

Information of Memorandum regarding the issuance and offering of newly issued ordinary shares to the existing shareholders in proportion to their shareholdings without allocation to shareholders that would subject the Company to legal obligations in foreign jurisdictions

1. Details of the offering of newly issued ordinary shares

1.1 Number of newly issued ordinary shares

In the amount of not exceeding 2,396,786,710 shares, with the par value of 0.125 Baht per share, equivalent to 25% of the Company's total issued shares as of 26 September 2023.

1.2 Methods for determining the offering price and market price

The offering price is 0.20 Baht per share, which the Company has determined the offering price in order to raise sufficient funds for the working capital. The weighted average price of the shares traded on the Stock Exchange of Thailand, which covers 7 business days prior to the date that the Company's Board of directors has resolved to propose the shareholders' meeting to approve the Company to issue and offer newly issued ordinary shares to the existing shareholders in proportion to their shareholdings without allocation to shareholders that would subject the Company to legal obligations in foreign jurisdictions, equals to 0.48 Baht per share.

1.3 The offering and allocation method

Offer for sale to existing shareholders in proportion to their shareholdings without allocation to shareholders that would subject the Company to legal obligations in foreign jurisdictions, at an offering price of 0.20 Baht per share, with a total value of 479,357,342 Baht. The allocation ratio will be 4 existing ordinary shares for 1 additional ordinary share. In the case of fractional shares resulting from the calculation, the fractional shares shall be disregarded. Shareholders may subscribe for additional ordinary shares in excess of their entitlement (Oversubscription). Existing shareholders of the Company who subscribe for shares in excess of their entitlement will be allocated additional shares only if there are shares remaining after the allocation to existing shareholders of the Company in proportion to their shareholdings, without allocation to shareholders that would subject the Company to legal obligations in foreign jurisdictions, and at a price of 0.20 Baht per share.

In the allocation of additional ordinary shares to existing shareholders in proportion to their respective shareholdings in this round, without allocation to shareholders that would subject the Company to legal obligations in foreign jurisdictions, in the event that there are remaining additional ordinary shares after allocation to existing shareholders in proportion to their shareholdings in the initial round, without allocation to shareholders that would subject the Company to legal obligations in foreign jurisdictions, the Company will allocate the remaining additional ordinary shares to existing shareholders who wish to subscribe for shares in excess of their entitlement, without allocation to shareholders that would subject the Company to legal obligations in foreign jurisdictions, at the same price as the shares allocated based on entitlement, as follows:

- (a) In the case that there are the newly issued ordinary shares without allocation to shareholders that would subject the Company to legal obligations in

foreign jurisdictions remaining after the first round of allocation per pro rata rate more than or equal to the total of the over subscriptions, the Company will allocate such remaining shares to the shareholders whom have posted an oversubscription request with the Company per request.

- (b) In the case that there are the newly issued ordinary shares without allocation to shareholders that would subject the Company to legal obligations in foreign jurisdictions remaining after the first round of allocation per pro rata rate less than the total of the over subscriptions, the Company will allocate such remaining shares to the shareholders with the steps of allocations as follows:
- 1) The allocation of the remaining shares to the shareholders whom oversubscribe without allocation to shareholders that would subject the Company to legal obligations in foreign jurisdictions would be per pro rata rate of the shares before the first round of allocation times the total number of shares left remaining. Any decimals from the conversion would be rounded down to the nearest zero. In addition, the number of shares to be allocated will not exceed the number of shares such existing shareholders would have been allocated and already paid for.
 - 2) In the case that there are shares remaining after the item (1) above, the process would be repeated by using per pro rata rate of the shares before the first round of allocation times the total remaining shares. Any decimals from the conversion would be rounded down to the nearest zero. The number of shares to be allocated will not exceed the number of shares such existing shareholders would have been allocated and already paid for. Then, this process is deemed to continue until the allocation of shares are unable to be made due to the remaining is a fraction of a complete one share.

The allocation of shares above shall not cause any shareholders to reach the threshold of owning the Company's common shares, and have to make a "tender offer" to acquire the rest of the shares of the Company. This is subject to the threshold under the Capital Market Supervisory Board Announcement No. TorJor. 12/2554. Subject: Guidelines Conditions and procedures for securities to be held for dominance Dated May 13, 2011 (including amended).

