



Ref. STARK011/2562

August 28, 2019

Subject: Notification of Resolutions of the Board of Directors' Meeting No. 3/2019

Attn.: President

**The Stock Exchange of Thailand**

Enclosures: 1. Draft Amended Articles of Association of Stark Corporation Public Company Limited

Stark Corporation Public Company Limited (the "**Company**") hereby informs the significant resolutions of the Board of Directors' Meeting No. 3/2019, which was held on August 28, 2019 at 18:00 hours, to the Stock Exchange of Thailand ("SET") as follows:

1. It was resolved to grant approval to determine the offering price and the record date to determine the list of shareholders entitled to subscribe for the newly issued ordinary shares, the offering date of the newly issued ordinary shares and other details necessary for the allocation of the newly issued ordinary shares for right offering to the Company's existing shareholders, as follows:

The Extraordinary General Meeting of Shareholders No. 1/2019, which was held on April 11, 2019, resolved to approve the allocation of not exceeding 1,323,211,005 newly issued ordinary shares with a par value of THB 1.00 per share for right offering to the Company's existing shareholders, whereby the Board of Directors or the Executive Committee or the Chief Executive Officer or the person authorized by the Board of Directors or the Executive Committee or the Chief Executive Officer shall be authorized to consider setting out rules, conditions and other details necessary for and in connection with the issuance and allocation of the newly issued ordinary shares as necessary and appropriate under the applicable laws, including but not limited to the record date to determine the list of shareholders entitled to subscribe for the newly issued ordinary shares, the offering date of the newly issued ordinary shares and the procedures for share payment.

The determination of the offering price of the newly issued ordinary shares shall take into account the then current market conditions and the best interests of the Company, and such offering price shall not be lower than the par value of the Company's ordinary shares, namely THB 1.00 per share and/or with a discount of at least 15 percent of the market price calculated from the weighted average price of the Company's shares being traded on the SET for a period of not less than 7 consecutive business

days, but not exceeding 15 consecutive business days prior to the date such person shall be authorized to determine the offering price.

The Board of Directors' Meeting resolved to set out the rules, conditions and other details necessary for and in connection with the issuance and allocation of not exceeding 1,323,211,005 newly issued ordinary shares with a par value of THB 1.00 per share for right offering to the Company's existing shareholders, as follows:

- (1) The offering price is THB 1.00 per share, representing a ratio of 17.0 existing shares to 1 new share, any fraction thereof shall be disregarded.

The Company has been informed that Mr. Vonnarat Tangkaravakoon ("Mr. Vonnarat") and Stark Investment Corporation Limited which is considered as a person under Section 258 and Concert party of Mr. Vonnarat (collectively "Mr. Vonnarat Group") shall waive its rights to subscribe for the newly issued ordinary shares of Rights Offering in full of 21,500,000 shares; therefore, the offering ratio shall be 1.3 existing shares to 1.0 new share.

- (2) September 11, 2019 is the record date to determine the list of shareholders to subscribe for the newly issued ordinary shares pursuant to Section 225 of the Securities and Exchange Act B.E. 2535 (1992) (as amended).
- (3) The scheduled dates for subscription for the newly issued shares by way of right offering are September 23 – 27, 2019.

For the purpose of such right offering, the Extraordinary General Meeting of Shareholders No. 1/2019, which was held on April 11, 2019, resolved to approve the details of the procedures as follows:

- (1) Should there be any shares remaining from the first round of allocation by way of right offering, and the number of which is more than or equal to the number of shares oversubscribed by the existing shareholders, such remaining shares shall be allocated to all oversubscribers who have made payments therefor in full according to the number of their intended oversubscription.
- (2) Should there be any shares remaining from the first round of allocation by way of right offering and the number of which is less than the number of shares oversubscribed by the existing shareholders, such remaining shares shall be allocated to the oversubscribers in accordance with the following procedure:

- (2.1) The allocation shall be based on the existing shareholding percentages of the respective oversubscribers, by multiplying the existing shareholding percentages by the number of remaining shares to arrive at the number of shares to be allocated to the respective oversubscribers, and any fraction thereof shall be disregarded, provided that the number of allocated shares shall not exceed the number of shares subscribed and paid for by the respective shareholders.
- (2.2) Should there still be any shares remaining after the allocation under (2.1), such remaining shares shall be allocated to the respective oversubscribers who have not yet received the allocation of shares in full according to their existing shareholding percentages, by multiplying the existing shareholding percentages by the number of remaining shares to arrive at the number of shares to be allocated to the respective oversubscribers and any fraction thereof shall be disregarded, provided that the number of allocated shares shall not exceed the number of shares subscribed and paid for by the respective shareholders. The allocation of shares to the oversubscribers under the procedure in this (2.2) shall proceed until there shall be no more shares left to be allocated.

