



Ref. STARK022/2019

October 4, 2019

Subject: The Acquisition of Assets and Connected Transaction (Adisorn Songkhla Co., Ltd.), and the Schedule for the Extraordinary General Meeting of Shareholders No.3/2019

Attn.: President
The Stock Exchange of Thailand

Enclosures:

1. Information Memorandum of Stark Corporation Public Company Limited Re: Acquisition of Assets and Connected Transaction on Acquisition and Acceptance of Entire Business Transfer

Stark Corporation Public Company Limited (the "**Company**") hereby informs the additional significant resolutions of the Board of Directors' Meeting No. 5/2019, which was held on September 30, 2019, to the Stock Exchange of Thailand ("**SET**") as follows:

1. It was resolved to propose the Shareholders' Meeting to consider approving the Company to acquire and accept the entire business transfer of Pinwheel 2 Co., Ltd., ("**Pinwheel 2**"), which refers to all assets, liabilities, rights, obligations and responsibilities of Pinwheel 2, currently available and to be available in the future, as of the date of the entire business transfer, including 109,998 ordinary shares (with a par value of THB 1,000 per share) in Adisorn Songkhla Co., Ltd. ("**Adisorn**") (representing 99.99 percent of Adisorn's registered and paid-up capital) and also resolved to approve the Company to enter the entire business transfer agreement, other agreements, and other documents in relation to the acquisition and acceptance of the entire business transfer which is also considered as acquisition/disposition of assets and connected transaction. The Company shall make payment in consideration of the entire business transfer in the amount of THB 1,550,000,000 (One Thousand Five Hundred and Fifty Million Baht) in cash to Pinwheel 2 (the "**Entire Business Transfer Transaction**"). In addition, the resolution of the Board of Directors' Meeting was under the conditions that the Chairman of the Board of Directors would further negotiate regarding the repayment of outstanding long-term loan of Adisorn and its related companies.

On October 4, 2019, the parties have agreed on the repayment of outstanding long-term loan of Adisorn and its related companies. The shareholders of Pinwheel 2 agreed to require its related companies to

repay outstanding long-term loan to Adisorn in the amount of no less than THB 500 Million (the amount of long-term loan for its related business is approximately THB 1,059 Million as of December 31, 2018) prior to the acceptance under the entire business transfer of Pinwheel 2. In addition, Pinwheel 2 requires its related companies to repay all outstanding long-term loan to Adisorn by the Second Quarter of 2020.

In relation to the acquisition and acceptance of a private company's business pursuant to Section 107(2)(b) of the Public Limited Companies Act B.E. 2535 (1992) (as amended), such public limited company is required 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. In addition, the entire business transfer is regarded as a transaction on acquisition 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"). Upon consideration of the size of the transaction based on the net operating profits method (Net Profit) per the Independent Auditor's Assurance Report on the Compilation of Pro Forma Consolidated Financial Information Included in the Prospectus ended June 30, 2019, the Entire Business Transfer Transaction is regarded as a transaction on acquisition of assets in type 2, with the value equal to 45.25 percent (which is equal to 15 percent or higher, but lower than 50 percent) calculated based on net operating profits method (Net Profit) (although the Company has no acquisition of assets over the past six months which has not yet been approved by the Shareholders' Meeting). Therefore, the Company is required to prepare and submit a report and disclosure of information memorandum on the execution of such transaction to the SET and convene a Shareholders' Meeting to seek approval for the execution of the transaction.

Therefore, the Company is required to comply with the Notifications on Acquisition or Disposition of Assets, including the following matters:

- (1) To prepare and submit a report and disclosure of information memorandum on the Company's transaction to the SET immediately, which must at least contain the information as required in List (1) attached to the Notifications on Acquisition or Disposition of Assets;

- (2) To appoint an independent financial advisor to carry out the relevant functions, including provide its opinions as required by the Notifications on Acquisition or Disposition of Assets and submit the independent financial advisor's report to the shareholders for consideration, together with the invitation letter for the Shareholder's Meeting. In this regard, the Company has appointed Welcap Advisory Company Limited, which is a financial advisor approved by the Office of the Securities and Exchange Commission (the "SEC Office"), as its independent financial advisor to provide its opinions to the shareholders on the Entire Business Transfer Transaction; and
- (3) To convene a Shareholders' Meeting of the Company to approve the execution of the Entire Business Transfer Transaction, by delivering the invitation letter for the Shareholders' Meeting to the shareholders at least fourteen days prior to the date of 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 interested shareholders, where the names and number of shares of the shareholders ineligible to vote must also be specified in the invitation letter for the Meeting.

Furthermore, the Entire Business Transfer Transaction is regarded as a connected transaction of a listed 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 SET Re: Disclosure of Information and Other Acts of Listed Companies Concerning the Connected Transactions B.E. 2546 (2003) dated November 19, 2003 (as amended) (the "Notifications on Connected Transactions") as it is executed with a connected person of the Company's controller and major shareholder, namely Mr. Vonnarat Tangkaravakoon, the director and shareholder of Pinwheel 2. In addition, Mr. Sathar Chantrasettalead is the director of Adisorn. In this regard, size of the transaction is equal to 83.08 percent of the net tangible assets (NTA) of the Company per the Independent Auditor's Assurance Report on the Compilation of Pro Forma Consolidated Financial Information Included in the Prospectus ended June 30, 2019. Therefore, the Company is required to comply with the Notifications on Connected Transactions, including the following matters:

- (1) To prepare and submit a report and disclosure of information memorandum on the Company's transaction to the SET;
- (2) To convene a Shareholders' Meeting of the Company by delivering the invitation letter for the Shareholders' Meeting to the shareholders at least fourteen 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 interested shareholders; and

- (3) To appoint an independent financial advisor to carry out the relevant functions, including provide its opinions as required by the Notifications on Connected Transactions. In this regard, the Company has appointed Welcap Advisory Company Limited as its independent financial advisor to carry out such functions as required by the Notifications on Connected Transactions.

In this connection, the Company did not execute any other connected transactions with Pinwheel 2 or Pinwheel 2's related persons over the past six months which have not yet been approved by the Shareholders' Meeting.

The details of the Entire Business Transfer Transaction, which constitutes a transaction on acquisition of assets and a connected transaction of a listed company, are described in the Information Memorandum of Stark Corporation Public Company Limited Re: Acquisition of Assets and Connected Transaction on Acquisition and Acceptance of Entire Business Transfer (**Enclosure 1**).

However, the Entire Business Transfer Transaction shall proceed only after the conditions precedent as specified in the entire business transfer agreement between the Company and Pinwheel 2 (the "**Entire Business Transfer Agreement**"), including other arrangements, contracts and documents relating to such transaction, shall have been fulfilled. The significant conditions precedent may be summarized below:

- (1) The Company shall have acknowledged the results of the legal and financial due diligence of Adisorn without any material and adverse impact on the Entire Business Transfer Transaction;
- (2) The Shareholders' Meeting of the Company shall have resolved to approve the Entire Business Transfer Transaction, including approval on various matters necessary for and/or in connection with such transaction;
- (3) As of the date of the entire business transfer, there shall be no event or action happening or caused to happen or reasonably believed to likely happen, which may give rise to material and adverse impact on Adisorn or jeopardize the execution of the Entire Business Transfer Transaction;

- (4) The Board of Directors' Meeting and the Shareholders' Meeting of Pinwheel 2 shall have resolved to approve the transfer of its entire business to the Company, including the execution of the Entire Business Transfer Agreement, other arrangements, contracts and documents relating to the execution of the Entire Business Transfer Transaction, as well as any other actions to ensure the successful completion of the Entire Business Transfer Transaction;
- (5) The related companies to repay outstanding long-term loan to Adisorn in the amount of no less than THB 500 Million.

