



No.033/2019

25 November 2019

Subject: Resolutions of the Board of Directors of Principal Capital Public Company Limited No. 8/2019 regarding the issuance and allocation of newly issued ordinary shares by way of private placement, under the General Mandate

To: The President
The Stock Exchange of Thailand

Enclosure Report on issuance and allocation of new shares under General Mandate (F53-4-1)

As Annual General Shareholders Meeting for Year 2019 of the Principal Capital Public Company Limited. (“the Company”) held on 25 April 2019, to approve the capital increase and allocation of newly issued ordinary share under the General Mandate scheme in the amount not exceeding 324,008,752 shares at par value of one Baht per share, representing not exceeding 10 percent of the Company’s paid-up capital for offering by way of private placement under the General Mandate scheme, including the authorization of the Board of Directors to consider and perform, offering for sale and allocation of the newly issued ordinary shares whether in whole or in part and whether in a single offering or multiple offerings, determining the objectives, offering period, offering price, investors to whom the shares will be offered, as well as other terms and conditions in relation to the allocation of such newly issued ordinary shares, including negotiating, agreeing and entering into any agreements and/or documents necessary and relevant to complete the allocation of the newly issued ordinary shares, including authorizing any person(s) the Board of Directors deems appropriate to negotiating, agreeing in any terms and conditions in the above agreement.

The Company would like to inform the resolutions of its Board of Directors’ Meeting No. 8/2019 held on 25 November 2019 as follows:

1. Consider and approve the issuance and allocation of newly issued ordinary shares by way of private placement, under the General Mandate which is the issuance and allocation according to Part 1 Chapter 2 of the Notification of the Capital Market Supervisory Board No. TorJor. 72/2558 Re: Application for the Approval of Offer for Sale of Newly Issued Shares by way of Private Placement (as amended), the AGM authorized the Board of Directors to offering for sale the newly issued ordinary shares at the market price, as follow details:

1.1 List of specific investor and number of newly issued shares to be allocation

Issued and allocate the newly issued ordinary shares at the amount not exceeding to 222,249,300 shares with a par value of 1 Baht per share, the offering price is 4.09 Baht per share to the private placement, IFC (International Finance Corporation) the institutional investor in World Bank Group with stable financial position, and is able to invest in the Company, along with knowledge, know-how, experience or capability to support the Company’s operation. The Board of Directors of the Company is carefully consider and audit the information about IFC and has an opinion that IFC is the potential investor, capable to invest in the Company and is not the



Company's connected persons under the notification of the Capital Market Supervisory Board No. TorJor.21/2551 entitled Rules on Connected Transactions and the Notification of the Board of Governors of the Stock Exchange Thailand ("SET") entitled Disclosure of Information and Other Acts of Listed Companies Concerning the Connected Transactions B.E. 2546 (A.D. 2003).

This issue and allocate the newly issued ordinary shares shall result IFC to become 6.42 % shareholder of the Company (calculate by the paid-up capital after register the newly share to Ministry of Commerce), IFC shall not be the major shareholder or controlling person of the Company

1.2 Offering price of newly issued ordinary shares for private placement

The offering price for private placement shall be 4.09 Baht per share, with 1.20% discount of the market price, the market price refers to the weighted-average price of the Company's shares traded on the SET during the period of 15 consecutive business days prior to the date of determination of the offering price by the Board of Directors which from 4 November 2019 to 22 November 2019, which was equivalent to Baht 4.14 per share (information from SETSMART at www.setsmart.com) so the offering price is not lower than 90 percent of the market price as defined in the notification of the Capital Market Supervisory Board No. TorJor. 72/2558

However, if the offering price of the newly issued ordinary shares by way of private placement on this occasion is lower than 90 percent of the market price, whereby the "market price" refers to the weighted average price of the Company's shares traded on the SET during the period from between 7 consecutive business days to not exceeding 15 consecutive business days prior to the date of determination of the offering price by the Board of Directors to the private placement. The Company's obliged to prohibit the specific investors from selling as such newly issued ordinary shares within one year from the date on which the Company's shares start trading on SET (Silent Period). Upon a lapse of six months after the Company's newly issued shares has started trading SET, the specific investors may gradually sell up to 25 percent off all such locked-up shares in accordance with the requirement set out in the notification of the SET RE: Rules, Conditions and Procedure for Consideration of Application for Listing of Ordinary Shares or Preferred shares for Capital increase as Listed Securities B.E. 2558 (A.D. 2015) along with the Circular Letter Re: The Stipulation on prohibiting the sales of shares in specified period (Silent Period) for shares or convertible securities offered through private placement as of 29 April 2015.

