varied designs and structures, as well as custom packaging services based on customer needs, such as crayons from Crayola.

4.4. SPVI's Shareholding after the transaction

	Name	Before the transaction as of 31 December 2022		After transaction (expected to be)	
		Number of shares	Percentage (%)	Number of shares	Percentage (%)
1.	Mr. Suthep Taithongchai	2,986,845	60.10	-	-
2.	Mr. Printhorn Apithanasriwong	690,801	13.90	-	-
3.	Miss Jirachanee Taithongchai	447,281	9.50	-	-
4.	Miss Pannipat Taithongchai	347,885	7.00	-	-
5.	Miss Supara Pacharaponkramtat	198,792	4.00	-	-
6.	Mr. Pramoad Phornprapha	149,094	3.00	-	-
7.	Other SPVI's shareholders	124,245	2.50	-	-
8.	SCG Packaging Public Company Limited	-	-	3,661,742	73.68
9.	Starflex Public Company Limited	-	-	1,308,050	25.00
Total		4,969,792	100.00	4,969,792	100.00

Source: SPVI's data as of 31 December 2022

4.5. SPVI's Board of Directors

	Name	Position before the transaction	Position after the transaction
1.	Mr. Suthep Taithongchai	General Director	During negotiations
2.	Joanna Chow Ho Gay Min	Director	During negotiations

Source: SPVI's data as of 5 May 2021

4.6. SPV's Shareholding after the transaction

	Name	Before the transaction as of 31 December 2022		After transaction (expected to be) (in negotiations)	
		Number of shares	Percentage (%)	Number of shares	Percentage (%)
1.	SPVI Holding Pte. Ltd.	4,969,792	80.85	5,839,536	95.00
2.	Mr. Suthep Taithongchai	631,213	10.27	-	-
3.	Mr. Thane Taithongchai	300,000	4.88	-	-
4.	Mr. Nguyen Van Chien	245,875	4.00	-	-
5.	Other SPV's shareholders	-	-	307,344	5.00
รวม		6,146,880	100.00	6,146,880	100.00

Source: SPV's data as of 31 December 2022

4.7. SPV's Board of Directors

	Name	Position before the transaction	Position after the transaction
1.	Mr. Suthep Taithongchai	General Director	During negotiations
2.	Mr. Thane Taithongchai	Deputy General Director	During negotiations
3.	Mr. Nguyen Van Chien	Director	During negotiations
4.	Ms. Le Thi Phan Linh	Director	During negotiations

Source: SPV's data as of 31 December 2022

4.8. Summary of financial position and key performance of SPV

Important financial information of SPV according to the consolidated financial statements for the fiscal year ended 31 December 2020 – 2022

Balance Sheet	2020		2021		2022	
	VND million	THB million ^{1/}	VND million	THB million ^{1/}	VND million	THB million ^{1/}
Cash and Cash Equivalents	6.31	9.22	8.76	12.80	3.19	4.66
Short-term Trade Receivables	148.69	217.24	106.62	155.77	115.25	168.38
Short-term Advances to Suppliers	0.66	0.96	0.58	0.85	0.94	1.37
Short-term Loan Receivables	7.10	10.37	7.10	10.37	-	-
Other Short-term Receivables	17.54	25.63	27.01	39.46	0.87	1.27
Provision for Short-term Doubtful Debts	(5.73)	(8.37)	(0.42)	(0.61)	(0.42)	(0.61)
Inventories	137.61	201.05	214.79	313.81	207.78	303.57
Other Current Assets	4.10	5.99	3.83	5.60	4.64	6.78
Long term Receivables	5.51	8.05	10.53	15.38	10.57	15.44
Tangible Fixed Assets	85.72	125.24	51.07	74.61	45.04	65.80
Finance Lease Assets	25.61	37.42	40.86	59.70	30.23	44.17
Intangible Assets	1.27	1.86	0.46	0.67	0.27	0.39
Long term assets in progress	0.89	1.30	1.02	1.49	1.02	1.49
Long term prepayments	18.76	27.41	17.78	25.98	19.22	28.08
Deferred tax assets	1.90	2.78	2.40	3.51	1.83	2.67
Total Assets	455.94	666.13	492.38	719.37	440.45	643.50
Short-term Advances from Customers	92.46	135.08	100.48	146.80	95.27	139.19