In this connection, the Board of Directors' Meeting deemed it appropriate to propose the Shareholders' Meeting to consider authorizing the Board of Directors or the Chairman or the Chief Executive Officer or the person authorized by the Board of Directors or the Chairman or the Chief Executive Officer to take any arrangements in connection with or necessary for the execution of the Entire Business Transfer Transaction, including to negotiate, enter into, sign and amend the Entire Business Transfer Agreement, and to set out rules, conditions and other details necessary for and in connection with the Entire Business Transfer Transaction as necessary and appropriate under the applicable laws.

2. It was resolved to approve the execute of a Memorandum of Understanding for the purchase and the entire business transfer of Pinwheel 2 (the "MOU"). Under the MOU, the Company shall make a refundable deposit in the total amount of THB 200,000,000 within Seven days after the signing of the MOU. The deposit will be deemed as a payment for the shares to be purchased. If the Parties cannot enter the Entire Business Transfer Transaction, Pinwheel 2 agrees to return such deposit in full with no interest within Seven days after the end of such circumstance or the expiration of the Entire Business Transfer Agreement.
3. It was resolved to approve the appointment of Welcap Advisory Company Limited, which is a financial advisor on the list approved by the SEC Office, as its independent financial advisor to provide its opinions on the Entire Business Transfer Transaction, which is regarded as a transaction on acquisition and disposal of assets and a connected transaction of a listed company.
4. It was resolved to approve the Extraordinary General Meeting of Shareholders No. 3/2019 to be held on November 29, 2019 at 09:00 hours at the Meeting Room of InterContinental Bangkok, no. 973 Phloen Chit Road, Lumpini Sub-district, Pathumwan District, Bangkok and the record date to determine the list of shareholders entitled to attend the Meeting to be November 4, 2019, as per the following agenda:



Agenda Item 1 To consider approving the Minutes of the Extraordinary General Meeting of Shareholders No.2/2019;

Agenda Item 2 To consider approving the acquisition and acceptance of the entire business transfer between the Company and Pinwheel 2 Co., Ltd., and the execution of the Entire Business Transfer Agreement, other agreements and documents relating to the acquisition and acceptance of the entire business transfer, which constitute a transaction on acquisition of assets and a connected transaction; and

Agenda Item 3 To consider other matters (if any).

5. It was resolved to authorize the Chairman or the person authorized by the Board of Directors or the Chairman to have the authority to consider approving any amendment or change of the record date to determine the list of shareholders entitled to attend the Extraordinary General Meeting of Shareholders No. 3/2019 and any amendment or change of the date, time and place for the Extraordinary General Meeting of Shareholders No. 3/2019 in the event where the Company encounters any problems on documentations and information, which cause the delivery of such documents and information to the shareholders within the time as required by law and the relevant rules and regulations, to be delayed or to be essentially revised or changed in respect of such date and time as appropriate.

Please be informed accordingly

Sincerely yours,

-Mr. Sathar Chantrasettalead-

(Mr. Sathar Chantrasettalead)

Director

Information Memorandum of Stark Corporation Public Co., Ltd. Re: Acquisition of Assets and Connected Transaction on Acquisition and Acceptance of Entire Business Transfer

The Board of Directors' Meeting of Stark Corporation Public Company Limited (the "Company" or "STARK") No. 5/2019, which was held on September 30, 2019, has resolved to propose the Shareholders' Meeting to consider approving the Company to acquire and accept the entire business transfer of Pinwheel 2 Company Limited ("Pinwheel 2"), in which there are three shareholders, namely Team A Holding Company Limited, Mr. Vonnarat Tangkaravakoon and Miss Natdulaporn Kitikompanich. The Company shall acquire and accept transfer of the entire business of Pinwheel 2, which refers to all assets, liabilities, rights, obligations and responsibilities of Pinwheel 2, currently available and to be available in the future, as of the date of the entire business transfer, including 109,998 ordinary shares with a par value of THB 1,000 per share in Adisorn Songkhla Company Limited ("Adisorn"), which is a subsidiary whose shares are held by Pinwheel 2 or representing 99.99 percent of Adisorn's issued and paid-up shares, totalling of THB 1,550,000,000 and execute an entire business transfer agreement, other agreements and documents relating to the acquisition and acceptance of the entire business transfer (the "Entire Business Transfer Transaction"). In addition, the resolution of the Board of Directors' Meeting was under the conditions that the Chairman of the Board of Directors would further negotiate regarding the repayment of outstanding long-term loan of Adisorn and its related companies.

On October 4, 2019, the parties have agreed on the repayment of outstanding long-term loan of Adisorn and its related companies. The shareholders of Pinwheel 2 agreed to require its related companies to repay outstanding long-term loan to Adisorn in the amount of no less than THB 500 mm (the amount of long-term loan for its related business is approximately THB 1,059 mm as of December 31, 2018) prior to the acceptance under the entire business transfer of Pinwheel 2. In addition, Pinwheel 2 requires its related companies to repay all outstanding long-term loan to Adisorn by the Second Quarter of 2020.

Furthermore, in relation to the acquisition and acceptance of a private company's business pursuant to Section 107(2)(b) of the Public Limited Companies Act B.E. 2535 (1992) (as amended), such public limited company is required 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. In addition, the entire business transfer is regarded as a transaction on acquisition 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 and Disposition of Assets B.E. 2547 (2004) dated October 29, 2004 (as amended) (the "Notifications on Acquisition or Disposition of Assets"). Upon consideration of the size of the transaction based on Net Profit criteria per the Independent Auditor's Assurance Report on the Compilation of Pro Forma Consolidated Financial Information Included in the Prospectus ended June 30, 2019 (the "Financial Statement of the Company"), this is regarded

as a transaction on acquisition of assets in type 2, with the value equal to 45.25 percent (which is equal to 15 percent or higher, but lower than 50 percent) calculated based on Net Profit criteria (although the Company has no acquisition of assets over the past six months which has not yet been approved by the Shareholders' Meeting). Therefore, the Company is required to prepare and submit a report and disclosure of information memorandum on the execution of such transaction to the Stock Exchange of Thailand ("SET") and convene a Shareholders' meeting to seek approval for the execution of the transaction.

Therefore, the Company is required to comply with the Notifications on Acquisition or Disposition of Assets, including the following matters:

- (1) To prepare and submit a report and disclosure of information memorandum on the Company's transaction to the SET immediately, which must at least contain the information as required in List (1) attached to the Notifications on Acquisition or Disposition of Assets;
- (2) To appoint an independent financial advisor to carry out the relevant functions, including provide its opinions as required by the Notifications on Acquisition or Disposition of Assets and submit the independent financial advisor's report to the shareholders for consideration, together with the invitation letter for the Shareholders. In this regard, the Company has appointed Welcap Advisory Company Limited as its independent financial advisor to provide its opinions to the shareholders on the Entire Business Transfer Transaction;
- (3) To convene a Shareholders' Meeting of the Company to approve the execution of the Entire Business Transfer Transaction, by delivering the invitation letter for the Shareholders' Meeting to the shareholders at least fourteen days prior to the date of 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 interested shareholders, where the names and number of shares of the shareholders ineligible to vote must also be specified in the invitation letter for the Meeting.

