

Ref: PCL 2021/011

May 8, 2021

Subject: Decrease and increase registered share capital, Issuance of Warrants, and Convening of the Extraordinary General Meeting No. 1/2021 (Revised)

To: The President of the Stock Exchange of Thailand

Enclosure :       1. Preliminary Details of Warrants to Purchase Ordinary Shares of Panjawattana Plastic Public Company Limited No. 1 to be allotted to the Existing Shareholders of the Company (PJW-W1)  
                      2. Capital Increase Report Form (F 53-4)

The Meeting of the Board of Directors of Panjawattana Plastic Public Company Limited (the "Company") No. 3/2021 held on May 8, 2021 has resolved as follows:

1. Approved to propose to the Shareholders' Meeting to consider and approve the issuance of warrants to purchase the Company's ordinary shares No. 1 ("PJW-W1") for the amount not exceeding 191,359,982 units allotted by means of Right Offerings at allotment ratio of 3 existing shares for 1 unit of the warrants. The warrants will have a term up to 3 years from the issuance date and 1 unit of the warrants has the right to purchase 1 ordinary shares of the Company at Baht 3 per share, except in case of right adjustment as stipulated in the right adjustment conditions of the warrants. (Preliminary Details of Warrants appears in Enclosure 1.)

The record date for determining the rights of shareholders to receive PJW-W1 is on July 1, 2021. However, the determination of such right remains uncertain subject to an approval of the Shareholders' Meeting of the Company.

The Board of Directors or the authorized directors or any person designated by the Board of Directors or by the authorized directors shall be authorized to undertake any actions with regard to the issue and allocation of PJW-W1, including, but not limited to determining or modifying the criteria, terms and conditions, and other details related to PJW-W1, including the allocation either once in full or in several occasions, the allocation ratio, the payment method, the exercise ratio, the Exercise Price and the calculation of the Exercise Price (including any premium), the record date for determining the rights of the Company's shareholders to receive PJW-W1, the first and last exercise date, and any other relevant terms and details. The said person(s) shall also be authorized to negotiate and sign in any relevant documents and agreements and perform any other necessary actions related to the issuance and allocation of PJW-W1, the listing of PJW-W1 to be issued and the ordinary shares to be issued upon exercising the right to purchase ordinary shares under PJW-W1 on the Stock Exchange of Thailand, as well as to proceed with applications for the necessary approval from relevant authorities



and to appoint and designate other appropriate persons to be the substitute attorney in fact to perform the above

2. Approved to propose to the Shareholders' Meeting to consider and approve the reduction of the registered capital of the Company from Baht 287,040,000 to Baht 287,039,972.50 by cancelling unsubscribed 55 ordinary shares at a par value of Baht 0.50 per share and the amendment of the Clause 4 of the Memorandum of Association to reflect the reduction of the registered capital, as well as the authorization of the Board of Directors or any person designated by the Board of Directors or by the authorized directors, to undertake any acts necessary for the reduction of the registered capital of the Company.
3. Approved to propose to the Shareholders' Meeting to consider and approve the increase of the registered capital of the Company from Baht 287,039,972.50 to Baht 382,719,963.50 by issuance of 191,359,982 new ordinary shares at a par value of Baht 0.50 per share or a total amount of Baht 95,679,991.00 and the amendment of the Clause 4 of the Memorandum of Association to reflect the increase of the registered capital, as well as the authorization of the Board of Directors or any person designated by the Board of Directors or by the authorized directors, to undertake any acts necessary for the increase of the registered capital of the Company.
4. Approved to propose to the Shareholders' Meeting to consider and approve the allotment of up to 191,359,982 shares with a par value of Baht 0.50 per share to accommodate the exercise of right to purchase the Company's ordinary shares according to PJW-W1. (Details are as stipulated in the Capital Increase Form (F53-4) – Enclosure 2)
5. Approve to convene the Extraordinary General Meeting No. 1/2021 on June 24, 2021 at 1.00 p.m. at Golden Tulip Sovereign Bangkok Hotel will be held to consider the following agenda:

Agenda 1: To certify the Minute of the 2021 Annual General Meeting of the Shareholders on April 2, 2021.

