



Information Memorandum of the Business restructuring plan
Applied DB Public Company Limited

The Board of Directors of Applied DB Public Company Limited (“Company”) No. 6/2022 has the resolution on November 9, 2022, to approve the business restructuring through a Partial Business Transfer to ADB Sealant Co., Ltd. (“Transferee Company”), a limited company to be established under the laws of Thailand. The Company will hold the Transferee Company’s shares equal to 99.99 percent. The transfer of business will be the Partial Business Transfer scheme (“PBT”). The details of which are as follows:

1. Date of Transaction

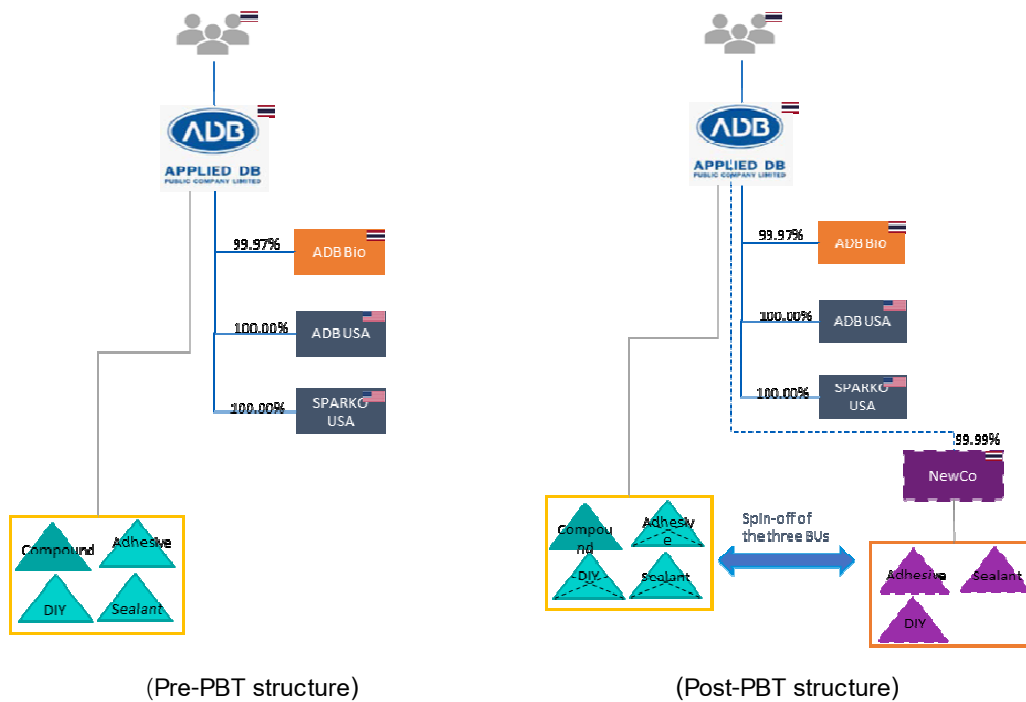
The Company will enter into the transaction after obtaining an approval from the Extraordinary General Meeting of Shareholders of the Company No.1/2022 which will be held on December 22, 2022 and the PBT intends to be completed within the first quarter of 2023.

2. Related Parties and Relationship to the Company

Transferee Company :	ADB Sealant Co.,Ltd.
Address :	252 Moo 4, Sukhumvit Rd., Prakasa, Muang, Samutprakarn 10280.
Registered capital :	1,000,000 (One Million Baht) divided into 10,000 ordinary shares of Baht One Hundred each.
Relationship :	The Company is a majority shareholder of the Transferee Company with 99.99 percent shareholding and has same directors below. 1) Mr. Wang Wanapaison 2) Mr. Veerachai Wongcharoensin 3) Mr. Wei Kai Wang 4) Mr. Wuttichai Wongcharoensin 5) Mr. Liu Kang Hsu
Objective :	Manufacture of Adhesives and Sealants.

Remark: The above information is preliminary and ADB Sealant Co.,Ltd. is expected to be incorporated within December 2022 after receiving a resolution from the shareholders' meeting of the Company.

3. Overview of Transaction



The Company will undertake the restructuring of the group company under the PBT, which are the Company's business units as follows: (1) adhesive products (2) sealants products and (3) DIY products ("Transferred Business") to the Transferee Company. The Company will hold the Transferee Company's shares at 99.99% and has the power to control and manage according to the shareholding proportion. The PBT will be carried out within the first quarter of 2023. After the PBT is complete, the Company will continue to operate the business of manufacturing and distributing plastic compounds to enable the Company to effectively implement its strategic plans.