1.3 Period for subscription and payment for newly issued ordinary shares

The period for subscription and payment for newly issued ordinary shares shall be 26-28 November 2019, whereby the date of determination of the offering price shall not be more than 3 business days before the first day of the share offering by way of private placement.

In this regard, specific investors shall subscribe for not exceeding 222,249,300 newly issued ordinary shares of the Company and shall pay for the newly issued ordinary shares at the price of 4.09 Baht per share, totaling not exceeding 908,999,637 Baht, whereby after the offering of

(Translation)



the newly issued ordinary shares to 1 investor, the Company's there shall remain 101,759,452 shares, in respect of which the Board of Directors shall consider handling the remaining shares as appropriate.

The detail of the allocation of the newly issued ordinary shares are described in the report on issuance and allocation of new share under General Mandate (F53-4-1) according enclosure.

2. Consider to approved to entering to the Subscription Agreement including Agreement and other relevant document and/or under the agreement also perform the obligation under the agreement and other relevant document and/or under the agreement
3. Consider to authorized Dr.Satit Viddayakorn or Mr.Veera Srichanachaichok or Mr.Soontorn Sritra or Ms. Tanatorn Viddayakorn 2 in 4 jointly sign their names with the Company seal being affixed to undertake any actions in relation to the offering and allocation of such newly issued ordinary shares, under General Mandate as follows:
 - (1) Signing agreement and/or documents necessary and relevant to the allocation of the newly issued ordinary shares and related disclosure;
 - (2) Signing applications, waivers, notices and any documents relating to the allocation of such newly issued ordinary shares and listing such newly issued ordinary shares on SET as well as contacting, coordinating and filing documents with relevant government authorities or other agencies (whether in Thailand or overseas); and
 - (3) Perform in any acts necessary and relevant to the completion of the allocate and issue the newly issued ordinary shares.

Please be informed accordingly.

Yours sincerely

-Signature-

Miss Ritima Jirasuradate

Corporate Secretary





(F 53-4-1)

Report on issuance and allocation of new shares under General Mandate

Principal Capital Public Company Limited.

25 November 2019

We, Principal Capital Public Company Limited. (“the Company”), hereby report the resolutions of its Board of Directors’ Meeting No. 8/2019 held on 25 November 2019, regarding the new share allocation under General Mandate, with the detail as follows:

1. Number of new shares under General Mandate before this allocation

As Annual General Shareholders Meeting for Year 2019 of the Principal Capital Public Company Limited. (“the Company”) held on 25 April 2019, to approve the increase of the Company’s registered capital and allocation its newly issued ordinary share under the General Mandate and the authorization of the Board of Directors to consider the details of the allocation of newly issued ordinary shares by General Mandate, summarized as follows:

The Board of Directors Meeting No., held on....., to approve the issuance and allocation its newly issued ordinary share under the General Mandate No., which the remaining new shares under General Mandate to be allocated, the details of which may by summarized as follows:

Allocation to	Type of Securities	Number of Shares (shares)	Remark
Existing Shareholders	Ordinary Shares	-	-
	Preferred Shares	-	-
Public Offering	Ordinary Shares	-	-
	Preferred Shares	-	-
Private Placement	Ordinary Shares	Not exceeding 324,008,752	Please see the remark below
	Preferred Shares	-	-

Remark: The allocation of newly issued ordinary shares by way of private placement, under the General Mandate at the amount not exceeding 324,008,752 shares, or not exceeding 10 percent of the paid-up capital register of the Company as of the date that the Board of Directors of the Company had approved to issued and allocated of newly issued ordinary shares by way of private placement, under the General Mandate





2. Issuance and allocation of new shares under General Mandate (No.1)

2.1 Detail of allocation

Allocation to	Type of Securities	Number of Shares	Ratio (Old : New)	Offering price (Baht per share)	Share Subscription and payment date and time	Remark
Existing Shareholders	Ordinary Shares	-	-	-	-	-
	Preferred Shares	-	-	-	-	-
Total accommodate the conversion/ exercise of the transferable warrants	Ordinary Shares	-	-	-	-	-
	Preferred Shares	-	-	-	-	-
Public Offering	Ordinary Shares	-	-	-	-	-
	Preferred Shares	-	-	-	-	-
Private Placement	Ordinary Shares	Not exceeding 222,249,300	-	4.09	28 November 2019	Please see remark
	Preferred Shares	-	-	-	-	-

Remark:

(a) Details of the allocation of newly issued ordinary shares and the Price Determination

