

November 12, 2020

**Subject :** To report the progress of registering the shares of Worldflex PCL, which is a subsidiary, with the Stock Exchange of Thailand and setting the date of EGM 2020, Acquisition of Asset, issuing common stocks to raise the fund of Worldflex PCL for the directors and employees of Worldflex PCL

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

The Board of Directors' Meeting No.7/2020 of Thai Rubber Latex Group Public Company Limited ("TRUBB") held on November 12, 2020 has resolved as follows:

1. Report the progress of registering the shares of Worldflex PCL, which is a subsidiary, with the Stock Exchange of Thailand. Currently, the company is on process of preparing for filing and will report to security and exchange commission.

2. Approved unanimously to propose to the shareholders meeting of the company to consider buying all the shares held by the shareholders of Phoenix Rubber Products Co., Ltd., a rubber glove manufacturer renting the factory and machines from Thai Rubber Latex Group PCL. in the amount of 150 million baht.

**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 Ltd. 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 Manarojkij 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 Phenix Rubber Products Co., Ltd. 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)(๗) 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 Auditing 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 company before taking it for approval at the shareholders' meeting.

**3. Approved unanimously to propose to the shareholders meeting of the company to consider in approval for issue common stocks to raise the fund of Worldflex PCL for the directors and employees of Worldflex PCL (ESOP), and for the directors of Thai Rubber Latex Group PCL (Management TRUBB).**

At par 1.00 baht per share lowering than market price evaluated by Optasia Capital company limited, which equals to 2.23 baht per share, for 13,400,000 shares and allocating to patrons of the Company which is the World Flex's ex-director for 800,000 shares. In total, newly issued share equals to 14,200,000 shares. Total of 14,200,000 shares is capital increase from the original registered capital of 308,000,000 baht to 322,200,000 baht at a par value of 1 baht per share in accordance with the announcement of the board of directors of the SET No. Thor Chor. 32/2551.

This agenda will be presented to the shareholder meeting for approval.

Number	Position	Number of people (people)	Number of shares (shares)	Ratio
1	Ex-executive (TRUBB)*	4	800,000	5.63 %
2	Director**	5	9,322,000	65.65 %
3	Management team**	22	2,550,000	17.96 %
4	Employee with working age > 5 years**	47	235,000	1.65%
5	Employee with working age > 8 years**	12	84,000	0.59%
6	Employee with working age > 10 years**	23	227,000	1.60%
7	Employee with working age > 15 years**	42	622,000	4.38%
8	Bangna office with working-age exceeding 3 years**	8	360,000	2.54%
<b>Number of shares in total</b>		<b>163</b>	<b>14,200,000</b>	<b>100%</b>

\*the directors of TRUBB who were directors of Worldflex PCL in the past.

\*\* Directors and employees of WFX PCL

4. Approved to propose to the shareholders meeting of the company to considering approval for issuing fundraising common stocks to the directors, management and employees of Worldflex PCL allocated individually more than 5% of the shares issued this time.

Name	Position in World Flex Public Company Limited	Number of allocated shares	Percentage of the allocated-share	Benefits to World Flex Public Company Limited
Mr. Chawalit Tiyadechachai	Director, Executive director, Chairman of the executive directors	7,022,000	49.45%	As chief executives of the company are well-knowledgeable people in company's business and they play important role in company's success. Moreover, they incentivize personnel to get involve in creating value-added to the company in the future.
Mr. Nat Vongsasutthikul	Director, Executive director, Managing director	800,000	5.63%	

5. The Board of Directors' Meeting unanimously approved to propose in approval for related-transaction of TRUBB's directors who are allocated to receive World Flex's fundraising common stocks .

The size of related transaction Of Stock allocated to TRUBB Directors in total of 800,000 shares is calculated by using NTA (Net Tangible Assets), based on audited financial report ending 30 September 2020. It is found that the size is 0.09% which is less than 3% NTA. Then, the company get approval from the board of directors for further proceeding.

Name	Position in WFX	Number of allocated WFX shares	Percentage of the allocated-share	Benefits to WFX
Mr.Vorathep Wongsasuttikul	Chairman of the board directors	200,000	1.41%	Helded managing-positions of the company and created benefits to the company in the past
Mr.Paiboon Waraprathep	Executive director	200,000	1.41%	
Mr.Pattaraphol Wongsasuttikul	Chief managing director	200,000	1.41%	
Mr.Prawit Waraprathep	Executive director	200,000	1.41%	

6. The Extraordinary General Meeting of Shareholders No.1/2020 will be held on December 30, 2020 from 9.00 am, at Paknam - Aowthai Room, Koon Hotel 998, 10<sup>th</sup> Village, Bearing 34 Alley, Sukhumvit 107 Road, Samrong Nuea Sub-district, Mueang District, Samut Prakan Province 10270. Thailand.

7. The Company has fixed the Record Date on November 27, 2020.

**8. The agendas for the meeting Shareholders Meeting No.1/2020 are as follows :**

1) Certify the minutes of the Annual General Meeting of Shareholders No.1/2020 held on July 29, 2020

2) Consider of Approval to buy all the shares held by the shareholders of Phoenix Rubber Products Co., Ltd., a rubber glove manufacturer renting the factory and machines from Thai Rubber Latex Group PCL.

3) Consider of Approval to issue common stocks to raise the fund of Worldflex PCL for the directors and employees of Worldflex PCL (ESOP), and for the directors of Thai Rubber Latex Group PCL (Management TRUBB).

4) Consider of Approval to approve issuing fundraising common stocks to the directors, management and employees allocated individually more than 5% of the shares issued this time.

5) Consider other issues (if any).

The company has already publicized the Minutes of the General Meeting of Shareholders No. 1/2020 on the company's website ([www.thaitex.com](http://www.thaitex.com)) and the Company will also publicize the Notice of Extraordinary General Meeting of Shareholders No. 1/2020 together with all related documents on the Company's website before November 30, 2020.

Please be informed accordingly,

Truly yours,

(Mr. Pattarapol Wongsasuthikul)  
Chief Executive Officer