Furthermore, the Entire Business Transfer Transaction is regarded as a connected transaction of a listed 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 SET Re: Disclosure of Information and Other Acts of Listed Companies Concerning the Connected Transactions B. E. 2546 (2003) dated November 19, 2003 (as amended) (the "**Notifications on Connected Transactions**") as a controlling person and major shareholders of the Company such as Mr. Vonnarat Tangkaravakoon is directors and major shareholders of Pinwheel 2. Also, Mr. Sathar Chantrasetalead is director of Adisorn. The size of the transaction is equal to 83.08 percent of the Net Tangible Assets (NTA) of the

Company per the Financial Statement of the Company. Therefore, the Company is required to comply with the Notifications on Connected Transactions, including the following matters:

- (1) To prepare and submit a report and disclosure of information memorandum on the Company's transaction to the SET;
- (2) To convene a Shareholders' Meeting of the Company by delivering the invitation letter for the Shareholders' Meeting to the shareholders at least fourteen 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 interested shareholders;
- (3) To appoint an independent financial advisor to carry out the relevant functions, including provide its opinions as required by the Notifications on Connected Transactions. In this regard, the Company has appointed Welcap Advisory Company Limited as its independent financial advisor to carry out such functions as required by the Notifications on Connected Transactions.

In this connection, the Company did not execute any other connected transactions with Pinwheel 2 or Pinwheel 2's related persons over the past six months which have not yet been approved by the Shareholders' Meeting.

Part 1: Information Memorandum per List 1 under 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)

1. Transaction Date

By December 2019.

The Board of Directors' Meeting No. 5/2019, which was held on September 30, 2019, has resolved to approve the acquisition and acceptance of the entire business transfer between the Company and Pinwheel 2, and the execution of the entire business transfer agreement, other agreements and documents relating to the acquisition and acceptance of the entire business transfer, which constitutes a transaction on acquisition of assets and a connected transaction.

However, the Entire Business Transfer Transaction shall proceed only after the conditions precedent as specified in the entire business transfer agreement between the Company and Pinwheel 2 (the "**Entire Business Transfer Agreement**"), including other arrangements, contracts and documents relating to such transaction, shall have been fulfilled. The significant conditions precedent may be summarized below:

- (1) The Company shall have acknowledged the results of the legal and financial due diligence of Adisorn without any material and adverse impact on the Entire Business Transfer Transaction; and
- (2) The Shareholders' Meeting of the Company shall have resolved to approve the Entire Business Transfer Transaction, including approval on various matters necessary for and/or in connection with such transaction;
- (3) As of the date of the entire business transfer, there shall be no event or action happening or caused to happen or reasonably believed to likely happen, which may give rise to material and adverse impact on Adisorn or jeopardize the execution of the Entire Business Transfer Transaction;
- (4) The Board of Directors' Meeting and the Shareholders' Meeting of Pinwheel 2 shall have resolved to approve the transfer of its entire business to the Company, including the execution of the Entire Business Transfer Agreement, other arrangements, contracts and documents relating to the execution of the Entire Business Transfer Transaction, as well as any other actions to ensure the successful completion of the Entire Business Transfer Transaction.

- (5) The related companies to repay outstanding long-term loan to Adisorn in the amount of no less than THB 500 mm.

Concerned Parties

Transferee: Stark Corporation Public Company Limited (the “Company”)

Transferor: Pinwheel 2 Company Limited (“Pinwheel 2”)

2. List of Connected Persons and Relationships

Pinwheel 2 is related with the Company in which major shareholders, director, board and management are joint management such as Mr. Vonnarat Tangkaravakoon with the following details:

(1) List of shareholders of STARK, Pinwheel 2 and Adisorn

Shareholder / Company	STARK	Pinwheel2	Adisorn
1) Mr. Vonnarat Tangkaravakoon	73.37%	0.005%	0.01%
2) Stark Investment Corporation Limited*	22.23%	-	-
3) Pinwheel 2	-	-	99.99%
4) Team A holding Co., Ltd*	-	99.99%	-
5) Miss Natdulaporn Kitikompanich	-	0.005%	-

Notes : * A juristic in which Mr. Vonnarat Tangkaravakoon is held 100% of the paid-up capital

(2) List of board and directors of Pinwheel 2 and Adisorn

Name / Company	STARK	Pinwheel2	Adisorn
1) Mr. Chanin Yensudchai	C	-	-
2) Mr. Vonnarat Tangkaravakoon	I	I	-
3) Mr. Chinawat Assavapokee	I	-	-
4) Mr. Sathar Chantrasettalead	I, V	-	I
5) Mr. Songpope Polachan	II, IV	-	-
6) M.L. Peputtchai Benyabadhana	III, IV	-	-
7) Mr. Kusol Sangkananta	III, IV	-	-
8) Mr. Nirouth Jeakvathanyoo	I, V	-	-
9) Mr. Kittisak Jitprasertngam	V	-	-
10) Mr. Phichet Lochanachit	V	-	-
11) Miss Yosabavorn Amarit	-	-	I

Name / Company	STARK	Pinwheel2	Adisorn
12) Miss Natdulaporn Kitikompanich	-	I	-

Notes :

C	Chairman	III	Audit Committee
I	Director	IV	Independent Director
II	Chairman of the Audit Committee	V	Board

3. General Description, Type and Size of the Transaction

4.1 General Description of the Transaction

With regard to this transaction, the Company shall acquire and accept transfer of the entire business of Pinwheel 2. The acceptance of transfer of the entire business of Pinwheel 2 will primarily cause the Company to acquire approximately 99.99 percent of shares of Adisorn, whereby the Company shall pay the compensation to Pinwheel 2 in the amount of THB 1,550,000,000 in cash. This constitutes a transaction on acquisition of assets and a connected transaction as it is executed with a connected person (pursuant to Section 258 of the Securities and Exchange Act B.E. 2535 (1992) as amended) of Mr. Vonnarat Tangkaravakoon, who is the Company's controller and major shareholder.

4.2 Calculation of the Transaction Size

4.2.1 Acquisition of Assets

Table of calculation on acquisition of assets

Criteria	Details of Calculation	Calculation	Transaction size (%)
1.) Net tangible assets (NTA)	<u>NTA of Adisorn x Shareholding proportion</u> NTA of STARK	<u>781.74 MB x 100</u> 1,865.65 MB	41.90
2.) Net operating profits	<u>Net operating profits of Adisorn x Shareholding proportion</u> Net profits of STARK	<u>129.47 MB x 100</u> 286.10 MB	45.25
3.) Total value of consideration paid or received	<u>Value of transaction paid or received x 100</u> Total assets of STARK	<u>1,550.00 MB x 100</u> 13,013.16 MB	11.91
4.) Value of equity shares issued for the payment of assets	<u>STARK's shares issued for the payment of assets x 100</u> STARK paid-up shares	Cannot be calculated	

The detail of the calculation is as follows:

(THB mm)	STARK ⁽¹⁾	Adisorn ⁽²⁾
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Total Asset	13,013.16	1,899.22
Intangible asset		
- Goodwills	893.47	-
- Other intangible asset	17.22	-
Total Liability	10,202.18	1,117.48
Non-controlling interest	34.65	-
Net tangible asset (NTA)	1,865.65	781.74
Net profit (twelve-month period)	286.10	129.47

Remark:

- (1) In according to the Financial Statement of the Company with adjustment of the issuance of the newly ordinary shares to the existing shareholders (Right Offering) of THB 1,322.9 mm as follows

List		Q2/2019	Adjustment	Q 2/2019 (Adjustment)
Total Asset	(THB mm)	11,690.2	1,322.9	13,013.1
Total Liability	(THB mm)	10,202.2	-	10,202.2
Owner's Equities	(THB mm)	1,488.0	1,322.9	2,810.9

- (2) In according to the Adisorn's financial statement for twelve-month period ending 31 December 2018, audited by Deloitte Touche Tohmatsu Jaiyos Audit Company Limited.

