

(“Translation”)

RATCH 215/2021

22 June 2021

**Subject:** Capital increase and issuing and offering of new ordinary shares in proportion to the shareholding of existing shareholders, excluding shareholders whose holding of such share would subject the Company to any obligations under the law of other jurisdictions. (Preferential Public Offering : PPO)

**Attention:** President of the Stock Exchange of Thailand

**Enclosure:** Capital Increase Report Form (F53-4)

RATCH Group Public Company Limited (the “Company”), would like to inform you that the Board of Directors' Meeting No. 6/2021 of the Company held on 22 June 2021 has resolved to approve the important matters as follows:

1. Approved to propose to the Extraordinary General Meeting of Shareholders to consider and approve the increase of the registered capital of the Company from THB 14,500,000,000 to THB 22,192,307,700 by way of issuing new ordinary shares in the amount of 769,230,770 shares at par value of THB 10 each, totaling THB 7,692,307,700 for issuing and offering the shares in proportion to the shareholding of existing shareholders, excluding shareholders whose holding of such share would subject the Company to any obligations under the law of other jurisdictions (Preferential Public Offering or PPO) and for issuing and offering the shares under the private placement (the “Registered Capital Increase”).

Please see additional details in the Capital Increase Report Form (F53-4) (Enclosure).

2. Approved to propose to the Extraordinary General Meeting of Shareholders to consider and approve the amendment to Clause 4. of the Memorandum of Association to reflect the Registered Capital Increase;
3. Approved to propose to the Extraordinary General Meeting of Shareholders to consider and approve the allocation of new ordinary shares as follows:
  - 3.1 To consider and approve the allocation of up to 769,230,770 shares at par value of THB 10 each for issuing and offering to existing shareholders in proportion to their shareholding, excluding shareholders whose holding of such share would subject the Company to any obligations under the law of other jurisdictions (Preferential Public Offering: PPO), at an offering ratio of not less than 1.885 existing ordinary shares to 1 new ordinary share, provided that a fraction of share will be rounded down, and the existing shareholders shall be entitled to oversubscribe for the new ordinary shares in excess of their rights; whereas new ordinary shares remaining unsubscribed from the first allocation will be re-allocated to every shareholder who has oversubscribed for and fully paid the price of the shares, whereby each round of reallocation will be made accordingly in proportion to their respective shareholdings of each oversubscribing shareholder (the “PPO”). In this regard, the allocation of the oversubscribed shares shall be made in accordance with the following details:

- 1) if the number of shares remaining from the first allocation to the existing shareholders in proportion to their respective shareholdings is higher than or equal to the number of shares which are oversubscribed for by the existing shareholders, the Company will allocate the remaining shares to all oversubscribing shareholders who have fully paid the price of the oversubscribed shares in accordance with the number of shares for which they have expressed their intention to oversubscribe;
- 2) If the number of shares remaining from the first allocation to the existing shareholders in proportion to their respective shareholdings is lower than the number of shares which are oversubscribed for by the existing shareholders, the Company will allocate the remaining shares to the oversubscribing shareholders as follows:
  - 2.1) the Company will allocate the remaining shares by multiplying the shareholding percentage of each oversubscribing shareholder by the number of the remaining shares, the result thereof will be in the round number of shares to be allocated to the oversubscribing shareholders. In the case of a fraction of a share, the fraction shall be rounded down. However, the number of shares to be allocated shall not exceed the number of shares for which each shareholder has subscribed and fully paid for;
  - 2.2) if there are shares remaining from the allocation pursuant to 2.1), the Company will allocate the remaining shares to each oversubscribing shareholder who has not been fully allocated with oversubscribed shares by multiplying the shareholding percentage of each oversubscribing existing shareholder by the number of the remaining shares, the result thereof will be the round number of shares be allocated to the oversubscribing shareholders. In the case of a fraction of a share, the fraction shall be rounded down. However, the number of shares to be allocated shall not exceed the number of shares for which each shareholder has subscribed and fully paid for. The Company shall allocate the oversubscribed shares to the oversubscribing shareholders in accordance with the procedures under this provision until there are no shares remaining from the allocation.

If the share subscription under the PPO would result in any subscriber holding the shares in the number which reaches or crosses the threshold where a tender offer for all securities of the Company is required under the law, such shareholder must comply with the relevant laws and regulations.

The offering price of the new ordinary shares in the PPO (the "PPO Price") is to be determined by the weighted average price of the Company's shares during a period of 7 – 15 consecutive trading days prior to the determination date of the PPO Price (the "Market Price") less a discount of not more than 25 percent of the Market Price and the amount of such discount shall be determined according to the market condition and other factors that are relevant as the Company considers appropriate, with the total value of PPO of approximately THB 30,000,000,000. The Company will

further announce the PPO Price together with the offering ratio of the PPO (the ratio of existing ordinary share to new ordinary share) prior to the date to determine the list of shareholders being entitled to the offering of new ordinary shares in the PPO (Record Date).

