



(TRANSLATION)

May 11, 2021

Subject : Notification of the progress of ceasing textile operations, and finding a new business

To : President of The Stock Exchange of Thailand

Ref : News notified via the Stock Exchange of Thailand on March 12, 2021  
(cease textile operations and finding a new business)

According to Union Textile Industries Public Company Limited (UT)'s announcement of the date change for ceasing textile operations from June 1, 2021, to July 1, 2021 and perform the action plans following the news notified via the Stock Exchange of Thailand on March 12, 2021. The progress of the action plans as follows.

1. The Spinning Mill has terminated all the operation since May 10, 2021

2. The Weaving Mill is expected to cease the operation from July 1, 2021. Afterward, the company will lay off employees in related areas. As of April 30, 2021, the company has currently employed 85 weaving mill employees. Once the company has terminated all production, the company will notify the Stock Exchange of Thailand.

3. Greige fabrics sales plan; The company expects to complete the orders and deliver the products to customers by the third quarter of 2021.

4. Asset management plan; After ceasing production, the company plans to gradually sell machinery and factory equipment, transportation equipment, and office equipment related to the textile operation. The disposal of these assets is expected to be completed by December 31, 2021. As of December 31, 2020, the assets book value is approximately 49 million baht or 36.30 percent of the net fixed assets value. For asset disposal, the company will adhere to the rules of the Stock Exchange of Thailand and The Securities and Exchange Commission.

5. Employee termination plan; The company will lay off employees in accordance with the production plan. They will be compensated according to the Labor Law. Concurrently, the company has considered a special compensation for the untimely dismissal, which will be allocated by considering their working period with the company. The company has sufficient liquidity to pay legal and special compensation to employees as described above. Currently, the company laid off 205 spinning mill employees and 54 weaving mill employees.

Although the company has ceased its core business, the textile operation, the company is still receiving other income from the lease of land and factory buildings and dividends from the investment. The company retains some employees to take care of the properties and responsibilities of being a public company, such as internal audit, preparation of financial statements, and any actions related to government agencies. The company is in the process of study the possibility of investing in new businesses. If there's any progress on this matter, the company shall inform later.

Please be informed accordingly.

Yours sincerely,

-Signature-

(Mrs. Srinual Sombatpraiwan)

Managing Director