Balance Sheet	2020		2021		2022	
	VND million	THB million ^{1/}	VND million	THB million ^{1/}	VND million	THB million ^{1/}
Taxes and Amounts Payable tp the State Budget	0.07	0.10	1.01	1.48	0.08	0.12
Payables to Employees	10.50	15.34	6.01	8.78	6.42	9.38
Short-term Accrued Expenses	0.10	0.15	0.08	0.12	7.97	11.64
Short-term Unearned Revenue	12.02	17.56	15.49	22.63	16.34	23.87
Other Current Payables	-	-	0.76	1.11	0.49	0.72
Short-term Loans and Obligations under Finance Leases	3.48	5.08	3.47	5.07	3.39	4.95
Short-term Advances from Customers	200.94	293.57	171.28	250.24	97.23	142.05
Other Long-term Payables	0.40	0.58	0.40	0.58	0.80	1.17
Long-term Loans and Obligations under Finance Leases	14.21	20.76	15.57	22.75	5.06	7.39
Long-term Provisions	8.62	12.59	8.86	12.94	7.58	11.07
Total Liabilities	342.82	500.86	323.40	472.49	240.64	351.58
Owner's Contributed Capital	61.47	89.81	61.47	89.81	61.47	89.81
Retained earnings	51.66	75.48	107.52	157.09	138.34	202.11
Total Shareholders' Equity	113.12	165.27	168.99	246.89	199.81	291.92
Total Liabilities and Shareholders' Equity	455.94	666.13	492.38	719.37	440.45	643.50

Profit and Loss Statement	2020		2021		2022	
	VND million	THB million ^{1/}	VND million	THB million ^{1/}	VND million	THB million ^{1/}
Revenue from sales	837.52	1,223.62	873.67	1,276.43	1013.43	1,480.62
Financial income	2.61	3.81	2.69	3.93	5.96	8.71
Other income	2.46	3.59	0.40	0.58	0.52	0.76
Total revenues	842.59	1,231.02	876.75	1,280.93	1019.91	1,490.09
Cost of sales	703.64	1,028.02	708.91	1,035.72	801.31	1,170.71
Selling expenses	27.87	40.72	34.91	51.00	32.32	47.22
Administrative expenses	45.07	65.85	48.78	71.27	50.97	74.47
Other expenses	1.83	2.67	0.07	0.10	0.74	1.08

Profit and Loss Statement	2020		2021		2022	
	VND million	THB million ^{1/}	VND million	THB million ^{1/}	VND million	THB million ^{1/}
Total expenses	778.41	1,137.26	792.67	1,158.09	885.35	1,293.50
Operating profit	64.18	93.77	84.08	122.84	134.56	196.59
Finance cost	18.62	27.20	16.04	23.43	18.78	27.44
Profit before income tax expenses	45.56	66.56	68.04	99.41	115.78	169.15
Income tax expenses	10.12	14.79	12.18	17.79	23.30	34.04
Profit for the Year	35.44	51.78	55.86	81.61	92.48	135.11

Source: SPV's financial statement

Note: 1/ Referring to the exchange rate announced by the Bank of Thailand as of 22 March 2023 which was equal to THB 0.1461 to VND 100

5. Total value and the measurement of total value

SFLEX enter into a transaction to purchase 1,308,050 ordinary shares of SPVI, representing 26.32 percent of the total number of issued and paid-up shares of SPVI which is an investment in SPV indirectly (equivalent to holding a 25.00 percent of total shares of SPV, representing all issued and paid-up shares of SPV), at a purchase price not exceeding VND 262,500.00 million, or approximately THB 383.51 million. In the transaction, SFLEX is the indirect holder of the SPV's ordinary shares, and the calculation of the value of the consideration will be based on the Transaction Comparable Approach, using the median multiple of enterprise value to earnings before interest, tax, depreciation and amortization (EV/EBITDA) from comparable transactions adjusted for working capital, debt and other specific terms.

6. The value of the acquired assets and the payment terms and conditions.

The value of the assets acquired will be based on the total value of the compensation, as it represents the highest value when comparing the book value and the total value of the compensation. The book value of SPV's ordinary shares held indirectly through the SPVI is 25.00 percent of the total number of shares issued and paid-up by SPV, which is equal to THB 72.98 million (referring to the financial statements of the SPV as of 31 December, 2022 and the exchange rate announced by the Bank of Thailand as of 19 April, 2023, which is equivalent to THB 0.1461 per VND 100). Meanwhile, the total value of the compensation is based on the transaction for the shares of SPVI, which was paid in cash after all conditions had been met and completed. The

source of funding used to purchase ordinary shares in SPVI came from loans and cash flows from the company's operations.

