

5 July 2023

Re: Notification of the resolution of the Board of Directors' meeting regarding approval of investment in retail business in the United Kingdom

To: The President
The Stock Exchange of Thailand

NR Instant Produce Public Company Limited (“the Company”) would like to inform that Board of Director’s meeting No. 8/2023 dated 31 May 2023 passed a resolution to invest in Chuanglee businesses which are oriental food wholesaler and retailer in the United Kingdom with details as follows:

1. Date of Transaction: The transaction is completed on 5 July 2023.

2. Parties Involved

Seller: Mr. Jimmy Chua (holding 55% in Galalane Limited prior transaction)
Mr. Ben Ng (holding 45% in Galalane Limited prior transaction)

Purchaser: NRConsumer Limited (a wholly owned subsidiary of NRF Consumer Limited which is a subsidiary of the Company).

Relationship: The transaction is not considered a connected transaction as the party involved is not a connected party.

After transaction, NRConsumer Limited will hold 90% in Galalane Limited

3. General Aspects of Transaction

Nature of Transaction: The Company shall enter into a transaction to invest in 90% of the ordinary shares of Galalane Limited which are fully paid-up, totaling no more than GBP 5.1 million (or approximately 221.2 million Baht¹) in cash.

Nature of Business: Galalane Limited is a holding company holding 100% in Chuanglee Limited (“CNL”) and Chuanglee Cash & Carry Limited (“CCC”). These companies are wholesalers and retailers offering oriental food in the United Kingdom, especially Thai and Chinese foods. CNL services products to business-to-business customers while CCC services oriental food products to business-to-consumer customers and partially to business-to-business customers. CCC has a store in London, United Kingdom.

¹ The exchange rate is referencing from the Bank of Thailand as of 30 May 2023 at 43.3734 THB/GBP.

Paid-up Capital: GBP 202 (or approximately 8,761.4 Baht¹)

Directors: The Company shall have the right to appoint more than half of the Board of directors of Galalane Limited. The Company is in the process of director selection and appointment, which will be informed through SET.

Financial information for the past 3 years

	For fiscal year ending 31 March					
	2021		2022		2023	
	GBP million	THB ¹ million	GBP million	THB ¹ million	GBP million	THB ¹ million
Revenue	8.59	372.58	13.60	589.88	15.56	674.89
Net Profit / (Loss)	(0.42)	(18.22)	0.67	29.06	1.11	48.14
Total Assets	1.90	82.41	3.45	149.64	3.71	160.92
Total Liabilities	1.72	74.60	2.59	112.34	1.74	75.47
Shareholders' Equity	0.18	7.81	0.86	37.30	1.97	85.45

¹ The exchange rate is referencing from the Bank of Thailand as of 30 May 2023 at 43.3734 THB/GBP.

Pricing criteria: The consideration was determined from the negotiation between the seller and the purchaser.

Payment: The consideration shall be paid in cash totaling up to GBP 5.1 million (or approximately 221.2 million Baht¹).

Source of Funding: Working capital of the Company

Expected Benefits: This investment is a strategic investment to expand the Company vertically and improve access to consumers. The Company will create a platform and analyze data from selling products in Chuanglee business to develop the Company's products to meet customers' demand. In addition, this would sustainably enhance the core business of the Company and improve revenue and margin of the Company. This is because the Company can benefit from selling products directly from the factory to consumers. The Company expects revenue recognition in the third quarter of 2023.

4. Transaction Size

The calculation of the transaction value under the Notifications on Acquisition or Disposal based on the Consolidated Financial Statements of the Company for the period ending 31 March 2023 which was reviewed by the auditor are detailed as follows:

1. Net Tangible Assets

$$\begin{aligned} \text{Transaction size} &= \frac{\text{(NTA of the acquired company x proportion acquired)}}{\text{NTA of the Company}} \\ &= \frac{85.49^1 \text{ million Baht x 90\%}}{2,658.1 \text{ million Baht}} \\ &= 2.89\% \end{aligned}$$