The PBT will be the transfer of only assets, liabilities, rights and duties related and necessary in carrying out the business to the Transferee Company. The value of such PBT will be valued in accordance with the book value or the price in accordance with the adjusted book value or the fair value method, depending on assets or liabilities of the Transferred Business on the PBT date. However, the purchase price of the Transferred Business may be adjusted in accordance with the value of assets and liabilities on the PBT date. In determining the aforementioned price, the Board of Directors has assigned the executive committee to consider and expected to be completed within the first quarter of 2023.

Due to the restructuring of the Company's group business is under the common control, this transaction is not considered as an asset acquisition transaction under the Notification of the Capital Market Supervisory Board No.TorJor. 20/2551 Re: Rules for Entering into Material Transactions Deemed as Acquisition or Disposal of Assets dated 31 August B.E. 2551 (as amended), and the Notification of the Board Governors of the Stock Exchange of Thailand Re: Disclosure and Compliance of Listed Companies relating to Acquisition or Disposal of Assets B.E. 2547 dated 29 October 2004, and also not considered as related party transactions as prescribed in the Announcement of the Capital Market Supervisory Board No.TorJor. 21/2551 Re: Rules on Connected Transactions dated 31 August B.E. 2551 (as amended) and the

Notification of the Board of Governors of the Stock Exchange of Thailand Re: Disclosure and Compliances of Listed Companies relating to Connected Transactions B.E. 2546 dated 19 November B.E. 2546 (as amend). However, to comply with Section 107 (2)(b) of the Public Limited Company Act B.E. 2535, the Company will present this matter to shareholders' meeting for approval.

4. Principles and Rational for restructuring of a group company

Since the Company operates business as the manufacturer and distributor of compound products, adhesive products, sealants including DIY products for household which the Company's business operations have a variety of business units, therefore, the Company's internal structure needs to be restructured for efficient business management and to create the best management benefits.

The restructuring of a group company under the PBT will increase the effectiveness and benefits to the group company as follows:

- 4.1 The business restructuring will increase the business agility of its management and operation in term of business and legal matters in regard of approval process from both directors and shareholders.
- 4.2 The restructuring of the Company will increase the effectiveness of its management and operation in term of flexible management which can be adjusted according to the suitability of the business and the limitation of business risks, resulting in more agility in the management of the organization.

5. Restructuring Processes

There are main processes of the restructuring of a group of company as follows:

- 1) The board of director of the Company will consult with the appointed legal and tax consultant to set timeframe for the PBT of the Company and the Transferee Company.
- 2) The Company will request an approval from the Extraordinary General Meeting of Shareholders in order to have a resolution for the PBT to the Transferee Company. On the PBT date, the Company will be required to transfer assets, liabilities, rights, and duties which are relevant and necessary for the business operation to the Transferee Company at the price which are in accordance with the book value or the adjusted book value or the fair value method, depending on the assets or liabilities of the Transferred Business on the PBT date. In determining the aforementioned price, the board of directors has assigned the executive committee to consider and expects to be completed within the first quarter of 2023.
- 3) Prior to or at the PBT date, the Company will be required to transfer and/or change contracts, licenses, and registration of any asset to the Transferee Company.
- 4) The Company will be required to transfer all employees under the operation of the Company to the Transferee Company according to the conditions as prescribed under Thai labor laws.

6. Corporate Governance and Administration

After the business restructuring, the Company will continue to supervise and formulate policies for the Transferee Company's business operations. The Board of Directors and key executives of the Transferee Company are from the Board of Directors and key executives in the Company. The corporate governance structure and the Company's management will remain the same as previous, and the Company will supervise the business of the Transferee Company through the board of directors, the executive committee



and the subsidiary supervision policy. The Company will continue to manage its business with transparency in accordance with good corporate governance practices, including rules or regulations of the relevant government agencies.

7. The impact of the business restructuring on the Company's financial status and operating results

The restructuring of the Company will not affect the Company's financial status and operating results since it is the PBT to the Transferee Company which all shares held by the Company. Both financial status and operating results in the consolidated financial statements of the Company after the restructuring will not differ from the previous financial status and operating results. Therefore, this restructuring will not significantly affect to the financial status and operating results of the Company.

8. The Opinion of Board of Director

As considering the above expected benefit, the board of director agrees the principle of the partial business transfer of the Company's business by PBT, also requires the Company to prepare complete information and approves to propose the shareholder's meeting for considering and approving the partial transfer of the Company's business by PBT.

9. The Opinion of the Audit Committee and /or Directors of The Company which is different from the above opinion of the Board of Directors

No audit committee and /or directors of the company with different opinions from the opinion of the above opinion of the board of directors.