Agenda 2: To consider and approved the issuance of warrants to purchase the Company's ordinary shares No. 1 ("PJW-W1") for the amount not exceeding 191,359,982 units allotted by means of Right Offerings.

Agenda 3: To consider and approve the reduction of the registered capital of the Company and the amendment of the Clause 4 of the Memorandum of Association to reflect the reduction of the registered capital.

Agenda 4 To consider and approve the increase of the registered capital of the Company and the amendment of the Clause 4 of the Memorandum of Association to reflect the increase of the registered capital.



**PJW**  
PANJAWATTANA PLASTIC

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Agenda 5 To consider and approve the allotment of up to 191,359,982 shares with a par value of Baht 0.50 per share to accommodate the exercise of right to purchase the Company's ordinary shares according to PJW-W1.

Agenda 6 Others (if any)

By authorizing the Chairman of the Executive Committee or the Person authorized by the Chairman of the Executive Committee to take any action relating to the Extraordinary General Meeting of Shareholders No. 1/2021, including issuing notice of the Extraordinary General Meeting of Shareholders No. 1/2021, amending the date, time, place person attended and other details of the Extraordinary General Meeting of Shareholders No. 1/2021 as deemed necessary or appropriate and subject to the conditions according to Law

6. Approve to set the record date on May 27, 2021 for determining the shareholders entitled to attend the Extraordinary General Meeting No. 1/2021.

Please be informed accordingly.

Sincerely yours

(Mrs. Prim Chaiyawat)

Company's Secretary

**Preliminary Details of Warrants to Purchase Ordinary Shares of Panjawattana Plastic Public Company Limited No. 1 to be Allotted to the Existing Shareholders of the Company (PJW-W1)**

**1. Summary of preliminary details of Warrants to purchase ordinary shares of Panjawattana Plastic Public Company Limited (the “Company”) No. 1 (“PJW-W1” or the “Warrants”) to be allotted to the existing shareholders of the Company**

Type and category of Warrants : Warrants to purchase newly issued ordinary shares of Panjawattana Plastic Public Company Limited No. 1 (“PJW-W1” or the “Warrants”), specified the name of the holder and transferable

Number of Warrants offering : Not exceeding 191,359,982 units

Date of issuance : Within 1 year from the date of the approval of issuance of the Warrants by the Shareholders Meeting.

The Board of Directors and/or the person(s) entrusted by the Board of Directors and/or Managing Director is (are) authorized to determine the issuing date of Warrants after having obtained approval from the Shareholders Meeting.

Maturity of Warrants : 3 years from the date of Warrants issuance

Numbers of ordinary shares allocated to accommodate the exercise of the Warrants : Not exceeding 191,359,982 shares at the par value of Baht 0.50 per share or 33.33% of the Company’s total paid up capital of 574,079,945 shares as at March 15, 2021.

Offering price per unit : Baht 0

Allotment : Warrants shall be allocated to the existing shareholders of the Company (Rights Offering) at the ratio of 3 ordinary shares for 1 unit of the Warrants. In this regard, the names of shareholders entitled to receive the Warrants shall be determined on July 1, 2021 (Record Date).

In the event there is any fraction from the calculation after the allotment to the existing shareholders, the Company will disregard that fraction. In the event that there is any unit of the Warrant left after the allotment to the existing shareholders, the Company will cancel the remaining Warrants and the final outstanding balance of the allotted Warrants will be equal to the number of the Warrants duly allotted to the existing shareholders.