7. Description and scope of the connected persons' stake in making connected transactions.

Sequence	Related person	Scope of the connected persons' stake					
		The Company ^{1/}			SPVI ^{2/}		
		Position	Shareholding		Position	Shareholding	
			Number of shares	Percentage (%)		Number of shares	Percentage (%)
1	Mr. Printhorn Apithanasriwong ^{3/}	General Director and Deputy General Director	196,901,200	24.01	-	690,801	13.90
2	Mr. Suthep Taithongchai ^{4/} (Mr. Printhorn's brother)	-	-	-	Chairman of the Executive Committee	2,986,845	60.10
3	Miss Jirachanya Taithongchai ^{5/} (Mr. Printhorn's sister)	-	-	-	-	472,130	9.50
4	Miss Pannipat Taithongchai ^{6/} (Mr. Printhorn's sister)	-	-	-	-	347,885	7.00

Note: ^{1/} Company's data as of March 17, 2023.

^{2/} SPV's data as of December 31, 2022.

^{3/} Mr. Printhorn Apithanasriwong holds indirectly SPV shares through SPVI totaling 690,801 shares, or 11.24 percent of the total issued and paid-up shares of SPV.

^{4/} Mr. Suthep Taithongchai holds directly and indirectly SPV shares totaling 3,618,058 shares, or 58.86 percent of the total issued and paid-up shares of SPV, consisting of 631,213 shares, or 10.27 percent of the total issued and paid-up shares of SPV held directly, and 2,986,845 shares, or 48.59 percent of the total issued and paid-up shares of SPV held indirectly through SPVI.

^{5/} Miss Jirachanee Taithongchai holds indirectly SPV shares through SPVI totaling 472,130 shares, or 7.68 percent of the total issued and paid-up shares of SPV.

^{6/} Miss Pannipat Taithongchai holds indirectly SPV shares through SPVI totaling 347,885 shares, or 5.66 percent of the total issued and paid-up shares of SPV.

8. Directors with conflicts of interest and/or shareholders with no voting rights.

Mr. Printhorn Apithanasriwong is the Chairman of the Board of Directors and Vice Chairman of the Company, and holds 24.01 percent of the total issued and paid-up shares of the Company. In addition, Mr. Printhorn Apithanasriwong and related persons, including Mr. Suthep Taithongchai, Miss Jirachanya Taithongchai, and Miss Pananiphat Taithongchai, are major shareholders in the SPV, and Mr. Suthep Taithongchai serves as the Chairman and Director of the SPV. Therefore, Mr. Printhorn Apithanasriwong did not attend the meeting and did not have the right to vote at the Board of Directors Meeting No. 2/2023 on April 25, 2023. Additionally, Mr. Printhorn Apithanasriwong will not have the right to vote at the the Extraordinary General Meeting of Shareholders No. 1/2023 on June 19, 2023.

9. Expected benefits to the Company from the disposal of assets

The Company expects the following benefits:

1. The packaging products will have more variety and can expand the customer base overseas.

Purchasing in SPV's shares will allow the Company to have a greater variety of paper packaging products beyond the soft plastic packaging products that the Company currently has. In addition, SPV has customers overseas which helps the Company to have a customer base in many regions around the world.
2. A good business partnership will help expand business opportunities in the future.

Joining with SCGP, a leading comprehensive packaging market leader with experience, knowledge, and expertise in manufacturing and distributing packaging products for a long time and has a market share ranking among the top in the world, will help enhance the ability to produce packaging products between each other, as well as increase the ability to compete.
3. Increasing opportunities to generate income and performance.

The Company expects that purchasing in SPV shares will help increase the Company's income and performance from SPV into the Company.

10. Source of funds for the acquisition and payment methods

The Company will use source of funding for investment in SPV transactions, not exceeding THB 345.16 million (90.00 percent of the purchase price of THB 383.51 million), and cash flow from company operations, not exceeding THB 38.35 million (10.00 percent of the purchase price of THB 383.51 million). The payment is divided into 2 installments, namely the first installment payment is 85.00 percent of the purchase price or not exceeding VND 223,125.00 million, or approximately THB 325.99 million, after all the conditions precedent have been completed and the second installment payment is 15.00 percent of the purchase price or not exceeding VND 39,375.00 million, or approximately THB 57.53 million, within 3 years after the first installment payment.

