AGC AGC VINYTHAI

Ref: AVT-2022.046

16 November 2022

Subject: Notification of Resolutions of the Board of Directors Meeting of AGC Vinythai Public Company Limited No. 5/2022 Re: the Private Placement to PTT Global Chemical Public Company Limited, Which is Considered as a Connected Transaction

Attachment: Information Memorandum of AGC Vinythai Public Company Limited on the Connected Transaction

The Board of Directors Meeting of AGC Vinythai Public Company Limited (the "**Company**") No. 5/2022, held on 16 November 2022, at 15:00 hours, via electronic media, passed the following resolutions pertaining to the important agenda as follows:

1. **The increase in the registered capital and the amendment to Clause 4 of the Memorandum of Association (Registered Capital) to be in line with the increase in the registered capital of the Company**

   The Company's board of directors has approved to propose to the shareholders' meeting for approval (i) the increase in the Company's registered capital from THB 8,734,060,364 to THB 9,435,987,428 by issuing 175,481,766 new ordinary shares, each at a par value of THB 4, to be allocated by way of private placement to PTT Global Chemical Public Company Limited ("**GC**"), and (ii) the amendment to Clause 4 of the Company's Memorandum of Association (Registered Capital) to be in line with the increase in the registered capital of the Company.

2. **The allotment of the newly issued ordinary shares by way of private placement to GC, which is considered as a connected transaction**

   The Company's board of directors has approved to propose to the shareholders' meeting for approval the allocation of 175,481,766 new ordinary shares each at a par value of THB 4 by way of private placement to GC at the offering price of THB 12.21715134 each, totaling THB 2,143,887,292.63.

   The private placement of the newly issued ordinary shares by the Company, the shares of which are not listed securities, falls under the Notification of the Capital Market Supervisory Board TorJor. 39/2559 Re: Application for Approval and Granting of Approval for Offering of Newly Issued Shares (the "**TorJor. 39/2559 Notification**"). Therefore, the Company is required to comply with certain conditions under Clause 39 to Clause 41 of the TorJor. 39/2559 Notification as follows:

   (1) The Company is prohibited from advertising an offer for sale of newly issued shares to the public, and if a distribution of documents concerning the shares to be offered or being offered is made, the Company shall distribute such documents to specific persons or other persons as deemed necessary to ensure that such offering falls within the criteria prescribed, e.g. to specific investors which do not exceed fifty investors during a twelve-month period, and the Company shall provide a statement under (2) below in the said documents;

(2) Within two years from the registration date of the change of paid-up capital in which there shall not be shares or underlying shares available for offer for sale, the Company shall not sign to certify the accuracy of information in the registration statement and draft prospectus for an offer for sale of such shares to the public filed with the SEC Office by its shareholder, or arrange to have such shares listed on the Stock Exchange of Thailand, unless an approval for an offer for sale of newly issued shares to the public is granted by the SEC Office; and

(3) The Company shall complete its offer for sales of shares within one year from the date on which the shareholders' meeting resolves to approve an offer for sale of newly issued shares.

GC is a major shareholder of the Company and considered a connected person of the Company. Therefore, the private placement is regarded as a connected transaction of the Company under the Notification of the Capital Market Supervisory Board No. TorChor. 21/2551 Re: Rules on Connected Transactions, dated 31 August 2008 and the Notification of the Stock Exchange of Thailand Re: Disclosure and Actions of Listed Companies in Connected Transactions, B.E. 2546 (2003), dated 19 November 2003 (collectively, the "**Connected Transaction Notification**"). Under the Connected Transaction Notification, the size of the private placement is 5.59 percent of the Company's net tangible assets (NTA) based on the Company's latest consolidated financial statements as of 30 September 2022 and such connected transaction is considered a large-size transaction.

The Company has not entered into any other connected transactions which were not approved by the shareholders' meeting or the board of directors meeting of the Company in accordance with the applicable connected transaction rules and regulations during the past 6 months before the date of this Transaction. Therefore, the private placement requires approval from the shareholders' meeting of the Company with a vote of no less than three-fourths of the total number of votes of shareholders who attend the meeting and are entitled to vote, excluding the votes of interested shareholders. Additionally, the opinion of an independent financial adviser (IFA) must be provided to shareholders in considering and making their decision to approve such private placement.