- Exercise ratio : 1 unit of the Warrant has the rights to purchase 1 ordinary share, unless the exercise ratio is adjusted under a rights adjustment provisions.
- Exercise price : Baht 3.00 per 1 ordinary share, unless the exercise ratio is adjusted under a rights adjustment.
- Exercise period : The holders of PJW-W1 can firstly exercise their right to purchase the Company's shares on the 1<sup>st</sup> anniversary of the issuance date of PJW-W1 (the "First Exercise Date"). If the First Exercise Date is a holiday, it shall be changed to the last business day prior to the 1<sup>st</sup> anniversary of the issuance date of PJW-W1
- From the Second Exercise Period onwards, The holders of PJW-W1 can exercise their rights to purchase the Company's shares on the last business day of May and November of each calendar year until the maturity of Warrants.
- The last exercise date will be at the maturity date of the Warrants. If the last exercise date is a holiday, it is subject to change to the last business day prior to the maturity date of the Warrants.
- Period for notification of intention to exercise the Warrants : The holders of PJW-W1 who wish to exercise the rights to purchase ordinary shares of the Company are required to submit notification of the intention to exercise the Warrants during the period from 9.00 am to 4.00 pm within 5 business days before each exercise date until the expiration of the Warrants. In any case, for the last exercise date, the Warrants holders have to submit their notification of intention within 15 days before the last exercise date.
- Conditions concerning the adjustment of the exercise ratio and exercise price : Whenever there is any change in exercise price and exercise ratio under the circumstances as defined by the Notification of Capital Market Supervisory Board.
- The Company may adjust the exercise price and exercise ratio to ensure that the benefits of Warrant holders are no less favorable in the event of the following:
- (1) When the Company changes the par value of the ordinary shares due to a consolidation or split of the ordinary shares;
  - (2) When the Company offers newly issued ordinary shares to the existing shareholders on rights offering basis, and/or on public offering and/or on private placement

basis at a price lower than 90% of the price calculated based on the market price as stated in the Warrants Covenants;

- (3) When the Company offers any newly issued securities on rights offering basis, and/or on public offering and/or on private placement basis that are convertible/exchangeable into ordinary shares (i.e. convertible bonds or warrants to purchase ordinary shares) for which the offering price of such newly issued ordinary shares is lower than 90% of the price calculated based on the market price as stated in the Warrants Covenants;
- (4) When the Company makes all or partial dividend payment by way of issuing new ordinary shares to shareholders;
- (5) When the Company pays cash dividend that exceeds 80% of total net profit after taxes for any operating year during the tenor of PJW-W1
- (6) When there are any other events similar to those mentioned in 1) to 5) above that may impair benefits of holders of PJW-W1. The Company shall adjust the exercise price and exercise ratio to ensure the benefits of the holders of PJW-W1 are not less favorable.

Accordingly, the Board of Directors and/or the person(s) entrusted by the Board of Directors and/or the Managing Director is(are) authorized to consider fixing other conditions and details related to adjustment or changes in the exercise ratio and exercise price.

Other conditions	: The Board of Directors and/or the person(s) entrusted by the Board of Directors and/or the Managing Director is(are) empowered to determine criteria, conditions and other details related to PJW-W1 including but not limited to having the power to negotiate, agree and sign any relevant documents and agreements and to perform any other necessary actions related to PJW-W1 including issuing, offering and listing the ordinary shares from the exercise of PJW-W1 on the Market for Alternative Investment (MAI). However, the Company shall not extend the life of Warrants, no revise, no change price with exercise ratio; except to adjust by the conditions of rights adjustment.
Warrants registrar	: Thailand Securities Depository Company Limited
Secondary market of Warrants	: The Market for Alternative Investment (MAI)

Secondary market of the share : The Market for Alternative Investment (MAI)  
 issued as result of exercising  
 Warrants

## 2. Dilution effect to shareholders from issuing and offering Warrants to the existing shareholders

### 2.1. Price Dilution

$$\text{Price Dilution} = \frac{P_0 - P_1}{P_0}$$

$P_0$  = Market price prior to the offering of the Warrants which can be calculated based on the weighted average of the daily trading price of the Company's ordinary shares traded on the MAI for fifteen (15) consecutive trading days prior to the Company's Board of Directors Meeting No. 3/2021 dated May 8, 2021 passing approval of the Warrants issuance.

$P_1$  = Market price after offering of the Warrants

$$= \frac{(P_0 \times Q_0) + (P_w \times Q_w)}{Q_0 + Q_w}$$

$$= \frac{(\text{Baht } 4.36 \text{ per share} \times 574,079,945 \text{ Shares}) + (\text{Baht } 3.00 \text{ per share} \times 191,359,982 \text{ Shares})}{(574,079,945 \text{ Shares} + 191,359,982 \text{ Shares})}$$

$$= \text{Baht } 4.02 \text{ per share}$$

Where:

$Q_0$  = The number of paid-up shares prior to the offering of the Warrants of 574,079,945 shares;

$Q_w$  = The number of shares reserved for the exercising of the Warrants of 191,359,982 shares;

$P_w$  = Exercise of the Warrants of Baht 3.00 per share.