4.2.2 Connected Transaction

The Entire business Transfer Transaction and Shares Allocation Transaction is deemed as connected transaction pursuant to the Capital Market Supervisory Board No.TorJor. 21/2551, Re: Rules on Connected Transaction dated 31 August 2003 (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, 2003 dated 19 November 2003 (as amended) (the "Connected Transaction Notification") as current Pinwheel 2's directors and/or shareholders shall be proposed to appoint as major shareholders and the Company's director after the Entire business transfer transaction and Shares Allocation Transaction is completed. The transaction size is 83.08 percent of net tangible assets (NTA) of the Company based on the Financial Statement of the Company. The details of calculation are as follows:

$$= \frac{\text{Value of transaction paid} \times 100}{\text{Net tangible assets (NTA)}}$$

$$= \frac{1,550.00 \times 100}{1,865.65}$$

$$= 83.08 \text{ percent}$$

4. Details of the Acquired Assets

After the conditions for execution of the transaction on acquisition and acceptance of transfer of the entire business transfer under the Entire Business Transfer Agreement have been fulfilled, the Company shall acquire and accept transfer of the entire business of Pinwheel 2, which refers to all assets, liabilities, rights, obligations and responsibilities of Pinwheel 2, currently available and to be available in the future, as of the date of the entire business transfer, including 109,998 ordinary shares with a par value of THB 1,000 per share in Adisorn, which is a subsidiary whose shares are held by Pinwheel 2 (or representing 99.99 percent of Adisorn's registered capital), totalling THB 1,550,000,000 (One thousand five hundred and fifty million).

- **List of Assets**

As of the date of the business transfer, the Company shall accept transfer of the entire business of Pinwheel 2, namely:

- 1) All shares in Adisorn held by Pinwheel 2 in the amount of 109,998 shares with a par value of THB 1,000 per share or representing approximately 99.99 percent of all issued and paid-up shares of Adisorn;
- 2) Other available assets in the financial statements as of the date of the business transfer.

- **List of Liabilities**

All liabilities at the closing date.

5.1 Information regarding Pinwheel 2 may be summarized as follows:

1. General Information

Company Name	Pinwheel 2 Co., Ltd.
Type of Business	Holding company
Address	127, Gasorn Tower, Floor 23, Ratchadamri, Lumpini, Pathum Wan, Bangkok
Company Registration No.	0105562104937

Date of Incorporation	17 June 2019
Registered Capital	THB 110,098,000
Issued and Paid-up Capital	THB 110,098,000
Par Value	THB 100

2. List of Shareholders as of August 27, 2019

No.	Name-Surname	Number of Shares	Percent of Total Shares
1	Team A holding Co., Ltd*	1,100,978	99.9998
2	Mr. Vonnarat Tangkaravakoon	1	0.0001
3	Miss Natdulaporn Kitikompanich	1	0.0001
Total		1,100,980	100.00

Notes : * A juristic in which Mr. Vonnarat Tangkaravakoon is held 99.99% of the paid-up capital

3. List of Directors as of August 27, 2019

No.	Name-Surname	Position
1	Mr. Vonnarat Tangkaravakoon	Director
2.	Miss Natdulaporn Kitikompanich	Director

4. Business Operations

To operate the business by holding shares in other companies (Holding Company), namely holding shares in a subsidiary, Adisorn.

5. Financial Information of Pinwheel 2

The financial statements have not yet been prepared since it has been incorporated on June 17, 2019.

5.2 General Information of Adisorn, which may be summarized as follows:

1. General Information

Company Name	Adisorn Songkhla Co., Ltd.
Type of Business	Main business of Manpower services, Property rental (warehouse), and other related services in petroleum business
Address	39/15, Kanchanawanitch, Khao Rup Chang, Muang, Songkhla 90000
Company Registration No.	0905523000291
Date of Incorporation	3 November 1980

Registered Capital	THB 110,000,000
Issued and Paid-up Capital	THB 110,000,000

2. List of Shareholders of Adisorn as of August 27, 2019

List of Shareholders		Number of Shares	Percent of Total Shares
1	Pinwheel 2	109,998	99.998
2	Mr. Vonnarat Tangkaravakoon	1	0.009
3	Ms. Piyachanok Tangkaravakoon	1	0.009
Total		110,000	100.00

3. Board of Directors of Adisorn as of August 27, 2019

List of Directors		Position
1	Miss Yosabavorn Amarit	Director
2	Mr. Sathar Chantrasettalead	Director

4. Business Operations

4.1 Background

Adisorn Songkla Co., Ltd. was established, in 2010, in Songkla province. In the beginning, its business begins with general construction service. Its operation was, afterwards, expand to focusing mainly on Manpower Service, Property Rental Service, and other Petroleum-related business. The list of crucial development done by Adisorn are as follows:

Year	Key details
1980	Adisorn Songkla Co., Ltd. was found to operate in the field of general construction service. The staffs were specialized in Engineering, Technical knowledge, and Architecture.
1982	<ul style="list-style-type: none"> - Manpower Service was initiated by recruiting qualified personnel for clients in Petroleum industry (Oil and gas); for example, painter, skilled labor, welder, warehouse, technicians, and security inspector, etc. - In addition, Adisorn offered other Petroleum-related business; for example, Fabrication, Painting, Maintenance, etc. - The business was expanded into Manpower-related Service; for example, rules and regulation for recruitment process of Thai and International labors, including leasing warehouse/storehouse to clients who needed the space for storage.

Year	Key details
2013	Adisorn was certified with ISO 9001:2008 in terms of Quality Assurance from Bureau Veritas Thailand. The clients were confident in the quality of our services and the constant development of our personnel.