The date to determine the list of shareholders being entitled to the offering of new ordinary shares in the PPO (Record Date) and the period for subscription and subscription payment in respect of the PPO will be later determined and further announced by the Company as they remain tentative and are subject to the approval of the Extraordinary General Meeting of Shareholders.

The Company reserves the right to not offer or allocate the new ordinary shares in the PPO to any shareholder if such offering or allocation will or may result in the Company being subject to any obligations under the law of other jurisdictions. In this regard, the Company has contemplated that no offering or allocation of new ordinary shares in the PPO will be made to shareholders in the United States of America, Canada, the People's Republic of China, South Africa and other jurisdictions as the Company may deem appropriate (which may include no offering or allocation of new ordinary shares in the PPO to U.S. Persons as defined under Regulation S of the U.S. Securities Act of 1993).

In this regard, the Chief Executive Officer and/or any person designated by the Chief Executive Officer shall be authorised to undertake any actions with regard to the allocation of such new ordinary shares including, but not limited to:

- 1) determining, amending and modifying any conditions and details in relation to the PPO, including, but not limited to:
  - a) the number of new ordinary shares to be allocated to existing shareholders;
  - b) the date to determine the list of shareholders being entitled to the offering of new ordinary shares in the PPO (Record Date);
  - c) any shareholders who may not be entitled to subscribe for or being allocated of the new ordinary shares in the PPO if such offering or allocation will or may result in the Company being subject to any obligations under the law of other jurisdictions;
  - d) the offering ratio of the PPO (i.e. the subscription ratio of existing ordinary share to new ordinary share);
  - e) the PPO Price and the calculation of the PPO Price;
  - f) the method of oversubscription share allocation;
  - g) the period of subscription and subscription payment of the PPO; and
  - h) any other conditions and details of the PPO;

- 2) negotiating, agreeing and signing any relevant documents and agreements, as well as to undertake any acts in connection with the foregoing allocation of new ordinary shares;
- 3) signing application for approval and waiver as well as any evidences in connection with the foregoing allocation of new ordinary shares, including preparing and submitting application for approval and waiver, as well as documents, reports and evidences to competent authorities or relevant agencies, registering the new ordinary shares as registered securities on the Stock Exchange of Thailand, and performing any other acts necessary for the foregoing allocation of new ordinary shares as deemed appropriate;
- 4) appointing and designating other appropriate persons to be the substitute attorney in fact to perform the foregoing acts or deeds.

Please see additional details in the Capital Increase Report Form (F53-4) (Enclosure).

- 3.2 In the case there are remaining unallocated new ordinary shares after the allocation in respect of the PPO under clause 3.1 above, to consider and approve the allocation of such remaining unallocated new ordinary shares under PPO, either in whole or in part, for issuing and offering to specific persons (private placement), including institutional investors and/or specified investors pursuant to the Notification of the Capital Market Supervisory Board No. TorJor. 72/2558 Re: Approval for Listed Companies to Offer Newly Issued Shares through Private Placement (as amended) (the "TorJor. 72/2558 Notification") (the "Private Placement") whereas the persons to whom the new ordinary shares under the Private Placement will be allocated must be investors with the real potential to invest in the Company and are not the connected persons of the Company pursuant to the Notification of the Capital Market Supervisory Board No. TorJor. 21/2551 Re: Rules on Connected Transactions dated 31 August 2008 (as amended), and the Notification of the Stock Exchange of Thailand Re: Disclosure of Information and Other Acts of Listed Companies Concerning the Connected transaction B.E. 2546 dated 19 November 2003 (as amended).

The Board of Directors or authorised directors of the Company or any person designated by the Board of Directors or authorised directors of the Company (including the Chief Executive Officer and/or any person designated by the Chief Executive Officer) shall be authorised to determine the offering price of the new ordinary shares in respect of the Private Placement (the "PP Offering Price") which must be the best price under the given market conditions during the period of the Private Placement, and the said PP Offering Price may be lower than the average share price given the possible impacts from the PPO which is determined pursuant to the TorJor. 72/2558 Notification<sup>1</sup> (the "Fully Diluted Price") but must not be lower than the PPO Price. With regard to the consideration and approval of the Private

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<sup>1</sup> The Fully Diluted Price is calculated according to the following formula:

$$\frac{[(\text{Market price before the Private Placement as determined pursuant to the TorJor. 72/2558 Notification} \times \text{Total number of paid-up shares of the Company before the PPO}) + (\text{PPO Price} \times \text{Number of offered shares in the PPO})]}{[\text{Total number of paid-up shares of the Company before the PPO} + \text{Number of offered shares in the PPO}]}$$

Placement by the meeting of shareholders, there shall be no objection to the proposed Private Placement by shareholders holding in aggregate 10 percent or more of total voting rights of the shareholders attending and having voting right at the meeting.

The Company is required to complete the offering of the new ordinary shares in the Private Placement within 12 months from the date on which the meeting of shareholders resolves to approve such offering.

