



No. OP.SL 010/2564

March 4th, 2022

Subject : Progress the Spin-Off Plan of subsidiary - PMCT Label Material Company Limited ("PMCT")

To: Managing Director
The Stock Exchange of Thailand

Enclosure: Information Memorandum of Selic Corp Public Company Limited subjected the Disposal of Asset
(Revised)

Reference with the Board of Directors' Meeting No. 1/2022 of Selic Corp Public Company Limited ("the Company"), it resolved to approve PMCT Label Material Company Limited ("PMCT") transform to Public Company Limited, issue and offer its newly-issued ordinary shares in the initial public offering (IPO) and proportionately to existing shareholders of PMCT ("Pre-emptive Offering). PMCT will be listed its ordinary shares in the Stock Exchange of Thailand ("SET") (Spin-off) to raise funds for expanding the business and/or using as working capital and/or repaying loan from financial institutions. Moreover, it also resolved to approve the authorization of the Chief Executive Officer or any person designated by the Chief Executive Officer to determine the criteria, conditions, and other details relating to the Spin-Off plan of PMCT with PMCT, as well as the date determining the list of shareholders of the Company to be eligible for the allotment of the newly issued ordinary shares of PMCT ("Record Date") will be determined after the Office of the Securities and Exchange Commission (the "SEC") grants permission to PMCT to offer for sale the newly-issued ordinary shares in the IPO which will inform the shareholders at least 14 days in advance according to the rules of the SET and relevant laws.

After the Board Directors' Meeting No. 1/2022, the authorization persons reviewed the details and conditions of said Spin-off Plan, including the allocation of PMCT ordinary share of IPO and pre-emptive offering to the Company's shareholder according to shareholding proportion in the Company. **It was concluded that the allocation of PMCT ordinary share shall be at 28% of the total paid-up capital of PMCT after the IPO (instead of not exceed 30%),** having the highest transaction value calculated based on the net tangible assets (NTA), equivalent to **48.42%.** However, there were no other asset disposal transactions which are required to be calculated based on the net tangible assets basis during the six-month period prior to the date on which Board of Directors Meeting resolved to approve the Spin-Off plan. In the regard, the entering into of the transaction is classified as a Class 2 Asset Disposal Transaction, i.e., a transaction with the size of 15.00 percent or higher but lower than 50.00 percent. As a result, the Company is required to immediately prepare a report and disclose the information memorandum o the entering into of the transaction to the SET as well as to send a written notice to the shareholders of the Company within the period of 21 days from the date of which the information memorandum on the entering into of the transaction is disclosed to the SET, whereby the information memorandum must comprise at least the information required under Schedule (2) 1, 2, 3, 5 (3), 7 and 8 annexed to the Notification on Acquisition or Disposal as shown in enclosure.

Please be informed accordingly.

Sincerely Yours,

(Ms. Yuwadee Aiamsontisup)
Chief Executive Officer



Enclosure

**Information Memorandum of the issuance and offering of the newly-issued ordinary shares of PMCT Label Material Company Limited ("PMCT"), a subsidiary company of Selic Corp Public Company Limited, in the IPO and the listing of PMCT on the Stock Exchange of Thailand
(Revised)**

According to PMCT Label Material Company Limited ("PMCT"), a subsidiary company of Selic Corp Public Company Limited ("the Company" or "SELIC"), which are being held by SELIC for 99.999% of its registered capital, would like to issue and offer its newly-issued ordinary shares in the initial public offering (IPO) and proportionately to existing shareholders of PMCT ("Pre-emptive Offering). Moreover, PMCT will list its ordinary shares in the Stock Exchange of Thailand ("SET") (Spin-off) to raise funds for expanding the business and/or using as working capital and/or repaying loan from financial institutions.