4.2 Operational Characteristics

At present, Adisorn has revenue structure and main operations of businesses as follows:

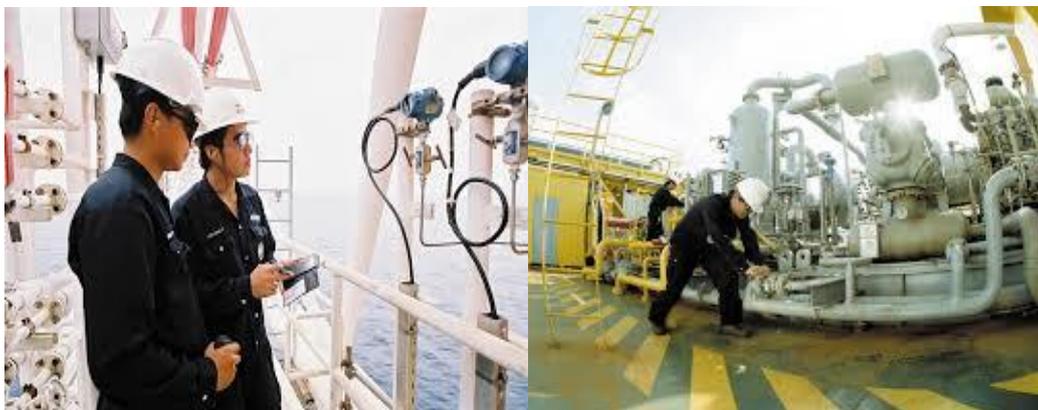
	2016		2017		2018	
	THB mm	Percentage	THB mm	Percentage	THB mm	Percentage
Income derived form services related to manpower	773.0	82.0	869.7	80.4	1,282.7	86.1
Income derived form services related to Petroleum business	81.5	8.6	121.5	11.2	94.4	6.3
Income from rental	41.1	4.4	38.6	3.6	51.9	3.5
Other	46.9	5.0	51.5	4.8	61.2	4.1
Total	942.5	100.0	1,081.3	100.0	1,490.3	100.0

(1) Manpower services business

Adisorn has operated its manpower service for more than 30 years. It focuses on Petroleum (Oil and gas) personnel, especially the staffs required to work on Petroleum platform. We only look for knowledgeable, skillful, experience, and well-trained (as required) manpower. Adisorn has developed the quality of its staffs in many fields, such as, engineering, construction, architecture. Also, we constantly provide training session for manpower development. Currently, Adisorn possess of more than 750 skillful-manpower which have been serving the clients from Petroleum Industry.



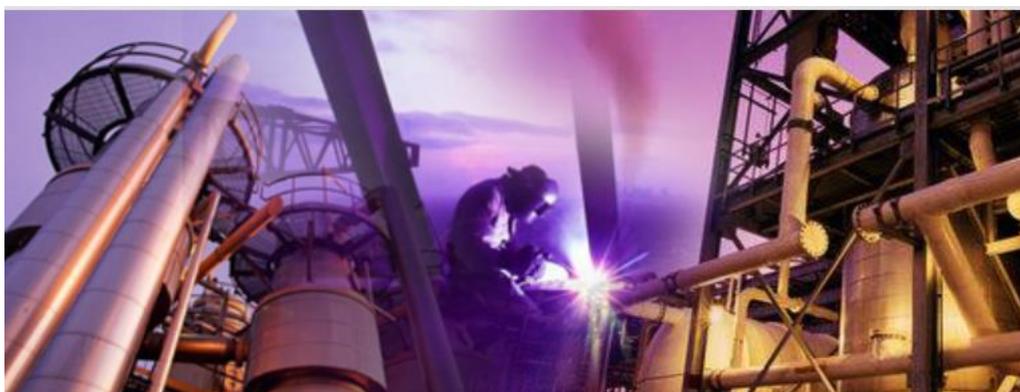
Some important operational characteristics were Manpower Service. For example, we act as a recruitment agency to offer the clients our quality personnel (recruiting services), Manpower services, and other relevant services; such as, Visa and work permits, and payroll services etc.



Adisorn has made a contract, in terms of Manpower services, with the entrepreneur from Petroleum Industry. According to the contract, the counterparties must agree to terms of budget, the number of personnel, and other conditions in every 2 years. The next agreement shall be held by late 2019. Since the past to present, Adisorn has offered manpower services to the certain entrepreneur for more than 30 years.

Besides, Adisorn has foreseen manpower services as a crucial factor for its competitive advantage. Consequentially, Adisorn has built great alliance and rapport with educational institution in Songkla province and nearby areas in order to minimize the risk in recruiting service and to create job opportunities in the community. Those who are interested will be instructed and trained by Adisorn in order to become a skillful labor as required by the clients. Moreover, Adisorn has additional recruitment channels; for instance, the PR of job opportunity during its Roadshows. The online platform and media, like recruitment website and social media, are also used to attract new generation potential workers.

(2) Other services related to Petroleum business (Engineering services)



Adisorn offered other services related to Petroleum business, such as, vessel cleaning, off shore construction services, fabrication and maintenance services, and etc. Our clients were a Petroleum

related company. Mostly, they were the same client we served with our manpower services since they were confident with Adisorn's quality of services and performance. The characteristic of work is depended on the demand of each client.

(3) Property rental services



Besides off shore services, Adisorn offers property rental services; such as, warehouse, equipment, and machinery. Our warehouse is located near the harbor of Songkla province to facilitate the conveyance. Adisorn warehouse is ready to serve with the total area of 82,000 sqm. To increase the confidence of our clients, we offer 24/7 security standard for the cargo. The goods are diverse, ranging from general to industrial commodities. Mostly, the stored goods are industrial machinery. Besides, Adisorn provides equipment and machinery rental services; such as, electric generator, welding machine, basket, containers, wire rope sling, air compressor, and heavy machinery, etc.

4.3 Risk Factors

(1) The risk of failure to recruit the right personnel according to the client's requirement

Since Adisorn run its business mainly on Manpower Services, to offer the right personnel according to the requirement of the client is the core of its business. To clarify, the image and credibility of Adisorn will be at risk if it fails to deliver the right personnel in time. This risk also affects future opportunities of Adisorn.

However, Adisorn was aware of the risk. Therefore, Adisorn has constantly built great alliance and rapport with institution in Songkla province and nearby areas in order to minimize the risk in recruiting service and to create job opportunities in the community. Those who are interested will be instructed and trained by Adisorn in order to become a skillful labor as required by the clients. Moreover, Adisorn has additional recruitment channels; for instance, the PR of job opportunity during its Roadshows. The

online platform and media, like recruitment website and social media, are also used to attract new generation potential workers.

(2) The risk due to wage adjustment of the labor

Adisorn's main resource is workforce. Wage adjustment of workforce affects the cost and turnover of the business since Adisorn has made a manpower services contract with the entrepreneur from Petroleum Industry. As the counterparties must agree to terms of budget, the number of personnel, and other conditions in every 2 years, the increment of minimum wages during this period will affect the business cost of Adisorn.

However, Adisorn has been aware of the mentioned risk. Therefore, Adisorn has constantly kept itself up-to-date towards the news and evaluated the labour market closely in order to negotiate in careful and cautious manners. Besides, the duration of re-agreement will be occurred in every 2 years basis made it possible for Adisorn to manage and cope with the risk.

(3) The risk due to failure to complete the negotiation

According to the contract, the counterparties of manpower services contract must agree to terms of budget, the number of personnel, and other conditions in every 2 years. If the counterparties failed to make an agreement, the operation and turnover of Adisorn will be affected significantly.

However, Adisorn has been aware of the mentioned risk. Adisorn has run its manpower service for more than 30 years, constantly built good rapport with the certain entrepreneur, along with delivering right personnel (as required by the client) in time. In addition, Adisorn has constantly trained its workforce to be skillful and knowledgeable in order to serve the needs of clients instantly.

(4) The risk due to political uncertainty, change in laws, operational rules and regulations.