Details of the connected transaction are provided in the Information Memorandum of AGC Vinythai Public Company Limited on the Connected Transaction attached hereto.

3. The delegation of authority for the matters in relation to the increase in the registered capital and the allotment of the newly issued ordinary shares

For the purpose of the increase in the registered capital and the allotment of shares by way of private placement to GC, the Company's board of directors has approved to propose to the shareholders' meeting for approval the delegation of authority to the Company's Managing Director or persons delegated by the Managing Director to:

(1) sign an application or document relating to the registration of the amendment to the Company's Memorandum of Association, and to apply to the Ministry of Commerce for the registration and amendment to the application or statements contained in documents to be filed with the Ministry of Commerce, as well as to take any necessary and relevant steps as may be appropriate to comply with the laws, rules, regulations, and interpretation of relevant government agencies, including advice or orders of the registrar or officials;

(2) determine and/or amend other details that are necessary for or relevant to the allocation of the Company's new ordinary shares to the extent that they are not contradictory to or inconsistent with relevant notifications, regulations, or laws, as well as determine and change the ordinary

share subscription dates and offering dates, and subscription payment details (in cash or in-kind payment), change of offering price, and number of new ordinary shares to be allocated;

(3) coordinate, negotiate, enter into, execute, and amend contracts, applications, waivers, notices, and other evidence that are necessary for and relevant to the allocation of new ordinary shares. This includes, without limitation, registration with the Ministry of Commerce, coordination and submission of application, waivers, notices, documents and evidence to government agencies or relevant agencies, amendment to or variation of application or statements included in the documents; and

(4) take steps that are necessary for or relevant to the successful allocation of new ordinary shares and the appointment and sub-delegation of other suitable persons to do the things described above.

4. The calling for the Extraordinary General Meeting of Shareholders No. 1/2022 (EGM)

The Company's board of directors has approved the calling for the EGM to be held on 15 December 2022, at 8:00 hours, via electronic media only, which the Company will broadcast live from the Victor Club, 7th Floor, Mitrtown Office Tower No. 944 Rama 4 Road, Wangmai, Pathumwan, Bangkok 10330, to consider the following agenda items:

Agenda 1: To approve the increase in the registered capital and the amendment to Clause 4 of the Memorandum of Association (Registered Capital) to be in line with the increase in the registered capital of the Company;

Agenda 2: To approve the allotment of the newly issued ordinary shares by way of private placement to PTT Global Chemical Public Company Limited, which is considered as a connected transaction;

Agenda 3: To approve the delegation of authority in relation to the increase in the registered capital and the allotment of the newly issued ordinary shares; and

Agenda 4: Other business (if any).

5. The announcement of the book closure dates for the EGM

The Company's board of directors has approved the book closure dates and the announcement at the head office and all branch offices of the Company in respect of the Company's intention to close the books pursuant to Section 60 of the Public Limited Companies Act, B.E. 2535 (including its amendments) for recording the list of shareholders entitled to attend the EGM. The book closure period is scheduled to commence on 30 November 2022 and continue until 15 December 2022, which is the date of the EGM.

6. The presentation of the opinion of the Independent Financial Advisor (IFA) on the connected transaction to the EGM under the agenda items relating to the increase in the registered capital and the allotment of the newly issued ordinary shares

The Company's board of directors has approved the presentation of the Opinion Report of the Independent Financial Advisor on the Connected Transaction of AGC Vinythai Public Company Limited prepared by KGI Securities (Thailand) Public Company Limited to the EGM under the agenda items relating to the increase in the registered capital and the allotment of the newly issued ordinary shares, to support the shareholders' consideration and decision making in approving the private placement to GC.

Please be informed accordingly.