Under no circumstances shall the allocation of the oversubscribed shares as hereinabove described shall result in any oversubscribing shareholder's holding of the Company's shares to be increased up to or beyond the trigger point which will require the shareholder to make a tender offer as prescribed in the Notification of the Capital Market Supervisory Board No. TorJor. 12/2554 Re: Rules, Conditions and Procedures for the Acquisition of Securities for Business Takeovers and in violation of the foreign limit as specified in the Company's Articles of Association.

Furthermore, should there be any newly issued ordinary shares remaining from the allocation of shares by way of right offering and oversubscription, the Company shall proceed to reduce its registered capital by cancelling the newly issued ordinary shares remaining from the offering accordingly.

2. It was resolved to grant approval to propose the Shareholders' Meeting to consider approving the reduction of the Company's registered capital by THB 333,333,334 from THB 24,626,422,010 to be THB 24,293,088,676 by cancelling 333,333,334 authorized but unissued ordinary shares with a par value of THB 1.00 per share, which were issued to accommodate the newly issued ordinary shares for private placement, and the reduction of the Company's registered capital by cancelling the authorized

but unissued ordinary shares remaining from the allocation by way of right offering and oversubscription (if any).

3. It was resolved to grant approval to propose the Shareholders' Meeting to consider approving the amendment of Clause 4 of the Memorandum of Association of the Company to be in line with the reduction of the Company's registered capital by THB 333,333,334 from THB 24,626,422,010 to be THB 24,293,088,676 by cancelling 333,333,334 authorized but unissued shares, as per the following details:

"Clause 4.	Registered Capital	:	THB 24,293,088,676	(Twenty-Four Thousand Two Hundred Ninety-Three Million Eighty-Eight Thousand Six Hundred and Seventy-Six Baht)
	Divided into	:	22,489,877,671 shares	(twenty-two thousand four hundred eighty-nine million eight hundred seventy-seven thousand six hundred and seventy-one shares)
	Par Value per share	:	THB 1.00	(One Baht)
	Classified into	:		
	Ordinary Shares	:	22,489,877,671 shares	(twenty-two thousand four hundred eighty-nine million eight hundred seventy-seven thousand six hundred and seventy-one shares)
	Preferred Shares	:	-None-	-"

4. It was resolved to grant approval to propose the Shareholders' Meeting to consider approving the reduction of the Company by THB 9,960,166,357 from THB 24,293,088,676 to be THB 14,332,922,319 and from the paid-up capital of THB 22,489,877,671 to be THB 13,269,027,826 by changing the par value of the shares from THB 1.00 per share to be THB 0.59 per share to compensate for the Company's accumulated loss in order to maintain the existing number of 22,489,877,671 shares.

	<u>Before</u> adjustment	Adjustment	<u>After</u> adjustment
Registered capital:			
- Amount of shares	24,293,088,676	-	24,293,088,676
- Par value(Baht)	1.00	(0.41)	0.59
- Value (Baht)	24,293,088,676	(9,960,166,357)	14,332,922,319
Paid up capital:			
- Amount of shares	22,489,877,671	-	22,489,877,671
- Par value (Baht)	1.00	(0.41)	0.59
- Value (Baht)	22,489,877,671	(9,220,849,845)	13,269,027,826

Given that the resolution on the reduction of the Company's registered capital was passed during the course of the tender offer made by Mr. Vonnarat Tangkaravakoon ("Mr. Vonnarat") and Stark Investment Corporation Limited, which are the person under Section 258 and Mr. Vonnarat's concert party (collectively the "Tender Offerors"), the Company has thus informed the Tender Offerors of the details of such capital reduction and obtained their written consent to the capital reduction under such resolution without any impact on the price and conditions per the Tender Offerors' tender offer on this occasion.

