



No. BCL2203002

Dated 29 March 2022

**Subject:** Notification on the transaction of the public offering of ordinary shares of Utility Business Alliance Public Company Limited

**To:** Shareholders of SiamEast Solutions Public Company Limited

**Enclosure:** Information Memorandum on the Disposal of Assets of SiamEast Solutions Public Company Limited according to Schedule (1)

SiamEast Solutions Public Company Limited (“the Company”) would like to notify the resolution of the Board of Directors Meeting of the Company No. 2/2565 which was held on 24 March 2022 (“the BoD Meeting”). The BoD Meeting has approved the plan on offering of shares of Utility Business Alliance Public Company Limited (“UBA”), an associated company of the Company, to be listed on the the Market for Alternative Investment (“mai”), which there will then be an initial public offering (IPO) (“UBA’s Listing Plan”) in the amount not exceeding 170.00 million shares with the par value of 0.50 Baht per share which is equivalent to 28.33 percent of the paid-up capital after the increase of UBA’s capital which could be allotted as follows:

- 1) It is approved to allot the newly-issued ordinary shares of UBA to the public in the amount of 144.50 million shares with the par value of 0.50 baht per share which is equivalent to 85.00 percent of the IPO shares. This allocation of the newly-issued ordinary shares shall be made to sponsors, directors, executives, and staffs of the Company in the amount not exceeding 21.00 percent of the IPO shares.
- 2) It is approved to allot the newly-issued ordinary shares of UBA to shareholders who are entitled to subscribe for such shares in accordance to their shareholding of the Company (Pre-emptive Rights) in the amount not exceeding 25.50 million shares with the par value of 0.50 baht per share which is equivalent to no more than 15.00 percent of the IPO shares. The newly-issued shares that are not subscribed in relation to such allocation can be combined and offered to the public.

UBA will utilize the proceeds from the above initial public offering to serve for UBA’s business expansion in the future, including change of financial structure and to serve as working capital. The Company will remain to be a major shareholder of UBA and UBA will remain to be an associated company of the Company. The Company will maintain its shareholding in UBA in the proportion not less than 28.67 percent of the paid-up capital of UBA after its increase of capital. The details of above may be subjected to change upon discretion of Company’s board of directors or UBA’s board of directors and/or any person who is appointed by Company’s board of directors or UBA’s board of directors, including in consideration of details, conditions, and exact proportion regarding the offering of shares according to the above listing plan in mai once again.



However, when the plan to offer UBA's newly-issued ordinary shares is completed which may result in the dilution of the Company's shareholding percentage in UBA, it may be considered to be the disposition of assets by a listed company in pursuant to the Notification of the Capital market Supervisory Board No. TorJor. 20/2551 Re: Rules on Entering into Material Transactions Deemed as Acquisition or Disposition of Assets, dated 31 August 2008 and the amendment ("Notifications on Assets Acquisition or Disposal"). When calculating the decreased transaction size of the Company's shareholding proportion in UBA according to means provided in the Notifications on Assets Acquisition or Disposal, based on the Company's and UBA's consolidated financial statements as of 31 December 2021, which were audited by the auditors, it is found that the transaction size will have the highest value when calculated from the criteria of Net Profit in the amount of 17.01 percent. Besides, during the past six months the Company has not disposed any asset as required to be included in the calculation of transaction size before the date that the BoD Meeting approved the plan to list UBA's shares in mai, which such transaction size would be more than 15.00 percent but not exceeding 50.00 percent. Therefore, the Company is obliged to disclose the information regarding the transaction of asset disposal to the SET and send a circular notice to shareholders within 21 days from the date of disclosure of the Information Memorandum to the SET according to the details specified in the Notifications on Assets Acquisition or Disposal, details of which as appeared in the attached Information Memorandum.

Nevertheless, the Company has made and disclosed the Information Memorandum on the Company's Disposal of Assets according to Schedule (1) on 24 March 2022 and the Company is obliged to send a circular notice to shareholders within 21 days from the date of disclosure of the Information Memorandum to the SET. In light of this, the Company has made this circular notice and the Information Memorandum on the Company's Disposal of Assets according to Schedule (2), which the Company will send to shareholders. The Company would like to send such circular notice and Information Memorandum which contains information in accordance with the requirement specified in the Notifications on Assets Acquisition or Disposal, details of which as appeared in the attached Information Memorandum, in order for the shareholders to be informed.

Please be informed accordingly.

Yours sincerely,

SiamEast Solutions Public Company Limited.

A handwritten signature in blue ink, appearing to read "Kirk Leekasem".

Director

Mr. Kirk Leekasem

Deputy Chief Executive Officer



**Information Memorandum on the Disposal of Assets of SiamEast Solutions Public Company Limited according to Schedule 2 of Notification of the Capital market Supervisory Board Re: Disclosure of Information and Other Acts of Listed Companies Concerning the Acquisition and Disposition of Assets, 2004**

**1. Information which is disclosed according to Schedule 1**

Details of the information which is disclosed according to Schedule (1) regarding the offering of ordinary shares of an associated company of the Company appear in the Enclosure 1 of the attached Information Memorandum.

