

No. TPAC/2018/03/001

06 March, 2018

**Subject:** Notification of the resolutions of the Board of Directors' Meeting in relation to the acquisition of ordinary shares of a company, the adding of the meeting agenda in the 2018 Annual General Meeting of Shareholders and the change of the record date for determining shareholders entitling to attend the 2018 Annual General Meeting of Shareholders (**Amendment**)

**Reference to:** Resolution of the Board of Directors' Meeting of Thai Plaspac Public Company Limited No.2/2018, Fixing Date of the Annual Ordinary General Meeting of Shareholders and Dividend Payment

**Attn:** The President, The Stock Exchange of Thailand

Due to Resolution of The Board of Directors Meeting of Thai Plaspac Public Company Limited (the "Company") No. 3/2018, held on 06 Mar,2018, at 5.30 P.M., at Pirom Room, Hansa Hotel Soi Mahatlek Luang 2, Khwaeng Lumpini, Khet Pathum Wan, Krung Thep Maha Nakhon 10330 made the following resolutions pertaining to the important agenda as follows:

1. Approval was granted to approve the acquisition of the total ordinary shares in Custom Pack Co., Ltd. ("**Custom Pack**"), conducting the business of manufacturing and distributing plastic products, which has 10,143,137 ordinary shares in total, with a par value of Baht 10 per share, or representing 100 percent of Custom Pack's total issued shares, from the existing shareholders of Custom Pack, i.e., (1) Raks Marketing Co., Ltd., (2) Sorto Co., Ltd. and (3) Rocma Holdings Co., Ltd. (collective, the "**Seller**"), at the purchase price of Baht 10.549 per share, totaling Baht 107,000,000, as agreed by the Company and the Sellers, where the details of which are as follows:

**(1) Transaction Date**

The Company and the Sellers shall sign the share sale and purchase agreement in relation to shares in Custom Pack on March 6, 2018, after being granted an approval from the Board of Directors' Meeting and shall enter into the acquisition of the shares after an approval of the shareholders' meeting of the Company.

**(2) Contractual Parties**

The Sellers, the existing shareholders of Custom Pack, consist of the 3 following persons:

- (a) Raks Marketing Co., Ltd.<sup>1</sup> holding 4,970,137 shares, or representing 49 percent of Custom Pack's total issued shares;
- (b) Sorto Co., Ltd.<sup>2</sup>, holding 4,966,080 shares, or representing 48.96 percent of Custom Pack's total issued shares; and

<sup>1</sup> Raks Marketing Co., Ltd. held by (1) Mr. Rakvit Chaisuparakul holds 99.88%, (2) Mrs. Saowanee Chaisuparakul holds 0.02%, (3) Mr. Rakpong Chaisuparakul holds 0.02%, (4) Mr. Rangsan Kositsripanya holds 0.02%, (5) Mr. Likit Klanarong holds 0.02, (6) Miss Areeya Dechanun holds 0.02 and (7) Mr. Anupan Srisuriya holds 0.02%

<sup>2</sup> Sorto Co., Ltd. held by (1) Mr. Rakvit Chaisuparakul holds 99.98%, (2) Mr. Damrong Yimsawang holds 0.01% and (3) Miss Thongkoon Sewisit holds 0.01%

- (c) Rocma Holdings Co., Ltd.<sup>3</sup>, holding 206,920 shares, or representing 2.04 percent of Custom Pack’s total issued shares.

In this regard, the Sellers and the Company are not a connected person as prescribed in the Notification of the Capital Market Supervisory Board No. Tor Jor 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 Other Acts of Listed Companies Concerning the Connected Transactions B.E. 2546 (2003).

**(3) General Characteristics of the Transaction**

The Company shall purchase Custom Pack’s total ordinary shares, equals to 10,143,137 shares, with a par value of Baht 10, or representing 100 percent of Custom Pack’s total issued shares from the Sellers.

