



No. KASET2022/007

9 August 2022

Re: Notification of Resolutions of the Board of Directors' Meeting relating to the Issuance of Subordinated Perpetual Debenture, the Connected Transaction and the Schedule and Agenda for Extraordinary General Meeting of Shareholders No. 1/2022 (amended)

To: The President
The Stock Exchange of Thailand

Thai Ha Public Company Limited (the "Company") would like to inform that the Meeting of the Board of Directors No. 5/2022 held on Tuesday 9 August 2022 passed material resolutions as follows:

1. Approved to propose to the shareholders' meeting to consider and approve the issuance and offering of the subordinated perpetual debentures in the amount of not exceeding Baht 70 million with the following details:

Type of Debentures	Name-registered, unsecured, unconvertible and subordinated perpetual debentures with principal bullet payment upon dissolution of the issuer or upon the exercise of the issuer's early redemption right, with the issuer's sole right to unconditional interest deferral and cumulative interest to pay to debentureholders at any period. The said debentures have a debentureholders' representative and with the issuer's right to early redemption
Amount	Total amount of not exceeding Baht 70 million
Tenor and Coupon Rate	Perpetual and floating rate with the following details: <ul style="list-style-type: none">• Years 1-5: a fixed coupon rate of 5.25% per annum• Years 6-25: the sum of a) Thailand 5-year government bond yield; b) Initial Credit Spread; and c) 0.25% per annum• Years 26-50: the sum of a) Thailand 5-year government bond yield; b) Initial Credit Spread; and c) 1.00% per annum• Year 51 onwards: the sum of a) Thailand 5-year government bond yield; b) Initial Credit Spread; and c) 2.00% per annum

THAI HA PUBLIC COMPANY LIMITED

140 Moo5, Tambon Bangkratuek,
Amphur Sampran, Nakornpathom 73210, Thailand
Tel.: (02) 482-1661-6 Fax: (034) 288-415
www.kasetbrand.com

	<p>Initial Credit Spread equals to 3.14% per annum (calculated based on Thailand 5-year government bond yield calculated by the Thai Bond Market Association as of 3 August 2022) and Thailand 5-year government bond yield means yield interpolation of the curve of Thailand 5-year government bond yield at the end of two business days prior to any date of interest rate adjustment prepared by the Thai Bond Market Association.</p> <p>The Thailand 5-year government bond yield will be adjusted every 5 years to reflect the interest condition at that time.</p>
Interest payment	Quarterly
Early Redemption	The issuer has the right to redeem all the debentures as discretion on the first redemption day (5-year maturity date starting from the issuance date) or on each interest payment date after the first day which can exercise redemption right or under the specified terms and conditions of the debentures.
Collateral	None
Type of Offering	Private placement - PP10 to the Company's directors and/or major shareholders
Maturity Date	Redeemable upon dissolution of the Company (Perpetual) or exercise of issuer's right to early redemption as per the guideline and process prescribed in the terms and conditions of the debentures
Purpose of Debentures Issuance	To repay loans to the financial institutions and/or use for working capital of the Company

In this regard, the Meeting of the Board of Directors passed a resolution to propose the shareholders' meeting to consider and approve the issuance and offering of the subordinated perpetual debentures and authorization to the Board of Directors and/or the Executive Directors and/or the Chief Executive Officer (collectively, the "Authorized Persons") and/or the authorized directors of the Company and/or any persons designated by the Authorized Persons or the authorized directors of the Company to determine any terms and conditions and other details necessary for, and pertinent to, the issuance and offering for sale of the debentures, such as the determination of the name, offering amount of each issuance, right of early redemption, interest rate, allocation method, details of offering etc., to arrange for the registration of such debentures with the Thai Bond Market Association or any other secondary market, and to appoint any financial advisor, underwriter, arranger, credit rating agency, asset appraiser, legal advisor, registrar, paying agent, debentureholders' representative, or other advisors or persons who are relevant to the issuance and offering of debentures, and to enter into, agree upon,

amend, certify and sign any documents and agreements relevant to the debentures, and to contact, provide, disclose, sign, certify, agree to and submit information, applications or documents to the Office of the Securities and Exchange Commission, the Thai Bond Market Association, the Bank of Thailand or other authorities and persons relevant to the debentures, as well as to take any other action necessary for, and pertinent to, the issuance and offering of debentures, including to appoint any person as their attorney, representative or agent to perform any action aforementioned.

2. Approved to enter into the connected transaction on receiving financial assistance from the Company's directors and/or major shareholders by issuance and offering of the subordinated perpetual debentures in the amount of not exceeding Baht 70 million with the following details:

(1) Date of Transaction

If approved by the shareholders' meeting to issue the debentures, the Company expects to issue and offer the subordinated perpetual debentures within October 2022.

(2) Related Parties and Relationship

Finance supporter:

- Mrs. Pattama Tangpiroonthum as a director and shareholder of the Company, who is considered as connected person of the Company, with the amount of interested debentures to be invested at Baht 40 million.
- Cheer Group Holdings Co., Ltd. as a major shareholder of the Company, who is considered as connected person of the Company, with the amount of interested debentures to be invested at Baht 30 million.

In addition, Cheer Group Holdings Co., Ltd. is a juristic person having major shareholders who are directors and/or management of the Company.

Finance receiver: The Company

(3) Type and General Information of the Transaction

The Company will receive financial assistance from the Company's directors and/or major shareholders by issuance and offering of the subordinated perpetual debentures in the amount of not exceeding Baht 70 million with the details of issuance and offering of debentures as described in clause 1.