Sincerely yours,

古賀 和朗

(Mr. Kazuaki Koga)
Managing Director

Information Memorandum of AGC Vinythai Public Company Limited on the Connected Transaction

The Board of Directors Meeting No. 5/2022 of AGC Vinythai Public Company Limited (the "**Company**") resolved on 16 November 2022 to propose to the Extraordinary General Meeting of Shareholders No. 1/2022 to approve (i) the increase in the registered capital and the amendment to Clause 4 of the Memorandum of Association (Registered Capital) to be in line with the increase in the registered capital of the Company and (ii) the allotment of up to 175,481,766 new ordinary shares each with a par value of THB 4 at the offering price of THB 12.21715134 per share, totaling THB 2,143,887,292.63, by way of private placement to PTT Global Chemical Public Company Limited ("**GC**"), who is the Company's major shareholder, holding 27.3170 percent of the total issued and paid-up shares of the Company, and is considered a connected person of the Company.

In this regard, the allotment of the newly issued ordinary shares by way of private placement to GC is considered as a connected transaction (the "**Transaction**" or "**Connected Transaction**") under the Notification of the Capital Market Supervisory Board No. TorChor. 21/2551 Re: Rules on Connected Transactions, dated 31 August 2008 and the Notification of the Stock Exchange of Thailand Re: Disclosure and Actions of Listed Companies in Connected Transactions, B.E. 2546 (2003), dated 19 November 2003 (collectively, the "**Connected Transaction Notification**").

Under the Connected Transaction Notification, the size of the private placement, is 5.59 percent of the Company's net tangible assets ("**NTA**") based on the Company's latest consolidated financial statements as of 30 September 2022 and such connected transaction is considered a large-size transaction. The Company has not entered into any other connected transactions which were not approved by the shareholders' meeting or the board of directors meeting of the Company in accordance with the applicable connected transaction rules and regulations during the past 6 months before the date of this Transaction. Therefore, the Company must (i) disclose the information on the Transaction to the shareholders in accordance with the Connected Transaction Notification, (ii) appoint an Independent Financial Advisor (the "**IFA**"), and (iii) hold a shareholders' meeting to approve the Transaction by vote of no less than three-fourths of the total number of votes of shareholders who attend the meeting and are entitled to vote, excluding the votes of interested shareholders.

The details of the connected transaction are as follows:

(1) Date of Transaction

The Company will enter into the Transaction after it is approved by the Extraordinary General Meeting of Shareholders No. 1/2022, to be held on 15 December 2022, with the votes of no less than three-quarters of the total votes cast by the shareholders attending the meeting and eligible to vote, without counting the votes cast by the interested shareholders, and upon completion of all conditions precedent.

The allotment of the Company's newly issued ordinary shares has key conditions precedent as follows:

(1) The shareholders' meeting of the Company has approved the allotment of the newly issued ordinary shares to GC; and

(2) No event or circumstance has occurred which would have a material adverse effect on the Company's financial position and operating results.

The Transaction is expected to be completed within 31 December 2022.

(2) Connected Person and Relationship with the Company

Issuer:	the Company
Investor:	GC
Relationship:	GC is a major shareholder of the Company, holding 596,471,054 shares, equivalent to 27.3170 percent of the total issued and paid-up shares of the Company and is considered a connected person of the Company.

GC's general information

Company's name	PTT Global Chemical Public Company Limited
Business type	Manufacture of refinery petroleum products
Company's place of business	555/1 Energy Complex, Building A, 14-18th Floor, Vibhavadi Rangsit Road, Chatuchak Sub-district, Chatuchak District, Bangkok
Corporate registration number	0107554000267
Company registration date	19 October 2011
Registered capital	THB 45,088,491,170
Issued and paid-up capital	THB 45,088,491,170

List of GC's major shareholders as of 5 September 2022

Number	Name	Number of Shares	%
1.	PTT Public Company Limited	2,037,220,915	45.18
2.	Thai NVDR Company Limited	392,116,551	8.70
3.	Siam Management Holding Company Limited	135,240,000	3.00
4.	South East Asia UK (Type C) Nominees Limited	91,646,727	2.03
5.	HMC Polymers Company Limited	83,427,636	1.85
6.	State Street Europe Limited	58,857,969	1.31
7.	The Bank of New York Mellon	58,039,682	1.29
8.	Nortrust Nominees Limited-NTO Sec Lending Thailand CL AC	57,204,882	1.27
9	Social Security Office	49,763,151	1.10
10.	State Street Bank and Trust Company	48,405,033	1.07
11.	Other Shareholders	1,496,926,571	33.20
	Total	**4,508,849,117**	**100.00**