In this regard, the Chief Executive Officer and/or any person designated by the Chief Executive Officer shall be authorised to undertake any acts with regard to the allocation of such new ordinary shares including, but not limited to:

- 1) determining, amending and modifying any conditions and details in relation to the Private Placement, including, but not limited to:
  - a) the number of new ordinary shares to be allocated and the method of allocation of shares in the Private Placement;
  - b) the allocation of new ordinary shares under the Private Placement in whole for offering at one time, or in portions for offering in lots from time to time whereby a change of registered capital can be registered for each lot of offering according to share payment by allocated persons in each lot;
  - c) persons to be allocated the new ordinary shares under the Private Placement;
  - d) the PP Offering Price and the calculation of the PP Offering Price;
  - e) the offering period of the Private Placement and share payment of the Private Placement; and
  - f) any other conditions and details of the Private Placement.
- 2) negotiating, agreeing and signing any relevant documents and agreements, as well as to undertake any actions in connection with the foregoing allocation of new ordinary shares;
- 3) signing application for approval and waiver as well as any evidences in connection with the foregoing allocation of new ordinary shares, including preparing and submitting application for approval and waiver, as well as documents, reports and evidences to competent authorities or relevant agencies, registering the new ordinary shares as registered securities on the Stock Exchange of Thailand, and performing any other acts necessary for the foregoing allocation of new ordinary shares as deemed appropriate;
- 4) appointing and designating other appropriate persons to be the substitute attorney in fact to perform the foregoing acts or deeds.

Please see additional details in the Capital Increase Report Form (F53-4) (Enclosure).

The Company will later determine the date to convene the Extraordinary General Meeting of Shareholders to consider and approve the Registered Capital Increase as set out under item 1., the amendment of Clause 4. of the Memorandum of Association to reflect the Registered Capital Increase as set out under item 2. and the allocation of new ordinary shares as set out under item 3. as well as the date to determine the list of shareholders who are entitled to attend the Extraordinary General Meeting of Shareholders (Record Date) and will make further announcement.

Please be informed accordingly.

Sincerely yours,

(Mr. Kijja Sripatthangkura)  
Chief Executive Officer

Company Secretary Office  
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(F 53-4)

**Capital Increase Report Form****RATCH Group Public Company Limited****Date: 22 June 2021**

We, RATCH Group Public Company Limited (the "Company"), hereby reports the resolutions of the Board of Directors' Meeting No. 6/2021 of the Company held on 22 June 2021 in relation to the capital increase and allocation of new ordinary shares as follows:

**1. Capital increase**

The meeting of Board of Directors resolved to propose to the Extraordinary General Meeting of Shareholders to consider and approve the increase of the registered capital of the Company from THB 14,500,000,000 to THB 22,192,307,700 by way of issuing new ordinary shares in the amount of 769,230,770 shares at par value of THB 10 each, totaling THB 7,692,307,700. The capital increase is as detailed below:

Type of capital increase	Type of shares	Number of share (Shares)	Par value (THB/share)	Total (THB)
<input checked="" type="checkbox"/> Specific Use of Proceeds	Ordinary share	769,230,770	10	7,692,307,700
<input type="checkbox"/> General Mandate	-	-	-	-

**2. Allocation of new ordinary shares****2.1 Specific Use of Proceeds**

Allocation	Number of shares (Shares)	Ratio (Existing: New)	Sale price (THB/ share)	Date and time of subscription and share payment	Remark
1. For issuing and offering the shares in proportion to the shareholding of existing shareholders, excluding shareholders whose holding of such share would subject the Company to any obligations under the law of other jurisdictions (Preferential Public Offering; PPO). Existing shareholders shall be entitled to oversubscribe	Up to 769,230,770 shares.	Not less than 1.885 existing ordinary shares to 1 new ordinary share, provided that a fraction of share will be rounded down.	PPO Price is to be determined by the weighted average price of the Company's shares during a period of 7 - 15 consecutive trading days prior to the determination date of the PPO Price less a discount of not	To be further determined and announced via the Electronic Company Information Disclosure of the Stock Exchange of Thailand.	Please see additional information in the remarks below.

Allocation	Number of shares (Shares)	Ratio (Existing: New)	Sale price (THB/ share)	Date and time of subscription and share payment	Remark
<p>for the new ordinary shares in excess of their rights. The Company reserves the right to not offer or allocate the new ordinary shares in the PPO to any shareholder if such offering or allocation will or may result in the Company being subject to any obligations under the law of other jurisdictions. In this regard, the Company decide that no offering or allocation of new ordinary shares in the PPO will be made to shareholders in the United States of America, Canada, the People's Republic of China, South Africa and other jurisdictions as the Company may deem appropriate (and which may include no offering or allocation of new ordinary shares in the PPO to U.S. Persons as defined in Regulation S of the U.S. Securities Act of 1993).</p>			<p>more than 25 percent of the Market Price and the amount of such discount shall be determined according to the market condition and other factors that are relevant as the Company considers appropriate.</p>		
<p>2. If there are remaining unallocated new ordinary shares after the allocation in the PPO in item 1 above, to consider and approve the allocation of such remaining unallocated new ordinary shares in PPO, whether in whole or in part, for issuing and offering to specific persons (Private Placement).</p>	<p>Up to the number of remaining unallocated new ordinary shares after the allocation in the PPO in item 1.</p>	<p>-</p>	<p>Not lower than the PPO Price provided that the offering price in the Private Placement may be lower than the Fully Diluted price (as defined below).</p>	<p>Please see additional information in the remarks below.</p>	<p>Please see additional information in the remarks below.</p>