The Company would like to inform details of the Resolution of the Board of Directors' Meeting No. 1/2022 dated February 25th, 2022 as follows:

1. Resolved the approve issuance and offering its newly-issued ordinary shares of PMCT for the initial public Offering (IPO) in 214,290,000 Shares at Baht 0.50 par value totaling Baht 107,145,000 from the original registered capital of Baht 250,000,000 to a new registered capital of Baht 357,145,000 at 0.50 Baht par value or 714,290,000 ordinary shares.
2. Resolved to approve the allocation of PMCT ordinary share does not exceed 30% of IPO for pre-emptive offering to the Company's shareholder according to shareholding proportion in the Company which will be determined and informed further. (Remarks: After the Board of Directors' Meeting, the authorized persons reviewed details and conditions of PMCT Spin- Off Plan and agreed to adjust the allocation of PMCT ordinary share to 28% of the total paid-up capital of PMCT after the IPO)
3. Resolved to approve the authorization of the Chief Executive Officer or any person designated by the Chief Executive Officer to determine the criteria, conditions, and other details relating to the Spin-Off plan of PMCT with PMCT, as well as the date determining the list of shareholders of the Company to be eligible for the allotment of the newly issued ordinary shares of PMCT ("Record Date") will be determined after the Office of the Securities and Exchange Commission (the "SEC") grants permission to PMCT to offer for sale the newly-issued ordinary shares in the IPO which will inform the shareholders at least 14 days in advance according to the rules of the SET and relevant laws.

Furthermore, in order to comply with relevant regulations of the Office of the Securities and Exchange Commission (the "SEC"), the Company and PMCT have prepared non-compete agreement, to set out clear business boundaries between the Company and PMCT, and to prevent business operations that may result in a conflict of interest in the future. PMCT will disclose the information pertaining to the non-compete agreement in the filing and prospectus.

However, the issuance and offering of the newly-issued ordinary shares of PMCT in the IPO and the listing of PMCT on the SET will result in the dilution of the Company's shareholding percentage in PMCT, and together are classified as an asset disposal transaction under the Notification of the Capital Market Supervisory Board No. TorChor. 20/2551 Re: Rules o Entering into Material Transactions Deemed as Acquisitions or Disposals of Assets (including any amendment thereto) and the Notification of the Board of



Governors of the Stock Exchange of Thailand Re: Disclosure of Information and Other Acts of Listed Companies Concerning the Acquisition and Disposition of Assets B.E. 2547 (2004) (including any amendment thereto) (Collectively, the “Notifications on Acquisition or Disposal”), having the highest transaction value calculated based on the net tangible assets (NTA), equivalent to 48.42%. However, there were no other asset disposal transactions which are required to be calculated based on the net tangible assets basis during the six-month period prior to the date on which Board of Directors Meeting resolved to approve the Spin-Off plan.

In the regard, the entering into of the transaction is classified as a Class 2 Asset Disposal Transaction, i.e., a transaction with the size of 15.00 percent or higher but lower than 50.00 percent. As a result, the Company is required to immediately prepare a report and disclose the information memorandum on the entering into of the transaction to the SET as well as to send a written notice to the shareholders of the Company within the period of 21 days from the date of which the information memorandum on the entering into of the transaction is disclosed to the SET, whereby the information memorandum must comprise at least the information required under Schedule (2) 1, 2, 3, 5 (3), 7 and 8 annexed to the Notification on Acquisition or Disposal.

The Company would like to inform the details of the Information Memorandum on Disposal of Assets as follows:

1. The Transaction date

The issuance and offering of the newly-issued ordinary shares of PMCT in the IPO and proportionately to existing shareholders of SELIC (“Pre-emptive Offering”), including the listing of PMCT on the SET will be subject to the satisfaction of conditions for entering into the transaction as specified in Clause 11.

2. Parties involved and their relationship with the Company

Offeror : PMCT Label Materials Company Limited or PMCT, a subsidiary company of the Company, which are being held by PMCT for 99.999% of its registered capital.

Purchaser : Public investors (IPO) and SELIC’s shareholders which have pre-emptive Rights.

3. General characteristics and the transaction size

3.1 General information of the transaction

PMCT will issuance and offering of the newly-issued ordinary shares of PMCT in the IPO and pre-emptive offering, including listing of PMCT on the SET. The number of the newly-issued ordinary shares to be offered in the IPO shall not exceed 28% of the total paid-up capital of PMCT after the IPO.

In this regard, the transaction will result in the dilution of the Company’s shareholding percentage in PMCT from 100% to 72% of the total paid-up capital of PMCT after the IPO which effect to rights of the company in PMCT such as profit sharing and voting right decreased 28%.