As the Board of Directors Meeting No. 8/2019, held on 25 November 2019 consider and approve the issuance and allocation of newly issued ordinary shares by way of private placement, under the General Mandate as follow;

1 Issued and allocate the newly issued ordinary shares at the amount not exceeding to 222,249,300 shares with a par value of 1 Baht per share, the offering price is 4.09 Baht per share to the private placement, IFC (International Finance Corporation) the institutional investor in World Bank Group with stable financial position, and is able to invest in the Company, along with knowledge, know-how, experience or capability to support the Company's operation and is not the Company's connected persons under the notification of the Capital Market Supervisory Board No. TorJor.21/2551 entitled Rules on Connected Transactions and the Notification of the Board of Governors of the Stock Exchange Thailand ("SET") entitled Disclosure of Information and Other Acts of Listed Companies Concerning the Connected Transactions B.E. 2546 (A.D. 2003).

2 The offering price for private placement shall be 4.09 Baht per share, with the invest value at the amount of not exceeding 908,999,637 Baht, the offer price has 1.20% discount of the market price, the market price" refers to the weighted-average price of the Company's shares traded on the SET during the period of 15 consecutive business days prior to the date of determination of the offering price by the Board of Directors which from 4 November 2019 to 22 November 2019, which was equivalent to Baht 4.14 per share (information from SETSMART at www.setsmart.com) so the offering price is not lower than 90 percent of the market price as defined in the notification of the Capital Market Supervisory Board No. TorJor. 72/2558





However, if the offering price of the newly issued ordinary shares by way of private placement on this occasion is lower than 90 percent of the market price, whereby the “market price” refers to the weighted average price of the Company’s shares traded on the SET during the period from between 7 consecutive business days to not exceeding 15 consecutive business days prior to the date of determination of the offering price by the Board of Directors to the private placement. The Company’s obliged to prohibit the specific investors from selling as such newly issued ordinary shares within one year from the date on which the Company’s shares start trading on SET (Silent Period). Upon a lapse of six months after the Company’s newly issued shares has started trading SET, the specific investors may gradually sell up to 25 percent off all such locked-up shares in accordance with the requirement set out in the notification of the SET RE: Rules, Conditions and Procedure for Consideration of Application for Listing of Ordinary Shares or Preferred shares for Capital increase as Listed Securities B.E. 2558 (A.D. 2015) along with the Circular Letter Re: The Stipulation on prohibiting the sales of shares in specified period (Silent Period) for shares or convertible securities offered through private placement as of 29 April 2015.

3 The period for subscription and payment for newly issued ordinary shares shall be 26-28 November 2019

(b) Information of the Specific Investor

Name	International Finance Corporation
Head office	Washington D.C., United State of America
Nature of Business	International Financial Institution provide the Investment, Advisory and Assets Management Service to support the private sector in developing country
Executive Vice President & CEO	Philippe Le Houérou
Parent organization	World Bank Group
Membership Country	184 countries
Relationship with the Company	None
Rationale on Allocation	The investor is an institutional investor with stable financial position and has potential to make an actual investment along with knowledge, know-how, experience or capability to support the Company’s operation Moreover, This offering of the newly issued ordinary shares to IFC was carried out at the price deemed as beneficial to the Company, due to its mere discount of 1.2 percent of the Market Price as well as that any other methods used for the offering of the newly issued ordinary shares would not be appropriate and not in the Company’s best interest at this time.



Shareholding Structure before and after the allocation of newly issued ordinary shares by way of private placement, under the General Mandate

Shareholder's name	Before the Allocation (as of 15 July 2019, calculated from existed paid-up capital)	
	Number of Shares (share)	% Shares
1. UBS AG Hong Kong Branch	1,262,060,526	38.95
2. Mr. Satit Viddayakorn	806,728,800	24.90
3. Ms. Satita Viddayakorn	498,054,588	15.37
4. Peak Development Holdings Ltd.	157,737,029	4.87
5. Ms. Sirinya Apimonbutra	100,000,000	3.09
6. Ms. Pallapa Viddayakorn	50,124,400	1.55
7. Mrs. Payao Chalacheep	27,511,900	0.85
8. Ms. Tanatorn Viddayakorn	22,985,100	0.71
9. Mr. Sueksit Phetchampai	15,947,400	0.49
10. Mr. Soontorn Sritha	15,149,000	0.47