## Remarks

The Board of Directors' Meeting No. 6/2021 of the Company held on 22 June 2021 resolved to propose to the Extraordinary General Meeting of Shareholders to consider and approve the allocation of new ordinary shares as follows:

1. To consider and approve the allocation of up to 769,230,770 shares at par value of THB 10 each for issuing and offering to existing shareholders in proportion to their shareholding, excluding shareholders whose holding of such share would subject the Company to any obligations under the law of other jurisdictions (Preferential Public Offering: PPO), at an offering ratio of not less than 1.885 existing ordinary shares to 1 new ordinary share, provided that a fraction of share will be rounded down, and the existing shareholders shall be entitled to oversubscribe for the new ordinary shares in excess of their rights; whereas new ordinary shares remaining unsubscribed from the first allocation will be re-allocated to every shareholder who has oversubscribed for and fully paid the price of the shares, whereby each round of reallocation will be made accordingly in proportion to their respective shareholdings of each oversubscribing shareholder (the "PPO"). In this regard, the allocation of the oversubscribed shares shall be made in accordance with the following details:
  - 1) if the number of shares remaining from the first allocation to the existing shareholders in proportion to their respective shareholdings is higher than or equal to the number of shares which are oversubscribed for by the existing shareholders, the Company will allocate the remaining shares to all oversubscribing shareholders who have fully paid the price of the oversubscribed shares in accordance with the number of shares for which they have expressed their intention to oversubscribe;
  - 2) if the number of shares remaining from the first allocation to the existing shareholders in proportion to their respective shareholdings is lower than the number of shares which are oversubscribed for by the existing shareholders, the Company will allocate the remaining shares to the oversubscribing shareholders as follows:
    - 2.1) the Company will allocate the remaining shares by multiplying the shareholding percentage of each oversubscribing shareholder by the number of the remaining shares, the result thereof will be in the round number of shares to be allocated to the oversubscribing shareholders. In the case of a fraction of a share, the fraction shall be rounded down. However, the number of shares to be allocated shall not exceed the number of shares for which each shareholder has subscribed and fully paid for;
    - 2.2) if there are shares remaining from the allocation pursuant to 2.1), the Company will allocate the remaining shares to each oversubscribing shareholder who has not been fully allocated with oversubscribed shares by multiplying the shareholding percentage of each oversubscribing existing shareholder by the number of the remaining shares, the result thereof will be the round number of shares to be allocated to the oversubscribing shareholders. In the case of a fraction of a share, the fraction shall be rounded down. However, the number of shares to be allocated shall not exceed the number of shares for which each shareholder has subscribed and fully paid for. The Company shall allocate the oversubscribed shares to the oversubscribing shareholders in accordance with the procedures under this provision until there are no shares remaining from the allocation.

If the share subscription under the PPO would result in any subscriber holding the shares in the number which reaches or crosses the threshold where a tender offer for all securities of the Company is required under the law, such shareholder must comply with the relevant laws and regulations.

The offering price of the new ordinary shares in the PPO (the "PPO Price") is to be determined by the weighted average price of the Company's shares during a period of 7 - 15 consecutive trading days prior to the determination date of the PPO Price (the "Market Price") less a discount of not more than 25 percent of the Market Price and the amount of such discount shall be determined according to the market condition and other factors that are relevant as the Company considers appropriate, with the total value of PPO of approximately THB 30,000,000,000. The Company will further announce the PPO Price together with the offering ratio of the PPO (the ratio of existing ordinary share to new ordinary share) prior to the date to determine the list of shareholders being entitled to the offering of new ordinary shares in the PPO (Record Date).

The date to determine the list of shareholders being entitled to the offering of new ordinary shares in the PPO (Record Date) and the period for subscription and subscription payment in respect of the PPO will be later determined and further announced by the Company as they remain tentative and are subject to the approval of the Extraordinary General Meeting of Shareholders.

The Company reserves the right to not offer or allocate the new ordinary shares in the PPO to any shareholder if such offering or allocation will or may result in the Company being subject to any obligations under the law of other jurisdictions. In this regard, the Company has contemplated that no offering or allocation of new ordinary shares in the PPO will be made to shareholders in the United States of America, Canada, the People's Republic of China, South Africa and other jurisdictions as the Company may deem appropriate (which may include no offering or allocation of new ordinary shares in the PPO to U.S. Persons as defined under Regulation S of the U.S. Securities Act of 1993).

