

No. AMC2021-06-003

Date 18 June 2564

Subject: Notification of additional investment in a subsidiary is considered a connected transaction ([Edit](#))

To: The President of the Stock Exchange of Thailand

Asia metal Public Company Limited (the Company”) would like to inform that the Company Board of Director meeting 4th /2021 dated June 17, 2021, has approved the additional investment in the Grand Asia Steel Processing Center Company Limited. , with the following details;

1. Transaction date : The transaction and payment are expected to be completed by June 2021.
2. Related parties :
 - Seller 1 : Mr.Virachai Suteerachai a connected person which is the chairman of the Board Asia Metal Public Company Limited
 - Value : 3,150,000 baht (three million one hundred and fifty thousand baht only)
 - Number of shares : 89,999 ordinary shares of Grand Asia Steel Processing Center Co., Ltd. (45% of the paid-up capital)
 - Seller 2 : Mr.Somsak Wongsirisup (Not related with Asia Metal Public Company Limited)
 - Value : 350,000 baht (three hundred fifty thousand baht only)
 - Number of shares : 9,999 ordinary shares of Grand Asia Steel Processing Center Co., Ltd. (5% of the paid-up capital)
 - Buyer : Asia Metal Public Company Limited
 - Number of shares : 99,998 ordinary shares of Grand Asia Steel Processing Center Co., Ltd. (50% of the paid-up capital)

Pricing Criteria : The trading price per share is 35 baht as shares are 50% paid-up capital. The offering price is 70 baht per share, , which is a price lower than the par value of 100 baht per share, and the book value per share is 137.89 baht on March 31, 2021 and on December 31, 2020 book value per share is 18.98 baht to selling price compare with book value as the price that is the most beneficial best price than other methods Because it causes the company to lose the least liquidity and the company estimates that this additional investment resulting in better operating results in the future.

Book value information (Financial Statement) Grand Asia Steel Processing Center Co., Ltd.

(Unit:Baht)

Description	31/3/2021	31/12/2020
Total Assets	328,725,355	345,972,982
Less Total Liabilities	301,147,485	342,177,655
Dividing the total number of shares	200,000	200,000
Book Value	137.89	18.98

3. Details of assets acquired

The Company intends to purchase 99,998 ordinary shares of Grand Asia Steel Processing Center Co., Ltd. at a par value of 100 baht, accounted for 50% of the registered capital from Mr. Virachai Suteerachai (as the connected person who is the chairman of Asia Metal Plc. and also to be a director of Grand Asia Steel Processing Center Co., Ltd. purchase 89,999 shares The Company will transaction it at amount 3,150,000 baht (three million one hundred and fifty thousand baht only) and Mr. Somsak Wongsirisup (as the not related with Asia Metal Plc.) purchase 9,999 shares amount 350,000 baht (three hundred fifty thousand baht only).

4. List of connected persons and the nature of the connected person

Name list connected person	Position	Shareholding proportion Grand Asia Steel Processing Center Co., Ltd.
1.Mr. Virachai Suteerachai	Chairman of the Board of Directors of AMC and Director of Grand Asia Steel Processing Center Co., Ltd.	45%
2. Mr. Chusak Yongvongphaiboon	Director of AMC and Grand Asia Steel Processing Center Co., Ltd.	-
3.Ms. Chananya Yongvongphaiboon	Director of AMC and Grand Asia Steel Processing Center Co., Ltd.	-

Directors who have interests or a director who is a connected person will not have voting rights in the meeting as:

1. Mr. Virachai Suteerachai
2. Mr. Chusak Yongvongpaiboon
3. Ms. Chananya Yongwongpaiboon

Such person has left the meeting room and has no right to vote in the Board of Directors' meeting

5. Nature of business of Grand Asia Steel Processing Center Company Limited

The business of manufacturing and distributing steel processing as Electrical and Automotive Industry Group is a subsidiary of Asia Metal Public Company Limited.

Location of the head office: No. 55 Village No. 2 Soi Wat Nam Daeng Srinakarin Road, Bang Kaeo Subdistrict, Bang Phli District Samut Prakan Province

Registered capital: 20,000,000 baht (paid-up capital 10,000,000 baht)

Number of shares : 200,000 shares

Par value per share : 100 baht

Financial statement of Grand Asia Steel Processing Center Co., Ltd.