(4) Value of Consideration

In general, the issuer of the subordinated perpetual debentures will early redeem the debentures before maturity at the end of 5th year from the issuance date since after the 5th year, the issuer will have to pay more interest increasing from the fixed interest rate (the step-up coupon). This will cause the cost of issuer to increase. Therefore, the Company calculates the return on the issuance of subordinated perpetual debentures to be used to calculate the size of the connected transaction for a period of only 5 years. Based on the said assumption, the Company will issue and offer the subordinated perpetual debentures in the amount of not exceeding Baht 70 million with the fixed interest rate (years 1-5) at 5.25% per annum. Thus, the total value of consideration will not exceed Baht 18,375,000.

(5) Criteria used in Determining a Transaction's Total Value

This transaction is a transaction between the Company and directors and/or shareholders of the Company. Thus, the transaction is considered as a connected transaction of a listed company in the category of transaction relating to receiving financial assistance in accordance with the Notification of the Capital Market Supervisory Board No. TorChor. 21/2551 Re: Rules on Connected Transaction (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 Transaction B.E. 2546 (2003) (as amended) (collectively referred to as the "Notification of Connected Transaction"). The total value of consideration (interest rate 5 years at 5.25% per annum) does not exceed Baht 18,375,000, and the Company has not entered into any transaction required to be included in the calculation in the past 6 months. This transaction is considered as medium size having the value of the transaction more than Baht 1 million but less than Baht 20 million (to compare the value of the transaction, the Company uses the reference number of Baht 20 million, which is higher than 3% of the net tangible assets). Therefore, the said transaction must be approved by the Board of Directors of the Company and disclosed the information to the Stock Exchange of Thailand without the approval from the shareholders' meeting in accordance with the Notification of Connected Transaction.

(6) Director having Conflict of Interest and/or Director being Connected Person

Mrs. Pattama Tangpiroonthum, as the director having conflict of interest and being connected person, was not attend the meeting and had no right to vote in the Board of Directors' Meeting to consider the entering into transaction.

(7) Opinion of the Board of Directors

The Board of Directors has considered the reason and necessity and resolved that the receipt of financial assistance is reasonable and beneficial to the Company to repay loans to the financial institutions and/or use for working capital of the Company. Thus, under the endorsement of the Meeting of the Company's Audit Committee No.4/2022, held on 9 August 2022, the Board of Directors has resolved to approve the entering into the connected transaction on receiving financial assistance from the Company's directors and/or major shareholders by issuance and offering of the subordinated perpetual debentures in the amount of not exceeding Baht 70 million.

In addition, according to the Thailand Accounting Standard No. 32 Re: Presentation of Financial Instruments (TAS 32), the Company is able to consider the total amount of issued and offered subordinated perpetual debentures as an equity if specifying the condition for repayment of principal to be in accordance with the said accounting standards. If the value that the Company intends to issue and offer the debentures is not more than Baht 70 million, the total debt to equity ratio of the Company will decrease.

In addition, the Company has not yet prepared a credit rating of the Company. If the Company wishes to offer a public offering of such subordinated perpetual debentures, the Company will be required to provide a credit rating for its instruments in accordance with the regulations of the Securities and Exchange Commission. The credit rating company must make a credit rating based on the financial statements of the past 2-3 years, which during such period the Company was affected by the coronavirus disease 2019 (COVID-19) pandemic situation. The Company may receive a low credit rating. This will not be attractive to outside investors. Furthermore, the issuance of subordinated debentures at this level, when combined with the credit rating cost, may make the total cost of issuing subordinated perpetual debentures very high compared to the benefits of issuing such subordinated debentures.

(8) Opinion of the Audit Committee and/or the Directors of the Company which is Different from the Opinion of the Board of Directors, including the Case of the Aforesaid Director Abstained

None.

3. Approved to set the date for Extraordinary General Meeting of Shareholders No. 1/2022 on Thursday 22 September 2022 at 14:00 hrs. at Kasetshop Meeting Room, Thai Ha Public Company Limited, No. 140 Moo 5, Tambon Bangkratuek, Amphur Sampran, Nakornpathom Province to consider and approve the following matters:

Agenda 1 To consider and adopt the minutes of the Annual General Meeting of Shareholders for the year 2022 held on Tuesday 26 April 2022.

Opinion of the Board of Directors: The Board of Directors considered that the minutes of the Annual General Meeting of Shareholders for the year 2022 was correctly and completely recorded and deemed it appropriate to propose to the shareholders' meeting to consider and adopt the minutes.

Agenda 2 To consider and approve the issuance and offering of the subordinated perpetual debentures in the amount of not exceeding Baht 70 million

Opinion of the Board of Directors: The Board of Directors considered and deemed it appropriate to propose to the shareholders' meeting to consider and approve the issuance and offering of the subordinated perpetual debentures in the amount of not exceeding Baht 70 million and the authorization in relation to the issuance and offering of such debentures.

Agenda 3 Other business (if any)

In this regard, it is approved to fix the Record Date for the right of shareholders to attend the Extraordinary General Meeting of Shareholders No.1/2022 on Tuesday 23 August 2022.

In addition, the Meeting of the Board of Directors passed a resolution to authorize the Executive Directors and/or the Chief Executive Officer and/or the authorized directors of the Company and/or any persons designated by the Executive Directors or the Chief Executive Officer or the authorized directors of the Company as an authorized person under the laws to amend or change the date, time, place, method, and the meeting agenda as deemed appropriate, including performing any other necessary and relevant actions in all respects until completion.

Please be informed accordingly.

Yours Faithfully,



(Mr. Somroek Tangpiroonthum)

Chief Executive Officer