In this regard, the Chief Executive Officer and/or any person designated by the Chief Executive Officer shall be authorised to undertake any actions with regard to the allocation of such new ordinary shares including, but not limited to:

- 1) determining, amending and modifying any conditions and details in relation to the PPO, including, but not limited to:
  - a) the number of new ordinary shares to be allocated to existing shareholders;
  - b) the date to determine the list of shareholders being entitled to the offering of new ordinary shares in the PPO (Record Date);
  - c) any shareholders who may not be entitled to subscribe for or being allocated of the new ordinary shares in the PPO if such offering or allocation will or may result in the Company being subject to any obligations under the law of other jurisdictions;
  - d) the offering ratio of the PPO (i.e. the subscription ratio of existing ordinary share to new ordinary share);
  - e) the PPO Price and the calculation of the PPO Price;
  - f) the method of oversubscription share allocation;
  - g) the period of subscription and subscription payment of the PPO; and
  - h) any other conditions and details of the PPO;
- 2) negotiating, agreeing and signing any relevant documents and agreements, as well as to undertake any acts in connection with the foregoing allocation of new ordinary shares;
- 3) signing application for approval and waiver as well as any evidences in connection with the foregoing allocation of new ordinary shares, including preparing and submitting application for approval and waiver, as well as documents, reports and evidences to competent authorities or relevant agencies, registering the new ordinary shares as registered securities on the Stock Exchange of Thailand, and performing any other acts necessary for the foregoing allocation of new ordinary shares as deemed appropriate;
- 4) appointing and designating other appropriate persons to be the substitute attorney in fact to perform the foregoing acts or deeds.

2. In the case there are remaining unallocated new ordinary shares after the allocation in respect of the PPO under item 1 above, to consider and approve the allocation of such remaining unallocated new ordinary shares in the PPO, either in whole or in part, for issuing and offering to specific persons (private placement), including institutional investors and/or specified investors pursuant to the Notification of the Capital Market Supervisory Board No. TorJor. 72/2558 Re: Approval for Listed Companies to Offer Newly Issued Shares through Private Placement (as amended) (the "**TorJor. 72/2558 Notification**") (the "**Private Placement**") whereas the persons to whom the new ordinary shares under the Private Placement will be allocated must be investors with the real potential to invest in the Company and are not the connected persons of the Company pursuant to the Notification of the Capital Market Supervisory Board No. TorJor. 21/2551 Re: Rules on Connected Transactions dated 31 August 2008 (as amended), and the Notification of the Stock Exchange of Thailand Re: Disclosure of Information and Other Acts of Listed Companies Concerning the Connected transaction B.E. 2546 dated 19 November 2003 (as amended).

The Board of Directors or authorised directors of the Company or any person designated by the Board of Directors or authorised directors of the Company (including the Chief Executive Officer and/or any person designated by the Chief Executive Officer) shall be authorised to determine the offering price of the new ordinary shares in respect of the Private Placement (the "**PP Offering Price**") which must be the best price under the given market conditions during the period of the Private Placement, and the said PP Offering Price may be lower than the average share price given the possible impacts from the PPO which is determined pursuant to the TorJor. 72/2558 Notification<sup>1</sup> (the "**Fully Diluted Price**") but must not be lower than the PPO Price. With regard to the consideration and approval of the Private Placement by the meeting of shareholders, there shall be no objection to the proposed Private Placement by shareholders holding in aggregate 10 percent or more of total voting rights of the shareholders attending and having voting right at the meeting.

The Company is required to complete the offering of the new ordinary shares in the Private Placement within 12 months from the date on which the meeting of shareholders resolves to approve such offering.

In this regard, the Chief Executive Officer and/or any person designated by the Chief Executive Officer shall be authorised to undertake any acts with regard to the allocation of such new ordinary shares including, but not limited to:

- 1) determining, amending and modifying any conditions and details in relation to the Private Placement, including, but not limited to:
  - a) the number of new ordinary shares to be allocated and the method of allocation of shares in the Private Placement;
  - b) the allocation of new ordinary shares under the Private Placement in whole for offering at one time, or in portions for offering in lots from time to time whereby a change of registered capital can be registered for each lot of offering according to share payment by allocated persons in each lot;
  - c) persons to be allocated the new ordinary shares under the Private Placement;
  - d) the PP Offering Price and the calculation of the PP Offering Price;
  - e) the offering period of the Private Placement and share payment of the Private Placement; and
  - f) any other conditions and details of the Private Placement.