2. Net Operating Profits

$$\begin{aligned} \text{Transaction size} &= \frac{\text{(Net operating profits of the investment x Buying or selling ratio)}}{\text{Net operating profits of the listed company}} \\ &= \frac{48.14^1 \text{ million Baht x 90\%}}{270.03 \text{ million Baht}} \\ &= 16.04\% \end{aligned}$$

3. Total Value of Consideration

$$\begin{aligned} \text{Transaction size} &= \frac{\text{Value of transaction paid}}{\text{Total Asset of the Company and subsidiaries}} \\ &= \frac{221.2^1 \text{ million Baht}}{6,142.7 \text{ million Baht}} \\ &= 3.60\% \end{aligned}$$

4. Value of Equity Shares Issued for the Asset Acquired

Not applicable. No equity issuance for the asset acquisition.

¹ The exchange rate is referencing from the Bank of Thailand as of 30 May 2023 at 43.3734 THB/GBP.

The transaction size is considered as asset acquisition transaction according to 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 and the Notification of the Board of Governors of the Stock Exchange of Thailand Re: Disclosure of Information and Other Acts of Listed Companies Concerning the Acquisition and Disposition of Assets B.E. 2547 (2004) (as amended).

The investment represents a net operating profit value of 16.04%. After such transaction value is combined with other asset acquisition transactions which occurred during the past 6 months, the total value of the asset acquisition transaction is still the same at 16.04% compared with the total assets of the Company under the Consolidated Financial Statements of the Company for the period ending 31 March 2023, which were reviewed by the auditor. This asset acquisition transaction is, therefore, classified as a Class 2 Transaction, i.e., a transaction with the value of 15% or higher but lower than 50%.

The calculation of cumulative transaction size over 6-month period

Date	Detail	Transaction Size (%)			
		NTA	Net Profit	Total Value of Consideration	Value of Securities
20 April 2023	Investment in SW Enterprises Ltd. group	-	-	0.72%	-
5 July 2023	Investment in Galalane Limited	2.89%	16.04%	3.60%	-
Total Transaction Size		2.89%	16.04%	4.33%	-

¹ The exchange rate is referencing from the Bank of Thailand as of 30 May 2023 at 43.3734 THB/GBP.

Consequently, the Company shall have the following duties:

1. To disclose the information on the acquisition of assets of the Company to the Stock Exchange of Thailand.
2. To deliver a letter to the shareholders informing them of the asset acquisition of the Company and its subsidiaries within the period of 21 days from the date on which the Company discloses the transaction to the Stock Exchange of Thailand.

5. Connected Transaction

The transaction is not considered a connected transaction under the Notification of the Capital Market Supervisory Board No. TorJor. 21/2551 Re: Rules on Connected Transactions and the Notification of the Board of Governors of the Stock Exchange of Thailand Re: Disclosure of Information and Practice of Listed Companies concerning Connected Transactions B.E. 2546 (2003) (as amended).

6. Approval from relevant parties

- None –

7. Opinions of the Board of Directors on Entering into of the Transaction

Board of Directors Meeting No. 8/2023, held on 31 May 2023, has, with its duty of royalty and duty of care, taken into consideration the details relevant to the transaction in the best interests of the Company, in resolving to approve that above investment. The Board of Directors is of the view that the entering into the transactions is reasonable and in the best interests of the Company and its shareholders. The investment is part of the Company's strategy to expand business vertically and improve access to consumers. As Galalane Limited holds companies in wholesale and retail businesses of oriental food, the Company envisions that this investment would enhance the Company's revenue and margin through direct to consumers. Additionally, the Company could leverage data from consumers to develop the Company's products. This investment could sustainably improve the Company's competitiveness and integrated business which steadily leads to the Company's growth and improvement in revenue and margin.

8. Opinions of the Audit Committee and/or directors which are different from those of the Board of Directors under Item 7

- None -

Please be informed accordingly

Sincerely yours

Miss Penhurai Chaichatchaval
Chief Finance and Investment Officer

Company Secretary

Tel. 0646505164

Email: NRF.comsec@nrinstant.com