

November 13, 2018

Subject : Information Memorandum on the Asset Acquisition

To : President of the Stock Exchange of Thailand

The resolution of the shareholders' meeting of Thai-Rubber Latex Corporation (Thailand) Public Company Limited ("TRUBB"), held on April 20, 2018, approved the plan to have Latex System Co., Ltd. ("LS"), TRUBB's subsidiary, registered as a listed company on the Market for Alternative Investment ("the MAI") (Spin-off). Currently, LS is preparing to register on the MAI. However, the existing shareholding structure of LS which TRUBB is currently holding 56.17 percent of the total shares (subsidiary of TRUBB), consists of the Wongsasutthikul family who may be the conflicted people as they directly hold the shares in LS exceeding 10 percent of total shares with voting rights. The said shareholding structure may constitute a conflict of interest and may disqualify the listing status of TRUBB in the Stock Exchange of Thailand ("SET"). As a result, the Wongsasutthikul family shall reduce the shareholding proportion by giving consent to Mrs. Pathumporn Trivisavavet, a member of the Wongsasutthikul family, to offer her 16.00 million shares in LS to TRUBB in order to eliminate the said conflict of interest. Consequently, after reducing the said shareholding proportion, the Wongsasutthikul family will aggregately hold shares for 9.97 percent in compliance with the SET's regulation. In addition to offer the said shares to TRUBB, it can mitigate the impact of TRUBB's dilution control in LS due to the public offering and also increase its investment proportion in LS which is the potential company to efficiently operate the business. The said transaction will be executed conditionally, after LS submitting the Initial Public Offering ("IPO") application and getting an approval, from the SEC and MAI, for the shares to be listed in the MAI, by the date the LS's shares are traded in the MAI for the first day trade. Please find in details for the transaction.

Hence, the Board of Directors' Meeting No. 6/2018, held on November 13, 2018, approved the acquisition of those shares in LS from Mrs. Pathumporn Trivisavavet, who is its Managing Director, in a number of 16 million shares of LS, which is equivalent to 3.56 percent of the registered capital of LS, after the Initial Public Offering ("IPO"). In this transaction, although Mrs. Pathumporn Trivisavavet is considered as the connected person of TRUBB as she is a daughter of Mr. Vorathep Wongsasutthikul, Chairman of TRUBB, this transaction is not considered as the connected transaction. This is because the price of shares which is offered by Wongsasutthikul family to TRUBB is treated as the arm's length basis by nature pursuant to section 89/12 (1) of the Securities and Exchange Act B.E. 2535 (1992) and the offering price, which is offered to TRUBB by people who may have a conflict of interest, is the same price as the IPO, and the price is offered to the shareholders of TRUBB through a pre-emptive right which is similar to the share allocation to the existing shareholders proportionate to their respective shareholding ("Right Offering"). However, this transaction is considered as an acquisition of assets pursuant to 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) (the "Notification on Acquisition or Disposal of Assets"). The transaction details are as follows:

1. Date, Month, Year of the transaction

TRUBB will purchase ordinary shares of LS on the date which the shares in LS are traded in the stock exchange in the first day. In this regard, LS is in the process of preparing its readiness to file an application for offering securities and registering in the MAI. However, the transaction shall be executed conditionally, after LS submitting the IPO application and getting an approval from the SEC and MAI for the shares to be listed in the MAI, by the date the LS's shares are traded in the MAI for the first day trade.

2. The parties involved and relationship with the listed company

Purchaser : Thai-Rubber Latex Corporation (Thailand) Public Company Limited

Seller : Mrs. Pathumporn Trivisavavet (a daughter of Mr. Vorathep Wongsasutthikul, Chairman of TRUBB)

Shares of the company: Latex Systems Public Company Limited

Relationship with the listed company: Seller is a member of the Wongsasutthikul family, the majority shareholder of TRUBB

3. General characteristics of the transaction

3.1 General characteristics

TRUBB will purchase the ordinary shares of LS in amount of 16.00 million share which is equal to 3.56 percent of the registered capital of LS and the share price is the same price which offered to the public at the first time (IPO). In this regards, it will alter the shareholding structure as it is revealed in the following table:

	List of Shareholders	Shareholding Structure as of August 1, 2018		Shareholding Structure after IPO		Shareholding Structure after IPO as offering existing 16 million shares to TRUBB	
		Number of Shares	Percentage	Number of Shares	Percentage	Number of Shares	Percentage
1	TRUBB	178,368,960	56.17	178,368,960	39.64	194,368,960	43.20
2	Wongsasutthikul Family	60,884,208	19.17	60,884,208	13.53	44,884,208	9.97
	- Mrs. Pathumporn Trivisavavet	31,756,032	10.00	31,756,032	7.06	15,756,032	3.50
	- Miss Chalongkwan Wongsasutthikul	6,634,320	2.09	6,634,320	1.47	6,634,320	1.47
	- Mr. Pattarapol Wongsasutthikul	6,634,320	2.09	6,634,320	1.47	6,634,320	1.47
	- Mr. Kowit Wongsasutthikul	6,334,944	1.99	6,334,944	1.41	6,334,944	1.41
	- Mrs. Thippawan Suthathipkul	9,524,592	3.00	9,524,592	2.12	9,524,592	2.12
3	Waraprateep Family	31,756,032	10.00	31,756,032	7.06	31,756,032	7.06
	- Miss Amonrat Limvanawong	31,756,032	10.00	31,756,032	7.06	31,756,032	7.06
4	Temritikulchai Family	25,406,304	8.00	25,406,304	5.65	25,406,304	5.65
	- Mrs. Nualadee Kritayanukool	25,406,304	8.00	25,406,304	5.65	25,406,304	5.65
5	Sriherunrasmee Family	6,349,728	2.00	6,349,728	1.40	6,349,728	1.40
	- Miss Chanisara Sriherunrasmee	3,174,864	1.00	3,174,864	0.70	3,174,864	0.70
	- Miss Suphawan Sriherunrasmee	3,174,864	1.00	3,174,864	0.70	3,174,864	0.70

	List of Shareholders	Shareholding Structure as of August 1, 2018		Shareholding Structure after IPO		Shareholding Structure after IPO as offering existing 16 million shares to TRUBB	
		Number of Shares	Percentage	Number of Shares	Percentage	Number of Shares	Percentage
6	Sirichaitawin Family	2,110,416	0.66	2,110,416	0.47	2,110,416	0.47
	- Mrs. Sukanya Sirichaitawin	2,110,416	0.66	2,110,416	0.47	2,110,416	0.47
7	Mrs. Ratana Techaphangam	12,281,808	3.87	12,281,808	2.73	12,281,808	2.73
8	Mr. Prasoet Leelabanyong	410,256	0.13	410,256	0.09	410,256	0.09
9	Public Offering	-	-	132,432,288	29.43*	132,432,288	29.43*
	Total	317,567,712	100.00	450,000,000	100.00	450,000,000	100.00

Notes: *the shares proportion is not exceeding 30 percent of total shares after capital increase for an initial public offering.

3.2 Calculation of the transaction size

This transaction is considered as an acquisition of assets in accordance with the Notification on Acquisition or Disposal of Assets. The calculation of the transaction size is as detailed below.

Calculation Method	Calculation Formula	Value – million baht (percent)
1. Net Tangible Asset (NTA)	$\frac{(\text{NTA of LS} \times \text{Proportion of shares acquisition}) \times 100}{\text{NTA of TRUBB}}$	$\frac{(455.96 \times 3.56\%) \times 100}{2,224.19} = 0.73$
2. Net Profits	$\frac{(\text{Net profit of LS} \times \text{Proportion of shares acquisition}) \times 100}{\text{Net profit of TRUBB}}$	$\frac{(121.40 \times 3.56\%) \times 100}{46.31} = 9.33$
3. Total Value of Consideration paid	$\frac{(\text{Total value of consideration to be paid/ acquired}) \times 100}{\text{Total assets of TRUBB}}$	Not applicable as the IPO price has not been determined*
4. Value of Securities	$\frac{\text{Total value of securities being issued} \times 100}{\text{Paid up capital of TRUBB}}$	Not applicable as no securities have been issued.