**2. Responsibility of the Board of Directors of the Company for the information contained in the document sent to shareholders.**

The Board of Directors has carefully reviewed information in this Information Memorandum and confirmed that information in this Information Memorandum is correct, complete, and not false, which shall not make any other person to misunderstand and it is not in absence of material information which should be notified.

**3. Opinion of the independent expert on the transaction**

-None-

**4. Financial forecast for the current year of the Company (if any) which specifies assumption on trade, economy, and industry, and audited by authorized auditor and opinion of independent financial advisor on forecast performance which is made carefully**

-None-

**5. Significant ongoing litigation or claim**

-None-

**6. Benefit or related transaction between the Company, directors, executives, and shareholders who hold the shares directly or indirectly 10 percent and above**

- The Company has significant business transaction with related persons and enterprises. Such business transaction is in accordance with the trade term and standard mutually agreed upon by the Company and such related persons and enterprises which is in line with ordinary course of business. The details of relationship between the Company and related persons and enterprises can be summarized as follows:

List of related persons and enterprises	Type of business	Manner of relationship	Manner of business/ transaction	Pricing policy
<b>Subsidiary</b>				
1. Kessel (Thailand) Company Limited	Manufacture and distribute pipe lining and valve lining which can be used with chemical liquid and corrosive liquid	<ul style="list-style-type: none"> <li>- Shareholder is PPM Engineering Co., Ltd., holding 92.28 percent of shares.</li> <li>- Shares of PPM Engineering Co., Ltd. are held by Miss Orasa Vimolchalao in the proportion of 99.99 percent and it has 2 mutual directors with the Company, which are Miss Orasa Vimolchalao and Mr. Sittichai Leekasem.</li> </ul>	Rental and service fee	Price as agreed in the contract
			Sell products	Cost plus profit 10-30%
2. OKS Group Holding Company Limited	Invest mainly by holding shares in other companies	The Company hold shares in the proportion of 99.99 percent	Advance payment	Price as agreed
<b>Associated company</b>				
1. Utility Business Alliance Company Limited	Conduct business by providing full service on installation, operation and maintenance (IOM) including service on consulting, designing, constructing, and installing machines and equipment as customers demand to fully support business in relation to water management.	The Company holds shares in the proportion of 40.00 percent.	Loans	Interest rate 6.5 percent per year
			Sell products	Cost plus profit 10-30%
<b>Related persons</b>				
1. Mr. Kirk Leekasem	-	<ul style="list-style-type: none"> <li>- Being a director of the Company</li> <li>- Being an executive of the Company, having a position of Deputy Chief Executive Officer</li> <li>- Being a director who is authorized to sign</li> </ul>	Land rent	Market price (Appraised by independent appraiser)

List of related persons and enterprises	Type of business	Manner of relationship	Manner of business/ transaction	Pricing policy
		<ul style="list-style-type: none"> <li>and bind the Company</li> <li>- Being a major shareholder of the Company, holding 20.57 percent of shares</li> <li>- Being a son of Miss Orasa Vimolchalao and Mr. Sittichai Leekasem</li> </ul>		
2. Miss Orasa Vimolchalao	-	<ul style="list-style-type: none"> <li>- Being director of the Company</li> <li>- Being an executive of the Company, having a position of Chief Executive Officer</li> <li>- Being a director who is authorized to sign and bind the Company</li> <li>- Being a major shareholder of the Company, holding 39.65 percent of shares</li> </ul>	Sell products	Cost plus profit 10-30%
			Loans	Interest rate MLR-1 percent per year
3. Miss Chiranart Sumanon	-	<ul style="list-style-type: none"> <li>- Being a director of the Company</li> </ul>	Sell products	Cost plus profit 10-30%
<b>Related enterprises</b>				
1. Akarawin Engineering Limited Partnership	Construction business	<ul style="list-style-type: none"> <li>- Having 1 director, which is Ms. Malee Intara who are an executive of the Company having a position of Sales Manager of the Production Process Management and Piping System Products</li> <li>- Having a major shareholder which is</li> </ul>	Repair cost	Market price

List of related persons and enterprises	Type of business	Manner of relationship	Manner of business/ transaction	Pricing policy
		Ms. Malee Intara, holding shares in the proportion of 41.67 percent.		
2. BJC Heavy Industries Public Company Limited	Engineering business in the field of production to order and installation of any equipment used in production process in industrial factories	- Having 1 mutual director with the Company, which is Mrs. Chanjira Samakthai	Sell products	At rate sold to other customers
3. Vimolchalao Company Limited	Conducting business of real property rental	- Having 1 mutual director with the Company, which is Miss Orasa Vimolchalao - Having a major shareholder which is Miss Orasa Vimolchalao, holding shares in the proportion of 30.00 percent.	Service fee	Price as agreed
4. PPM Engineering Company Limited	Conducting business by investing in other companies	- Having 2 mutual directors with the Company, which are Miss Orasa Vimolchalao and Mr. Sittichai Leekasem - Having a major shareholder which is Miss Orasa Vimolchalao, holding shares in the proportion of 99.99 percent.	Sell products	Cost plus profit 10-30%
5. Siamraj Travel Company Limited	Travel business	- Having 2 mutual directors with the Company, which are Miss Orasa Vimolchalao and Mr. Sittichai Leekasem - Having a major shareholder which is	Expenditure	Price as agreed

List of related persons and enterprises	Type of business	Manner of relationship	Manner of business/ transaction	Pricing policy
		Miss Orasa Vimolchalao, holding shares in the proportion of 35.00 percent.		