3.2 Size of the transaction

The transaction is considered as an asset disposition transaction in accordance with notification related to Acquisition or Disposal of Assets. The value of transaction size calculated based on consolidated financial statements of the Company and consolidated finance statement of PMCT for the period December 31st, 2021. The details are provided below:



(Unit : THB Thousand)

Details	The Company	PMCT
Total Assets	1,756,915	835,630
<u>Less</u> Intangible Assets	533,275	69,799
<u>Less</u> Total Liabilities	1,088,830	532,700
<u>Less</u> Non-Controlling Interest (if any)	3	0
Net tangible Assets (NTA)	134,807	233,131
Net profit for the past 12 months ended December 31st, 2021	81,528	41,118
Book value of PMCT ⁽¹⁾		302,930
% PMCT Proportionately Disposed		28%

The calculation of transaction size according to 4 criteria are as in the table below:

Basis of transaction size calculation	Calculation	Transaction size
1. Net tangible assets (NTA)	$\frac{\text{NTA of PMCT} \times \text{Proportionately Disposed} \times 100}{\text{NTA of SELIC}}$ $\frac{233,131 \times 28\%}{134,807}$	48.42 %
2. Net profit	$\frac{\text{Net profit of PMCT} \times \text{Proportionately Disposed} \times 100}{\text{Net profit of SELIC}}$ $\frac{41,118 \times 28\%}{81,528}$	14.12 %
3. Total value of consideration paid	$\frac{\text{NTA or Book value of PMCT}^{(1)} \times 100}{\text{Total assets of SELIC}}$ $\frac{302,930 \times 28\%}{1,756,915}$	4.83 %
4. Value of Securities issued by the Company	Not applicable as the Company does not issue its securities in exchange for the assets acquired.	

Remarks:

- (1) The total value of consideration is subject to the offering price of PMCT shares to be offered in the IPO, which has currently not yet been determined. Therefore, in calculating the total value of consideration, the Company will use the book value of PMCT based on consolidated financial statement of PMCT ending December 31st, 2021.

From the above calculation, the highest transaction size is equivalent to 48.42% calculated based on the Net tangible assets basis. However, there were no other asset disposal transactions which are required to be calculated based on the net tangible assets basis during the six-month period prior to the date on which Board of Directors Meeting resolved to approve the Spin-Off plan. In the regard, the entering into of the transaction is classified as a Class 2 Asset Disposal Transaction, i.e., a transaction with the size of 15.00 percent or higher but lower than 50.00 percent. As a result, the Company is required to immediately prepare a report and disclose the information memorandum on the entering into of the transaction to the SET as well as to send a written notice to the shareholders of the Company within the period of 21 days from the date of which the information memorandum on the entering into of the transaction is disclosed to the SET, whereby the information memorandum must comprise at least the information required under Schedule (2) 1, 2, 3, 5 (3), 7 and 8 annexed to the Notification on Acquisition or Disposal.



4. Details of the disposed asset

4.1 Details of the initial public offering IPO and Pre-emptive Offering of PMCT

Issuer and Offeror	:	PMCT Label Material Company Limited or PMCT
Type of Securities Offered	:	Newly-issued Ordinary shares of PMCT
Number of Newly-issued Ordinary shares offered	:	Not more than 28% of the total paid-up capital of PMCT after the IPO and Pre-emptive Offering
Par value	:	As at February 25th, 2022, plan to change par value from 100 Baht per share to 0.50 Baht per share
Offering Price	:	The offering price has not yet been determined. In this regards, the Board of Directors or Board of Directors of PMCT or its designated person by Board of Directors to determine IPO price and will be determined after the Office of the SEC grants permission to PMCT to offer for sale the Newly-issued Ordinary shares in the IPO. The price of pre-emptive offering will be the same as the price of IPO offering
Offering Period	:	After the Office of the Securities and Exchange Commission (the "SEC") grants permission to PMCT to offer for sale the Newly-issued Ordinary shares in the IPO and the Registration Statement and prospectus become effective. And the SET approves the application for listing the newly-issued ordinary shares of PMCT on the condition that PMCT meets the free-float requirements.
Other details	:	The Company will further inform material details and progress on the IPO to its shareholders accordingly. The aforementioned details may be subjected to change as the Board of Directors or Board of Directors of PMCT or its designated person by Board of Directors deem appropriate.