11. Conditions on the entering into the Transaction

The Company and related parties must comply with the conditions precedent before important transactions are completed. Details of the important condition precedent are listed in section 3.1. Moreover, important conditions and agreements may be subject to change according to the agreements negotiated and agreed upon by the related parties. In addition, the Company or its subsidiaries must obtain sufficient credit facilities from financial institutions to be used as a source of funding for engaging in the transaction.

12. Opinions of the Board of Directors on entering into of the transaction

The Board of Directors (excluding the interested directors) approved the entering into the Investment in SPVI transaction. After due consideration, both in terms of the purchase price and the expected benefits from the transaction, the Board of Directors is of the opinion that the acquisition of SPVI shares is reasonable and beneficial to the Company (as detailed in the expected benefits stated in section 9)

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

No Audit committee members or directors of the Company provided any opinions which are different from those of such Board of Directors.

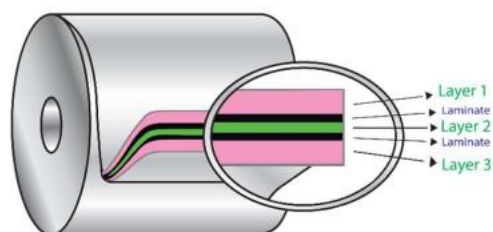
Information memorandum on related party transactions in accordance with Article 20 of the related party notice

14. The Company information and business summary

Source: Information from the Company's annual report of 2022 (One Report)

14.1 Nature of business operation

The Company produces and distributes soft plastic packaging (flexible packaging), for both liquid and dry goods according to customer orders (Made to Order). Soft plastic packaging is a multilayer film), splicing from 2-5 layers using glue or resin as binding material, resulting in rigid, and resistant to heat and high pressure, lightweight, and available to print graphic patterns on the surface. In addition, the packaging property can prevent air, sunlight, and odor ingress, and to maintain the quality of the products contained in the package efficiently.



The type of soft plastic packaging under production and distribution of the Company is divided into 2 categories, depending on the needs of customers as follows:

1. Roll form products

The majority of the Company's revenue derives from the distribution of film roll packaging. Our soft plastic packaging is a roll of film processed through printing and laminating. After that, the roll of such film is split up to the width specified by the customer in which the maximum width of the film roll at the Company's slitting machine can be supported up to 1,080 millimeters. The film roll is mainly distributed to consumer product manufacturers that have their own pouch forming machines. The film roll packaging must have the physical properties suitable for the pouch forming machine of the customer i.e. the width, the smoothness of the film surface. Since it affects the operation of the pouch forming machine, the production of film roll packaging requires

skills and expertise in adjusting the film formula and other raw materials such as glue and ink, in order to achieve a suitable film roll that meets customer requirements and can be used with each pouch forming machine at the customer's site efficiently. There are several groups of rolls as follows:

Groups in direct contact with the product (first primary packaging) The composition have a single layer (Mono layer film) and 2 or more splicing films, such as a roll of fabric softener, laundry detergent, dishwashing liquid, Instant noodles, ice cream, seasoning and medical equipment.

Groups that do not come into direct contact with internal products (Secondary packaging) are mostly single-layer films. And then be printed such as label rolls on milk bottles, label rolls for drinking water bottles, etc.



2. Pouch Form (Pre Form Pouch)

Pre Form Pouch is produced by forming the printed and coated film roll into a finished pouch ready for packaging. Customers who order Pre Form Pouch are manufacturers of consumer products that do not have their own pouch forming machines or customers who have a pouch forming machine, but cannot properly support the film material used in the production of the pouch. Pre Form Pouch can be produced in various forms depending on the needs of customers which includes the following.

(1) Stand-up Pouch, Stand-up Pouch with Zip, Stand up pouch with Spout

Packaging in the form of a pouch that can be used to contain products with large volume or weight. It can be placed on a display shelf for product visibility such as fabric softener, laundry detergent, dishwashing detergent, liquid soap, etc. We can also add a zip lock to increase the ease of use such as pet food packaging or food packaging, etc. Included is a sealed envelope with a pour-over top (Spout) that is

suitable for non-sticky liquids like fabric softener, laundry detergent, cleaning solution and sugar syrup, it can work and sealed well.



(2) 3-Sided Seal Pouch, 3-Sided Seal Pouch with Zip

This type of packaging is in the form of a pouch with a seal covering either the 3-side of the opening or the bottom of the pouch for inserting the goods and then sealing. It can be added a tear (V-Cut) for easy use, a display hanging bar, or adding a zip lock feature for the convenience in multiple uses of opening and closing. It can also extend the shelf life of products and suitable for food product packaging such as candy.