Shareholder's name	Before the Allocation (as of 15 July 2019, calculated from existed paid-up capital)	
	Number of Shares (share)	% Shares
1. UBS AG Hong Kong Branch	1,262,060,526	36.45
2. Mr. Satit Viddayakorn	806,728,800	23.30
3. Ms. Satita Viddayakorn	498,054,588	14.38
4. International Finance Corporation (IFC)	222,249,300	6.42
5. Peak Development Holdings Ltd.	157,737,029	4.56
6. Ms. Sirinya Apimonbutra	100,000,000	2.89
7. Ms. Pallapa Viddayakorn	50,124,400	1.45
8. Mrs. Payao Chalacheep	27,511,900	0.79
9. Ms. Tanatorn Viddayakorn	22,985,100	0.66
10. Mr. Sueksit Phetchampai	15,947,400	0.46



(c) Criteria and Method of Selection of Specified Investors

The Company select the Specific Persons who allocated as the method as follow;

- (1) not being the Company's connected persons under the notification of the Capital Market Supervisory Board No. TorJor.21/2551 entitled Rules on Connected Transactions and the Notification of the Board of Governors of the Stock Exchange Thailand ("SET") entitled Disclosure of Information and Other Acts of Listed Companies Concerning the Connected Transactions B.E. 2546 (A.D. 2003) ; or
- (2) Being institutional investors in accordance with the Notification of the Securities and Exchange Commission No. KorChor. 17/2551 Re: Determination of Definitions in the Notification Relating to Issuance and Offer for Sale of Securities

2.2 The Company's arrangement with any fractions of shares

None

3. Number of remaining new shares under General Mandate for subsequent allocation

Allocation to	Type of Securities	Number of Shares	Remark
Existing Shareholders	Ordinary Shares	-	-
	Preferred Shares	-	-
Total accommodate the conversion/ exercise of the transferable warrants	Ordinary Shares	-	-
	Preferred Shares	-	-
Public Offering	Ordinary Shares	-	-
	Preferred Shares	-	-
Private Placement	Ordinary Shares	101,759,452	The Board of Director shall consider handling the remaining shares as appropriate.
	Preferred Shares	-	-

The due date for new share allocation under General Mandate is the date on which the Company holds the 2020 Annual General Meeting of Shareholders or the date by which the law require the Company to hold the next Annual General Meeting of Shareholders, whichever occurs first.

4. Schedule for determination of the right to subscribe for new shares

- The record date to determine the list of shareholders entitled to subscribe for such newly issued shares shall be on.....-.....
- The share register shall be closed to suspend any share transfer for the right to subscribe for such newly issued shares on-.....





5. The Progress of the capital increase/share allotment by relevant governmental agency and conditions thereto (if any)

5.1 The Company will submit the application for the registration of the change of its paid-up capital to the Department of Business Development, Ministry of Commerce within 14 days from the date on which the newly issued ordinary shares are allocated by way of private placement which is on 28 November 2019

5.2 The Company will submit the application to the SET for the listing of its newly issued shares.

6. Objectives of the capital increase and plans for utilizing proceeds received from the capital increase

As the Company has an investment plan to continuously expand its business in the future, it wishes to raise fund through the increase of its capital under the General Mandate scheme to be utilized as a source of fund to support its future investment plan and business expansion in a timely manner. The Company will consider the investments which are appropriate and beneficial to the Company's business as well as provide satisfactory returns and create values toward the Company and its shareholders in the long run. However, the amount of fund to be utilized in such investments remains uncertain, depending on an opportunity and worthiness of such investments at the time.

7. Benefits which the Company will receive from the capital increase/share allotment

This capital increase under the General Mandate scheme will enable the Company to raise fund within a short period of time and be ready for the implementation of its investment plan and business expansion in a timely manner including to find strategic partners to co-invest in the Company which would create an opportunity to generate income and profits to the Company, resulting in a long term positive returns for the shareholders and the stabilization of the Company's debt-to-equity ratio at a low level.

8. Expected benefits to the shareholders from the capital increase/new share allocation

8.1 The Company's expected benefits as described in cause 7 will help improve the Company's operating results and its ability to pay dividends to the shareholders. The Company has the policy to pay dividend to the shareholders at a rate of no less than 40% of the Company's annual net profit after deducting corporate income tax, legal reserve and other reserves. For the past years, the Company has never paid the dividend and presently in the period of business expansion. Therefore, the dividend payment policy may be adjusted based on the Company's business operations performance, business expansion plan, liquidity condition, as well as other necessary and appropriate factors in the future, with the authority to approve by the Board of Directors. All decisions will be to maximize benefits for the shareholders.

8.2 The subscribers for new shares on this occasion shall be entitled to dividends from the operating results after the investors who have been allocation with the newly issued ordinary shares on this occasion have been registered as the Company's shareholders, and they shall be entitled to dividends when the Company declares dividends in the same manner as the Company's existing shareholders.