- The Company has related transaction between company or person who may have conflict of interest, details of which can be summarized as

**5.1 Significant accounting transaction between the Company and related enterprises and related persons as of 31 December 2021 and 2020 comprising of:**

Transaction (unit : Baht)	Consolidated financial statements		Separate financial statements	
	2021	2020	2021	2020
<b>Account receivable</b>				
1. Kessel (Thailand) Company Limited	-	-	-	8,667.00
2. Utility Business Alliance Company Limited	1,612,597.00	8,913,849.00	1,612,597.00	8,913,849.00
3. BJC Heavy Industries Public Company Limited	-	25,680.00	-	25,680.00
4. Akarawin Engineering Limited Partnership	-	3,852.00	-	3,852.00
5. Miss Orasa Vimolchalao	50,000.01	-	50,000.01	-
<b>Short term loan</b>				
1. Miss Orasa Vimolchalao	35,000,000.00	-	-	-
<b>Other current payable</b>				
1. Kessel (Thailand) Company Limited	-	-	48,784.12	30,515.92
2. PPM Engineering Company Limited	32,100.00	-	32,100.00	-
3. Miss Orasa Vimolchalao	126,335.62	-	-	-
<b>Liabilities under lease agreement</b>				
1. Mr. Kirk Leekasem	7,615,312.27	7,748,040.43	7,615,312.27	7,748,040.43

**5.2 Significant revenue and expense between the Company and related persons and enterprises which include in Statement of Comprehensive Income for the year ending 31 December 2021 and 2020 comprising of:**

Transaction (unit : Baht)	Consolidated financial statements		Separate financial statements	
	2021	2020	2021	2020
<b>Revenue from selling products and services</b>				
1. Kessel (Thailand) Company Limited	-	-	29,673.00	9,120.00
2. Utility Business Alliance Company Limited	8,361,979.00	15,756,615.00	8,361,979.00	15,756,615.00
3. Akarawin Engineering Limited Partnership	-	188,320.00	-	188,320.00
3. BJC Heavy Industries Public Company Limited	48,000.00	24,000.00	48,000.00	24,000.00
4. PPM Engineering Company Limited	1,459,950.00	-	1,459,950.00	-
5. Miss Orasa Vimolchalao	301,728.98	-	301,728.98	-
6. Miss Jiranart Sumanon	12,000.00	-	12,000.00	-
<b>Rental and service fee</b>				
1. Kessel (Thailand) Company Limited	-	-	281,069.28	164,141.28
2. PPM Engineering Company Limited	105,000.00	-	105,000.00	-
<b>Depreciation of the right-of-use assets</b>				
1. Mr. Kirk Leekasem	423,796.48	423,796.48	423,796.48	423,796.48
<b>Other expenses</b>				
1. Kessel (Thailand) Company Limited	-	-	4,392.00	9,168.00
2. PPM Engineering Company Limited	57,970.00	27,448.50	57,970.00	27,448.50
3. Akarawin Engineering Limited Partnership	-	7,500.00	-	7,500.00
<b>Interest expenses</b>				
1. Miss Orasa Vimolchalao	533,869.86	-	-	-
2. Mr. Kirk Leekasem	461,271.85	468,982.64	461,271.85	468,982.64
<b>Compensation paid to important executives</b>				
1. Short-term benefits	34,005,615.40	25,141,650.90	26,850,080.40	25,141,650.90
2. Post-employment benefits	1,140,362.90	556,839.00	916,062.75	556,839.00





**5.3 Obligations in relation to related persons and enterprises which are due as of 31 December 2021 and 2020 are as follows:**

- 5.3.1 As of 31 December 2020, the Company is obliged to pay in advance for the lease agreement on sales office building with the subsidiaries, ending 31 December 2021, in the amount of 0.16 million Baht.
- 5.3.2 As of 31 December 2021, the business group is obliged to pay in advance for the hire agreement of 1 executive, ending 31 January 2022 and 28 February 2022, in the amount of 0.93 million Baht (separate financial statement in the amount of 0.75 million Baht)
- 5.3.3 As of 31 December 2021 and 2020, the Company is imposed an obligation from the guarantees of LC, TR, promissory notes, and Forward contract for subsidiaries and associated companies in the total amount of 508.67 million Baht and 429.16 Baht respectively.