



Translation

No. Kor Bor Ror. 026/2018

March 6, 2019

President

The Stock Exchange of Thailand

Sub : Dividend payments, connected transaction, the shareholders' meeting date, and the dissemination of the meeting invitation

Attachment : 1. Information Memorandum on Asset Disposition and Connected Transaction

Dear Sir,

The meeting of The Board of Directors of Thai Wacoal Public Company Limited no. 8/2018, held on March 6, 2019, had deliberated and adopted the resolutions as follows :

1. To propose to the shareholders' general meeting no. 50 to approve dividend payments for year 2018 covering the operations period from January 1 - December 31, 2018, to the shareholders holding total 120 million shares, at the rate of Baht 1.80 per share, for total payment amount Baht 216 million. Said dividend payments are to be drawn from the company's retained earnings already subject to 30% corporate income tax. Payment date has been set for Tuesday, May 21, 2019.

2. The 5 directors due to retire upon term completion are as follows:

- |                 |               |  |
|-----------------|---------------|--|
| 1. Mr. Manu     | Leelanuwatana | Chairman of The Board of Directors,<br>Chairman of The Nominating Committee and<br>The Remuneration Committee Member |
| 2. Miss Karunee | Surai         | Director,<br>The Corporate Governance Committee Member<br>and Executive Director                                     |
| 3. Mr. Kazuhiro | Shibahara     | Director   |
| 4. Mr. Mitsuru  | Sekiguchi     | Director   |

.../2



- 2 -

5. Dr. Kulpatra Sirodom Independent Director,  
Chairman of The Audit Committee and  
Chairman of Corporate Governance Committee

The Board of Directors resolved to propose to the shareholders' general meeting to approve the re-election of the 5 outgoing directors due to term completion, to serve another term as directors as recommended by The Nominating Committee.

3. To propose to the shareholders' meeting to appoint company auditors for year 2019, with related audit remuneration budget of Baht 2,075,000, in accordance with the recommendation by The Audit Committee, as follows :

1. Mr. Manoon Manusook certified public accountant registration no. 4292 and/or
2. Mr. Choopong Surachutikarn certified public accountant registration no. 4325 and/or
3. Miss Wimolporn Boonyusthian certified public accountant registration no. 4067

Representing Deloitte Touche Tohmatsu Jaiyos Audit Co., Ltd. as company auditors.

4. To propose to the shareholders' general meeting to approve the sale of the company's 4 land plots located in Bangpongpan sub-district, Yannawa district, Bangkok Metropolitan to Saha Pathana Inter-Holding Plc., who is a connected party to the company, with total areas of 6 rai 66.40 square wah (2,466.40 square wah) at the purchase price of Baht 375,0000 per square wah which is an average price appraised by independent appraisers or total amount of Baht 924,900,000.-. The purchaser agrees to make payment into 3 installments to the seller under the following term of payment :

- 1<sup>st</sup> installment : Payment of Baht 92,490,000.- will be paid within May 2019.
- 2<sup>nd</sup> installment : Pay the amount according to the value of 1 or 2 land plots which will be registered for land ownership transfer within December 2019.
- 3<sup>rd</sup> installment : Payment according to the value of remaining land plots on the date of registration for land ownership transfer within April 2020.

.../3



- 3 -

The sale of such land does not come under the scope for the acquisition or disposition of assets having significant value for listed companies. However, the transaction on sale of such land comes under the scope of connected transactions for listed companies with the transaction value of  $\geq$  Baht 20 million or  $\geq$  3 % of net tangible assets (NTA), whichever may be greater. As a result, the company is required to disclose information memorandum pertaining to the transaction to the Stock Exchange of Thailand (Attachment 1) as well as to seek an approval for entering into such transaction from the shareholders' meeting with votes of not less than three-fourth of total number of the shareholders present at the meeting and having voting rights, excluding the votes of shareholders having an interest in the matter.

In this regard, the company appoints Jay Capital Advisory Limited to be Independent Financial Advisor (IFA) in order to give opinion on entering into such transaction.

5. To set the date for the shareholders' general meeting no. 50, for Monday, April 22, 2019, at 15:00 hours at Chaophaya Room 2, The Montien Riverside Hotel, situated at no.372, Rama 3 Road, Bangklo, Bangkholaem, Bangkok, Thailand.

6. To set the record date for the shareholders eligible to attend the shareholders' general meeting no. 50, for Thursday, March 21, 2019.

7. To set the record date for the shareholders eligible to receive dividend payments for Friday, May 3, 2019.

8. To set the meeting agenda for the 50<sup>th</sup> shareholders' general meeting as follows :

Agenda 1 Endorsement of the minutes of the 49<sup>th</sup> General Meeting of Shareholders, held on April 23, 2018

Agenda 2 Report on the company's performance results for year 2018

Agenda 3 Approval of the financial statements for the year ended December 31, 2018

Agenda 4 Approval of the profits appropriation and dividend payments proposal

Agenda 5 Election of directors to replace those retiring upon term completion

.../4



- 4 -

Agenda 6 Approval of the directors' remuneration budget

Agenda 7 Appointment of company auditor (s) and approval of related audit remuneration budget

Agenda 8 Approval of the sale of the company's land to Saha Pathana Inter-Holding Plc.