The allocation of newly issued ordinary shares to the existing shareholders in proportion to their shareholdings without allocation to shareholders that would subject the Company to legal obligations in foreign jurisdictions shall exclude the shareholders whose holdings of such share would subject the Company to any obligations under the law of other jurisdictions.

If there are remaining newly issued ordinary shares from allocation to the existing shareholders of the Company without allocation to shareholders that would subject the Company to legal obligations in foreign jurisdictions pro rata to their shareholding and allocation to oversubscribing shareholders, the Company shall decrease its registered capital by reducing its remaining newly issued shares. In any event, the Company shall propose such matter to the meeting of shareholders for approval.

The Company has set the date of 27 November 2023 as the record date to determine list of shareholders who entitle being allotted and offered newly issued ordinary shares in proportion to their shareholding without allocation to shareholders that

would subject the Company to legal obligations in foreign jurisdictions (Record Date).

The list of restricted countries of shareholders which the Company will not allocate the Warrants as such allocation will result the Company to have obligation under foreign laws, namely: 1) United States of America 2) Australia 3) Japan 4) South Korea 5) China 6) Malaysia 7) India. In addition, the Company reserves the right to use discretion in changing or adding to the list of restricted countries, which may result in additional obligations for the company to comply with under Thai law.

Furthermore, the allocation of these newly issued ordinary shares to the existing shareholders in proportion to their shareholdings without allocation to shareholders would subject the Company to legal obligations in foreign jurisdictions. The Executive Committee or Chief Executive Officer or the person(s) entrusted by the Executive Committee or Chief Executive Officer shall be authorized to consider and determine any other details related to the issuance and allocation of newly issued ordinary shares. This includes but is not limited to (1) setting or changing the date for determining the names of shareholders who have the right to subscribe for new ordinary shares in proportion to their shareholding (Record Date), (2) allocate newly issued ordinary shares on a one-time basis, or periodically, determining the offering period, payment of shares conditions and other details related to the issuance and offering of such newly issued ordinary shares, (3) entering into negotiations, making agreements and signing various related documents and contracts, including taking various actions related to the allocation of such newly issued ordinary shares, (4) signing various permission request documents, waiver requests, and necessary documents and evidence related to the issuance and offering of such newly issued ordinary shares, including contact and submitting permission applications, such documents and evidence must be submitted to government agencies or related agencies and listing newly issued ordinary shares of the company on the SET and (5) has the power to take any other necessary and appropriate actions regarding the issuance and offering of newly issued ordinary shares mentioned above as deemed appropriate within the scope received from the shareholder meeting.

1.4 Persons allocated with newly issued ordinary shares

The Company has scheduled the right subscription date for the newly issued ordinary shares to the existing shareholders without allocation to shareholders that would subject the Company to legal obligations in foreign jurisdictions (Record Date) on 6 December 2023 and the Executive Committee or Chief Executive Officer or the person(s) entrusted by the Executive Committee or Chief Executive Officer shall be authorized to determine the subscription date for the newly issued ordinary shares and the payment date for the subscription.

2. The objectives of the capital increase and plans to utilize the fund

The Company requires the increase of the capital as it requires revolving capital for its business operations. Subsequently, following the capital increase, the Company anticipates having sufficient working capital to support its business operations.

3. The effects on the shareholders (Dilution Effect) and the values the shareholders will receive compare to the effects

Effects on the voting rights of the existing shareholders (Control Dilution)

$$\begin{aligned}
 \text{Control Dilution} &= \frac{\text{The number of newly issued ordinary shares}}{\text{(The number of the ordinary shares issued and paid-up} \\
 &\quad + \text{The number of newly issued ordinary shares)}} \\
 &= \frac{2,396,786,710}{9,587,146,838 + 2,396,786,710} \\
 &= 20.00\%
 \end{aligned}$$

Effects on the price (Price Dilution)

$$\begin{aligned}
 \text{Price Dilution} &= \frac{\text{The market price before the offering} - \text{The market} \\
 &\quad \text{price after the offering}}{\text{The market price before the offering}} \\
 &= \frac{0.48 - 0.42}{0.48} \\
 &= 11.67\%
 \end{aligned}$$

$$\begin{aligned}
 \text{Whereas, the market price} &= \frac{\text{(The market price before the offering x The number of} \\
 \text{after the offering} &\quad \text{the ordinary shares issued and paid-up) +} \\
 &\quad \text{(The offering price x The number of newly issued} \\
 &\quad \text{ordinary shares offered)}}{\text{(The number of the ordinary shares issued and paid-up} \\
 &\quad + \text{The number of newly issued ordinary shares offered)}} \\
 &= \frac{(0.48 \times 9,587,146,838) + (0.20 \times 2,396,786,710)}{(9,587,146,838 + 2,396,786,710)} \\
 &= 0.42 \text{ Baht/ Share}
 \end{aligned}$$