List of GC's Board of Directors as of 16 November 2022

Number	Name	Position
1.	Mr. Piyasvasti Amranand	Chairman and Chairman of the Independent Director (Non-executive Director)
2.	Mr. Apisak Tantivorawong	Independent Director (Non-executive Director) and Chairman of the Audit Committee
3.	Lieutenant General Nithi Chungcharoen	Independent Director (Non-executive Director)
4.	Mr. Somkit Lertpaithoon	Independent Director (Non-executive Director)
5.	Mr. Grisada Boonrach	Independent Director (Non-executive Director)
6.	Mrs. Watanan Petersik	Independent Director (Non-executive Director) and Director to the Audit Committee
7.	Mr. Pakorn Nilprapunt	Independent Director (Non-executive Director)/ Director to the Audit Committee
8.	Mr. Somkiat Prajamwong	Independent Director (Non-executive Director)
9.	M.L. Chayotid Kridakon	Independent Director (Non-executive Director)
10.	Mr. Disathat Panyarachun	Director (Non-executive Director)
11.	Mr. Sarawut Kaewtathip	Director (Non-executive Director)
12.	Mrs. Pantip Sripimol	Director (Non-executive Director)
13.	Mr. Kongkrapan Intarajang	Director (Executive Director) and Chief Executive Officer

(3) Persons of Interest in the Transaction

(3.1) Names of the Company's directors who have interest

The following directors are interested directors with respect to the Transaction as they are the Company's directors who are the representatives of GC.

Number	Name	Position
1.	Mr. Toasaporn Boonyapipat	Vice Chairman and Director
2.	Mrs. Warawan Tippawanich	Director
3.	Mrs. Chananchida Wiboonkanarak	Director

The interested directors did not attend the board of directors meeting to consider nor exercise their right to vote on the agenda items related to the Transaction.

(3.2) Names of the Company's shareholders who have interest

The following shareholder(s) is considered interested shareholders with respect to the Transaction.

Number	Name	Number of Shares	%
1.	GC	596,471,054	27.3170
Total		596,471,054	27.3170

(4) General Characteristics of Transaction

The Company will increase its registered capital from THB 8,734,060,364 to THB 9,435,987,428 by issuing 175,481,766 new ordinary shares, each at a par value of THB 4. The Company will then allocate up to 175,481,766 of the newly issued ordinary shares with a par value of THB 4 by way of private placement to GC at the offering price of THB 12.21715134 per share, totaling THB 2,143,887,292.63.

The private placement of the newly issued ordinary shares by the Company, the shares of which are not listed securities, falls under the Notification of Capital Market Supervisory Board TorJor. 39/2559 on Application for Approval and Granting of Approval for Offering of Newly Issued Shares (the "**TorJor. 39/2559 Notification**"). Therefore, the Company is required to comply with certain conditions under Clause 39 to Clause 41 of the TorJor. 39/2559 Notification as follows:

(i) The Company is prohibited from advertising an offer for sale of newly issued shares to the public, and if a distribution of documents concerning the shares to be offered or being offered is made, the Company shall distribute such documents to specific persons or other persons as deemed necessary to ensure that such offering falls within the criteria prescribed, e.g. to specific investors