The risk due to changes in politics, laws, and operational rules and regulations may affect the business plan, capital, and operational expenses; for example, the adjustment of minimal wages. In order to minimize the risk due to changes in rules and regulations or laws related to the operation of business, Adisorn has studied and monitored possible changes in rules and regulation which can be occurred continuously in order to prepare and run the business in careful manners.

4.4 Financial Information of Adisorn

Based on consolidated financial statements of Adisorn audited by Deloitte Touche Tohmatsu Jaiyos Audit Co.,Ltd. with the followings details:

Unit: THB mm	Financial statement ended as of		
	31 December 2016 (Audited)	31 December 2017 (Audited)	31 December 2018 (Audited)
Assets			
Current assets			
Cash and cash equivalents	12.3	120.3	38.8
Trade and Others receivable	316.3	352.7	335.5
Cost of services waiting for recognition	3.8	13.4	10.6
Withholding tax waiting for recognition	18.0	4.3	11.2
Other current assets	4.7	2.6	2.4
Total current assets	355.2	493.2	398.5
Non-current assets			
Fixed deposit used as collateral	2.0	2.0	2.0
Investment in subsidiaries	0.5	0.5	0.5
Other long-term investment	1.0	-	-
Long-term loans to related parties	650.0	872.7	1,059.13
Investment in property	192.4	187.0	179.7
Property, plant and equipment	30.7	81.5	62.0
Accrued interest	82.7	132.1	191.6
Deferred financial fees	2.3	-	-
Others non-current assets	-	5.6	5.6
Total non-current assets	961.7	1,281.4	1,500.7
Total asset	1,316.9	1,774.7	1,899.2
Current liabilities			
Bank overdrafts and short-term borrowings from financial institutions	140	210	268
Bill of exchange	145	184.5	90
Debentures	110	50	135

Unit: THB mm	Financial statement ended as of		
	31 December 2016 (Audited)	31 December 2017 (Audited)	31 December 2018 (Audited)
Trade and other payables	100.2	116.1	167.3
Long-term borrowings from financial institution due within one year	58.4	103.4	103.4
Current portion of finance lease liabilities	-	9.3	9.7
Other current liabilities	12.6	9.1	9.9
Total current liabilities	556.2	682.5	783.3
Non-current liabilities			
Long-term borrowings from financial institution	194.4	393.6	283.5
Finance lease liabilities	-	42.9	33.2
Employee benefit obligations	7.6	8.1	13.6
Other non-current liabilities	-	5.3	3.9
Total non-current liabilities	202.0	439.9	334.2
Total liabilities	768.3	1,122.4	1,117.5
Shareholders' equity			
Share capital			
Authorized share capital			
Common stock 110,000 shares Par value THB 1,000.00	110	110	110
Paid-up share capital			
Common stock 110,000 shares Par value THB 1,000.00	110	110	110
Retained earnings			
Appropriated			
Legal and statutory reserves	6	6	6

Unit: THB mm	Financial statement ended as of		
	31 December 2016 (Audited)	31 December 2017 (Audited)	31 December 2018 (Audited)
Unappropriated	536.3	536.3	665.7
Total shareholders' equity	652.3	652.3	781.7
Total liabilities and shareholders' equity	1,782.1	1,774.7	1,899.2

Unit: THB mm	Income statement ended as of		
	31 December 2016 (Audited)	31 December 2017 (Audited)	31 December 2018 (Audited)
Revenue			
Income derived form services related to manpower	773.0	869.7	1,282.7
Income derived form services related to Petroleum business	81.5	121.5	94.4
Income from rental services	41.1	38.6	51.9
Other income	46.9	51.5	61.2
Total income	942.5	1,081.3	1,490.3
Expenses			
Costs of services related to manpower	663.4	753.1	1,091.9
Costs of services related to petroleum business	63.6	78.1	94
Direct operating costs from investment properties	14.2	10.5	16.0
Costs of rental business	-	9.0	22.7
Cost of equipment rentals	2.2	3.1	1.5
Cost of sales	0.06	0.06	0.05
Administrative expenses	47.3	51.2	49.2
Total expenses	790.8	905.1	1,275.4
Earnings before interest and taxes	151.7	176.2	214.9

Unit: THB mm	Income statement ended as of		
	31 December 2016 (Audited)	31 December 2017 (Audited)	31 December 2018 (Audited)
Financial costs	40.2	44.5	50.8
Net profit before taxes	111.5	131.7	164.1
Tax expenses	22.3	28.0	34.6
Net profits	89.2	103.7	129.5

In this regard, Adisorn has established 4 subsidiaries with the following details:

Subsidiaries	Registered	Business
(1) ADS Logistic Co., Ltd.	9 September 2014	Warehouse rental business
(2) Adisornsongkhla International Co., Ltd.	14 March 2019	No operation
(3) Adisornsongkhla Marine Co., Ltd.	14 March 2019	
(4) Adisornsongkhla Professional Co., Ltd.	14 March 2019	

(1) Adisornsongkhla logistic limited company (“ADSL”) with following details:

1. Company's general information

Company's name	Adisornsongkhla Logistic Co., Ltd.
Business	Warehouse rental business
Location	39/15 m.10 Kanjanavanich Rd. Khaorupchang Mueang Songkhla Songkhla
Corporate registration number	0905557003161
Date of registration	9 September 2014
Registered capital	THB 1,000,000
Issued and paid-up capital	THB 1,000,000
Par value	THB 100

2. List of shareholders as of 31 March 2019

No.	Name-Surname	Number of shares	Percent of Total Shares
1	Adisornsongkhla Logistic Co., Ltd.	5,099	50.99
2	Bee wave Co., Ltd.	4,900	49.00
3	Mr. Vonnarat Tangkaravakoon	1	0.01
Total		10,000	100.00

Note: Bee wave Co., Ltd. Held by Mr. Noraniti Nunthaleka (90.0%), Mr. Kitti Techataveekijkul (5.0%), and Mrs. Leelawan Sridaranop (5.0%)

3. List of directors as of 31 March 2019

No.	Name-Surname	Position
1	Mr. Vonnarat Tangkaravakoon	Director
2	Mr. Vitoon Suriyarangsan	Director
3	Miss Natdulaporn Kitikompanich	Director
4	Mr. Noraniti Nunthaleka	Director
5	Mrs. Kamolvan Nunthaleka	Director

4. Business

ADSL is operating a warehouse rental business in Songkhla province which has a service area of approximately 17,000 square meters of which tenants are operator in the petroleum & oil industry.

