

Translation

(Q-CON) 001/2024

January 4, 2024

Dear: President

The Stock Exchange of Thailand

**Subject: Information on Expansion Project of Lightweight Concrete at Songkhla
Province of Quality Construction Products Public Company Limited**

Quality Construction Products Public Company Limited ("Q-CON") takes this opportunity to inform you that the [Board of Directors Meeting 1/2024 held on January 4, 2024](#) has approved the expansion of 3.9 million square meter per annum of lightweight concrete at Southern Region Industrial Estate (Songkhla), Songkhla Project worth Baht 1,057 million in total in order to support the increasing demand of the lightweight concrete. The project will be started commercial operation in May 2025 and will increase Q-CON's production capacity of lightweight concrete by 19%.

The value of the project is equal to 34.92% percent of total assets of Q-CON's consolidated financial statements ended September 30, 2023, moreover, the value of the project includes acquisition of assets occurred during the last 6 months is equal to 35.51%. Q-CON, thus, discloses the information memorandum of this project as required by the Notification of the Capital Market Supervisory Board, No. TorChor. 20/2551 (2008) regarding the rules of entering into significant transactions concerning the acquisition and disposition of assets, as per details attached.

Please be informed accordingly.

Yours faithfully

Quality Construction Products Public Company Limited

-Signed by -

(Mr. Narongvate Vajanapanich)

Managing Director

Information regarding the Expansion Project of Lightweight Concrete at Songkhla Province

Quality Construction Products Public Company Limited (Q-CON)

1. The date on which the transaction occurs:

January 4, 2024

2. The parties involved, their relationship with the listed company (except a party which is a third person which has no relationship with the listed company and which does not want to disclose its name and the Exchange has considered that identifying such party is of no importance to the transaction in question):

INDUSTRIAL ESTATE AUTHORITY OF THAILAND is a seller of the land of this project which has no relationships with Q-CON.

3. The general characteristics of the transaction, which shall include category and volume of the transaction in accordance with Clause 4 and Clause 6 of the Notification of the Stock Exchange of Thailand Re: Disclosure of Information and Other Acts of Listed Companies Concerning the Acquisition and Disposition of Assets):

Q-CON's total investment in Expansion Project of Lightweight Concrete at Southern Region Industrial Estate (Songkhla), Songkhla Project amounted Baht 1,057 million, which is equal to 34.92%, is for the construction of new lightweight concrete factory with annual capacity of 3.9 million square meter. The mentioned transaction is within the terms of the acquisition of assets according to the Notification of the Capital Market Supervisory Board, No. TorChor. 20/255 (2008) and the SET rules and regulations. Q-CON has to consider the value of the project compared with the total assets before performing the transaction as well as follow the rule of SET. The size of this transaction calculated under the rules regarding Acquisition and Disposition of Assets is equal to 15% or more but below 50% of Q-CON's total assets as follows:

Acquisition of Assets

The size of the transaction of the assets acquisition arisen from purchasing land, constructing factory and purchasing machine and equipment at total value of Baht 1,057 million compared to Q-CON's total assets Baht 3,027 million (as stated in the latest reviewed consolidated financial statement ended September 30, 2023) can be calculated detail is as follows:

The value investing in the Expansion Project of Lightweight Concrete x 100 / Total assets of the Company, or $(1,057 \times 100 / 3,027)$, is equal to 34.92%.

In addition, the acquisition of assets occurred during the last 6 months amounted to Baht 18 million which is equal to 0.59%, therefore, the total transaction size is 35.51%.

Thus, Q-CON shall notify SET and then, within 21 days of notifying SET, shall send a notice to all shareholders.

4. The details of assets purchased or disposed of together with an explanation relating to the business to be further operated:

Q-CON's asset acquired from investing in Expansion Project of Lightweight Concrete at Southern Region Industrial Estate (Songkhla), Songkhla Project comprising of land worth Baht 115 million, buildings, machines and equipment worth Baht 875 million and working capital worth Baht 67 million (as per details attached), is totaling Baht 1,057 million. All machines and equipment are new.