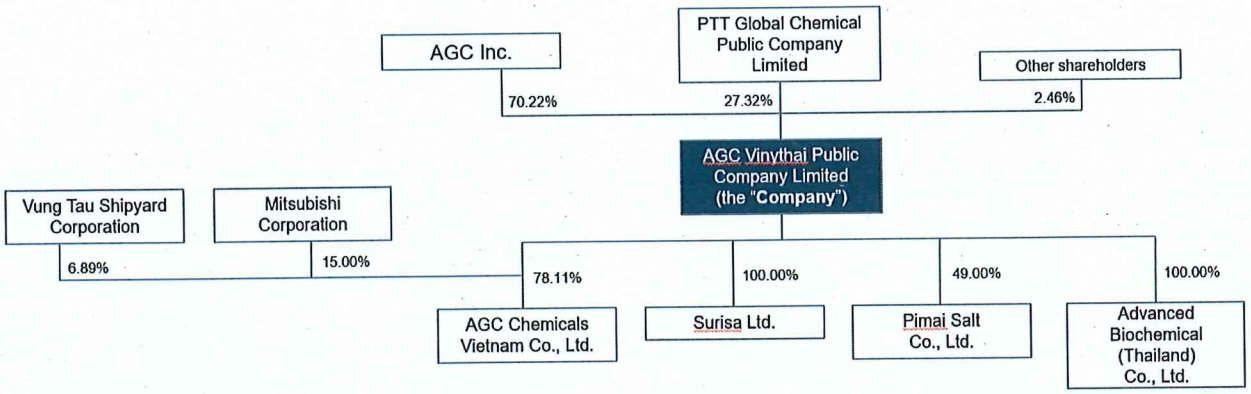
which do not exceed fifty investors during a twelve-month period, and the Company shall provide a statement under (2) below in the said documents;

(ii) Within two years from the registration date of the change of paid-up capital in which there shall not be shares or underlying shares available for offer for sale, the Company shall not sign to certify the accuracy of information in the registration statement and draft prospectus for an offer for sale of such shares to the public filed with the SEC Office by its shareholder, or arrange to have such shares listed on the Stock Exchange of Thailand, unless an approval for an offer for sale of newly issued shares to the public is granted by the SEC Office; and

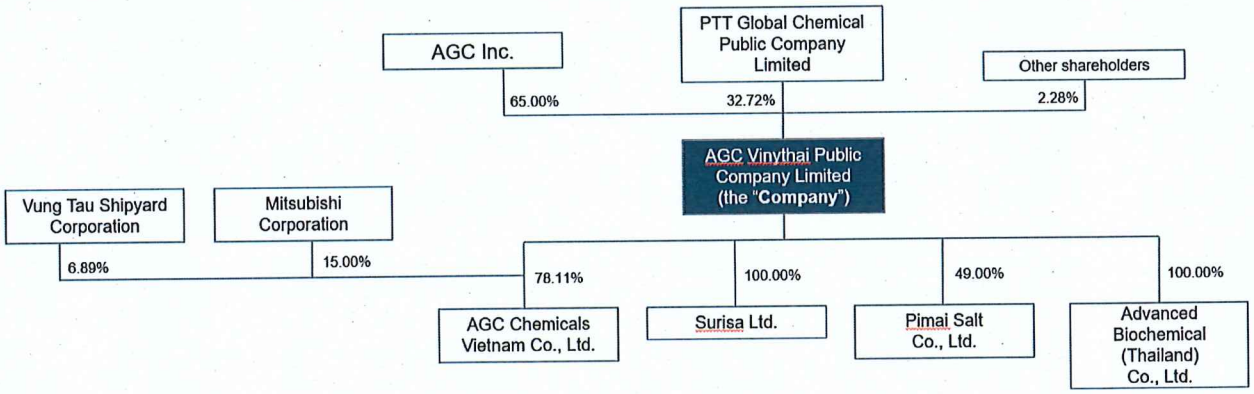
(iii) The Company shall complete its offer for sales of shares within one year from the date on which the shareholders' meeting resolves to approve an offer for sale of newly issued shares.

After the Transaction, GC will hold 771,952,820 shares in the Company, which is equivalent to 32.7238 percent of the total issued and paid-up shares of the Company.

The shareholding structure of the group prior to the Transaction



The shareholding structure of the group after the Transaction



(5) Total Value and Size of the Transaction

(5.1) Total Value of the Transaction

The Company will allocate up to 175,481,766 new ordinary shares with a par value of THB 4 by way of private placement to to GC at the offering price of THB 12.21715134 per share, totalling THB 2,143,887,292.63.

The offering price is determined based on the following considerations:

(i) The Company's investment project in relation to the expansion of PVC, VCM, NaOH and OSBL sections will require a considerably large amount of investment (the total investment cost is approximately THB 29,800 million). Given the foregoing and the fact that GC is one of the major shareholders of the Company, who has sufficient cash surplus available for investment, GC would be best placed to potentially provide partial support on the equity funding for this investment project of the Company to meet the Company's needs; and

(ii) With GC being the Company's strategic business partner, by implementing the Transaction, the Company will benefit from a strengthened business relationship with GC. This will further enhance the synergies between the businesses of the Company and GC which will benefit the Company.