* **Remark:** An offering price of shares as mentioned is not determined yet. Hence, if the company has a certain price, we will calculate the price of shares based on the calculation of the total value of consideration paid or received and will inform you later.

When calculating based on net profit formula, the highest transaction size is equal to 9.33 percent which is calculated based on the consolidated financial statement of TRUBB as of September 30, 2018. Then, this transaction size is not required to disclose to the SET. However, the company intends to comply with the principles of good governance and the shares to be purchased will be traded to the public for the first time (IPO) through the MAI. Hence, the company kindly discloses the said acquisition of assets to the SET.

4. Details of the acquired assets

A number of ordinary shares of LS at 16,000,000 shares with a par value of Baht 0.50, which is equivalent to 3.56% of the registered capital of LS.

5. Total value of a return

Securities: A number of ordinary shares of LS at 16,000,000 shares with a par value of Baht 0.50 which is equivalent to 3.56% of the registered capital of LS.

Price: The same price as the initial public offering (IPO) which will be offered through a block trade.

6. Value of acquired assets

A number of ordinary shares of LS at 16,000,000 shares with a par value of Baht 0.50 which is equivalent to 3.56% of the registered capital of LS.

7. Criteria for determining the value of consideration

The total value of consideration for this transaction is a fair value as it is the same price in the Initial Public Offering (IPO).

8. Expected benefits to the company

This transaction will benefit to TRUBB due to a good performance of LS in the present based on separate financial statements of LS for the nine-month period as of September 30, 2018, which reveals that LS has a profit of Baht 121.4 million and it has a potential to be growth after registering in the stock exchange.

9. Source of funds

Funds which will be used to purchase the shares of LS will generated from TRUBB's working capital.

10. Acquisition of assets from the connected person of the company

The seller is Mrs. Pathumporn Trivisavavet which is considered as a connected person due to a member of Wongsasuthikul family. However, this transaction is not subject to a connected transaction because the an offering price of LS, which is offered to TRUBB by Wongsasuthikul family is totally based on the Arm's Length Basis under Section 89/12 (1) of Securities and Exchange Act B.E.2535 (1992) because an offering price, which is offered to TRUBB by people who potentially have a conflict of interest, is the same price of IPO and the price which is offered to the shareholders of TRUBB through pre-emptive right considering as a share subscription under the Right Offering scheme. Moreover, it also makes the LS have a qualification under the Notification of the Capital Market Supervisory Board No. TorJor. 39/2559 Re: Application for Approval and Granting of Approval for Offering of Newly Issued Shares in which the Securities and Exchange Commission, Thailand ("SEC") has stipulated its regulations in the conflict of interest that there must be no any majority shareholders of TRUBB to hold shares more than 10 percent in its affiliated company which will submit the application for the IPO. However, it has been found that Wongsasuthikul family has held shares in LS exceeding 10 percent which conflict with that regulation. Hence, it is required to reduce that shareholding to be less than 10 percent in order to eliminate the conflicts of interest and comply with that regulation.

For maintaining the qualification in line with that regulation, TRUBB received the confirmation letter from Wongsasuthikul family which mentioned that they mutually agreed to appoint Mrs. Pathumporn Trivisavavet to be responsible for the amendment of the LS's ordinary shareholding of Wongsasuthikul family to be less than 10 percent in accordance with the regulation and the criteria of maintaining the listing status in the SET.

11. Opinions of the Board of Directors concerning a decision to enter into the transaction

The Board of Directors opined that the acquisition of LS's shares is appropriated and will be beneficial to TRUBB so that the transaction was approved by the Boards.

12. Opinions of the Audit Committee and/or the company's directors which are different from those of the Board of Directors (Clause 11)

None of the audit committee and/or company's director has a different opinion from the Board of Directors.

Please be informed accordingly.

Sincerely yours,

Mr. Vorathep Wongsasutthikul
Chairman