Agenda 9 Other topic (if any)

9. With regard to the earlier opportunity provided by the company in allowing the shareholders to propose meeting agenda and/or candidates for the positions of company directors, prior to convening the shareholders' general meeting for 2019, during the period of December 1 - 30, 2018. However, there was no shareholders proposing any meeting agenda or candidates for such purpose in advance.

The company shall disseminate the meeting invitation letter for the shareholders' general meeting for 2019 together with related documents, in both Thai and English version, via the company website ([www.wacoal.co.th](http://www.wacoal.co.th)) under Investor Relations page, Shareholder Information section and choose item "Shareholders' Meeting", accessible from Thursday, March 21, 2019 onwards. Whereas the actual meeting invitation letter and related documents shall be forwarded to the shareholders via registered mail, according to the shareholders' names appearing on the record date on Thursday, March 21, 2019, so as to entitle them to attend the meeting accordingly.

The company hereby reports to the SET accordingly.

Faithfully yours,

**Boondee Amnuayskul**

(Mr.Boondee Amnuayskul)

Chief Executive Officer and Managing Director



Information Memorandum on Asset Disposition and Connected Transaction

Thai Wacoal Public Company Limited

The Board of Directors' Meeting of Thai Wacoal Public Company Limited no. 8/2018 on March 6, 2019 has passed a resolution to approve the entering into disposition transaction of the company's land to Saha Pathana Inter-Holding Plc., who is a connected party to the company, with total areas of 6 rais 66.40 square wah (2,466.40 square wah) at the purchase price of Baht 375,0000 per square wah or total amount of Baht 924,900,000.-.

The sale of such land does not come under the scope for the acquisition or disposition of assets having significant value for listed companies. However, the transaction on sale of such land comes under the scope of connected transactions for listed companies with the transaction value of  $\geq$  Baht 20 million or  $\geq$  3% of net tangible assets (NTA), whichever may be greater. As a result, the company is required to disclose information memorandum pertaining to the transaction to the Stock Exchange of Thailand, together with appointing an Independent Financial Advisor (IFA) to give opinion on entering into such transaction, as well as to seek an approval for entering into such transaction from the shareholders' meeting with votes of not less than three-fourth of total number of the shareholders present at the meeting and having voting rights, excluding the votes of shareholders having an interest in the matter.

The company is required to disclose the information memorandum of the above transaction as follows :

1. Transaction date : Within April, 2020  
The company will enter into the land purchase and sale agreement with the condition that the contract will be binding upon obtaining the approval of the shareholders' general meeting which will be held on April 22, 2019.
2. Transaction parties involved  
Seller : Thai Wacoal Plc.  
Purchaser : Saha Pathana Inter-Holding Plc., who is a connected party to the company
3. Details of connected parties and relationship nature : Saha Pathana Inter-Holding Plc. is the company's major shareholder by holding 22.75% of total issued shares in the company.

.../2



- 2 -

4. **General transaction description** : The company will sell the land to Saha Pathana Inter-Holding Plc., who is a connected party to the company, with total areas of 6 rai 66.40 square wah (2,466.40 square wah) at the purchase price of Baht 375,0000 per square wah or total amount of Baht 924,900,000.-.

5. **Purpose of transaction** : To bring money to build the company's new office building

6. **Details of disposed assets**

**Asset type** : Four (4) land plots located in Bangpongpang sub-district, Yannawa district, Bangkok Metropolitan, with total areas of 6 rai 66.40 square wah (2,466.40 square wah), according to the details as follows :

- (1) Land title deed no. 17090 land no. 54 survey page no. 3735, covering land area of 2 – 0 – 0 rai (800 square wah)
- (2) Land title deed no. 53138 land no. 121 survey page no. 10848, covering land area of 2 – 1 – 27 rai (927 square wah)
- (3) Land title deed no. 11357 land no. 53 survey page no. 2716, covering land area of 0 – 1 – 0 rai (100 square wah)
- (4) Land title deed no. 59109 (13358) land no. 55 survey page no. 3135, covering land area of 1 – 2 – 39.40 rai (639.40 square wah)

**Outstanding assets obligation** : - None -

**Total assets value** : Total amount of Baht 924,900,000.-  
The value of land is the net value of assets pursuant to the value of consideration that the company shall receive from this asset disposition. In this regard, the company appoints Jay Capital Advisory Limited to be Independent Financial Advisor (IFA) in order to give opinion on the company entering into the disposition transaction of the land to the connected party.

**Remuneration policy** : Determine the compensation from the land appraisal price of the property appraiser and the negotiation between purchaser and seller.

.../3



- 3 -

- Payment term** : The purchaser agrees to make payment into 3 installments to the seller under the following term of payment :
- 1<sup>st</sup> installment : Payment of Baht 92,490,000.- will be paid within May 2019.
  - 2<sup>nd</sup> installment : Pay the amount according to the value of 1 or 2 land plots which will be registered for land ownership transfer within December 2019.
  - 3<sup>rd</sup> installment : Payment according to the value of remaining land plots on the date of registration for land ownership transfer within April 2020.