4.2 Details of PMCT

Name of the business	:	PMCT Label Material Company Limited or PMCT
Type of business	:	Manufactures and distributes PMCTL Pressure-Sensitive Adhesive Label and Non-Adhesive paper and film
Registered number	:	0115547004013
Registered date	:	April 20 th , 2004
Head office address	:	30/28 M.2 T.Khokkham A.Muang Samutsakorn
Registered Capital and paid-up	:	THB 250,000,000 divided into 2,500,000 ordinary shares
Par Value	:	THB 100.00

4.3 PMCT's Board of Directors

The Board of Directors of PMCT as at December 31st, 2021 has 9 directors as follows:

No.	Name	Position in PMCT
1	Mr. Athvudhi Hirunburana	Chairman and Independent Director
2	Mr. Ek Suwatthanaphim	Director, Chief Executive Officer, and Nomination and Remuneration Committee
3	Ms. Yuwadee Aiamsontisup ⁽²⁾	Director
4	Dr. Phayat Wutthirong	Independent director, Chairman of Risk Management Committee, and Audit Committee
5	Mrs. Jamjuree Sirovetnukul ⁽¹⁾	Independent Director, Chairman of Audit Committee, and Risk Management Committee
6	Mrs. Angeli Suwatthanaphim	Director and Risk Management Committee
7	Mr. Boonrat Lohwongwatana	Independent Director and Nomination and Remuneration Committee
8	Ms. Pimsiri Chiwamit	Independent Director, and Audit Committee
9	ML. Thirachet Sonakul	Independent, chairman of Nomination and Remuneration Committee, and Risk Management Committee

Remarks (1) Director who have expertise and experience in accounting and finance
(2) Representative Director from SELIC

4.4 Summary of financial position and operation results of PMCT ended on December 31st, 2021

Summary of financial position and operation results of PMCT ending December 31st, 2021 based on consolidated finance statement of PMCT ended December 31st, 2021 which have been reviewed by auditor for purpose of calculation of transaction size. The details are as follows:

(Unit : THB Thousand)

Statement of Financial Position	Consolidated as of December 31st , 2021
Total assets	835,630
Total liabilities	532,700
Shareholder's equity	302,930
Income Statement	
Total revenue	855,697
Total cost of sales	657,143
Gross profit	67,383
Net Profit	41,118



4.5 PMCT's Shareholding structure

The pre-IPO shareholding structure and the post-IPO shareholding structure of PMCT as follow:

Shareholder's name	Pre-IPO	Post-IPO
Selic corp Public Company Limited	99.99%	72.00%
Mr. Ek Suwatthanaphim	Lower than 0.01%	Lower than 0.01%
Mrs. Sumanee Suwatthanaphim	Lower than 0.01%	Lower than 0.01%
Public	0.00%	28.00%
Total	100.00%	100.00%

The aforementioned details may be subjected to change as the Board of Directors or Board of Directors of PMCT or its designated person by Board of Directors deem appropriate.

5. Total value of consideration

The total value of the consideration will be determined by the offering price of the newly issued ordinary shares of PMCT in the IPO. At present, the offering price has not yet been determined.

6. Value of disposed assets

The disposed assets are the newly-issued ordinary shares of PMCT, whereby the consideration will be received in cash from the investors. However, the offering price for the newly-issued ordinary shares of PMCT in the IPO has not yet been determined. In this regards, the Board of Directors or Board of Directors of PMCT or its designated person by Board of Directors to determine IPO price and will be determined after the Office of the SEC grants permission to PMCT to offer for sale the Newly-issued Ordinary shares in the IPO. The price of pre-emptive offering will be the same as the price of IPO offering.

7. Basis used to determine the value of consideration

Currently, the offering price for the newly-issued ordinary shares in the IPO has not yet been determined. Therefore, the preliminary calculation of the Total Value of Consideration is based on the statement of financial position from the consolidated financial statements as at December 31st, 2021 of PMCT.

8. Expected benefits of the transaction

8.1 Benefits to the Company's shareholders

- 1) To provide alternatives to invest in either the Company or PMCT, based on their investment policies.
- 2) The shareholders of the Company will gain indirect benefit from the value of shares of PMCT reflecting the actual value and added value which may increase in accordance with the market price.