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<sup>1</sup> The Fully Diluted Price is calculated according to the following formula:

$$\frac{[(\text{Market price before the Private Placement as determined pursuant to the TorJor. 72/2558 Notification} \times \text{Total number of paid-up shares of the Company before the PPO}) + (\text{PPO Price} \times \text{Number of offered shares in the PPO})]}{[\text{Total number of paid-up shares of the Company before the PPO} + \text{Number of offered shares in the PPO}]}$$

- 2) negotiating, agreeing and signing any relevant documents and agreements, as well as to undertake any actions in connection with the foregoing allocation of new ordinary shares;
- 3) signing application for approval and waiver as well as any evidences in connection with the foregoing allocation of new ordinary shares, including preparing and submitting application for approval and waiver, as well as documents, reports and evidences to competent authorities or relevant agencies, registering the new ordinary shares as registered securities on the Stock Exchange of Thailand, and performing any other acts necessary for the foregoing allocation of new ordinary shares as deemed appropriate; and
- 4) appointing and designating other appropriate persons to be the substitute attorney in fact to perform the foregoing acts or deeds.

## **2.2 Actions to be taken by the Company in case of a fraction of shares**

Any fraction of shares from the allocation of the new ordinary shares to each shareholder in proportion to their respective shareholdings shall be rounded down.

### **3. Schedule for the shareholders' meeting to approve the capital increase and the share allocation**

The Company will later determine the date to convene the Extraordinary General Meeting of Shareholders to consider and approve the registered capital increase, the amendment of Clause 4 of the Memorandum of Association to reflect the registered capital increase and the allocation of new ordinary shares as well as the date to determine the list of shareholders who are entitled to attend the Extraordinary General Meeting of Shareholders (Record Date) and will make further announcement.

### **4. Application for approval of the capital increase/allocation of new shares with the relevant governmental agencies and approval conditions (if any)**

- 1) The Company will proceed to obtain an approval from the Office of the Securities and Exchange Commission for the Private Placement after the Extraordinary General Meeting of Shareholders.
- 2) The Company will register the increase of the registered capital and the change to the registered capital and the amendment to the Memorandum of Association with the Department of Business Development under the Ministry of Commerce, within 14 days from the date on which the Extraordinary General Meeting of Shareholders has approved the increase of the registered capital, and will register the increase of the paid-up capital within 14 days from the date on which the new ordinary shares are fully paid-up.
- 3) The Company will file the application for the listing of the new ordinary shares as registered securities with the Stock Exchange of Thailand.

### **5. Objectives of the capital increase and use of proceeds**

The proceeds will be used for investment in domestic and foreign projects of the Company being undertaken at present or to be undertaken in the future, including, but not limited to, a power plant project in the Republic of Indonesia, repayment of the Company's indebtedness and as general operating costs as well as working capital of the Company.

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

- 1) Enhancing financial liquidity of the Company as well as to increase working capital for business operation;
- 2) Strengthening the financial structure of the Company and maintaining its financial ratios to comply with the requirements of credit rating agencies as well as creating the financial stability for sustainable growth;
- 3) Providing the Company's financing capability to support further investments which will result in potential growth of the Company's results of operations in the future.

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

**7.1 Dividend policy**

The Company has a policy to pay dividend to the shareholders at no less than 40 percent of the Company's consolidated net profit after legal reserve and other reserve obligations and subject to other relevant and additional terms and conditions. Such dividend payment may be subject to change depending on the Company's results of operation, cash flow, investment requirements, conditions and restrictions under relevant financing agreements and other relevant considerations in the future. In the case where the Company's Board of Directors resolves to pay annual dividend, it must propose such resolution to the Company's meeting of the shareholders for approval, unless in case of an interim dividend payment which the Company's Board of Directors has the authority to approve the dividend payment and report such payment in the subsequent meeting of the shareholders.

The subscribers of the new ordinary shares will be entitled to receive dividends from the Company's business operations from the date on which they are registered as the Company's shareholders and the Company declares dividend payment. The dividend payment of the Company is subject to results of operation and shall be in accordance with the relevant laws and regulations.

**7.2 Others**

-None-

**8. Other details necessary for decision-making by shareholders in approving the capital increase and the share allocation**

**8.1 Effects on shareholders from the allocation of new ordinary shares**

**8.1.1 Price Dilution**

After the allocation of the new ordinary shares to the existing shareholders in proportion to their respective shareholdings, price dilution will be subject to the exercise of the rights to purchase new ordinary shares of each existing shareholder. In case no existing shareholders exercise their rights to purchase any new ordinary shares, there will be no price dilution effect on the shares of the Company. However, if all existing shareholders fully exercise their rights, the price of the shares of the Company will be affected and it will be decreased by up to 8.67 percent as per the following calculation:

$$\begin{aligned}
&= \frac{\text{Market price before offering} - \text{Market price after offering}}{\text{Market price before offering}} \\
&= \frac{52.02 - 47.51}{52.02} \\
&= \text{Up to 8.67percent}
\end{aligned}$$

Market price before offering:

The weighted average of the Company's share price for a period of 15 consecutive trading days prior to the Board of Directors' Meeting dated 22 June 2021 (during 31 May 2021 to 21 June 2021) which is equivalent to THB 52.02 per share.