Remark: The weighted average trading price of the Company's ordinary shares on the Stock Exchange of Thailand for the 7 consecutive trading days prior to the date of the Company's Board of Directors' resolution to propose the agenda for the shareholders which corresponds to 15 September 2023, until 25 September 2023, was 0.48 Baht per share.

Effects on the earnings per share (Earnings per share dilution)

None, because the Company incurred operating losses for the period ending 30 June 2023.

However, the Company's Board of Directors recognizes that even though shareholders of the Company will be impacted as detailed above, the allocation of ordinary shares to existing shareholders in proportion to their shareholdings without allocation to shareholders that would subject the Company to legal obligations in foreign jurisdictions will provide the Company with funds from the capital increase. This will enable the Company to use these funds for revolving in its business operations, thereby strengthening the Company's financial flexibility."

4. The Company's board of directors' opinion regarding the capital increase

4.1 Reason and appropriateness for the capital increase

The Company's Board of Directors believes that offering additional common shares to existing shareholders in proportion to their current shareholding without allocation to shareholders that would subject the Company to legal obligations in foreign jurisdictions will provide the Company with funds. These funds will enable the Company to use the proceeds for operational purposes, thereby enhancing the Company's financial flexibility.

4.2 The possibility for the plans to utilize the proceeds from the shares offering

The Company's Board of directors has the opinion that the company can reduce interest-bearing debt. Moreover, increasing capital will increase the capital base of shareholders of the company and result in the Company's debt-to-equity ratio significantly decreasing which indicates a significant reduction in financial risk and the company is able to utilize the funds from the capital increase as the working capital for the business to enhance the liquidity in business operation in the future.

4.3 The reasonableness for the capital increase and plans to utilize the proceeds from the offering of newly issued shares and the sufficient of funds

The Company's Board of directors believes that the capital increase and the planned use of funds obtained from the offering of additional ordinary shares to existing shareholders in this round are justified. The Company requires working capital to support its business operations. The board of directors also believes that the amount of funds the Company will receive from the offering of additional ordinary shares to existing shareholders in proportion to their shareholdings, without allocation to shareholders that would subject the Company to legal obligations in foreign jurisdictions, not exceeding 479,357,342 Baht, is sufficient to sustain its business. The Company anticipates that following the capital increase, it will have a stronger financial position and sufficient flexibility to support its business activities.

The Board of Directors further considers that the plan to enhance the Company's financial flexibility through a capital increase to existing shareholders in proportion to their shareholdings, without allocation to shareholders that would subject the Company to legal obligations in foreign jurisdictions, in this round is appropriate. This method of enhancing financial flexibility allows the Company to do so without incurring future financial costs, and existing shareholders have the option to maintain their ownership proportion in the Company. If any existing shareholder chooses to subscribe for additional capital in this round, it will not impact the voting control proportion of existing ordinary shares (Control Dilution), which is different from increasing flexibility through borrowing from financial institutions that may impose future financial costs or through private placements to individuals or entities that may impact the ownership proportion of existing shareholders (Control Dilution).

4.4 The effects on the company's business operation along with the financial status and the Company's performance

The Company's Board of directors has the opinion that the capital increase will enhance the Company's liquidity and financial status and have sufficient funds for the business operation.

5. The Company's Board of directors' certification regarding the capital increase.

In the event that the Company's directors have not been perform duties in good faith and with prudent to protect the Company's benefit regarding the capital increase, and if the event cause the damage to the Company, the shareholders can sue that directors on behalf of the Company pursuant to section 85 of the Public Limited Company Act, B.E.2535 (including amendment), and if the event result in the directors or its related person get illegally benefit, the shareholders can sue to reclaim benefit from that directors on behalf of the Company pursuant to section 89/18 of the Securities and Exchange Act, B.E.2535 (including amendment).