



(English Translation)

No. DIMET 014-2022

11 August 2022

Subject Notification of the Resolution of the Board of Directors' Meeting No. 5/2022 regarding the Establishment of a Subsidiary and the Dispute Resolution and Settlement Agreement

Attention: Director and Manager
The Stock Exchange of Thailand

Dimet (Siam) Public Company Limited ("the Company") hereby informs the resolutions of the Board of Directors' Meeting No. 5/2022, held on 11 August 2022, which was passed the significant resolutions that must be reported to the Stock Exchange of Thailand as follows:

1. It had a resolution to approve the establishment of a subsidiary with a registered capital of Baht 5,000,000, divided into 50,000 shares, 100 Baht per shares to support the objectives of business expansion in form of trading business such as production of synthetic latex, rubber gloves, IT equipment, office equipment and electric vehicle import business.
2. It had a resolution to approve entering into the settlement agreement in order to resolve the Company's disputes appeared in the interim financial information review report by a certified public accountant for the six-month period ended 31 June 2022.

In order to comply with the regulations of the Stock Exchange of Thailand regarding rules, conditions and procedures for disclosure of information and any operations of the listed company. The Company would like to inform the details regarding entering into the settlement agreement as follows:

- 2.1 In December 2020, Beyond Capital Company Limited, a short-term loan provider to Dimet Paint Company Limited (formerly named Asian Corrosion Control Technology Company Limited) (subsidiary), filed a lawsuit against the subsidiary with the Samut Prakan Provincial Court demanding the subsidiary pay the loan, including debt collection expenses in the amount of 46.25 million Baht, with interest at the rate of 7.5% per annum and a penalty at the rate of 3% per annum, alleging that the subsidiary has breached the loan agreement because the subsidiary failed to pay the loan when the contract was due. Subsequently, on January 17, 2022, the court of first instance rendered a judgment ordering the subsidiary to make payment to Beyond Capital Company Limited in the amount of 45 million baht with interest at 7.5% per annum from 17 October 2020 to 10 April 2021 and the interest at the rate of 5% per annum from 11 April 2021 onwards until the subsidiary has completed the payment. The case is currently in the process of appealing against the judgment of the court of first instance to the Appeal Court.



In order to resolve dispute between them, both parties will enter into the settlement agreement, where Beyond Capital Company Limited agrees to allow the Company to repay the debt less than the judgment debt and interest in the amount of 2,000,000 baht. After completion of the payment, Beyond Capital Company Limited agrees to release the mortgage of the land located at, Phraeksa Sub-district, Mueang Samut Prakan District Samut Prakan Province to the company immediately.

- 2.2 In December 2020, M&T Law Office Company Limited filed a lawsuit with the court demanding the Company to pay the outstanding service fees in the amount of 12 million Baht together with interest to the counterparty. Subsequently, on 18 January 2022, the court of first instance rendered a judgment ordering the Company to make payment to the counterparty in the amount of 12 million baht with interest at the rate of 5.0 - 7.5 per cent per annum of the said principal from the date of the lawsuit. The case is currently in the process of appealing against the judgment of the court of first instance to the Appeal Court.

In order to resolve the dispute between them, both parties will enter into a settlement agreement, in which the Company will pay the counterparty in the amount of 5,000,000 Baht and will transfer the ordinary 12,244,800 shares of McTRIC Public Company Limited held by the Company to the person designated by the counterparty.

- 2.3 In July 2020, Mr Yu Wa Sae-Li filed a lawsuit against the Company with the Civil Court claiming damages with interest in the amount of 29.38 million Baht regarding breach of the agreement for the subscription of new shares. However, the Company has not breached the agreement as claimed by the investor, but the Samut Prakan Provincial Court has ordered the Registrar of the Public Companies Limited to suspend the registration of the paid-up capital increase offered to the private placement and the letter issued by the Securities and Exchange Commission (SEC) dated 31 March 2020 decided that the Company issued and offered for sale of shares to private placement without permission of the SEC. At that time, the Company had to cancel the issuance and offering of newly issued ordinary shares to the private placement. The case is now pending at the Samut Prakan Provincial Court.

In order to resolve the dispute between them, the parties will enter into the settlement agreement, in which the Company will transfer the right to claim the outstanding debt for goods that the Company has against Igen Powertech Company Limited in the amount of 8,416,913.19 Baht with interest to the person designated by the parties and will cause Igen Energy Company Limited, the subsidiary, to transfer the right to claim for the outstanding loan that Igen Energy Company Limited has against Igen Powertech Company Limited in the amount of 2,189,040 Baht with interest to the person designated by the parties.

- 2.4 In May 2021, Mr Mattia Regosa and Mrs Marta Regosa, the parties to the sale and purchase agreement for shares of IAM Industrial Asset Management Srl, the juristic person incorporated under the laws of Italy, filed a lawsuit against the Company with the Civil Court demanding the Company to pay the outstanding

**DIMET**

Beyond Top Quality

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payment of ordinary shares of IAM Industrial Asset Management Srl in accordance with the shares sale and purchase agreement in the amount of 110.73 million Baht and damages for loss of business opportunity arising out of the default payment in the amount of 26.81 million Baht, altogether 137.54 million Baht asserting that the Company has breached the agreement by failing to timely make payment for the sale of ordinary shares and receive the transfer of ordinary shares of IAM Industrial Asset Management Srl as stipulated in the ordinary shares sale and purchase agreement.

However, the Company has not breached the agreement because the memorandum of understanding and the contract stipulates that if the sale and purchase of shares have not been approved by the shareholders or the government authorities, the contract shall be deemed terminated. As the shareholders have not paid for the capital increase and the sale of capital increase shares, the contract was terminated and the seller will have to refund the deposit. The case is now pending at the Samut Prakan Provincial Court.

In order to resolve the dispute between them, the parties will enter into a settlement agreement. Details are as follows:

- 2.4.1 The Company will transfer the right to claim for outstanding payment for goods that have against Igen Engineering Company Limited in the amount of 38,399,019.53 Baht with interest after the offset of the debt under the promissory note that the Company have against Igen Engineering Company Limited in the amount of 2,800,000 Baht, the amount after the offset is 35,599,019.53 Baht with interest. The Company will transfer the right to the person designated by the parties.
- 2.4.2 The Company will cause Igen Energy Company Limited, the subsidiary, to transfer the right to claim for outstanding loan that it has against Igen Engineering Company Limited in the amount of 15,630,534.33 Baht with interest to the person designated by the parties.
- 2.4.3 The Company will transfer 378,000 ordinary shares of Igen Engineering Company Limited held by the Company to the person designated by the parties.

The Company anticipates that the parties will enter into the settlement agreements and fully comply with them by the end of August 2022. However, it is uncertain if the parties will enter into the settlement agreement since the settlement agreements are required to be approved by the parties and related persons.

Please be informed accordingly.

Yours faithfully,
Dimet (Siam) Public Company Limited

Signature

(Mrs. Anya Thaworanun)
Company Secretary