8.2 Benefits to the Company

- 1) To reduce the Company's burden to provide financial support, as PMCT will be able to mobilize funds by itself through the IPO, as well as through other financial instruments in capital markets or other sources after its listing on the SET.
- 2) Reduce PMCT's financial costs in the long run by having a variety of alternative sources of funding. Being a listed company will allow PMCT to raise capital at a lower cost than it is today.

- 3) The Business structure of the Company will be clearly separated. As a result, the management, development, and additional investment in the future business will be clearer and more flexible.
- 4) The Company's share price may be reflected by the fair value of investment in PMCT. Its market price will be able to be used as a reference price for trading securities, or as the consideration to make payment for the asset or business acquisition transactions in the future.

8.3 Benefits to PMCT

- 1) The listing of PMCT shares on the SET will increase PMCT's funding mobilization channels, thereby enhancing its capacity and access to more funding sources by itself at low costs, which will bolster its competitiveness and its aggressive business expansion in the long term through investment in organic and inorganic growth opportunities.
- 2) The capital raised from the IPO will enable PMCT to expand its businesses and meet its internal working capital requirements.
- 3) PMCT's business administration structure will become more defined allowing more flexibility for management, development and future investment.
- 4) To promote the image and reputation of PMCT as a publicly listed entity on SET.
- 5) PMCT's share price will closely reflect the underlying fundamentals of PMCT's business operations with trading liquidity in a secondary market as well as a reference market price when PMCT becomes a listed company. Its market price will be able to be used as a reference price for trading securities, or as the consideration to make payment for the asset or business acquisition transactions in the future.

9. Effects from the offering of ordinary shares in PMCT to the Company and Company's shareholders

(1) Impact on profit sharing or voting right (EPS dilution/Control dilution)

If PMCT issues and offers for sale its newly issued ordinary shares in the IPO according to the Listing Plan, the Company's profit sharing or voting rights in PMCT will decrease by no more than 28 percent of the existing profit sharing or voting rights. Nevertheless, PMCT will continue to remain as the Company's subsidiary.

(2) Impact on the market price of the Company's ordinary shares (price dilution)

As the shares offered for sale are those of PMCT, no direct impact on the market price of the Company's ordinary shares (price dilution) is expected. However, the decrease in the Company's shareholding in PMCT will result in decreased profit recognition.

In order to mitigate the dilution impact, the Company's shareholders may receive the pre-emptive right to subscribe to the IPO shares of PMCT in proportion to the shareholding interests of each shareholder of the Company. However, the pre-emptive right to subscribe to the IPO shares is subject to the consideration of board of directors, PMCT's board of directors and/or the designated persons of PMCT's board of directors.



10. Plan for the utilization of proceeds from the IPO

PMCT plans to use the proceeds from the IPO as follows:

1. To be used for PMCT's business expansion in the future, and/or;
2. To be used as working capital in the business, and/or;
3. To be used for repayment of loans from financial institutions.

In this regard, PMCT will further determine details and projects to be specified in PMCT's prospectus, which is currently in the process of preparation.

11. Conditions for the entering into the transaction

1. The shareholders meeting of PMCT resolved to approve the capital increase for the offering of the newly-issued ordinary shares in the IPO and pre-emptive offering, including the listing of the ordinary shares of PMCT on the SET.
2. The SEC grants permission to PMCT to offer the newly-issued ordinary shares in the IPO and the Registration Statement and draft prospectus to become effective.
3. The SET approves the listing of the newly-issued ordinary shares of PMCT on the condition that PMCT meets the free-float requirements.
4. PMCT completes the registration of the change of its paid-up capital after the IPO, with the Department of Business Development, the Ministry of Commerce.
5. The Company and/or PMCT, received approval and/or endorsement necessary for the Spin-off Plan from relevant authorities and/or entities, pursuant to relevant laws and regulations (if any).

12. Opinions of the Board of Directors on the entering into of the transaction

The Board of Directors is of the view that it is appropriate to approve the entry in to the transaction because the plane of offering of the newly-issued ordinary shares of PMCT in the IPO and proportionately to existing shareholders of PMCT ("Pre-emptive Offering) including the listing of PMCT in the SET are beneficial to the Company, PMCT, and shareholders of the Company.

13. Opinion of the Audit Committee and/or the directors of the Company which are different from those of the Board of Directors

- None -