(unit : million baht)

	31/12/2018	31/12/2019	31/12/2020	31/3/2021
Total assets	380.23	356.38	345.97	328.73
Total liabilities	360.08	358.14	342.18	301.15
Total Shareholders' Equity	20.15	(1.76)	3.80	27.58
Total income	661.84	633.31	597.05	145.48
Net profit/loss	(0.29)	(21.91)	5.56	23.78

6. Shareholding structure of Grand Asia Steel Processing Center Co., Ltd.

Shareholder List	Amount of share and share holding		Amount of share and share holding		Relationship with AMC
	Before		After		
	Amount of shares	Shareholder (%)	Amount of shares	Shareholder (%)	
1.Asia Metal Plc.	100,000	50%	199,998	100%	-
2.Mr. Virachai Suteerachai	90,000	45%	-	-	Director
3. Mr. Somsak Wongsirisap	10,000	5%	-	-	Non-Related
4. Mr. Matas Yongwongpaibul			1	-	Director
Total	200,000	100%	200,000	100%	

7. The Value to Investment

The company will pay for shares 3,150,000 baht (three million, one hundred and fifty thousand baht only).

8. Characteristics the size of transaction

(unit : million baht)

Item	Asia Metal Public Company Limited	Grand Asia Steel Processing Center Co., Ltd.
Total Assets	4,254.84	328.73
Intangible Assets	(20.99)	-
Total Liabilities	(1,791.58)	(301.15)
Non-Controlling Shareholders' Equity	(13.79)	-

Sources : Financial statements of Asia Metal Public Company Limited audited by KPMG Phoomchai Audit Company Limited for the first quarter of the year 2021 as of March 31, 2021, reviewed by KPMG Phoomchai Audit Company Limited.

Type of Assets	Calculation formula	Calculating
1. Calculation based on the value of net tangible assets	$\frac{(\text{NTA of investment in the company} \times \text{Proportion of assets acquired or disposed}) \times 100}{\text{NTA of the listed company}}$	0.57 %
2. Calculation based on net operating profits	$\frac{(\text{Net operating profits of the investment} \times \text{Buying or selling ratio}) \times 100}{\text{Net operating profits of the listed company}}$	3.23 %
3. Calculation based on total value of consideration paid or received	$\frac{\text{Value of transaction paid or received} \times 100}{\text{Total assets of listed company}}$	0.08 %
4. Calculation based on value of equity shares issued for the payment of assets	$\frac{\text{Equity shares issued for the payment of assets} \times 100}{\text{Paid-up shares of the company}}$	Cannot be calculated because no shares are issued to pay for the goods.

Entering into transactions The Company will hold 99,998 ordinary shares of Grand Asia Steel Processing Center Company Limited, representing 50% of the number of additional shares purchased to The maximum transaction, which is calculated according to the net operating profit basis is 3.23% that not than 15% based on the net tangible asset value criteria. Based on the financial information as of March 31, 2021, and the company has an Asset acquisition transaction occurring in 6 months prior to the date of the agreement to enter into the asset acquisition transaction, the highest is 4.24% based on the net profit criteria Therefore, it is not in the scope of the Company to make a memorandum report in accordance with the acquisition and disposition of assets pursuant to the Notification of the Capital Market Supervisory Board.

Calculation of the transaction size

	Listed Company Asia Metal Public Company Limited As of March 31, 2021 (million baht)
Net tangible assets (NTA)	2,428.49
0.03% NTA	0.73
3.00% NTA	72.85
Value of transaction	3.15

Entering into transactions considered a connected transaction in the type of asset or service transaction. The transaction size exceeds 0.03% but does not exceed 3.00% of the net tangible assets of the listed company. Based on the reviewed consolidated financial statements of listed companies as of March 31, 2021, which is considered a medium-sized transaction. As including the connected transactions in the past 6 months, it was 1.57%, which is a transaction that exceeds 0.03% but not more than 3.00 percent of the net tangible assets of the listed company. Therefore, the company must request approval from the Board of Directors' meeting and disclose information about entering into such transaction to the Stock Exchange of Thailand.

9. Expected benefits for the company.

The additional investment in a subsidiary, Grand Asia Steel Processing Center Co., Ltd. increases the opportunity for revenue recognition and long-term profitability, which will benefit the Company's operations in the future.

10. Source of Funds

Working Capital of Company

11. Conditions for entering the transaction

The value of entering into transaction in accordance with the purchase and purchase agreement of 3,150,000 baht (three million one hundred and fifty thousand baht only). It is estimated that the transaction will be completed within June 2021.

12. Opinion of the Board of Directors Committee

The Board of Directors is of the opinion transaction beneficial to the Company. The growth trend of Grand Asia Steel Processing Center Company Limited will improve accordingly. Therefore, it is appropriate to purchase additional shares of 99,998 shares or equivalent to 50% of the paid-up capital.

13. Opinion of the Audit Committee

No opinion difference in opinion. of the Audit Committee.

Please be informed accordingly.

Best regards,



Mr. Chusak Yongvongphaiboon

Managing Director