In addition, the Board of Directors' Meeting also acknowledged and resolved to approve that after completion of the allocation of the newly issued ordinary shares by way of right offering in and around late September 2019, the figures of the Company's registered capital reduction shall be amended by changing the par value of the shares in this agenda item to be in line with the figures of the Company's paid-up registered capital after the allocation of the newly issued ordinary shares by way of right offering, which shall be proposed to the Shareholders' Meeting for further consideration and approval.

In addition, after the extraordinary general meeting No. 2/2019 on October 21, 2019, the Company shall distribute the capital reduction letter to the debtors in the same day and will complete the registration of capital reduction at Ministry of Commerce by 2019.

5. It was resolved to grant approval to propose the Shareholders' Meeting to consider approving the amendment of Clause 4 of the Memorandum of Association of the Company to be in line with the reduction of the Company's registered capital by THB 9,960,166,357 from THB 24,293,088,676 to be THB 14,332,922,319 by changing the par value of the shares from THB 1.00 per share to be THB 0.58 per share, as per the following details:

"Clause 4. Registered Capital	:	THB 14,332,922,319	(Fourteen Thousand Three Hundred and Thirty-Two Million Nine Hundred Twenty-Two Thousand Three Hundred and Nineteen Baht)
Divided into	:	22,489,877,671 shares	(twenty-two thousand four hundred eighty-nine million eight hundred seventy-seven thousand six hundred and seventy-one shares)
Par Value per share	:	THB 0.59	(Fifty-Ninth Satang)
Classified into	:		
Ordinary Shares	:	THB 22,489,877,671	(twenty-two thousand four hundred eighty-nine million eight hundred seventy-seven thousand six hundred and seventy-one shares)
Preferred Shares	:	-None-	-"

6. It was resolved to grant approval to propose the Shareholders' Meeting to consider approving the reduction of the number of the Company's directors from 12 to 9 directors.

7. It was resolved to grant approval to propose the Shareholders' Meeting to consider approving the amendment of the Articles of Association of the Company, whereby it was deemed appropriate to propose the Shareholders' Meeting to consider authorizing the Board of Directors or the Company's authorized directors or the person authorized by the Board of Directors or the Company's authorized directors to amend, add or change the wordings in the Articles of Association as necessary and appropriate to comply with the order of the public company registrar in the registration of the amendment of its Articles of Association with the Ministry of Commerce, as per the details in the draft amended Articles of Association of Stark Corporation Public Company Limited (Enclosure 2).
8. It was resolved to grant approval to appoint Mr. Nirouth Jeakvathanyoo to be a director as a replacement of Mrs. Thanyarat Sittanavithan whose resignation was effective on 16 August 2019, as he is fully qualified to be director under the requirements of the Office of Securities and Exchange Commission and the SET, with effect as of 28 August 2019 onwards.
9. It was resolved to grant approval to schedule the Extraordinary General Meeting of Shareholders No. 2/2019 to be held on October 21, 2019 at 9:00 hours at the Meeting Room of InterContinental Bangkok, no. 973 Phloen Chit Road, Lumpini Sub-district, Pathumwan District, Bangkok, and the record date to determine the list of shareholders entitled to attend the Meeting to be October 2, 2019, as per the following agenda:

Agenda Item 1 To consider approving the Minutes of the 2019 Annual General Meeting of Shareholders;

Agenda Item 2 To consider approving the reduction of the Company's registered capital by THB 333,333,334 from THB 24,626,422,010 to be THB 24,293,088,676 by cancelling 333,333,334 authorized but unissued ordinary shares with a par value of THB 1.00 per share, which were issued to accommodate the newly issued ordinary shares for private placement;

Agenda Item 3 To consider approving the amendment of Clause 4 of the Memorandum of Association of the Company to be in line with the reduction of the Company's registered capital;

Agenda Item 4 To consider approving the reduction of the Company's registered capital by THB 9,960,166,357 from THB 24,293,088,676 to be THB 14,332,922,319 and from the paid-up registered capital of THB 22,489,877,671 to be THB 13,269,027,826 by changing the par value of the shares from THB 1.00 per share to be THB 0.59 per share to compensate for the Company's accumulated loss in order to maintain the existing number of 22,489,877,671 shares;

Agenda Item 5 To consider approving the amendment of Clause 4 of the Memorandum of Association of the Company to be in line with the reduction of the Company's registered capital;

Agenda Item 6 To consider approving the reduction of the number of the Company's directors from 12 to 9 directors;

Agenda Item 7 To consider approving the amendment of the Company's Articles of Association;

Agenda Item 8 To consider other matters (if any).