5. Financial information of ADSL

Unit: THB mm	Financial statement ended as of		
	31 December 2016 (Audited)	31 December 2017 (Audited)	31 December 2018 (Audited)
Assets			
Current Assets			
Cash and cash equivalents	0.002	0.002	0.002
Trade and Others receivable	3.5	5.8	1.5
Other current assets	1.8	1.2	1.7
Total current assets	5.3	6.9	3.2
Non-current Assets			
Property, plant and equipment's	69.2	62.4	55.7
Other non-current assets	0.2	1.1	0.7
Total non-current assets	69.4	63.5	56.3
Total assets	74.7	70.4	59.6

Unit: THB mm	Financial statement ended as of		
	31 December 2016 (Audited)	31 December 2017 (Audited)	31 December 2018 (Audited)
Liabilities			
Bank overdrafts	3.4	4.5	3.3
Trade payables	6.1	4.3	1.1
Long-term borrowings from financial institution due within one year	8.6	8.6	6.8
Other liabilities	4.7	7.0	6.1
Total current liabilities	22.8	24.4	17.3
Non-current liabilities			
Long-term borrowings from financial institutions	15.4	6.8	-
Long-term loans from related parties	26.2	26.2	26.2
Total non-current liabilities	41.6	33.0	26.2
Total liabilities	64.4	57.4	43.5
Shareholders' equity			
Authorized capital			
Common stock 10,000 shares Par value THB 100.00	1.0	1.0	1.0
Paid-up capital			
Common stock 10,000 shares Par value THB 100.00	1.0	1.0	1.0
Retain earnings			
Appropriated	-	-	-
unappropriated	9.3	12.0	15.0
Total shareholders' equity	10.3	13.0	16.0

Unit: THB mm	Financial statement ended as of		
	31 December 2016 (Audited)	31 December 2017 (Audited)	31 December 2018 (Audited)
Total liabilities and shareholders' equity	74.7	70.4	59.6

Unit: THB mm	Income statement ended as of		
	31 December 2016 (Audited)	31 December 2017 (Audited)	31 December 2018 (Audited)
Revenue			
Income from rental	12.3	10.9	10.5
Income from maintenance	9.0	8.0	7.7
Income from compensation for damages	-	0.04	-
Other incomes	0.0	0.0	0.0
Total incomes	21.2	18.9	18.2
Expenses			
Costs of operation	11.8	11.7	11.0
Administrative expenses	0.2	1.5	1.5
Total expenses	12.0	13.2	12.5
Earnings before interest and taxes	9.2	5.7	5.7
Financial costs	2.7	2.7	2.2
Earnings before taxes	6.5	3.0	3.5
Tax expenses	-	0.3	0.5
Net profits	6.5	2.7	3.0

(2) Adisornsongkhla International Co., Ltd. ("ADSI") with following details:

1. Company's general information

Company's name	Adisornsongkhla International Co., Ltd.
Business	Human resource services business and provide other services related to the petroleum business

location	39/15 m.10 Kanjanavanich Rd. Khaorupchang Mueang Songkhla Songkhla
Corporate registration number	0905562001898
Date of registration	14 March 2019
Registered capital	THB 1,000,000
Issued and paid-up capital	THB 1,000,000
Par value	THB 100

2. List of shareholders as of 8 March 2019

No.	Name-Surname	Number of Shares	Percentage of Total Shares
1	Adisorn Songkhla Co., Ltd.	9,997	99.97
2	Miss Yosabavorn Amarit	1	0.01
3	Mr. Sathar Chantrasettalead	1	0.01
4	Mr. Chamchai Boonruang	1	0.01
Total		10,000	100.00

3. List of directors as of 14 March 2019

No.	Name-Surname	Position
1	Miss Yosabavorn Amarit	Director
2	Mr. Sathar Chantrasettalead	Director

4. Business

Human resource services business and provide other services related to the petroleum business but currently, no business operation as mentioned above.

5. Financial information of ADSI

The financial statement has not been prepared due to the recently registered on 14 March 2019.

(3) Adisornsongkhla Marine Co., Ltd. (“**ADSM**”) with following details:

1. Company's general information

Company's name	Adisornsongkhla Marine Co., Ltd.
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Business	Human resource services business and provide other services related to the petroleum business
location	39/15 m.10 Kanjanavanich Rd. Khaorupchang Mueang Songkhla Songkhla
Corporate registration number	0905562001871
Date of registration	14 March 2019
Registered capital	THB 1,000,000
Issued and paid-up capital	THB 1,000,000
Par value	THB 100

2. List of shareholders as of 8 March 2019

No.	Name-Surname	Number of Shares	Percent of Total Shares
1	Adisornsongkhla Co., Ltd.	9,997	99.97
2	Miss Yosabavorn Amarit	1	0.01
3	Mr. Sathar Chantrasettalead	1	0.01
4	Mr. Charnchai Boonruang	1	0.01
Total		10,000	100.00

3. List of directors as of 14 March 2019

No.	Name-Surname	Position
1	Miss Yosabavorn Amarit	Director
2	Mr. Sathar Chantrasettalead	Director

4. Business

Human resource services business and provide other services related to the petroleum business but currently, no business operation as mentioned above.

5. Financial information of ADSM

The financial statement has not been prepared due to the recently registered on 14 March 2019.

(4) Adisornsongkhla Professional Co., Ltd. ("ADSP") with following details:

1. Company's general information

Company's name	Adisornsongkhla Professional Co., Ltd.
Business	Human resource services business and provide other services related to the petroleum business
location	39/15 m.10 Kanjanavanich Rd. Khaorupchang Mueang Songkhla Songkhla
Corporate registration number	0905562001880
Date of registration	14 March 2019
Registered capital	THB 1,000,000
Issued and paid-up capital	THB 1,000,000
Par value	THB 100

2. List of shareholders as of 8 March 2019

No.	Name-Surname	Number of Shares	Percent of Total Shares
1	Adisorn Songkhla Co., Ltd.	9,997	99.97
2	Miss Yosabavorn Amarit	1	0.01
3	Mr. Sathar Chantrasettalead	1	0.01
4	Mr. Chamchai Boonruang	1	0.01
Total		10,000	100.00

3. List of directors as of 14 March 2019

No.	Name-Surname	Position
1	Miss Yosabavorn Amarit	Director
2	Mr. Sathar Chantrasettalead	Director

4. Business

Human resource services business and provide other services related to the petroleum business

5. Financial information of ADSP

The financial statement has not been prepared due to the recently registered on 14 March 2019.

5. Total Value of Consideration and Basis of Calculation of the Value of Consideration

Upon completion of the conditions for execution of the Entire Business Transfer Transaction, the Company shall make cash payment in consideration of the acquisition and acceptance of transfer of the entire business to Pinwheel 2 in the amount of THB 1,550,000,000 with details as follows:

- (1) The Company shall pay the deposit of THB 200,000,000 within seven days after the signing of a Memorandum of Understanding for the purchase and the entire business transfer of Pinwheel 2 (the “MOU”). The Company expects to sign the MOU by October 2019.

If the Parties cannot enter the Entire Business Transfer Transaction, Pinwheel 2 agrees to return such deposit in full with no interest within Seven days after the end of such circumstance or the expiration of the Entire Business Transfer Agreement.

- (2) The Company will pay the remaining of THB 1,350,000,000 in cash at the entire business transfer date in accordance with the terms and conditions of such agreement. The Company expects to complete the Entire Business Transfer Transaction by December 2019.

In addition, the criteria used in defining the value of compensation is agreed by counterparties under business transfer agreement, based on the financial status, overall operation, and Adisorn’s important financial indicators. Besides, the company has contemplated its growth opportunities in the future.

At any rate, the company has considered and compared the total value of compensation with trade information and statistical information of the company; which operates in relevant industries, listed on the Stock Exchange of Thailand (SET). Key details are as follows:

Comparative industry

Symbol	Market	Category	P/E in each category
RESOURC	mai	Resource	20.3 times
TRANS	SET	Transportation & Logistic	25.1 times
ENERG	SET	Energy & Utilities	18.5 times

Since there is no company listed on the SET which is similar to Adisorn in terms of business type, the company; therefore, consider based on trade information and statistical information (e.g. Price to Earnings Ratio: P/E of relevant industries). The main business of Adisorn is manpower service for oil & gas business. Its business operation is related to energy, utility, resources, and transportation and logistics.