(3) Center Seal Pouch, Center Seal & Gusset Pouch

Packaging that is in the form of a pouch with a seal in the center and top of the pouch, with an opening at the bottom of pouch to insert the products. This type of pouch is commonly used in products that are not heavy in food product packaging such as snack, ice cream, candies, frozen food, etc. It can also be made into a pouch

with a seal in the middle of the back side. Both sides are folded to enlarge usage space. This type is recommended for heavier products such as animal food packaging, etc.



(4) 4-Sided Seal Pouch

The pouch is sealed on all 4 sides of the product. This is rigid package, suitable for heavy products that required a large space. The 4-sided seal pouch is popular among food products such as roasted coffee, instant coffee, animal food.



(5) Flat Bottom Pouch

Flat bottom pouch is a stand-up pouch with a flat base with creases on the side, to increase the usage space. Due to the flat base, it allows the product to be placed on a shelf steadily and suitable for light or powder content such as cocoa powder, tea or sugar sachet. It can also be added with zip lock feature.



(6) Free Shape Die-cut

Packaging in the form of a pouch that can be designed in any shapes as customers' desires. As such, it is so varieties and good for running a sales promotion. The packaging is cut by 'Die cut', so it can make so many types of pouchs, for example, stand-up pouch, extraordinary shape of pouch, etc.



14.2 General information of the Company

Name	Starflex Public Company Limited		
Headquarter address	189/48-49 Moo 3, Bangprieng, Bang Bo, Samut Prakarn 10560		
Nature of Business	Manufacturing and distribution of flexible packaging for both food and nonfood products in the form of made to order. The products can be divided into two forms which are roll form and pre form pouch.		
Registration Number	0107562000092		
Website	http://www.starflex.co.th		
Telephone	0-2708-2555		
Fax	0-2708-2355		
Registered Capital	THB 502,250,000.00		
Paid-up Capital	THB 410,000,000.00		
List of Directors (Information as of 17 March 2023)	Rank	Name	Position
	1	Mr. Pakorn Malakul Na Ayudhya	Chairman of the Board of Directors/ Independent Directors
	2	Mr. Printhorn Apithanasriwong	Chairman of the Executive Committee, Vice Chairman of the Board of Executive Directors
	3	Mr. Sompote Valyasevi	Chief Executive Officer, Director
	4	Mr. Ek Picharnchitra	Director
	5	Mr. Somchai Wongrassamee	Director
	6	Gen. Montee Sungkasap	Independent Director, Chairman of the Audit Committee
	7	Mr. Kajhitphome Sudsok	Independent Director, Audit Committee
	8	Mr. Chairit Simaraj	Independent Director
	9	Mr. Rong Hirunpanich	Independent Director, Audit Committee

Source: SET as of 19 April 2023

14.3 Executives of the Company

Rank	Name	Position
1	Mr. Chirdpong Malatham	Production Director
2	Mr. Noppanut Manutsongthum	Sales and Marketing Director
3	Mr. Pichetpong Sritapun	Human Resources Director
4	Mr. Nopphadon Khanacharoen	Innovation and Product Director
5	Mr. Charoon Sengdonprai	Accounting and Finance Senior Manager
6	Mr. Sompoj Techaboonaako	Supply Chain Director
7	Mr. Niraphan Limwanitrat	Plant Director

14.4 Top 10 Shareholders of the Company (as of 19 April 2023)

Rank	Name	No. of shares (Shares)	Shareholding percent
1	Mr. Printhorn Apithanasriwong	196,901,200	24.01
2	Mr. Ek Picharnchitra	78,974,500	9.63
3	BTS Group Holding Plc.	55,000,000	6.71
4	Miss Kochakorn Wanichanuwat	42,632,300	5.20
5	Starflex Public Company Limited	22,506,300	2.74
6	Mr. Thiraphong Chansiri	20,000,000	2.44
7	Miss Chanyaporn Valyasevi	15,580,100	1.90
8	Thai NVDR Company Limited	15,396,216	1.88
9	Mrs. Chantip Vanich	12,950,000	1.58
10	Mr. Sura Khanittaweekul	11,874,800	1.45

Source: SET as of 19 April 2023

14.5 Related transactions in the past year and the current year until the latest quarter

The transactions between the Company and individuals which may have caused conflicts in the current and past years are necessary for the Company's business operations and benefit the Company. The details of the transactions are as follows:

