



บริษัท ธนพิริยะ จำกัด(มหาชน)

สำนักงานใหญ่ : 329 หมู่ 8 ตำบลบ้านดู่ อำเภอเมืองเชียงราย จังหวัดเชียงราย 57100

THANAPIRIYA PUBLIC COMPANY LIMITED

Head Office : 329 Moo 8 Ban Du, Muang Chiang Rai, Chiang Rai 57100 Thailand

8 November 2023

Subject Report on related transactions in land lease from major shareholders and director of the company

Attention Directors and Managers,
Stock Exchange of Thailand

The Board of Directors of Thanapiriya Public Company Limited (the Company) at the meeting no. 5/2023 on November 8, 2023 Resolved to approve the company in land lease agreement with Mrs. Amorn Phutthiphiriya as a major shareholder and director of the company. The execution of such agreement is considered as connected transaction which the lease term is 15 years total amount of Baht 19,770,810 (Nineteen million Seven hundred Seventy thousand Eight hundred and Ten Baht only). The purpose of the land lease agreement is to expand the company's branches. The details are as follows:

1. Date of transaction

After the Board of Directors' meeting resolves to approve the entering into the transaction, the Company will execute the land lease agreement with Mrs. Amorn Phutthiphiriya within December 2023.

2. Contract parties and details of connected person

Lessor : Thanapiriya Public Company Limited

Lessee : Mrs. Amorn Phutthiphiriya

Relationship with

the Company : Mrs. Amorn Phutthiphiriya is a major shareholder and director of the company which considered to a connected person.

Mrs. Amorn Phutthiphiriya personally held 65.10% of shares including held by spouse or minor children (According to data on 22 August 2023 XD)

3. General characteristics and details of Related Parties Transaction

3.1 Information of the leased land : Land deed no. 103712, 83244, 105373, 22526, 109434, and 57482, total area 7 rai 1 ngan 1.8 square wa (or 2,901.8 square wa)

3.2 Lease term : 15 years from January 1, 2024 to December 31, 2038

The company has set the lease term to be 15 years because it is an appropriate period considering the investment in the company's branch expansion project.

3.3 Total Value of the transaction: The lease term is 15 years and has a total value of Baht 19,770,810 (Nineteen million Seven hundred Seventy thousand Eight hundred and Ten Baht only). The criteria used to determine the rental rate are based on rental appraisal



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documents. From an independent appraiser, namely Prospec Appraisal Company Limited, dated July 19, 2023, according to the details of the monthly rental rate as follows:

Lease Period	Rental rate per month (Baht)	Total rental fee according to period (Baht)
Year 1 - 5	93,554.03	5,613,242
Year 6 - 10	109,044.42	6,542,665
Year 11 - 15	126,915.03	7,614,903
Total		19,770,810

4. Settlement

Monthly Payment in Cash not over date 10th of the month

5. Size of transection

Entering into land lease agreement is considered as acquisition of asset, according to the Notification of the Capital Market Supervisory Board No. TorChor. 20/2551 regarding the rules on significant transactions as an acquisition or disposal of assets, which has the highest transaction size equal to 7.64 % of the total assets of Company (The total transaction size over the past 6 months)

Value of transection size throughout the agreement 15 years	19,770,810 Baht
Total asset value on September 30, 2023 (According to recent financial statement that has been reviewed by an auditor))	1,319,523,257 Baht
Transaction size per total assets value of the Company	1.50 %

Transaction size of asset acquisition

$$\text{Value of benefit} = \frac{\text{Amount paid} \times 100}{\text{Total assets of Company}}$$

$$\text{Transaction size} = \frac{(19,770,810 \text{ Baht} \times 100)}{1,319,523,257 \text{ Baht}}$$

If the calculation above includes other assets acquired over the past 6 months, with a value of Baht 80,980,393 or equivalent to 6.14% (other assets Baht 80.98 million x 100 / total assets Baht 1,319.52 million), it will result in the total transaction size equal to 7.64% of the total assets value of Company, which is still less than 15%