Hence, the source of reference is from SETSMART on 1 January 2019 – 27 September 2019. The Company has considered only the data ranged from 20th – 80th Percentile in order to minimize the impact of outliers.

In addition, if the transaction price of approx. THB 1,550 mm is compared with the net profit of Adisorn's 2018 financial statement, the P/E would be 12.0 times which is lower than the average of selected comparable industries of Resource, Transportation & Logistic, and Energy & Utility with the discount rate of (40.9%), (52.2%), and (35.1%) respectively.

However, Adisorn would be as if receiving cash from the repayment of long-term loan to related entity, amount of approx. THB 1,059 mm based on Adisorn's 2018 financial statement. The repayment will be fully completed by 2Q/2020. Hence, if the receiving cash is settled with the total consideration of THB 1,550 mm, the total consideration would be approx. THB 491 mm or at P/E of approx. 3.8 times.

6. Value of the Acquired Assets

The Company will pay the Transaction in cash of THB 1,550,000,000 by deducting the deposit of THB 200,000,000. Therefore, the Company will pay the remaining of THB 1,350,000,000 in cash subject to the conditions precedent specified in the relevant agreement being fulfilled or waived in accordance with the terms and conditions of such agreement. The Company expects to complete the Entire Business Transfer Transaction by December 2019. In addition, the Company has also considered the value based on the financial status, overall operation, key financial figures, and its growth opportunities in the future.

7. Expected Benefits to the Company

The Company believes that to engage in the mentioned transaction will result in the following beneficial aspects, derived from the investment activities on manpower services business, for the company.

- (1) The expansion of business into manpower services business which leads to the creation of added-value for the company and shareholders. Also, it would be a significant approach in terms of risk distribution for business operation of the company.
- (2) Since Adisorn is in manpower services and logistic specially for oil and gas operators, the Company could be utilizing their customer network to introduce the Company's products and to create synergy and to increase revenues of the Company.
- (3) The opportunities to increase the revenue and proper rate of the compensation. It will strengthen the financial status of the company and increase the cash flow derived from long-term business operation of the company.

8. Source of Funds and Method of Payment of the Consideration

The source of capital for this transaction is derived from the issuance and offering of newly issued ordinary shares to the existing shareholders (Right Offering), internal cash flow of the Company and/or loan which shall not affect the liquidity and operation of the Company.

9. Scope of Interest

The Entire Business Transfer Transaction is regarded as a connected transaction of a listed 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 SET Re: Disclosure of Information and Other Acts of Listed Companies Concerning the Connected Transactions B.E. 2546 (2003) dated November 19, 2003 (as amended) which is considered as connected transactions with controlling person and major shareholders of the Company with following details:

Shareholder list of the Company and Pinwheel 2

Shareholders / Company Name	STARK	Pinwheel 2	Adisorn
1) Mr. Vonnarat Tangkaravakoon	73.37%	0.005%	0.01%
2) Stark Investment Co., Ltd.*	22.23%	-	-
3) Pinwheel 2	-	-	99.99%
4) Team A holding Co., Ltd.*	-	99.99%	-
5) Miss Natdulaporn Kitikornpanich	-	0.005%	-

Notes : * A juristic in which Mr. Vonnarat Tangkaravakoon is held 100% of the paid-up capital

List of board and directors of Pinwheel 2 and Adisorn

Shareholders / Company	STARK	Pinwheel2	Adisorn
1) Mr. Chanin Yensudchai	C	-	-
2) Mr. Vonnarat Tangkaravakoon	I	I	-
3) Mr. Chinawat Assavapokee	I	-	-
4) Mr. Sathar Chantrasettalead	I, V	-	I
5) Mr. Songpope Polachan	II, IV	-	-
6) M.L. Peputtchai Benyabadhana	III, IV	-	-
7) Mr. Kusol Sangkananta	III, IV	-	-

Shareholders / Company	STARK	Pinwheel2	Adisorn
8) Mr. Nirouth Jeakvathanyoo	I, V	-	-
9) Mr. Kittisak Jitprasertngam	V	-	-
10) Mr. Phichet Lochanachit	V	-	-
11) Miss Yosabavorn Amarit	-	-	I
12) Miss Natdulaporn Kitikornpanich	-	I	-

Notes :

C	Chairman	III	Audit Committee
I	Director	IV	Independent Director
II	Chairman of the Audit Committee	V	Board

According to the information above, the relationship of transferee (company) and transferor (Pinwheel 2) is major shareholder, committee, and mutual executive. In addition, the persons who have a conflict of interest of the Transaction are Mr. Vonnarat Tangkaravakoon and Mr. Sathar Chantrasettalead.

10. Conditions for Execution of the Transaction

The Company shall seek approval to execute the transaction on acquisition of assets and the connected transaction from the Shareholders' Meeting with not less than three-fourths of all votes of the shareholders present at the Meeting and entitled to vote.

In addition, the important precedent conditions can be summarized as follows:

- (1) The Company shall have acknowledged the results of the legal and financial due diligence of Adisorn without any material and adverse impact on the Entire Business Transfer Transaction;
- (2) The Shareholders' Meeting of the Company shall have resolved to approve the Entire Business Transfer Transaction, including approval on various matters necessary for and/or in connection with such transaction;
- (3) As of the date of the entire business transfer, there shall be no event or action happening or caused to happen or reasonably believed to likely happen, which may give rise to material and adverse impact on Adisorn or jeopardize the execution of the Entire Business Transfer Transaction;
- (4) The Board of Directors' Meeting and the Shareholders' Meeting of Pinwheel 2 shall have resolved to approve the transfer of its entire business to the Company, including the execution of the Entire Business Transfer Agreement, other arrangements, contracts and

documents relating to the execution of the Entire Business Transfer Transaction, as well as any other actions to ensure the successful completion of the Entire Business Transfer Transaction;

- 5) The related companies to repay outstanding long-term loan to Adisorn in the amount of no less than THB 500 mm.

11. Opinion of the Board of Directors on the Execution of the Transaction on Acquisition of Assets and Connected Transaction

The Board of Directors' Meeting No. 5/2019, which was held on September 30, 2019, has considered that the Entire Business Transfer Transaction is justifiable and beneficial to the Company and its shareholders because These transactions shall expand the company's business into the manpower services business which leads to the creation of added-value for the company and shareholders. It is considered as risk diversification for business operation of the company. Also, it is the opportunity to increase the revenue and rate of returns. It will strengthen the financial status of the Company and increase the cash flow derived from long-term business operation of the Company.

For the purpose of consideration and approval of the Entire Business Transfer Transaction, the Board of Directors has requested the interested director, namely, Mr. Vonnarat Tangkaravakoon Mr. Sathar Chantrasettalead, to be excused from the Meeting, who is not entitled to vote on such agenda item.

Additionally, the committee has contemplated the total value of THB 1,550,000,000 compensation carefully and cautiously, based on conservative basis, by comparing the total value of compensation with trade information and statistical information of listed companies in the relevant industries. Moreover, the risk factors and mitigation plans are taken into account for the business operation of Adisorn.

12. Opinion of the Audit Committee and/or Directors Different from the Opinion of the Board of Directors

- None -