Therefore,

$$\begin{aligned} \text{Price Dilution} &= \frac{(\text{Baht } 4.36 \text{ per share} - \text{Baht } 4.02 \text{ per share})}{\text{Baht } 4.36 \text{ per share}} \\ &= 7.80 \% \end{aligned}$$

### 2.2. Control Dilution

In the event that the existing shareholders fully exercise the total of 191,359,982 units of the Warrants, there will not be any effect on the voting rights of the existing shareholders (control dilution).

However, in the event that the existing shareholders do not exercise the Warrants and all Warrants have been exercised by other persons, the existing shareholders will experience the control dilution of 25.00%.

$$\begin{aligned}
 \text{Control Dilution} &= \frac{Q_w}{Q_0 + Q_w} \\
 &= \frac{191,359,982 \text{ Shares}}{(574,079,945 \text{ Shares} + 191,359,982 \text{ Shares})} \\
 &= 25.00\%
 \end{aligned}$$

### 2.3. EPS Dilution

In the event that the entire 191,359,982 units of the Warrants are fully exercised, the existing shareholders will experience the EPS dilution of 25.00%.

$$\text{EPS Dilution} = \frac{\text{EPS}_0 - \text{EPS}_1}{\text{EPS}_0}$$

Where:

$$\text{EPS}_0 = \text{EPS prior to the offering of the Warrants}$$

$$= \frac{\text{Net Profits of the Company}}{Q_0}$$

$$= \frac{\text{Baht } 115,047,138.33}{574,079,945 \text{ Shares}}$$

$$= \text{Baht } 0.20 \text{ per share}$$

$$\text{EPS}_1 = \text{EPS after the offering of the Warrants}$$

$$= \frac{\text{Net Profits of the Company}}{Q_0 + Q_w}$$

$$= \frac{\text{Baht } 115,047,138.33}{574,079,945 \text{ Shares} + 191,359,982 \text{ Shares}}$$

$$= \text{Baht } 0.15 \text{ per share}$$

Therefore,

$$\begin{aligned}
 \text{EPS Dilution} &= \frac{\text{Baht } 0.20 \text{ per share} - \text{Baht } 0.15 \text{ per share}}{\text{Baht } 0.20 \text{ per share}} \\
 &= 25.00\%
 \end{aligned}$$



(F 53-4)

**Capital Increase Form**  
**Panjawattana Plastic Public Company Limited**

**Date: May 8, 2021**

We, Panjawattana Plastic Public Company Limited (“the Company”), hereby report the resolutions of the Board of Directors’ Meeting No. 3/2021, held on May 8, 2021, during 10.00 am. – 12.00 am. in relation to the decrease of the registered share capital, increase of the registered share capital and the allocation of new ordinary shares as follows:

**1. Capital decrease and Capital increase**

- 1.1. The Board of Directors’ Meeting resolved to reduce the registered share capital of the Company from Baht 287,040,000 to Baht 287,039,972.50 by way of cancelling its ordinary shares at the amount of 55 shares at par value of Baht 0.50 per share.
- 1.2. The Board of Directors’ Meeting resolved to increase the registered share capital of the Company from Baht 287,039,972.50 to Baht 382,719,963.50 by issuing the new ordinary shares at the amount of 191,359,982 shares at par value of Baht 0.50 per share and total value of Baht 95,679,991.00 details of which are as follows:

Type of Capital Increase	Type of Shares	Number of Shares	Par Value (Baht / Share)	Total (Baht)
<input checked="" type="checkbox"/> Specifying the purpose of utilizing proceed	Ordinary shares	191,359,982	0.50	95,679,991.00
<input type="checkbox"/> General Mandate	-	-	-	-

**2. Allocation of new ordinary shares**

The Board of Directors’ Meeting resolved to allocate not exceeding 191,359,982 new ordinary shares with Baht 0.50 par value per share, the details are as follows:

2.1. Detail of allocation

Allocated to	No. of Shares	Portion (Existing : New)	Offering Price (Baht/share)	Subscription and Payment Period	Remarks
To accommodate the exercise of right under the warrants to purchase ordinary shares of the Company No. 1 (P JW-W1) allotted to the existing shareholders	Not exceeding 191,359,982 Shares	3 existing ordinary shares for 1 unit of P JW-W1	- P JW-W1 shall be allotted to existing shareholders without charge - 1 unit of P JW-W1 carries the right for the holder to	The Company shall specify the issuance date of P JW-W1 after the shareholders resolving to approve the capital increase	Please see Enclose 1