**(4) Details of Assets Acquired**

Custom Pack’s total ordinary shares, equals to 10,143,137 shares, with a par value of Baht 10, or representing 100 percent of Custom Pack’s total issued shares

(a) General Information

<b>Name</b>	Custom Pack Co., Ltd.
<b>Registered Office</b>	No. 75/2 Soi Ruam Jai, Moo no. 9, Bang Na-Trad Road k.m. 18.8, Bang Chalong Sub-district, Bangphli District, Samut Prakarn Province
<b>Registration No.</b>	0105512000275
<b>Registered Capital</b>	Baht 101,431,370
<b>Board of Directors</b>	1) Mr. Somchai Chaisuparakul 2) Mrs. Araya Chaisuparakul 3) Ms. Rattana Songkijjanuwat 4) Mr. Rakvit Chaisuparakul 5) Mr. Peeravat Pitchayentarayotin
<b>Business Type</b>	manufacturing and distributing of plastic products

(b) Summary of Custom Pack’s Financial Information and Business Operating Results

Items	2015 (Baht)	2016 (Baht)	2017 (Baht)
Total Assets	226,953,496	220,881,058	188,922,640
Total Liabilities	51,140,758	39,347,520	43,613,062
Shareholder’s equity	175,812,738	181,533,538	145,309,578
Revenue	355,332,128	347,150,525	289,968,577

<sup>3</sup> Rocma Holdings Co., Ltd. held by (1) Raks Marketing Co., Ltd. holds 99.96%, (2) Mr. Rakvit Chaisuparakul holds 0.01%, (3) Mr. Rakpong Chaisuparakul holds 0.01%, (4) Miss Areeya Dechanun holds 0.01 and (5) Mrs. Ratana Songkijjanuwat holds 0.01%

Items	2015 (Baht)	2016 (Baht)	2017 (Baht)
Expenses	340,012,850	339,962,517	295,988,720
Net Profit (Loss)	11,732,221	5,720,800	(6,200,274)

(5) Calculation of Transaction Size

Criteria	Calculation	Size of Transaction (Percent)
1. The net assets value of the tangible assets (NTA)	$\frac{\% \text{ NTA of acquired assets} \times 100}{\text{NTA of the listed company}}$	13.7
2. The net profits from the business operation	$\frac{\% \text{ Net profit of a company acquired} \times 100}{\text{Net profit of the listed company}}$	N/A
3. The value of the consideration given or received	$\frac{\text{The value given or received} \times 100}{\text{Total assets of the listed company}}$	11.4
4. The number of shares issued as the consideration of the acquired assets	$\frac{\text{The number of shares issued as the consideration of the acquired assets} \times 100}{\text{The listed company's total issued shares}}$	N/A since The Company does not issue any securities as the consideration for the purchase of the total ordinary shares of Custom Pack

In calculation of the transaction size of the acquisition of the total ordinary shares in Custom Pack according to the consolidated financial statements of the Company for the fiscal year ended December 31, 2017 audited by the Company's auditors, the transaction size was equivalent to 13.7 percent based on the total net tangible assets basis which gave the highest transaction value. The Company and its subsidiaries have no other transaction of acquisition within 6 months prior to the date of this Board of Directors' Meeting which needs to be included with this transaction for the calculation of the acquisition size. Since, the transaction size is lower than 15 percent, the acquisition of the total ordinary shares in Custom Pack shall not fall under any class of the acquisition transaction pursuant to the Notification of the Capital Market Supervisory Board No. Tor Jor 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 or Disposal of Assets B.E. 2547 (2004). Nevertheless, the acquisition of the total ordinary shares in Custom Pack constitutes the purchase or acceptance of the transfer of business of a private

company by the Company in accordance with Section 107(2)(b) of the Public Company Limited Act B.E. 2535 (1992) (as amended) (the “PCL Act”), where the Company is required to request for an approval from a general meeting of shareholders prior to enter in to the transaction (Please refer to the details in Section (13).)

**(6) Total Value of the Consideration**

The consideration of the acquisition of the total ordinary shares in Custom Pack from the Sellers shall be paid in cash in the total amount of Baht 107,000,000.