(iii) Incremental benefits to the Company from the revised ethylene supply contract entered into between GC and the Company which was effective since 1 January 2022. Such contract contains key terms and conditions that are more beneficial to the Company when compared to the original contract, enabling the Company to save costs associated with the procurement of ethylene, a major feedstock for PVC production.

In the event that the shareholders' meeting resolves to disapprove the Company to issue and allot the newly issued ordinary shares by way of private placement to GC at the amount and price stated above, GC may consider amending the terms of such contract as deemed appropriate.

(5.2) Size of the Transaction

The total value of the Transaction is THB 2,143,887,292.63. The size of this private placement is 5.59% percent of the Company's NTA based on the Company's latest consolidated financial statements as of 30 September 2022.

$$= \frac{\text{THB } 2,143,887,292}{\text{THB } 38,345,036,000}$$

$$= 5.59\%$$

The Connected Transaction is considered a large-size transaction as it is more than 3 percent of the Company's NTA. Therefore, the Company is required to comply with certain conditions under the Connected Transaction Notification as follows:

(i) Prepare a report and disclose information on the Connected Transaction to shareholders of the Company;

(ii) Hold a meeting of shareholders of the Company, by sending a meeting notice to shareholders not less than fourteen days before the date of the meeting, to approve the Connected Transaction with a vote of not less than three-fourths of the total number of votes of the shareholders attending the meeting and having the right to vote, excluding the votes of shareholders who have interests; and

(iii) Appoint the IFA to provide independent opinions to shareholders for considering and making their decision to approve the Connected Transaction. In this regard, the Company has appointed KGI Securities (Thailand) Public Company Limited to act as the IFA for the Transaction.

(6) Plan on Utilizing the Proceeds from the Transaction

The Company plans to use the proceeds received from the Transaction as part of the investment in project expansion as follows:

Objective	Approximate amount(1) (THB)	By when will the money be spent
Project Expansion - PVC	22,500,000,000	2023-2025
Project Expansion - NaOH	7,300,000,000	2023-2025
Total	29,800,000,000	2023-2025

(1) As approved by respective shareholders' meeting of each entity prior to the amalgamation.

However, the aforementioned plan for using proceeds is subject to change depending on operating results, cash flow, business plans, investment plans, necessities and other appropriateness as the Board of Directors deems appropriate which will take into account the benefits of the Company and the shareholders as important.

(7) Opinion of the Board of Directors

The Board of Directors (excluding the interested directors) has considered and opined that the capital increase and the allotment of newly issued shares to GC by way of private placement is reasonable and appropriate and it is beneficial to the Company based on the following facts:

(1) An increase in the shareholding of GC in the Company will strengthen the Company's creditability. The Company will have GC as a key strategic partner that helps enhance its competitiveness by ensuring stability of raw material supply, which will strengthen its business potential in the long-term.

(2) The Transaction helps ensure continuity of the revised ethylene supply contract with GC which contains commercial terms that are more beneficial to the Company when compared to the original contract, enabling the Company to procure ethylene at a reasonable price and in sufficient amount to support its PVC production in the long-term.

(3) The Company will receive proceeds from capital increase of THB 2,143, 887,292.63 to support its financial liquidity during the period of significant investment in capacity expansion.

In terms of the offering price, the issuance and allocation of new shares by way of private placement to GC at a price of THB 12.21715134 per share is considered lower than the fair value of the Company's shares. Nevertheless, when combining the proceeds from the capital increase with the potential cost savings from the continued binding effect of the revised ethylene contract, the total benefits that the Company would receive from the issuance of new shares is approximated to be the fair value of the Company's shares. Therefore, the offering price of new shares to GC is considered appropriate and does not cause the Company to lose benefits from entering into the Transaction.

(8) Opinion of the Director(s) that differs from the Opinion of the Board of Directors under Clause (7)

The directors did not have any different opinions from the Board of Directors.