Allocated to	No. of Shares	Portion (Existing : New)	Offering Price (Baht/share)	Subscription and Payment Period	Remarks
			subscribe 1 ordinary share of the company at the exercise price of Baht 3.00 per share	and the issuance of PJW-W1 and shall then notify shareholders via SETPORTAL	

2.2. The Company's plan in case where there is a fraction of shares remaining

- (a) In the event where there is any fraction of unit of PJW-W1 from the allotment calculation, such a fraction of unit of PJW-W1 shall be disregarded.
- (b) In the event where there is a fraction of shares arising from the exercise of right to subscribe ordinary shares of the Company in accordance with PJW-W1, such a fraction of share shall be disregarded.

**3. Determination the date for the shareholders' meeting for approval of capital increase/allocation for capital increase**

The date for the Extraordinary General Meeting of Shareholders No. 1/2021 is set to be on June 24, 2021, at 1.00 p.m. at Golden Tulip Sovereign Bangkok Hotel. The share register book's record date to determine the shareholders' right to attend the shareholders' meeting is scheduled to be on May 27, 2021.

**Procedures for Attending to the Extraordinary General Meeting No. 1/2021 via Electronic Media appears in Enclosure 3.**

**4. Approval of the capital increase/share allotment by relevant governmental agency and conditions thereto (if any)**

- 4.1. The Company shall register capital increase at Ministry of Commerce.
- 4.2. The Company shall submit the application form to the Stock Exchange of Thailand for approval of PJW-W1 and new ordinary shares that derived from exercising of PJW-W1 to be listed on the Market for Alternative Investment (MAI).

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

- 5.1. To reserve for the accommodation of the exercise of the warrant allocated to the existing shareholders (PJW-W1).
- 5.2. To provide readiness and enhance financial strengths of the Company so that the Company has financial flexibility in proceeding with its future projects as well as to reserve funds to be

used as working capital and/or to pay down debt when the warrant holders exercise their rights under PJW-W1.

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

To enhance the financial strengths and to retain the liquidity of working capital for the Company's operation

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

In the event that PJW-W1 holders opt to exercise their right to subscribe the Company's shares, it shall provide the Company more working capital and liquidity for future investment, which shall lead to higher revenue and more profitable and eventually shall increase the Company's capability to pay more dividend.

Currently, the Company has the policy to pay dividend to shareholders at the rate of not less than 40 per cent of its annual net profit shown in the Company's separate financial statements after deduction of tax and legal reserves as well as other reserves. (However, payment of dividend may depend on the Company's plan, its' liquidity, necessities, the suitability in the future plan subject to the discretion of the Board of Directors for the utmost benefits of the shareholders. The shareholders who exercise those allotted warrants shall receive all the same rights as the Company's existing shareholders, such as the right to receive dividends, the right to attend and to vote in the shareholders meeting.

**8. Other details necessary for shareholders to approve the capital increase/share allotment**

In case of the issuance warrants to existing shareholders, the dilution effect of existing shareholders will be affected as Enclosure 1

**9. Schedule of actions where the Board of Directors of the Company passes a resolution approving the capital increase / share allotment**

No.	Procedures of the Capital Increase	Date / Month/ Year
1	The date of Board of Directors' meeting to approve the capital increase	May 8, 2021
2	The date to determine the shareholders' rights to attend the Extraordinary General Meeting of Shareholders No. 1/2021 (Record Date)	May 27, 2021
3	The date of Extraordinary General Meeting of Shareholders No. 1/2021	June 24, 2021
4	The date to determine the shareholders' rights who will be entitled to receive an allotment of the PJW-W1	July 1, 2021
5	The registration of resolution on capital increase with the Ministry of Commerce	Within 14 days after the EGM

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

Signature..... Authorized Director  
(Mr.Satit Hemmondharop)  
(Chief Executive Officer)

Signature..... Authorized Director  
(Mrs.Malee Hemmontharop)  
(Vice Chief Executive Officer)