**(7) Total Value of the Acquired Assets**

The total ordinary shares of Custom Pack in the number of 10,143,137 shares, with a par value of Baht 10 per share, equivalent to 100 percent of the total issued shares of Custom Pack, shall be based on the book value of Custom Pack as at December 31, 2017 which equals to Baht 145,308,578 in total, or equivalent to Baht 14.3259 per share.

Nevertheless, the Company, as a shareholder of Custom Pack in the future, shall not be obliged to any liabilities of Custom Pack, except for being a shareholder.

**(8) Determination of Consideration**

The purchase price has been determined based on the negotiation between the Company and the Sellers, as well as referring to the book value of Custom Pack as at December 31, 2017.

**(9) Expected Benefits from the Transaction**

The acquisition of Custom Pack’s total ordinary shares shall be an opportunity of the Company to expand its business and manufacturing base of the Company’s products which will strengthen the Company’s growth of revenue and profits in the future.

**(10) Source of Funds**

The Company’s source of funds for the acquisition of the shares rely on the Company’s cash flow from the Company’s business operation and the funding from the financial institution.

**(11) Opinion of the Board of Directors**

The Board of Directors’ Meeting, excluding the directors who has conflict of interest and/or the directors who considered as the connected person, had considered and viewed that the acquisition of Custom Pack’s total ordinary shares shall be an opportunity of the Company to expand its business and manufacturing base of the Company’s products, including the customer and product portfolio. Additionally, the Company also expects to obtain the benefits from the synergies in costs. Nevertheless, the Board of Directors realizes Custom Pack’s revenue and profit which has been reduced every year due mainly to the decrease of the customer sales volume. However, the Board of Directors believes that the acquisition will bring the greater benefits to the Company and further consider that the purchase price was reasonable fixed, therefore, it was resolved to approve the acquisition of Custom Pack’s total ordinary shares and propose to the 2018 Annual General Meeting of Shareholders for further approval.

**(12) Opinion of the Audit Committee**

The Audit Committee has similar opinion with the Board of Directors as mentioned above, where all members of the Audit Committee attended in this Board of Directors' Meeting.

**(13) Additional Remarks**

The acquisition of Custom Pack's total ordinary shares constitutes the acquisition of investment in a company which constitutes a subsidiary of the Company. Therefore, the Company is required to disclose information to The Stock Exchange of Thailand pursuant to Regulations of The Stock Exchange of Thailand Re: Rules, Conditions and Procedures Governing the Disclosure of Information and Other Acts of a Listed Company B.E. 2560 (2017).

In addition, the acquisition of Custom Pack's total ordinary shares shall constitute the purchase or acceptance of the transfer of business of a private company by the Company in accordance with Section 107(2)(b) of the PCL Act and Articles 40 of the Company's Articles of Association. Therefore, the Company was required to request for an approval from a general meeting of shareholders for the said acceptance of the entire business where the approval shall be passed by an affirmative vote of not less than three-fourths of the total votes of the shareholders attending the meeting and having the right to vote, excluding votes casted by the shareholders having an interest on the matter. **In this regard, there shall not be any director, executive and/or major shareholder of the Company having an interest who shall not be entitled to cast the votes on this agenda.**

- 2) Approval was granted to cancel the determination of the record date on March 13, 2018 for determining the shareholders entitling to attend the 2018 Annual General Meeting of Shareholders and to approve the determination of the new record date on March 20, 2018, where the date, time and venue of the 2018 Annual General Meeting of Shareholders remains the same, namely, the schedule of the 2018 Annual General Meeting of Shareholders will be on March 20, 2018 will be held on April 24, 2018, at 3.00 P.M, at Board Room 4, Queen Sirikit National Convention Center, No. 60 Ratchadapisek Road, Klongtoey, Bangkok 10110.
- 3) Approval was granted to add the meeting agenda for the 2018 Annual General Meeting of Shareholders of the Company to consider and approve the acquisition of the total ordinary shares in Custom Pack Co., Ltd.