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The transaction size of asset acquisition above is less than 15%. The Board of Directors is authorized to approve the operation and do not have to organize a shareholders' meeting to request approval according to the announcement of the marketing committee of The Stock Exchange of Thailand regarding disclosure of information and operations of registered companies in acquisition or disposal of assets 2004 ("Announcement of Acquisition or Disposal of Assets")

However, entering of such land lease agreement is considered as connected transaction according to the Notification of the Capital Market Supervisory Board TorJor 21/2551, regarding Ruled relating to connected transaction, Type of transaction related to assets or services, which calculating the transaction size, it is based on the consolidated financial statements of the company and its subsidiaries. Ending September 30, 2023, the transaction size was 1.93% of the net tangible assets value (Net tangible assets of the Company as of September 30, 2023 equal to 1,022.82 million Baht) which is more than 1 million Baht or 0.03 percent of the net tangible assets of the company but not more than 3.00 percent of the net tangible assets. Therefore, the Company must request approval of such transaction from the Board of Directors and disclose information to the Stock Exchange of Thailand.

Calculation of connected transaction size

$$\begin{aligned} &= \frac{\text{Value of transaction} \times 100}{\text{Net tangible assets of the Company}} \\ \text{Transaction size} &= \frac{(19,770,810 \text{ Baht} \times 100)}{1,022,824,529 \text{ Baht}} \\ &1.93 \% \text{ of Net tangible assets value of the Company} \end{aligned}$$

Total Net tangible assets value of the Company calculated from company equity of 1,030,349,508 Baht deducted by net intangible assets 2,752,162 Baht and Deferred Tax Assets of 4,772,817 Baht in total of 1,022,824,529 Baht.

Note: Right of use asset is identified as the asset used in business activity, land and building lease agreements which are the location of the Company's branches.

6. Attending and voting in the meeting of interested directors

Mrs. Amorn Phutthiphiriya and Mr. Thawatchai Phutthiphiriya, interest directors, they did not attend the meeting and vote in consideration of the such agenda

The Board of Directors attended the meeting and voted on this agenda. Therefore, it consists of 6 directors as follows:

- 1) Mr.Pisanu Kantipong Chairman of the board of director, Independent director, Chairman of the audit committee
- 2) Mr. Wathana Yeunyong Independent director, Audit committee



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| 3) Mr. Chalermchai Khansean | Independent director, Audit committee |
| 4) Mr.Suwit Sirigrivatanawong | Director |
| 5) Mrs.Chularat Ngamloetlee | Director |
| 6) Miss Busakorn Tadthapong | Director |

The Board of Directors has considered that there are 6 directors as listed above. There is no interest in the land lease agreement transaction with Mrs. Amorn Phutthiphiriya. MR. Suwit Sirigrivatanawong (Elder Brother of Mrs. Amorn), Mrs. Jularat Ngamlertlee (Elder Sister of Mrs. Amorn), Miss Bussakorn Thadthapong (Younger Sister of Mrs. Amorn). Although these 3 directors are sibling of Mrs. Amorn, there is no related interest in the land as the ownership is an absolute right of Mrs. Amorn Phutthiphiriya which was purchased from unrelated person in 2012.

7. Opinion of the Board of Directors

The Board of Directors has considered this transaction and opined that it is reasonable and beneficial to the Company. In renting land to expand the company's branches. The rental rate is in accordance with the appraised value of the independent appraiser. In addition, this item has been considered by the Company's Audit Committee. Therefore, the board of director has approved the company to enter into a land lease agreement with Mrs. Amorn Phutthiphiriya.

8. Opinion of the Audit Committee and/or Director of the Company which is Difference to the Board of Directors' Opinion

- None -

Submitted for your acknowledgement.

Best Regards,

(Mr.Thawatchai Phuttiyiriya)
Managing Director