10. It was resolved to authorize the Chief Executive Officer to have the authority to consider approving any amendment or change of the record date to determine the list of shareholders entitled to attend the Extraordinary General Meeting of Shareholders No. 2/2019 and any amendment or change of the date, time and place for the Extraordinary General Meeting of Shareholders No. 2/2019 in the event where the Company encounters any problems on documentations and information, which cause the delivery of such documents and information to the shareholders within the time as required by law and the relevant rules and regulations, to be delayed or to be essentially revised or changed in respect of such date and time as appropriate.

Please be informed accordingly.

Very truly yours,

(Mr. Sathar Chantrasettlead)

Director



Amendment to the Articles of Association

Article 10. Shares of the Company may be transferred without any restriction, except where such share transfer shall cause the Company's foreign shareholding to exceed forty-nine (49) percent of all issued shares of the Company.

Article 35. The Board of Directors may call a shareholders' meeting as an extraordinary meeting at any time as it deems fit or one (1) shareholder or more representing not less than ten (10) percent of all issued shares may request the Board of Directors in writing to call a shareholders' meeting as an extraordinary meeting at any time, provided that the matters and reasons to call such meeting must be clearly specified in the request, in which case, the Board of Directors shall convene a shareholders' meeting within forty-five (45) days from the date of receipt of such request from the shareholders.

Should the Board of Directors fail to convene a shareholders' meeting within such time as specified in paragraph one, all the shareholders who have made such request or the other shareholders representing the requisite number of shares may call such a meeting themselves within forty-five (45) days upon the lapse of such period under paragraph one, in which case, it shall be regarded as a shareholders' meeting convened by the Board of Directors, and as such, the Company shall be responsible for such costs essentially and reasonably incurred by the convening of such meeting and facilities thereof.

In any shareholders' meeting called under paragraph two, if the number of shareholders present at the meeting does not constitute a quorum as required by Article 37, the shareholders under paragraph two shall be jointly responsible to reimburse the Company for such costs incurred by the convening of such shareholders' meeting.

General meetings of the Company shall be held at the locality where the Company's head office is located or in nearby provinces or any other places as shall be designated by the Board of Directors and indicated in the meeting notices.

Addition to the Articles of Association

Meetings via Electronic Media

Article 42. Shareholders' meetings, the Board of Directors' meetings or meetings of any subcommittees of the Company may be conducted via electronic media, provided that such meeting shall meet the basic requirements as required by the Notification of the Ministry of Information and

Communication Technology, subject to compliance with the applicable laws, including but not limited to the Announcement of the National Council for Peace and Order No. 74/2014 dated June 27, 2014 Re: Electronic Conferencing, and the Notification of the Ministry of Information and Communication Technology Re: Security Standards for Electronic Conferencing B.E. 2557 (2014) (as amended and to be amended subsequently).

- Article 43. All meeting participants shall be present in the Kingdom at the time of such meeting, and at least one-third (1/3) of the quorum shall be present at the same place.
- Article 44. The person who conducts the meeting shall make arrangements for the meeting participants to verify their identity to attend the meeting via electronic media, and the directors present at the meeting who have successfully verified their identity to attend the meeting via electronic media shall be entitled to meeting allowances.
- Article 45. The meeting organizer shall utilize a conference control system in writing before holding such meeting, and arrange for a system controller to supervise and administer the conference control system from the beginning until the meeting is adjourned, who must be capable of managing the system to check the operation and resolve any problems for the meeting participants by way of remote access.
- Article 46. The notice of meeting and supporting documents may be delivered in accordance with the procedures, timeframe and published in a newspaper as required by law or the Articles of Association regarding such meetings, and may be sent by electronic mail instead. In this connection, the meeting organizer shall retain copies of meetings and supporting documents as evidence, which may be kept in electronic format.
- Article 47. All meeting participants shall be able to view such information being presented at the meeting via their communication equipment or devices throughout the meeting.
- Article 48. In case of necessity or emergency, the chairman of the meeting and/or the system controller shall be able to promptly disable the audio and/or visual signal of any participant's device within the system.
- Article 49. The meeting organizer shall prepare minutes of the meeting in writing and keep audio or both audio and visual records of the meeting participants throughout the meeting, which shall be stored in electronic media, and shall be deemed as part of the minutes of the meeting.