9. Other details essential for the shareholders' decision on approve of the capital increase/new share allocation

Potential impact of the offering of newly issued ordinary shares by way of private placement

9.1 Price dilution:

$$\begin{aligned} &= \frac{\text{Pre-offering market price} - \text{Post-offering market price}}{\text{Pre-offering market price}} \\ &= \frac{4.1406 - 4.1373}{4.1406} \\ &= 0.08 \text{ per cent} \end{aligned}$$

Post-offering market price

$$\frac{(\text{Market price} * \text{Number of paid-up shares}) + (\text{Offering price} * \text{Number of shares offered})}{\text{Number of paid-up shares} + \text{Number of shares offered}}$$

Number of paid-up shares + Number of shares offered

$$\begin{aligned} &= \frac{(4.1406 * 3,240,087,520) + (4.09 * 222,249,300)}{3,240,087,520 + 222,249,300} \\ &= \text{Baht 4.1373 per share} \end{aligned}$$

9.2 Control dilution:

$$\begin{aligned} &= \frac{\text{Number of shares offered}}{\text{Number of paid-up shares} + \text{Number of shares offered}} \\ &= \frac{222,249,300}{3,240,087,520 + 222,249,300} \\ &= 6.42 \text{ percent} \end{aligned}$$

9.3 Earnings per Share (EPS) Dilution

$$\begin{aligned} &= \frac{(\text{EPS before the Offering} - \text{EPS after the Offering})}{\text{EPS before the Offering}} \\ &= \frac{(0.0032) - (0.0030)}{(0.0032)} \\ &= 6.25 \text{ percent} \end{aligned}$$

9.4 Change of the management structure of the Company:

None

10. Opinion of the Board of Directors

10.1 Rationale and Necessity of Capital Increase

According to consistency of the investment and expansion plan, the Board of Directors of the Company has opinion that the capital increase shall raise funding in a short period and ready for the future investment and expansion plan of the Company





10.2 Feasibility of Proceeds Utilization Plan

The Board of Directors of the Company has opinion that, in relation to the proceeds utilization plan stipulated in paragraph 6 above, is possible and appropriate. The Board of Directors approved the plan which shall support the Company's business operations in the long period

10.3 Rationality of capital increase, proceeds utilization plan and sufficiency of source of funds

According to clause 6 and 10.1 above, the Board of Directors has the opinion that the objectives of the capital increase, the proceeds utilization plan and the necessity of the capital increase are appropriate and will enhance the Company's competitiveness and will maintain its ability to compete as well as bringing sustainable growth to the Company.

10.4 Impact on the business operations, financial status and results of operations of the Company

The plan to utilize the proceeds from the capital increase is as described in paragraph 6 above, which will enhance the Company's effectiveness in growing its business and boost financial stability as well as the Company's business operation.

10.5 Rational of determination of the Offering price, the appropriate of the newly share that offer to the Specific person and Rational and necessity of the offering the newly share to the specific person

The Board of Directors has the opinion that the offering price at 4.09 Baht per share is appropriate calculated from the weighted-average price of the Company's shares traded on the SET during the period of 15 consecutive business days prior to the date of determination of the offering price by the Board of Directors which from 4 November 2019 to 22 November 2019, which was equivalent to Baht 4.14 per share and comply with the notification of the Capital Market Supervisory Board No. TorJor. 72/2558 and the Board of Directors considered that the offering price is not lower than 90 percent of the market price as defined in the notification No. TorJor. 72/2558

Furthermore, the issued and offering the new share to the specific person which is IFC shall support the Company in term of having the expert and experienced strategic partner with the potential to support the Company's business operations with the international branding

The Board of Directors of the Company is carefully consider and audit the information about IFC and has an opinion that IFC is the potential investor, capable to invest in the Company



(Translation)



11. Schedule for offering and allocation of new shares under General Mandate

No.	Procedures	Date
1	The Board of Directors' Meeting No.8/2019 to approve issuance and offering allocation of newly issued ordinary share by way of private placement under General Mandate	25 November 2019
2	Offering period and payment for newly issued shares by way of private placement	26-28 November 2019
3	Registration of change of the paid-up capital with the Ministry of Commerce	Within 14 days from the date on which the newly issued ordinary shares are allocated by way of private placement.

The Company hereby certifies that the information contained in this report is true and complete in all respects.

Please be informed accordingly.

Yours faithfully,

Principal Capital Public Company Limited

-Signature-

(Dr. Satit Viddayakorn)

Authorized Director

-Signature-

(Mr. Veera Srichanachaichok)

Authorized Director