5. The total value of the consideration / The measure used to determine the value of consideration, giving clear details of the mode of payment including conditions of various agreements relating to payment or payment by installment:

The total value of the consideration/the measure of buildings, machines and equipment would worth totaling Baht 1,057 million based on the market value, which the conditions of all agreements are in the process of negotiation.

6. Where necessary, it shall include the amount of net after tax profit and after any specific transaction which is a part of assets purchased or disposed of for 2 fiscal years prior to the occurrence of the transaction:

- None -

7. The profit expected to be generated for the listed company as the result of the said transaction:

To enhance the competitiveness of Q-CON in southern region and to support the increasing demand of lightweight concrete, consequently to gain more earnings in the future.

8. In the case of entering into a purchase of assets, the sources of funds to be used shall be included. If it is a loan from a financial institution, conditions affecting rights of shareholders, such as restrictions on payment of dividends, shall also be included:

The sources of fund of this project are from the loan and cash flow from operation. The loan will be from Q-CON's subsidiary, Q-CON EASTERN COMPANY LIMITED (QCE), causing no impact on the Shareholders' right.

- 9. In the case of disposition of assets, the proposed utilization of the proceeds from the sale shall be included:**

-None-

- 10. In the case of issuance of securities for payment of the purchase price of the assets, the category and details of securities issued by the listed company and the number and price of the shares issued as consideration shall be included:**

- None -

- 11. Approval from the Exchange and/or the shareholders meeting, as the case may be, shall be obtained, this must be stated clearly:**

- None -

- 12. In case an enterprise invested by a listed company has the listed company's connected person holding at least 10 percent of the total voting shares of that enterprise and the business of that enterprise is related to the business of the listed company, explanation of the reasons why the listed company does not hold the whole shares of that enterprise in lieu of the connected person and the measure for prevention of conflict of interest that may arise in the future must be provided:**

- None -

- 13. Opinions of the Board of Director concerning a decision to enter into a transaction:**

Q-CON's Board of Directors has approved the Expansion Project of Lightweight Concrete at Songkhla Province considering that such investment is reasonable and can accommodate the growing market demand of lightweight concrete.

- 14. Opinions of the company's Audit Committee and/or directors which are different from the opinions of the Board of Directors under 13:**

- None -

Information according to Account (2), Item 2, 3, 5(3), 7 and 8 only

- 15. The statement relating to the responsibilities of Board of Directors with respect to the information in documents sent to the shareholders:**

This information regarding the Q-CON's Expansion Project of Lightweight Concrete at Southern Region Industrial Estate (Songkhla), Songkhla Project being disclosed according to the Notification of the Capital Market Supervisory Board, No. TorChor. 20/2551 (2008) Re: the rules of entering into significant transactions concerning the Acquisition and Disposition of Assets represents correct information as shown in this letter to the shareholders.

- 16. Where there is an opinion of an independent expert (e.g. appraiser of assets), the report of the expert shall include information as required by the Exchange and the qualifications of the expert, shareholding in and relationship of the expert with the listed company and the parties, permission of the expert for the disclosure of the opinion and the date of the opinion:**

-None-

- 17. Financial projections in the present year (if any), including assumptions on trade economics, industry and review of the figures by a certified public auditor and the opinion of an independent financial advisor that the projections have been carefully prepared:**

-None-

- 18. Pending material lawsuits or claims:**

-None-

- 19. Interests or connected transactions between the listed company and directors, management and shareholders directly or indirectly holding shares amounting to 10 percent or more, including the nature of the transaction or the interests:**

-None-

Details of Assets to be acquired by Q-CON

Land:

| No. | Detail | Title Deed Number | Total area (Rai) |
|------------|---|------------------------------------|-------------------------|
| 1 | Land located at Southern Region Industrial Estate (Songkhla), Songkhla Project, Chalung Sub-District, Hat Yai District, Songkhla Province | 298018 - 298023 302382 - 302384 | 35 |

Building, Machines and Main Equipments

| No. | Detail | Amount (Unit) |
|------------|--------------------------|----------------------|
| 1. | Factory Building | 1 |
| 2. | Raw Material Unit | 1 |
| 3. | Mixer Unit | 1 |
| 4. | Casting and Cutting Unit | 1 |
| 5. | Autoclave | 1 |
| 6. | Packing Unit | 1 |