A person who may have conflict of interest	Relationship	Transaction Type	Transaction Amount (THB million)		Necessity and Reasonableness of the Transaction	Attend the meeting to consider	
			2021	2022		Audit Committee	Board of Directors
Mr. Printhorn Apithanasriwong	As Chairman of the Board of Executive Directors, holding 196,673,200 shares in the Company, or to 23.985% of the total shares subscribed as of 31 December 2022.	Guarantee for financial lease agreement Contract Limit Remaining Balance Guarantee amount according to the agreement Guarantee burden at the end of the installment	19.46 11.82	19.46 8.22	Mr. Printhorn Apithanasriwong has entered into a personal guarantee for the machinery and car leasing agreements for the Company, without charging compensation for a guarantee from the Company. <u>The Audit Committee</u> has considered and is of the opinion that Mr. Printhorn Apithanasriwong guarantees is based on the necessity for the benefit of the Company. The hire-purchase contract of machinery and automobiles are for use in the Company's business operations. There is no payment for the guarantee of the financial lease. Therefore, this transaction is appropriate.	Audit Committee Meeting No. 1/2023, 20 Jan. 2023	Board of Directors Meeting No. 1/2023, 22 Feb. 2023
Mr. Ek Picharnchitra	As Vice Chairman of the Executive Board of Directors, holding 78,974,500 shares in	Guarantee for financial lease agreement Contract Limit Remaining Balance			Mr. Ek Picharnchitra has entered into a personal guarantee for the machinery and car leasing agreements for the Company, without charging compensation for a guarantee from the Company.	Audit Committee Meeting No. 1/2023, 20 Jan. 2023	Board of Directors Meeting No. 1/2023, 22 Feb. 2023

A person who may have conflict of interest	Relationship	Transaction Type	Transaction Amount (THB million)		Necessity and Reasonableness of the Transaction	Attend the meeting to consider	
			2021	2022		Audit Committee	Board of Directors
	the Company, equivalent to 9.631% of the total number of shares subscribed as of 31 December 2022	Guarantee amount according to the agreement Guarantee burden at the end of the installment	11.29 7.30	11.29 5.45	The <u>Audit Committee</u> has considered and is of the opinion that Mr. Ek Picharnchitra guarantees is based on the necessity for the benefit of the Company. The hire-purchase contract of machinery and automobiles are for use in the Company's business operations. There is no payment for the guarantee of the financial lease. Therefore, this transaction is appropriate.		
PS Plus Consulting Company limited	A subsidiary which has a registered capital of Baht 20 million, with SFLEX holding 199,970 shares, representing 99.99 percent of the shares.	1. Rental income 2. Service income	0.06 0.05	0.15 0.12	There is a building lease agreement at 188/1 Moo 3 Soi Bang Phliang Phatthana Project, Kheha-Ladwai Road, Bang Phriang Subdistrict, Bang Bo District, Samut Prakan Province Usable area of 132 square meters, amounting to 12,540 Baht/month and contract service of 10,000 Baht/month, effective from January 1, 2022 - December 31, 2022. The <u>Audit Committee</u> has considered and is of the opinion that the transaction processed in the normal business, which will be brought to the Board of Directors for further consideration.	Audit Committee Meeting No. 1/2023, 20 Jan. 2023	Board of Directors Meeting No. 1/2023, 22 Feb. 2023

Note: 1/ The aforementioned building lease agreement has been renewed in the current year, effective from 1 January 2023 to 31 December 2023.

