

No. EPG018/2016

11 November 2016

Subject: Notification of the resolution of board of director meeting; to approve consolidated financial statements for the quarter 2 2016/2017 ended September 30, 2016; to approve interim dividend payment; to approve Capital Increase in International Associate of the Company's subsidiaries and to approve Joint venture of the Company's subsidiaries

To: President
The Stock Exchange of Thailand

The board of director of Eastern Polymer Group Public Company Limited, No.5/2016 held on November 11th, 2016 approved the consolidated financial statements, approved interim dividend payment, approved Capital Increase in International Associate of the Company's subsidiaries and approved Joint venture of the Company's subsidiaries as follows;

1. Approved the consolidated financial statements and separate financial statements of the Company for the quarter 2 2016/2017 ended September 30, 2016 reviewed by licensed auditor.

2. Approved the payment of interim dividends from the operating result of quarter 2 2016/2017 ended September 30, 2016 at 0.10 Baht per share (Ten Satang) for the total of Thai Baht 280,000,000 (Two hundred eighty million baht) to pay to the Company's shareholders whose names appeared on the registered shareholder book as of **November 25, 2016**, the date set by the Company's committee to be the record date of shareholders eligible to receive the dividend. **November 28, 2016** is to be the closing date of registered shareholder book to compile a list of shareholders according to Section 225 of Securities and Exchange Act. Dividend payment shall be made to shareholders on December 9, 2016, and the allocation of profit in the amount of Thai Baht 15,991,463.60 for legal reserve, by-law.

3. Approved the subsidiaries - Aeroflex Co., Ltd (AFC), to exercise the right to subscribe the new registered share of Aerocel Construction Material (Jiangsu) Co., Ltd. (ACM), subsidiaries registered in China (International Joint Venture), in order to maintain holding proportion of 40% in ACM total registered share with the following details.

Aerocel Construction Material (Jiangsu) Co.,Ltd.	
Registered Capital	ACM currently has 35 million RMB registered Capital, where the company wants to increase the new registered capital of 15 million RMB. After the increase in capital, the company shall have registered capital of 50 million RMB. AFC would like to exercise the right to subscribe the new registered share to maintain holding proportion of

	40% in ACM, for the total of 6 million RMB or 31.358 million Baht.
Subscription criteria	AFC shall proceed in the subscription after the approval of Board of Director
Holding Proportion	AFC holds 40% and China Jiangsu Zhaosheng Building Materials holds 60% of total registered share of ACM
Investment Objective	<ul style="list-style-type: none"> ● To build larger factory in the new site ● To increase production capacities which require higher level of current working capital ● To enhance Machinery and Equipment capacities
Reason for increase in Capital	ACM continues to produce good operating result where in the most recent year ACM able to generate 11.68 million RMB of profit and the positive trend continues to persist. Thus AFC would like to maintain proportionate holding in ACM to benefit from its performance in the same amount.

The aforementioned transaction is in accordance to Notification of the Capital Market Supervisory Board No. TorChor. 20/2551 “Rules on Entering into Material Transactions Deemed as Acquisition or Disposal of Assets which came into force as of August 31, 2008 and the Notification of the Board of Governors of the Exchange of Thailand on The Disclosure of information and Other Act of Listed company concerning the Acquisition and Disposition of Asset, 2004 which came into force as of October 29, 2004. After taking into account of the size of transaction as of September 30, 2016, the maximum possible size of transaction relative to net tangible assets is equal to 1.4% (Maximum acquisition value Criteria). Considering the value of new asset acquisition in the past 6 months, the maximum size of the transaction is equal to 3.12% of total asset (Maximum acquisition value Criteria), which can be categorized under class 3 (the acquisition that has the transaction size lower than 15%). Therefore, the company is not required to prepare disclosure report nor request the approval from shareholder.

Calculation Criteria

- **Net Tangible Assets**

$$\begin{aligned}
 \text{Size of transaction} &= \frac{\text{Proportionate percentage of ACM Net Tangible Asset}}{\text{Company Net Tangible Asset}} \\
 &= \frac{130.84 \text{ million baht}}{9,316.48 \text{ million baht}} \\
 &= 1.40\%
 \end{aligned}$$

- **Net Profit**

$$\begin{aligned}
 \text{Size of transaction} &= \frac{(\% \text{ of holding} \times \text{Net Profit of ACM} \times 100)}{\text{Net Profit of Registered Company}} \\
 &= \frac{10.10 \text{ million baht}}{777.67 \text{ million baht}} \\
 &= 1.30\%
 \end{aligned}$$

- **Total value of the consideration**

$$\begin{aligned}
 \text{Size of transaction} &= \frac{\text{Total payment}}{\text{Total Asset}} \\
 &= \frac{31.36 \text{ million baht}}{12,802.76 \text{ million baht}} \\
 &= 0.24\%
 \end{aligned}$$

Remark Financial Result as of September 30, 2016 using the exchange rate as of October 31, 2016 ; 5.2263 Baht/RMB to calculate the transaction

4. Approved Aeroklas Co., Ltd (ARK) the Subsidiaries to joint venture with Alver Pty Ltd which registered its share in Australia. The new Joint venture company will be established in Thailand in order to operate and sell product to ARK and other automotive company which has the following details.

Registered Capital	25 million baht
Criteria of Joint Venture	Initial payment of 25% of new registered capital, the rest of the payment will be made in installment in accordance to the need of capital.
Holding Proportion	ARK hold 45% and Alver Pty Ltd hold 55% of the total registered capital
Investment Objective	For operating and sale metal auto part to ARK and other automotive company
Director	Total of 5 individual which shall be appointed in accordance to holding proportion. The company shall appoint 5 representative director
First date of operation	Expect to commercially operate starting in June 2017
Benefit from this Joint Venture	To enhance the production capacities of the finished product to cover wider spectrum of company's automotive related business
Others	The shareholder is required to provide the loan in total of 30 million baht in accordance to proportion of holding for the purpose of

	working capital.
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Calculation Criteria

- **Total value of the consideration**

$$\begin{aligned}
 \text{Size of transaction} &= \frac{\text{Total payment}}{\text{Total Asset}} \\
 &= \frac{11.25 \text{ million baht}}{12,802.78 \text{ million baht}} \\
 &= 0.09\%
 \end{aligned}$$

Remark *Financial Result as of September 30, 2016*

Please be informed accordingly

Yours Sincerely

Mr. Pawat Vitoorapakorn
Chief Executive Officer