Market price after offering

$$\begin{aligned}
&= \frac{(\text{Market price before offering} \times \text{Number of paid-up shares}) + (\text{Offering price} \times \text{Number of shares offered})}{\text{Number of paid-up shares} + \text{Number of shares offered}} \\
&= \frac{(52.02 \times 1,450,000,000) + (39.01 \times \text{Up to } 769,230,770)}{1,450,000,000 + \text{Up to } 769,230,770} \\
&= \text{Not less than THB 47.51 per share}
\end{aligned}$$

### 8.1.2 Control Dilution

After the allocation of the new ordinary shares to the existing shareholders of the Company in proportion to their respective shareholdings, in the case that all existing shareholders fully exercise their rights to purchase the new ordinary shares, there will be no control dilution.

However, in the case that any shareholder does not exercise the rights to subscribe for any new ordinary shares and other shareholders exercise their rights to subscribe for all of the new ordinary shares in accordance with their rights and/or make oversubscription for new ordinary shares resulting in the new ordinary shares being fully subscribed, there will be a control dilution effect on such non-subscribing shareholder, whereas the shareholder's voting rights will be decreased by not more than 34.66 percent as per the following calculation:

$$\begin{aligned}
&= \frac{\text{Number of shares offered}}{\text{Number of paid-up shares} + \text{Number of shares offered}} \\
&= \frac{\text{Up to 769,230,770}}{1,450,000,000 + \text{Up to 769,230,770}} \\
&= \text{Up to 34.66 percent}
\end{aligned}$$

### 8.1.3 Earnings per Share (EPS) Dilution

$$\begin{aligned}
&= \frac{\text{EPS before offering} - \text{EPS after offering}}{\text{EPS before offering}} \\
&= \frac{4.84 - 3.16}{4.84} \\
&= \text{Up to 34.66 percent}
\end{aligned}$$

$$\begin{aligned}
\text{Whereby EPS before offering} &= \frac{\text{Net profit (THB million)}}{\text{Number of paid-up shares}} \\
&= \frac{\text{THB 7,013.72 million}}{1,450,000,000} \\
&= \text{THB 4.84 per share}
\end{aligned}$$

$$\begin{aligned}
\text{Whereby EPS after offering} &= \frac{\text{Net profit (THB million)}}{\text{Number of paid-up shares} + \text{Number of shares offered}} \\
&= \frac{\text{THB 7,013.72 million}}{1,450,000,000 + \text{Up to 769,230,770}} \\
&= \text{Not less than THB 3.16 per share}
\end{aligned}$$

Net profit is calculated on basis of the net profit of the last 12 months from 1 April 2020 to 31 March 2021. However, in preparation of the notice of rights to subscribe for the new ordinary shares to the Company's existing shareholders which will be further delivered to the shareholders, the Company will calculate the earnings per share dilution based on the net profit of the last 12 months by using the most updated information at that time.

When comparing the benefits which shareholders will receive from the capital increase and share allocation with the price and the dilution effects of control or earnings per share as set out above, the Board of Directors has

viewed that the benefits which shareholders will receive from the capital increase and share allocation are greater than the dilution effect on price, control or earnings per share, because the capital increase and share allocation will enable the Company to strengthen its financial position and will continue to obtain working capital for its flexibility and liquidity of business operations in the future.

## **8.2 Opinions of the Board of Directors on the capital increase or the allocation of new ordinary shares**

### **8.2.1 Rationale and necessity for the capital increase**

The Board of Directors has viewed that it was necessary for the Company to increase its registered capital and allocate the new ordinary shares as set out above. The proceeds from the allocation of the new ordinary shares would be used for the purposes as described under item 5 above. It is noted that the allocation of new ordinary shares in the manner described above requires shorter period of time as compared to other methods of fund raising, particularly the public offering of new ordinary shares. Therefore, the capital increase meets the objective of raising funds in a short period of time and mitigating any risk involved with fund raising during the current volatile economic conditions.

### **8.2.2 Feasibility of the plan for the use of proceeds**

The Company plans to allocate the new ordinary shares to the existing shareholders of the Company in proportion to their respective shareholdings and obtain the proceeds from such allocation by March 2022 which will be used for the purposes as described under item 5 above.

### **8.2.3 Reasonableness of the capital increase, plan for the use of proceeds from the share offering, and projects to be implemented, including sufficiency of the sources of funds in the case that proceeds from the allocation of the new ordinary shares are insufficient to cover the total budget required for the implementation**

The Board of Directors has viewed that the proposed capital increase was appropriate, reasonable and was in the best interest of the Company and all shareholders because the proceeds therefrom will strengthen the financial structure of the Company, create the financial stability for sustainable growth and provide the Company's financing capability to support further investments which will result in potential growth of the Company's results of operations in the future. The Board of Directors has viewed that the Company will have sufficient funds to achieve the purposes of use of proceeds as described above if the fund raising by way of this capital increase is successful.