14.6 Management Discussion and Analysis

Balance Sheet

Balance Sheet	2020		2021		2022	
	THB Million	Percent	THB Million	Percent	THB Million	Percent
Assets						
Cash and cash equivalents	168.51	13.11	74.83	4.97	129.08	8.06
Trade and other receivables	261.60	20.36	345.54	22.94	263.35	16.44
Inventories	228.28	17.76	333.85	22.16	333.36	20.81
Derivative assets	-	-	0.32	0.02	-	-
Other current financial assets	0.24	0.02	0.69	0.05	0.18	0.01
Other current assets	24.94	1.94	20.61	1.37	21.38	1.33
Total current assets	683.57	53.19	775.84	51.50	747.34	46.66
Restricted bank deposits	12.23	0.95	12.29	0.82	12.35	0.77
Investment in subsidiary	-	-	-	-	-	-
Investments in joint ventures	-	-	-	-	31.75	1.98
Property, plant and equipment	475.21	36.98	594.11	39.43	739.39	46.16
Right-of-use assets	59.06	4.60	45.03	2.99	53.15	3.32
Intangible assets	3.05	0.24	2.13	0.14	0.73	0.05
Deferred tax assets	8.20	0.64	8.96	0.59	6.65	0.42
Other non-current financial assets	5.00	0.39	5.00	0.33	5.08	0.32
Other non-current assets	38.80	3.02	63.22	4.20	5.40	0.34
Total non-current assets	601.54	46.81	730.73	48.50	854.51	53.34
Total assets	1,285.12	100.00	1,506.57	100.00	1,601.85	100.00
Liabilities						
Short-term loans from financial institutions	27.43	2.13	52.73	3.50	29.24	1.83
Trade and other payables	284.97	22.17	294.89	19.57	276.03	17.23
Derivative liabilities	0.98	0.08	0.00	0.00	1.30	0.08
Current portion of long-term loans from financial within a year	-	-	54.25	3.60	76.82	4.80
Current portion of lease liabilities	21.10	1.64	13.56	0.90	8.02	0.50
Income tax payable	10.30	0.80	3.52	0.24	7.08	0.43
Total current liabilities	344.78	26.82	418.94	27.81	398.49	24.88

Balance Sheet	2020		2021		2022	
	THB Million	Percent	THB Million	Percent	THB Million	Percent
Long-term loans from financial institutions – Net Current Portion	-	-	70.38	4.67	157.09	9.81
Lease liabilities - net of current portion	26.10	2.03	14.02	0.93	18.22	1.14
Provision for long-term employee benefits	33.65	2.62	42.94	2.85	42.69	2.67
Total non-current liabilities	59.75	4.65	127.33	8.45	218.00	13.62
Total liabilities	404.53	31.48	546.27	36.26	616.48	38.49
Shareholders' Equity						
Share capital						
Registered	410.00	31.90	502.25	33.34	502.25	31.35
Issued and fully paid-up	410.00	31.90	410.00	27.21	410.00	25.60
Share premium	302.99	23.58	302.99	20.11	302.99	18.92
Retained earnings						
Appropriated - statutory reserve	26.80	2.09	30.29	2.01	33.00	2.06
Unappropriated	140.80	10.96	217.03	14.41	239.37	14.94
Total shareholders' equity	880.59	68.52	960.30	63.74	985.37	61.51
Total liabilities and shareholders' equity	1,285.12	100.00	1,506.57	100.00	1,601.85	100.00

Profit and Loss Statement

Profit and Loss Statement	2020		2021		2022	
	THB Million	Percent	THB Million	THB Million	Percent	THB Million
Revenue						
Sales	1,398.05	98.80	1,677.15	97.10	1,668.86	98.39
Gain on exchange	1.63	0.12	-	-	0.34	0.02
Other income	15.34	1.08	50.16	2.90	26.89	1.59
Total revenues	1,415.03	100.00	1,727.31	100.00	1,696.10	100.00
Expenses						
Cost of sales	(1,093.81)	(77.30)	(1,414.06)	(81.86)	(1,457.99)	(85.96)
Selling and distribution expenses	(29.52)	(2.09)	(34.14)	(1.97)	(37.62)	(2.22)
Administrative expenses	(116.41)	(8.23)	(118.25)	(6.85)	(132.85)	(7.83)
Loss on exchange	-	-	(0.06)	(0.00)	-	-
Total expenses	(1,239.75)	(87.61)	(1,566.51)	(90.69)	(1,628.46)	(96.01)
Operating profit	175.28	12.39	160.81	9.31	67.63	4.00
Finance cost	(4.61)	(0.33)	(3.90)	(0.23)	(2.93)	(0.17)
Profit before income tax expenses	170.68	12.06	156.91	9.08	64.70	3.81

Profit and Loss Statement	2020		2021		2022	
	THB Million	Percent	THB Million	THB Million	Percent	THB Million
Income tax expenses	(27.87)	(1.97)	(7.49)	(0.43)	(9.64)	(0.57)
Profit for the year	142.80	10.09	149.42	8.65	55.07	3.25

Management Discussion and Analysis

Important Financial Information

Asset

In 2021, the Company had total assets of THB 1,506.57 million, an increase of THB 221.46 million or a growth rate of 17.23 percent from total assets of THB 1,285.12 million in 2021, with increased total assets including property, buildings and equipment of THB 118.90 million, inventories increased by THB 105.57 million and trade accounts receivable increased by THB 83.94 million. There has been a large increase in sales and investment in the construction of a new factory.