Land transfer fee will be equally responsible by the purchaser and the seller. Whereas income tax from the sale of land, specific business tax, duty and all other expenses concerning land transfer will be responsible by the seller.

#### 7. General description of connected transaction

- Type of transaction** : Transactions relating to assets and services
- Transaction value** : The amount of Baht 924,900,000.-

Above transaction comes under the scope of connected transactions for listed companies as specified in The Notification of The Capital Market Supervisory Board No. Tor Chor. 21/2551, regarding rules on connected transactions provided as transactions relating to assets and services, and the Notification of The Board of Governors of The Stock Exchange of Thailand regarding disclosure of information and other acts of listed companies relating to connected transactions B.E. 2546 (2003) because the party entering into this transaction with the company is the company's major shareholder. Upon calculation of transaction value by taking into account the highest values between book value and value of assets pursuant to the market price, the highest value is the average market price pursuant to the

.../4



- 4 -

appraised report by the 2 independent appraisers with the transaction value of  $\geq$  Baht 20 million or  $\geq$  3% of net tangible assets (NTA), whichever may be greater. Such 3% of NTA value by the company as of December 31, 2018, stood at Baht 172.73 million.

As a result, the company is required to disclose information memorandum pertaining to the transaction to the Stock Exchange of Thailand, as well as to seek an approval for entering into such transaction from the shareholders' meeting with votes of not less than three-fourth of total number of the shareholders present at the meeting and having voting rights, excluding the votes of shareholders having an interest in the matter. In addition, the company is required to send the Notice of Shareholders' meeting together with the opinion of the Independent Financial Advisor to the shareholders at least 14 days prior to the shareholders' meeting date.

#### 8. Acquisition and disposition of assets

Transaction value : The total value of consideration is equal to 12.81% of the company's total assets (calculation from the company's consolidated financial statements for the year ended December 31, 2018) and when combining with assets disposition during the past 6 months, total size of transaction is equal to 12.95% which is lower than 15% of the company's total assets. Accordingly, such transaction does not come under the scope for the acquisition or disposition of assets having significant value for listed companies pursuant to the Notification of the Capital Market Supervisory Board No. Tor Chor. 20/2551 regarding rules for significant transactions constituting an acquisition or disposition of assets and the Notification of the Board of Governors of the Stock Exchange of Thailand regarding disclosure of information and practice of listed companies concerning the acquisition or disposition of assets B.E. 2547 (2004). As a result, such

.../5





- 5 -

transaction is within the approval authorization of the Board of Directors, without requiring to report the information to the Stock Exchange of Thailand as well as arrange of the shareholders' meeting in order to request for an approval of such transaction.

*Comparison criteria of Value of Consideration*

$$\begin{aligned} \text{Transaction Value} &= \frac{\text{Total Value of Consideration received} \times 100}{\text{Total company's total assets (pursuant to the consolidated financial statements reviewed by the Certified Public Accountant as of December 2018)}} \\ &= \frac{\text{Baht 924.90 million} \times 100}{\text{Baht 7,218.18 million}} \\ &= 12.81 \% \end{aligned}$$

9. The connected persons and/or the shareholders having interests in the matter and the shareholders who are not eligible to vote

This transaction is required to be approved with votes of not less than three-fourth of total number of the shareholders present at the meeting and having voting rights, excluding the votes of shareholders having interests in the matter and shareholders who are not eligible to vote, who are :

Name of shareholders having interests in the matter and the shareholders who are not eligible to vote	Number of shares in the company	
	Number of shares (shares)	Shareholding Percentage (%)
1. Saha Pathana Inter-Holding Plc.	27,304,800	22.75
2. Chokwatana Co., Ltd.	140,620	0.12
3. International Laboratories Co., Ltd.	186,500	0.16
4. Mr. Boonchai Chokwatana	100,000	0.08
<b>Total</b>	<b>27,731,920</b>	<b>23.11</b>

.../6



- 6 -

The directors who have interests, and/or the directors who are connected persons shall not attend the meeting and have no right to vote in the meeting

Name	Position	
	Thai Wacoal Plc.	Saha Pathana Inter-Holding Plc.
1. Mr. Manu Leelanuwatana	Chairman	Director
2. Mrs. Punnee Worawuthichongsathit	Independent Director	Independent Director

10. Opinion by The Board of Directors

The Board of Directors which excluded the directors having interests in the matter agreed that the company should enter into disposition transaction of the land in order to bring money to build the company's new office building, based on relevant favourable prices and conditions.

11. Opinions by The Audit Committee and/or Director significantly different from those by The Board of Directors

- None -

Please kindly be acknowledged accordingly.

Thai Wacoal Public Company Limited

Boondee Amnuayskul Onanonong Saengpumpong  
(Mr. Boondee Amnuayskul Mrs. Onanonong Saengpumpong)  
Director