**8.2.4 Potential impacts on the business operations, as well as financial position and operating results of the Company as a result of the capital increase and the implementation of the plan for the use of proceeds or projects**

The Board of Directors has viewed that the allocation of the new ordinary shares as described above was in line with the Company's financing plan, which would allow the Company to be able to use the proceeds from the capital increase for the purposes as described under item 5 above. The implementation of the foregoing would be beneficial to the Company and will not have any adverse effect on the business operations of the Company, as well as its financial position and results of operation. However, if the proposed capital increase is not successful, the Company may have to seek funds from other sources for use for the above purposes which may require a longer period of time as compared to the proposed increase of capital by allocation of new ordinary shares.

**8.2.5 Opinions of the Board of Directors in relation to the Private Placement**

**1) Appropriateness of the price of new ordinary shares to be offered in the Private Placement and the basis for the determination of the offering price**

The PP Offering Price must be the best price under the given market conditions during the period of the Private Placement. Its determination is based on the offering price under the PPO which must not be lower than PPO Price. The Board of Directors has viewed that the determination of the PP Offering Price is appropriate and does not cause existing shareholders of the Company any loss of benefit since the Private Placement will be made only when there are any remaining new ordinary shares after the allocation under the PPO.

**2) Rationale and necessity for the Private Placement**

The Board of Directors has viewed that the Private Placement is necessary for the Company to be able to raise funds from its capital increase in the expected amount for use under the purposes described in item 5 above. This is because the Private Placement is the offering of new ordinary shares remaining after the allocation in the PPO in case where the Company's existing shareholders do not fully exercise their right to subscribe for the shares according to their respective shareholding and despite of the allocation of remaining shares to oversubscription shareholders. Therefore, the Private Placement will help supporting the success of the capital increase of the Company and mitigating any risk involved with the Company's seeking of funds from other sources.

**3) Opinions of the Board of Directors in relation to the benefits from the Private Placement**

The benefits to be gained by the Company from the offering of new ordinary shares which are to obtain proceeds to fund future business expansions and the remaining to be used as working capital in the business operations of the Company will outweigh any loss of price difference between the PP Offering Price and the Market Price and any impact to the expenses and financial position of the Company according to the financial reporting standard on accounting regarding share-based payments due to the offering of new ordinary shares.

**9. Timeline in respect of procedure for the capital increase/allocation of new ordinary shares**

No.	Procedure	Date (Tentative)
1.	The date of the Board of Directors' Meeting No. 6/2021	22 June 2021
2.	The date for determining the shareholders who are entitled to attend the Extraordinary General Meeting of Shareholders (Record Date)	Within October 2021 – to be further determined and announced by the Company through the Electronic Company Information Disclosure system of the Stock Exchange of Thailand
3.	The date of the Extraordinary General Meeting of Shareholders	Within November 2021 – to be further determined and announced by the Company through the Electronic Company Information Disclosure system of the Stock Exchange of Thailand
4.	Date for announcement of PPO Price and PPO offering ratio (i.e. ratio of existing ordinary share to new ordinary share)	Before the date for determining the shareholders, who are entitled to the offering of new ordinary shares under the PPO (Record Date)
5.	The date for determining the shareholders, who are entitled to the offering of new ordinary shares under the PPO (Record Date)	Within December 2021 to February 2022 – to be further determined and announced by the Company through the Electronic Company Information Disclosure system of the Stock Exchange of Thailand
6.	Registration of registered capital increase and the amendment to the Memorandum of Association with the Ministry of Commerce	Within 14 days from the date on which the Extraordinary General Meeting approves the registered capital increase and the amendment to the Memorandum of Association

No.	Procedure	Date (Tentative)
7.	Subscription period of the new ordinary shares in the PPO	Within December 2021 to March 2022 – to be further determined and announced by the Company through the Electronic Company Information Disclosure system of the Stock Exchange of Thailand
8.	Registration of change in paid-up capital with the Ministry of Commerce	Within 14 days from the end of subscription period

**10. Representations of the Board of Directors on the capital increase**

If a director of the company fails to perform fiduciary duties to preserve the interest of the Company with respect to the capital increase, and such failure causes damage to the Company, the shareholders may file a lawsuit to claim damages against such director on behalf of the Company in accordance with Section 85 of the Public Limited Companies Act B.E. 2535 (1992). If such failure results in the director or related persons obtaining undue benefits, the shareholders are entitled to bring an action on behalf of the Company to claim against such director to return the benefits in accordance with Section 89/18 of the Securities and Exchange Act B.E. 2535 (1992).

Furthermore, in respect of the Private Placement, the Board of Directors has acted with care and is of the view that such persons have the potential to make an investment, or action has been taken to ensure that such persons will be able to make an actual investment in the Company.

We hereby certify that the information contained in this report is correct and complete in all respects.

Signed .....

(Mr. Kijja Sripatthangkura)

Chief Executive Officer