In 2022, the Company had total assets of THB 1,601.85 million, an increase of THB 95.28 million or a growth rate of 6.32 percent from total assets of THB 1,506.57 million in 2021. The increase in total assets mainly consisted of buildings and equipment that increased by THB 145.28 million and cash or equivalent which increased from new factory construction and investment in new machinery which is a preparation for the Company's business in the future.

Liabilities

In 2021, the Company had total liabilities of THB 546.27 million, an increase of THB 141.74 million or a growth rate of 35.04 percent from total liabilities of THB 404.53 million baht in 2020 due to the Company Loans are used in business operations, including factory construction. In 2021, the Company had short-term and long-term loans with financial institutions of THB 177.36 million, an increase of THB 149.93 million from the THB 27.43 million credit in 2020.

In 2022, the Company had total liabilities of THB 616.48 million, an increase of THB 70.21 million or a growth rate of 12.85 percent from total liabilities of THB 546.27 million, since the Company Long-term loans are mainly used for the construction of new factories.

Shareholders' Equity

In 2021, the Company had a shareholder's equity of THB 960.30 million, an increase of THB 79.72 million or a growth rate of 9.05 percent from the total shareholder's equity of THB 880.59 million in 2020, due to the Company's increased accumulated profits from its 2021 operations of THB 149.42 million. However, the Company paid an interim dividend of THB 69.70 million.

In 2022, the Company had a shareholder's equity of THB 985.37 million, an increase of THB 25.06 million or a growth rate of 2.61 percent from the total shareholder's equity of THB 960.30 million in 2021. However, the Company paid an interim dividend of THB 36.90 million.

Important Financial Information

Total Revenue

In 2021, the Company had a total revenue of THB 1,727.31 million, an increase of THB 312.29 million or 22.07 percent from 2020, which was THB 1,415.02 million. This was due to the increase in sales revenue in 2021 – which was THB 1,677.15 million – an increase of THB 279.10 million or 19.96 percent from 2020, which was THB 1,398.05 million. The main reason for this increase in revenue was the increase in sales revenue from non-food products by THB 222.65 million or 20.13 percent and from food products by THB 56.60 million or 18.37 percent.

In 2022, the Company had a total revenue of THB 1,696.09 million, a decrease of THB 31.22 million or 1.81 percent from 2021, which was THB 1,727.31 million. This was due to the decrease in sales revenue in 2022 – which was THB 1,668.86 million – a decrease of THB 8.29 million or 0.49 percent from 2021, which was THB 1,677.15 million. The main reason for this decrease in revenue was the decrease in sales revenue from non-food products by THB 51.16 million or 3.91 percent.

Gross Profit Margin

In 2021, the Company had a gross margin of THB 263.09 million, a decrease from 2020 – which was THB 304.24 million, by THB 41.15 million or 13.53 percent. This was due to the increase in raw material costs, which rose in response to the COVID-19 recovery in other countries.

In 2022, the Company had a gross profit margin of THB 210.87 million, a decrease from 2020 – which was THB 263.09 million, by THB 52.22 million or 19.83 percent. This was due to the decrease in revenue in 2022.

Net Profit Margin

In the year 2021, the Company had a net profit of THB 149.41 million, an increase from the year 2020 – which was 142.80 million baht – by THB 6.61 million or a growth rate of 4.63 percent from the previous year. This was due to the increase in raw material costs according to market prices, and the Company had adjusted its selling prices to match the higher costs. The Company began adjusting its prices gradually from July 2021.

In the year 2022, the Company had a net profit of THB 55.06 million, a decrease from the year 2021 – which was THB 149.41 million – by THB 94.35 million or a decrease rate of 63.15 percent from the previous year. This was due to the increased cost of raw materials from oil prices and the impact of exchange rates. However, the Company managed raw materials in advance and gradually adjusted selling prices to be appropriate for the costs. Currently, the cost of raw materials was mostly trending downwards, and during the beginning of 2022, there were relocation, movement, and installation of machinery in the expanding production facility, resulting in temporarily increased production costs.

15. Other information that may significantly affect the decision of investors

None

16. Opinions of the Company's Board of Directors on the decision to enter into a connected transaction

Please consider details in item 12

17. Opinion of the Audit Committee and/or the directors which are different from the opinions of the Board of Directors as stated above.

Please consider details in item 13

Please be informed accordingly

Sincerely yours,

(Mr. Somchai Wongrassamee)

Chief Financial Officer