

Information Memorandum to buy all the shares held by the shareholders of Phoenix
Rubber Products Co., Ltd.

The Board of Directors' Meeting No.7/2020 of Thai Rubber Latex Group Public Company Limited held on November 12, 2020 has resolved to hold the Extraordinary General Meeting of Shareholders 2020 Considering of Approval to buy all the shares held by the shareholders of Phoenix Rubber Products Company Limited. A rubber glove manufacturer renting the factory and machines from Thai Rubber Latex Group PCL. Is as follows ;

Expected date to enter into the transaction

After receiving approval from the shareholders' meeting, it is expected to purchase shares of Phoenix Rubber Products Company Limited within 90 days after the date of approval from the shareholders' meeting.

Item description

Thai Rubber Latex Group Public Company Limited will invest in ordinary shares of the Company. Phoenix Rubber Products Company Limited (Phoenix) in total 500,000 shares or 100% of the paid-up capital by purchasing shares from the former shareholders of Phoenix, a total of four, who do not qualify as a connected person with the Company for 150 million baht.

The list of Phoenix current shareholders is as follows ;

1. Mr. Songvit Manarojkit holding total 200,000 shares or 40% of total shares
2. Mr. Udompong Taechaamnuawat holding total 100,000 shares or 40% of total shares
3. Mr. Kitti Chareonpornpanichkul holding total 100,000 shares or 40% of total shares
4. Mrs. Kulwadee Udomlarmdaam holding total 100,000 shares or 40% of total shares

TRUBB will appoint an auditor from BPR Audit & Advisory Co., Ltd. as the auditor approved by The Securities and Exchange Commission and lawyer HUTTER & DHIRA to conduct the due diligence to verify the business status of Phoenix before buying. Expected date to complete due diligence is December 25, 2020.

Type of business

Phoenix Rubber Products Company Limited is a manufacturer of rubber gloves. Medical and general purpose type for domestic and export market.

Paid-up capital

Phoenix Rubber Products Company Limited has a paid registered capital of 5 million baht.

Company Directors

Mr. Songvit Manarojkit is a director of Phoenix Rubber Products Company Limited.

Financial Status and Company Performance of Phoenix in 2017-2019

Unit: Baht	Year 2017	Year 2018	Year 2019
Revenues	233,972,316.51	225,663,021.59	185,450,252.34
Cost of Goods Sold	202,365,903.01	191,582,599.76	170,862,762.64
Net Profit (Loss)	2,157,322.55	(-104,584.76)	324,491.67
Total Assets	140,506,079.56	133,588,239.88	127,186,865.37
Total Liabilities	69,353,327.13	62,540,072.21	55,814,206.03
Accumulated Profit(Loss)	66,152,752.43	66,048,167.67	66,372,659.34
Equity	71,152,752.43	71,048,167.67	71,372,659.34

Pricing criteria

The trading price at 150 million baht is a price agreed upon between buyers and sellers. It takes into account the ability to generate income and future profits. However, such trading will be subject to due diligence in accounting and law.

Payment method

TRUBB will gradually pay for the shares to the shareholders of Phoenix Rubber Products Company Limited which will be paid within 90 days from the trading date.

Source of funds used

The source of funding comes from working capital from the operation.

The size of transaction

This transaction is to acquire assets that are the shares of Phoenix worth 150 million Baht. Referring to 4 transaction size criteria, using total asset value criteria (highest result) it is only 2% which is less than 15%. TRUBB did not invest in any acquisition transaction in the past 6 months. According to the Notification of the Capital Market Supervisory Board No. Tor Chor. 20/2551 and the announcement of the Stock Exchange of Thailand Committee on Disclosure of Information and Actions of Listed Companies in Acquisition or Disposition of Assets, 2004

However, TRUBB realize that this investment decision is significant. Therefore, TRUBB will include this agenda in the shareholder meeting as it is a transfer of another business to one's own according to article 107 (2)(๑) of the Public Company Act year 2535 . The result of due diligence will get the approval of the shareholders requiring 3 out of 4 from total votes in the meeting.

Investment reason and advantage

TRUBB is currently renting the building, machines and necessary rubber glove production equipment to Phoenix as TRUBB sees a growth opportunity in the rubber glove production business due to the increased demand during the COVID - 19 situation and the increasing health care awareness of the citizens, including an export opportunity, apart from the fact that the raw material rubber is provided by TRUBB, which will eventually add value to the latex business chain of TRUBB.

Opinion of The Board of Directors and Auditting Directors

Opinion of the Board of Directors and the Audit Committee in consensus that is reasonable and beneficial to the company and its shareholders. Since will increase business potential and increase opportunities for expanding. It will result in the Company's operating results to improve in the future. Moreover, it can generate income making profits to grow as well. Entering into this transaction will enable TRUBB to have a business that extends the use of concentrated latex which is the main raw material and creating added value to raw materials by using them to produce gloves. Together with the extremely high demand for gloves in the market caused by the COVID - 19 (pandemic) crisis, it is a good investment opportunity

However, the Board of Directors and the Audit Committee require the management to recruit a financial advisor company to do due diligence to verify the status of Phoenix Rubber Products Company Limited before taking it for approval at the shareholders' meeting.

Please be informed accordingly.

Yours sincerely,



(Mr.Vorathep Wongsasuthikul)

Chairman