Therefore, the 2018 Annual General Meeting of Shareholders of the Company shall be held to consider the following agenda:

**Agenda 1:** Matters to be informed to the Shareholders by the Chairman

**Agenda 2:** To approve the Minutes of the Extraordinary General Meeting of Shareholders No.1/2018 held on 15 January 2018

The Board of Directors' Opinion: We recommend the shareholders to approve Minutes of the Extraordinary General Meeting of Shareholders No.1/2018 held on 15 January 2018.

**Agenda 3:** To certify the result of the Company's operation for the year 2017 and to approve the 2017 audited financial statements ended on 31 December 2017

The Board of Directors' Opinion: We recommend the shareholders to certify the result of the Company's operation for the year 2017 and to approve the 2017 financial statements ended on



31 December 2017 which has been audited by the auditor and reviewed by the Audit Committee. The board has also endorsed the financial statements.

**Agenda 4:** To approve the appropriation of profit from the operation result of 2017 and cash dividend payment

The Board of Directors' Opinion: We recommend the shareholders to approve the appropriation of profit from the operation result of 2017 and the dividend payment for the 2017. We propose to pay 2017 dividend of Baht 0.13 per share in total by divided into the following instalments:

- 1) The Company paid interim dividends for the first half of the year 2017 at the rate of Baht 0.10 per share, totaling Baht 25.38 million. This interim dividend payment was derived from the profit which was subject to corporate income tax of 20%. Therefore, a natural person shareholder shall be entitled to a tax credit under Section 47 Bis of the Revenue Code equaling to the amount of received dividend times by 20/80. The Company deducted a withholding tax at the rate of 10%. The interim dividend payment was made on 8 September 2017.
- 2) The Company will pay dividends for the second half of the year 2017 at the rate of Baht 0.03 per share, totaling Baht 7.6 million. This dividend payment was derived from the profit which was subject to corporate income tax of 20%. Therefore, a natural person shareholder shall be entitled to a tax credit under Section 47 Bis of the Revenue Code equaling to the amount of received dividend times by 20/80. The Company will deduct a withholding tax at the rate of 10%. The above dividend distribution shall be payable to the shareholders entitled to receive the dividends according to the Company's Articles of Association and who were listed in the record date on 4 May, 2018. The dividend payment will be made on 18 May 2018, subject to the shareholders' approval to be obtained from the 2018 AGM.

**Agenda 5:** To elect the directors in replacement of those who are due to retire by rotation

In 2018, there are 3 directors who are due to retired by rotation as follows: (1) Mr. Anil Kumar Kohli (2) Mr. Yashovardhan Lohia and (3) Mr. Virasak Sutanthavibul.

The Board of Directors' Opinion: We recommend to propose the shareholders at the 2018 AGM to approve the re-appointment of 3 retired directors to be the Company's directors for another term, i.e. (1) Mr. Anil Kumar Kohli (2) Mr. Yashovardhan Lohia and (3) Mr. Virasak Sutanthavibul.

The Nomination and Remuneration Committee had considered the benefits for the Company's business and in light of ability, qualifications, experience and expertise according to the composition of the Company's Board. The candidate in (3) will also be the independent directors since his qualifications meet the requirements under the Stock Exchange of Thailand's and the Company's definition of "Independent Director". The directors who have conflict of interest did not cast their vote in this agenda item.

**Agenda 6:** To approve the remuneration of the Company's Board of Directors for the year 2018

The Board of Directors' Opinion: We have defined the policy and the role of directors' remuneration and the sub-committee remuneration by considering the appropriateness, duties and responsibilities, problem solving and decision making in the operation of business to achieve goals of the Company and by comparing the rates and policies of other listed companies in the same sector which has already been approved by the Nomination and Remuneration Committee. We recommend the shareholders should approve the directors' fee as follow:

Remuneration of Directors 2018 (Attendance fee included)													
Name	Position					Remuneration for each quarter		Remuneration					
	Company Committee	Audit Committee	Nomination and Remuneration	Corporate Governance	Risk Management	Company Committee	Company Committee and Audit Committee	Nomination and Remuneration Committee (per time x	Nomination and Remuneration Committee	Corporate Governance Committee	Risk Management Committee	Total Remuneration for year	
Executive Committee													
1	Chairman of the Board	S	-	M	S	S	80,000	-	Nil	Nil	Nil	Nil	320,000
2	Executive Director	M	-	M	M	M	65,000	-	Nil	Nil	Nil	Nil	260,000
3	Executive Director	M	-	-	-	M	65,000	-	Nil	-	-	Nil	260,000
Non-Executive Committee													
4	Non Executive Director	M	-	-	-	-	65,000	-	-	-	-	-	260,000
5	Non Executive Director	M	-	-	-	-	65,000	-	-	-	-	-	260,000
Audit Committee													
6	Independent Director	M	S	M	-	-	65,000	30,000	40,000	-	-	-	460,000
7	Independent Director	M	M	S	-	-	65,000	30,000	40,000	-	-	-	460,000
8	Independent Director	M	M	M	-	-	65,000	30,000	40,000	-	-	-	460,000
Executive (Non-Director) Committee													
	Committee	-	-	M	M	M	-	-	-	Nil	Nil	Nil	-
	Committee	-	-	-	M	M	-	-	-	-	Nil	Nil	-
						535,000	90,000	120,000	-	-	-	2,740,000	
Remark: S = Chairman of committee M =													

**Agenda 7:** To appoint the Auditor and consider the Auditor's fees for year 2018

The Board of Directors' Opinion: We recommend the shareholders to appoint the auditors from EY Company Limited for the year 2018:

- 1) Miss Rungnapa Lertsuwankul, CPA License No. 3516 (appointed as the Company's auditors during 2008 – 2012, 2016-2017), or
- 2) Miss. Pimjai Manitkhajonkit, CPA License No. 4521 (appointed as the Company's auditors during 2013 – 2015), or
- 3) Mr. Sophon Permsirivallop, CPA License No.3182, or

- 4) Mr. Chayapol Supasetanond, CPA License No.3972 or
- 5) Ms. Orawan Techawatanasirikul, CPA License No.4807

The proposed auditing fees for the fiscal year 2018 is a total amount not exceeding Baht 2,200,000 Baht as proposed by the Audit Committee. The fees for the auditors cover the following:

**Auditor's Remuneration (Baht)**

Items	Year 2015	Year 2016	Year 2017	Year 2018 Include audit consolidate
• Audit consolidated financial statements	-	-	-	<b>460,000</b>
• The annual financial statements	700,000	900,000	700,000	<b>740,000</b>
• The quarterly review of financial statements and consolidated financial statements			600,000	<b>920,000</b>
• Onetime fee for - Merger and acquisition - Review of PPA	-	-	-	<b>80,000</b>
Total	700,000	900,000	1,300,000	<b>2,200,000</b>
Increase from Previous Year		28.57%	44.44%	<b>69.23%</b>

**Agenda 8:** To consider and approve the acquisition of the total ordinary shares in Custom Pack Co., Ltd.

The Board of Directors' Opinion: The Board of Directors deemed appropriate to propose that the 2018 Annual General Meeting of Shareholders to consider and approve the acquisition of the total ordinary shares in Custom Pack. in the number of 10,143,137 shares, with a par value of Baht 10, or representing 100 percent of Custom Pack's total issued shares. The acquisition of the total ordinary shares in Custom Pack constitutes the purchase or acceptance of the transfer of business of a private company by the Company in accordance with Section 107(2)(b) of the PCL Act, where the Company is required to request for an approval from 2018 Annual General Meeting of Shareholders of the Company.

**Agenda 9:** Other matters. (If any)

The Company will disclose the details of the 2018 AGM and its agenda items online at <http://www.thaiplaspac.com> prior to the meeting date. For inquiries, please do not hesitate to contact us at email address: [anong@thaiplaspac.com](mailto:anong@thaiplaspac.com) Alternatively, please contact the Office of Corporate Secretary at Tel. No. 02-897-2250 ext.180.





Sincerely yours,

A handwritten signature in blue ink, appearing to read 'A. S.', is written over a dotted line.



(Ms. Anong Somittayanurak)  
Company Secretary